

*First Annual Message*  
**RICHARD J. HUGHES**  
*Governor of New Jersey*

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*To the Legislature*  
*January 8, 1963*



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## *First Annual Message*

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*Mr. President, Mr. Speaker and Members of the Senate and General Assembly:*

About a year ago, in my inaugural address, I mentioned what I hoped would be a watchword for New Jersey during the next four years: Government unafraid to act in the people's service. Today, as I come before you to discharge my constitutional obligation to communicate the condition of the State, I think we may share a sense of achievement in the work that we have done, together, in this positive spirit. There is much yet to be achieved, but we have demonstrated that fully responsive government is well within our capability.

In 1962, New Jersey proved anew the capacity of a free and democratic system to act with determined purpose and necessary speed to meet the needs of the people.

In March of that year, we were confronted with an unprecedented natural disaster that threatened the destruction of our great resort industry with lasting damage to our seashore and other communities and posed a consequent threat to the economic and social well-being of the entire State. We responded very quickly with a body of legislation that has been translated into a meaningful program of recovery, with benefits that will be tallied for years to come. And this ability to master circumstances was demonstrated in other areas. We were able to turn a seeming impasse into a golden opportunity by combining into one unified program two apparently dissimilar projects, a great world trade center to maintain the leadership of the Port of New York, so vital in the life of our State, and the transformation of a bankrupt railway system into the keystone of a metropolitan transit network. Thus will be sustained the viability of scores of New Jersey com-



munities; thus will be served the day-by-day needs of thousands of New Jersey commuters.

Again, there had been growing in this State, over the years, a concern over the controlling, and perhaps stifling, role of government in the distribution of milk, an essential of life for millions. This administration came to share this concern and ordered a searching review of the tangled pattern of controls that had developed. That examination produced a recommendation that we start anew to guarantee the consuming public of New Jersey the benefit of fair competition. This action required legislation to insure against monopoly and unfair trade practices that would victimize the consuming public just as inevitably as would arbitrary price regulations. You were quick to respond to this need, and, while preserving the accomplished benefits to the consumer, to assure maintenance of the markets of our dairy farmers during the transitional period.

And other instances could be recalled, in which, during the past year, you and I acted together, swiftly and justly, in the interest of the people.

We would do well, I am convinced, to retain this sense of urgency, if we are to meet the diverse problems of growth and progress that remain our unfinished business. The growing pride of the people in this State, which we all can sense, is there for our support. But there is also a growing concern of the people as to the future, which should sober us and guide us to ever higher achievement. And thus we have, together, a responsibility to the people of this State that transcends partisan interest or gain—a responsibility which is really bipartisan, resting upon us equally, because our programs are to benefit not Republicans or Democrats, as such, but all the people, *pro bono publico*. This responsibility, because of the very critical importance of the problems we must solve, is one which simply cannot be fulfilled in the face of extreme political partisanship.

There is, for instance, no Democratic or Republican way of dealing with urban renewal, with mental health, with highway construction. Traffic safety is not a partisan matter; death stalking our highways does not recognize political affiliation.

In making these observations, I recognize that our political parties do differ on some matters, indeed on some basic philosophies, and that the Legislature may well have its own views as to the desirability and specific detail of any program. But if we are determined to work together for the benefit of the people, these differences can be accommodated and become a source of strength leading to ever sounder, more acceptable programs.

No program for legislative action can be unfolded fully, of course, without a comprehensive discussion of its fiscal aspects. This week, we are to receive the Tenth Report of the Commission on State Tax Policy—a document which will have important bearing on the determinations we will make, not only for 1963, but for a much greater span of New Jersey's future.

This report, in its full scope, will be the product of a labor of almost two years. It will warrant the careful attention, not only of Governor and Legislature, but also of the public of New Jersey. I, therefore, will not attempt to treat with this report and with the basic financial considerations it certainly will evoke until January 28 at which time I shall deliver to you a special message.

To insure a clear delineation between the long term implications arising out of the report and the recommendations I will make in my annual budget message, I am requesting a postponement in the delivery date of the budget message to February 11. Legislation to that effect will be introduced today.

### AN OBLIGATION TO ACT

Foremost among the responsibilities of government is the obligation to safeguard the lives of the governed. Nowhere in state government is this responsibility more manifest than in the effort to stem the swelling tide of death and injury on the highway. Therefore, I place this matter at the head of my list for legislative consideration.

Today, more than three million drivers and two and one-half million vehicles are licensed by the State of New Jersey. The death-dealing potential underlying these statistics is almost incalculable. It reaches into every home, humble or great. It imposes on us a solemn obligation to act—to act with speed and decision.

In 1961, 778 persons died on our highways. The most recent figures indicate that 1962 saw a grim increase of some 16 per cent. This means that more than 900 persons died on New Jersey highways last year and that there was an accompanying increase in injury with all its tragic consequences.

During the past session, I recommended certain revisions in our motor vehicle laws. Their design was to reduce the incidence of drinking and driving.

Alcohol has become a major factor in the area of traffic safety. New Jersey operates a comprehensive alcohol determination program. It is recognized as the best in the country. An autopsy is conducted on all persons who have been killed as a result of a motor vehicle accident if death resulted within the six-hour period preceding examination.

In 1961, there were 463 such autopsies. For the first eight months of 1962 there were 372 examinations. These examinations reveal an alcohol factor with approximately 60 per cent of all drivers who are killed in motor vehicle accidents.

Without question, our existing laws for dealing with drivers who insist on drinking alcoholic beverages are inadequate. The law now provides for a presumption of drunkenness if the blood alcohol content is 0.15 per cent or greater by weight. This level was set in 1939 pursuant to a recommendation of the American Medical Association. In 1960, the American Medical Association had occasion to reconsider this problem and recommended that 0.10 per cent be accepted as prima facie indication of drunkenness and went on to state that "many individuals are under the influence in the 0.05 to 0.10 per cent range."

New Jersey has had, within limits of the law, a forceful program of traffic safety. We cannot expect to achieve good results in this area, however, if we are content with past efforts.

I cannot urge you too strongly to adopt the "driving while impaired" legislation and the implied consent law that is essential to enforcement of this and other control measures. Both of these programs represent realistic attempts to reduce death rates that approach the awesome. Adequate safeguards have been placed in these laws to protect our motorists from arbitrary and unreasonable acts on the part of law enforcement officials. No person can be requested to take a drunkometer test unless he has been arrested under reasonable circumstances. The only test that a motorist can be required to take is a breath test. His right to have a physician of his own choosing administer breath or other tests is preserved. Every motorist is entitled to the results of the test he had taken and is also granted the right to a hearing to contest the reasonableness of the arresting officer's actions. With extensive safeguards such as these, I can see no reasonable basis for opposition to the passage of implied consent legislation.

But, as I have repeatedly indicated in making these proposals, I am not inflexible. I shall always be willing to listen to reasonable modifications. I must caution the Legislature, however, against any revisions which would render the law incapable of dealing with the serious situation we now face. It is not sufficient to have a traffic safety program in name only. We must have traffic safety in fact.

In addition to the laws relating to drunken driving, there will be re-submitted to you legislative proposals revising our laws relating to lighting requirements and brakes upon our commercial vehicles. Both of these proposals will bring our law into general conformity with the requirements imposed by the Interstate Commerce Commission. For the well-being of all motorists, it is necessary that all commercial vehicles be equipped with the most modern safety devices.

New Jersey has been the nation's leader in the establishment of interstate traffic law enforcement agreements. Many of our sister states have, or soon will have, under consideration two proposed interstate compacts—The Driver License Compact and the Vehicle Equipment Safety Compact—which seek to introduce uniform



provisions among all the states on these subjects. These proposals warrant our careful study.

I recently approved the joint resolution providing for a study of the conduct of motor vehicle driver education programs in secondary schools. This commission, as soon as it is appointed, will devote itself to this most important aspect of traffic safety. Its recommendations will require close attention.

Our efforts in the field of highway safety have crossed State lines. It is unfortunate that we border on a state determined for some reason to maintain age restrictions on drinking which are weaker than those of the other 49 states. The tragic impact of this differential on our young people and those they encounter on the highways after a drinking trip to New York has been amply demonstrated. Although we have not yet been successful in persuading the State of New York to take meaningful action, we shall not abandon our efforts to save the lives threatened by the continued existence of this discordant law.

#### TOWARD MORE EFFECTIVE GOVERNMENT

I have often expressed my conviction that State government can and must assist more fully our counties and municipalities to better perform their duties and responsibilities. The burden that our local officials now carry is staggering. This can best be seen by comparing budgets—present and past.

Ten years ago local budgets, including those of school districts and counties, totaled approximately \$650 million. This year these budgets will reach, and may exceed, the sum of \$1.5 billion.

The State has the ability and the responsibility to assist our local officials in carrying out their tasks more efficiently and effectively. If the hundreds of millions in local taxes are to be spent wisely and in the public interest, it is incumbent upon the State to place at the disposal of our local governments the considerable information and leadership we have to offer. There can be no question that our local governments want and need such State cooperation. Indeed, a resolution to that effect was adopted

as recently as the League of Municipalities Convention last November.

You are all aware that I have previously proposed, in general terms, that a new department be established in State government which would be vested with the responsibility of devoting itself to the problems of our communities. No State agency now has that specific responsibility.

In the desire to make this new department as effective and useful as possible, I directed a study of the means by which such a department could best be organized. This study is now completed and, based upon its findings, I shall submit legislation to establish a 15th department in State government to be known as the "Department of Community Affairs."

The existing functions which would be transferred to the new department include: (1) all housing and urban renewal activities carried on by the State including the operations of Bureau of Tenement House Supervision and the Bureau of Housing; (2) the Division of State and Regional Planning; (3) the Division of Local Government and the Local Property Tax Bureau; and (4) the Divisions on Aging and Youth.

In addition to these existing functions, the new department should be authorized to undertake the study of municipal problems and activities and to coordinate the distribution of State services to local governmental units. The department also should have a statistical unit which can act as a repository for factual data of use to our local governments and which could be capable of providing local governing officials with such information as required to permit the efficient operation of government.

In many senses, this is a modest proposal. But, to the extent it will provide for the first time a comprehensive State agency with the clear responsibility for actively assisting our local governments in their search for solutions to problems, it is a bold step. It is a step we must take now if we wish to preserve and maintain local government units as a vital force in our system of government. To achieve the benefits of home rule in its fullest measure, we must assist local governments in solving their problems, or reconcile ourselves to the inefficiency and waste of haphazard growth.

## THE BALANCED COMMUNITY—HOUSING

We cannot turn our attention to the important problems of our communities generally without giving serious consideration to their requirements in one particular area. This is the need for the construction of middle income housing units in our urban centers. This need for housing is most sharply mirrored in the problems of our six largest cities.

These cities have a total population of well over 1 million. They represent a vital force in the culture and economic life of this State. Yet five of the six cities suffered a loss of population during the past decade—a decade which saw our State's population increase by almost  $1\frac{1}{4}$  million. We all can recognize that the problems of our larger and older cities are extremely complex. What has been happening to them is merely symptomatic of conditions throughout the nation.

While action on many fronts may be necessary to arrest this disturbing trend, fundamental to any solution of the problems of our cities is the construction of adequate housing at a reasonable rental for the middle income families who traditionally have served as the foundation of a balanced community life. Unless these families can be retained by our cities, our other efforts will have only limited success.

The failure to provide decent middle income housing in established urban centers is forcing many of our people, particularly young families, to take up residence in suburban and rural areas which all too often are ill-equipped or unequipped to handle them and the demands for public services they bring with them. In addition, the urban renewal programs, designed to revitalize our central cities, are being stymied because of the lack of middle income housing. This housing shortage is preventing the required relocation of families and compelling local agencies to earmark urban renewal lands for purposes not in keeping with an overall plan for balanced community development.

In November 1956, the Legislative Middle Income Housing Study Commission found that there was a need for middle income

housing in the State and that State financial assistance was required. The bills to implement this bi-partisan finding have never been approved by the full Legislature. If there was a need for middle income housing in 1956, there is an even more pressing demand for such housing today. We can continue to ignore this problem only at our peril.

By permitting our cities to decay, we harm more than the cities. The tax plight of our farmers, which I discuss in this message, is directly attributable to the demands for education and other services which former city dwellers are placing upon our rural areas. Furthermore, decay of the cities is injurious to the urban businesses which provide a livelihood for so many suburbanites.

Thus, the problems of the urban counties must be the concern of the people of our rural counties. They are partners in developing a balanced economy in this State which is essential to the viability of all our communities, urban, suburban and rural.

Since the bills which have been before this Legislature on middle income housing now are more than five years old, I have directed my staff to review this entire subject. Numerous conferences have been held with governmental officials, and representatives of public and private groups expert in the field of housing. Since the legislative report of 1956, New York State has embarked on a successful middle income housing program. We should benefit from their experience also. This spring I shall submit a comprehensive proposal for State participation in a program of middle income housing construction.

## CIVIL RIGHTS—A TIME FOR CANDOR

On this hundredth anniversary of the Emancipation Proclamation, no discussion of the problems of our communities would be meaningful without a candid look at the question of equal rights for all our citizens. Of prime concern in New Jersey is the existence of inequality in housing opportunities for minority groups. Related to this inequality are myriad other problems: school segregation, spread of crime, health concerns, economic restriction and, for the minority groups, an overall dimming of the bright promise of America.



This state long has been a pioneer in seeking to guarantee the equality that first was spelled out in the Declaration of Independence. Our Division on Civil Rights, one of the first such bodies in the nation, has recorded solid achievements in its field. But, it has been handicapped over the years in translating high hopes into solid achievements by the absence of basic statutory weapons.

Nowhere is this authority more needed than in the area of equal housing opportunity. You have had before you for three years a "Fair Housing" bill that would guarantee our continued leadership. Heretofore, the Senate has been willing only to pass a diluted version of this program which offers as much opportunity for evasion as for achievement. I renew my plea for conclusive action on the matter of fair housing so noble words can become effective deeds.

Tied to full implementation of civil rights is the proposed transfer of the Division on Civil Rights from the Department of Education to the Department of Law and Public Safety. For reasons I have emphasized since my campaign for Governor, such a move would result in more effective enforcement without a diminution of the educational aspects of the civil rights programs. I have heard no open opposition to this change and if there exist any non-substantive differences, I am sure they can be resolved.

In another area, we should move to protect the rights of minority groups. At present, our law permits the employment by the courts of interpreters skilled in certain foreign languages. This authorization does not extend to the Spanish language, in which assistance is most needed in the New Jersey of today. Therefore, I shall submit proposed amendments of this law.

### AN HISTORIC CELEBRATION

New Jersey is preparing to celebrate its 300th anniversary in 1964. Acting with foresight and wisdom we have created the New Jersey Tercentenary Commission. That Commission has done its work well. The proof of this is the thousands of our citizens who are preparing in scores of different ways to join enthusiastically the first statewide celebration.

Two Tercentenary developments are particularly pleasing. The business community of New Jersey is giving remarkable support, financial and otherwise, to Tercentenary planning and to the New Jersey Tercentenary Pavilion at the 1964-1965 New York World's Fair. Of equal importance, nearly 300 New Jersey municipalities and 20 counties have several thousand Tercentenary committeemen hard at work planning for 1964.

Soon this State will step off into a commemorative year that will instill in all a pride in community that will serve our State for years to come. I count it my good fortune that, as Governor, I will have the privilege of joining with all Jerseymen in telling a dynamic story of three centuries of people, purpose and progress. I know the Legislature will want to continue to support this important work.

### A GROWING ECONOMY

New Jersey has maintained its position among the nation's leading states with substantial gains in population, business and employment. Our continued prosperity requires that government provide the conditions and services essential for vigorous economic growth.

We must approach the necessary investment in our economic growth with a spirit of enterprise recognizing that adequate public facilities and services—in law enforcement, in zoning and planning, in education, in transportation—are the assets which really attract enduring business and industry to our communities.

### Economic Development

Business and industry traditionally have found a natural attraction in New Jersey's location with its easy access to great markets. However, there are many other factors which influence industrial and business location. And, prospective industrial citizens should have readily available to them an accurate and informative inventory of the State's assets—availability of labor and industrial locations, transportation facilities, water supply, tax policy to name but a few. Further, they should know that in New Jersey they will find a State government determined to assist them in

becoming established as partners in the New Jersey business community.

I intend to explore fully the means by which we can assure business and industrial leaders that they will receive full support from the Office of the Governor in gaining the information and assistance required for sound industrial growth for themselves and for New Jersey. And, in this pledge of assistance, I know that I can offer the full cooperation of New Jersey's business community, to those who wish to join us here.

As we all are vitally concerned with the national economic indicators which chart the pattern of the national economy, so it is essential for us to have sound data on the activity of the New Jersey economy. The Governor's Cabinet Economic Committee is attempting to provide this economic information in its Monthly Report, which recently has been made public and which you receive regularly. It is our hope that this information will become increasingly useful to business and government leaders as planned improvements are incorporated in the Monthly Report and as basic studies on various vital aspects of our economy are implemented.

### **The Labor Force**

Legislative accomplishments during 1962 affecting the program of the Department of Labor and Industry to maintain us as a productive people included the Construction Safety Act, the Manpower Training and Retraining Act, and an interim increase in weekly workmen's compensation benefits.

Administratively, employment services were strengthened through stepped-up counseling, testing and placement activity; a successful training plan was inaugurated under the Area Redevelopment program, whereby unemployed or casual, low-paid seasonal farm workers are being taught new, higher paid skills; and the important Manpower Training and Retraining Act of 1962 was implemented to the end that modern society's need for technicians might be met and that New Jersey might continue to offer industry its traditional asset—one of the nation's most skilled and adaptable labor forces.

Special attention has been focused on the urgent problems of youth, featuring the establishment in Newark of one of the nation's two pilot research projects on Youth Career Development. In addition, the department has developed a summer program of community service to migrant farm families; established safety codes relating to pressure vessels and other mechanical equipment as well as our 100,000 construction workers; expanded the Vocational Rehabilitation Program; increased the minimum hourly wage rates of over 18,000 laundry, cleaning and dyeing occupations employees; and contributed in no small measure to a year free, with one or two exceptions, from major work stoppages.

Looking to the future, there will be resubmitted for your further consideration an urgently needed revision of our antiquated and inadequate laws relating to worker health and safety that follows the pattern of action established by passage of the Construction Safety Act, as well as legislation extending a statutory minimum wage to adult males and to occupations presently not covered. In addition, I shall present to you a proposal for an administratively feasible means of pre-determining prevailing wage rates applicable to public contracts and a long overdue labor relations law providing effective machinery for the peaceful settlement of labor-management disputes. I urge the Legislative Committee reviewing the Workmen's Compensation law to complete its studies as quickly as possible so that final action can be taken on this subject this year. New Jersey, as a modern industrial state, has lagged too long in these areas.

### **Public Employment**

As a candidate, I found that pensions and retirement benefits for teachers and public employees occupied much of my attention. During the campaign, I pledged myself to support legislation which would restore originally anticipated benefits to those teachers and public employees whose retirement plans were affected adversely by changes in the Federal Social Security law. The enactment into law of Senate Bills Nos. 16 and 44 represent, I believe, a complete fulfillment of that pledge.

I also pledged to support legislation which would afford the members of our two major pension systems the opportunity to



purchase, at their own expense, supplemental pension coverage to compensate for the Social Security offset from their pension. Legislation to carry out this pledge will be resubmitted to you early this year.

Important as retirement rights are, however, I think it is necessary that we recognize that our first concern must be the present needs of our employees. Retirement benefits are geared to the salary earned while employed. If our employees are treated fairly during their working years, they will be treated adequately during their years of earned retirement.

In line with this policy, consideration is being given to salary revision and adjustment as well as increases in the mileage rate paid for the use of personal automobiles for State business. I expect to make specific recommendations in my budget message.

The State has been considering means by which we can most effectively recruit and utilize personnel. Diverse training programs for State employees are now or soon will be in effect. These programs include in-service training, tuition and programs for courses that will improve employee work performance and training which will qualify employees who do not have college degrees to be eligible for promotion to certain positions for which a college education has been a pre-requisite.

Since the establishment of the Department of Civil Service, there has been a marked change in the responsibilities of government as well as significant changes in the structure of government itself. These changes make it desirable to review the effectiveness and appropriateness of our existing Civil Service provisions. During the past year, the Civil Service Department has undertaken its own study. This study has included such matters as veterans' preferences, the function of unclassified Civil Service positions and unclassified and promotion procedures. As soon as recommendations are available they will be brought to your attention for your consideration.

#### Transportation—A Catalyst

In my inaugural message I mentioned that "our problems in nearly every field arise from the inevitability of growth and the

demands of progress." That growth has continued during the past 12 months and the progress achieved in many areas of our State now demands that we sharpen the focus of our attention upon the free movement of people and goods—a catalyst for our burgeoning urban economy.

Significant strides were made in the field of transportation during 1962. Legislation authorizing the purchase of the Hudson and Manhattan Railroad by the Port of New York Authority; setting up a new agency to build and operate an Expressway from Camden to Atlantic City; permitting the State Highway Department to include essential ferry facilities in its Passenger Service Contract Program and also allowing it to participate in the cost of permanent commuter railroad improvements necessary to consolidate and coordinate service with the Hudson and Manhattan Tubes; approval of the bi-state compact setting up the Delaware River and Bay Authority; emphasis on plans for a high-speed transit line in South Jersey; and a number of important administrative moves by the Highway Department have laid the groundwork for a new era in transportation.

Now it is up to us to consolidate these gains and to ensure that the maximum benefit is realized from them.

The backbone of New Jersey's overall transportation network today is our State highway system. All of you are aware of the tremendous demands placed upon it and of the fact that many sections of highway are carrying traffic far in excess of design capacity. Likewise, I am certain that you have been made aware by your local officials that every mile of new state highway completed and put into service generates new demands upon county and municipal roads. It is a fact that the legislation now in effect has "frozen" State aid to counties and municipalities for local roads at a constant level for the past several years.

The combined current need for more and improved State and local highways, even without regard for the enormous traffic growth expected in the next decade, forces a realization that additional substantial expenditures are required.

It is much the same story with mass transit. Our passenger service contract program is designed to keep the commuter rail-

roads alive until certain capital improvements and consolidations enable us to determine whether they will ever be able to stand on their own feet. The sum now provided annually by the State for this program, which amounts to the equivalent of one mile of urban interstate freeway, must be continued. We must seek to make effective use of the Commuter Benefit Tax, a levy which must be set aside for the needs of transportation between New York and New Jersey.

The problem of improving our overall transportation facilities thus becomes a problem of providing adequate financing. And to achieve proper planning and orderly execution, this financing should be made available on a long-term basis. A number of possibilities have been under consideration for some time and I hope to present a concrete proposal to you in the very near future. Since all of our modes and means of transportation are closely interwoven, so that a change in the character of highway transportation quickly affects the rail carriers, it can be seen that only a solution affecting all of the facilities I have mentioned could be expected to produce the best results.

The large number of railroad grade crossings in our State, and the potential hazards at many locations, require consideration of a substantial program of grade crossing elimination. This problem, by its very nature, also must be incorporated in any solution to our long-range transportation needs.

These needs must be explored—and explored with vision and imagination. To this end I have requested Rutgers, The State University, to sponsor a statewide forum, including regional meetings, to develop the breath-taking vista of New Jersey's transportation horizons. This will afford the fullest and most immediate consideration of the State's transportation needs as an integrated whole.

From this will emerge the blueprint upon which our transportation future will be built—indeed, upon which the future of our State depends.

Years of study and discussion were culminated last year in the adoption of the first major revision of the Public Utilities Law since its enactment in 1911. It can be expected that this major accomplishment will facilitate both the regulation and the operations of the utilities which serve as the foundation of a modern economic and community life.

Utility rate reductions resulting from private conferences, conducted in an admirable spirit of cooperation, without the necessity for protracted expensive formal rate proceedings, brought to New Jersey consumers an annual saving of \$11.5 million in gas, electric and telephone service charges.

Close attention will be paid in coming months to the several proposed railroad mergers presently pending before the Interstate Commerce Commission to assure continuance of essential railroad freight and passenger service in New Jersey and to the establishment through joint efforts of Pennsylvania and New Jersey electric utilities of mammoth mine-mouth generating stations and ultra high voltage transmission facilities. Should legislative needs develop, they will be presented to you.

### Jetport—Thrust Into the Future

New Jersey views with optimism the possibility of a giant new thrust into America's economic future with our State as its spearhead.

In accordance with my request to the Administrator of the Federal Aviation Agency a feasibility study on air traffic control for the proposed jetport in the Burlington-Ocean County area is underway at the National Aviation Facilities Experimental Center at Atlantic City. Evaluations of the study will be reported in May of 1963.

I am hopeful that this study will indicate that air traffic control will be capable of accommodating a new international jetport in the Burlington-Ocean County area. In addition to air traffic control considerations, the Burlington-Ocean County area is a most advantageous site as regards weather, noise, construction costs



and future expansion—factors being investigated in a second study by the FAA which will be available about the same time the results are reported on the air traffic control study.

A jetport in the Burlington-Ocean County area would not only serve New Jersey but this entire section of the Northeast. Such a jetport would be one of the few airports capable of satisfying the regional needs of the supersonic transport. Aviation authorities do not envision more than six airports of this type in the Continental United States and, therefore, the responsibilities for constructing and maintaining such a facility go beyond state boundaries.

The legislative action that will be required depends, of course, upon the outcome of the current studies. As soon as the results of these studies are available, I shall bring them to your attention together with such recommendations as are appropriate considering the conclusions reached.

Because of the regional concept of a Burlington-Ocean jetport I am going to ask the Federal government to reappraise the Federal Aid to Airports Act as it applies to financial participation in airport construction. Such re-evaluation should consider broadening the class of airport facilities items eligible for federal construction aid.

### **The Meadowlands—A Rediscovered Opportunity**

Last June, I suggested to the Meadowlands Regional Development Agency, an organization composed of the municipalities sharing the land of the Hackensack River Meadows, certain steps essential to any program for realization of a rediscovered opportunity in the development of these wetlands. This included a survey of riparian lands, participation and coordination in the comprehensive survey by the U. S. Army Corps of Engineers, and the preparation of a comprehensive regional master plan.

I am pleased to report that significant progress has been registered on these points. The State Bureau of Navigation has commenced on a survey of the riparian land in the Meadows, with a view to a final resolution of this issue in 1963.

The comprehensive survey by the Corps of Engineers is also underway and full cooperation has been achieved among the local state and federal agencies involved in this project. This survey will continue for several years, during which time there will be mutual exchange of information and a close coordination of activities.

In addition, the State has submitted to the Meadowlands Regional Development Agency a suggested planning program for the region emphasizing land use, economy and transportation considerations. Upon adoption of this planning program by the Agency, a regional planning board will have to be created in order to be eligible for a Federal grant. The application for this grant will be submitted by the State on behalf of the regional planning board, and will be matched by State and local funds.

Our continuing efforts will be required to achieve the ultimate objective of reclaiming and developing the Meadows. To this end an application for a demonstration study on the techniques and processes of intermunicipal action has been filed with the Federal Housing and Home Finance Agency. I am requesting an appropriation of \$25,000 towards this study. This amount is to be matched by Federal funds.

Further, I am requesting the appropriation of the sum of \$25,000 which, when combined and pooled with funds from other sources, will provide for the preparation of the comprehensive plan.

I believe that this program can lead us to our common goal, the successful reclamation and productive development of the Hackensack Meadowlands on a basis which will be of benefit to all our citizens.

### **The Financial Underpinning**

The continued vitality of our financial institutions is an essential underpinning for the economic growth of the State. I stated last May at the New Jersey Bankers Association Convention that “\* \* \* nothing will serve as a more effective brake on economic progress than an inadequate banking system which fails to recognize the financial needs of the state as they exist today and the demands that will spring from the expansiveness of tomorrow.”

We must examine our banking structure to insure it is capable of meeting our needs. In doing this, due regard must be had for placing our financial institutions in a position to compete favorably with similar institutions in nearby states while preserving a healthy competitive status within our own State.

With this in mind, the Department of Banking and Insurance, together with the Banking Advisory Board, is considering proposals to liberalize the restrictions placed on branch banks. Their recommendations will be submitted for your consideration as soon as they are completed.

The need for a similar revision of the savings and loan association law has been recognized by that industry itself. Last year, a comprehensive revision was placed before you. I understand that it will be re-introduced this year. The suggestions of that industry warrant your close attention.

The Department of Banking and Insurance also has under review the need for supervision of mortgage companies. These companies are not now supervised or regulated by any agency except to the extent that they are subject to the laws concerning real estate brokers and salesmen. These companies hold large sums of money in escrow and handle extensive financial arrangements. From time to time, complaints have been received by the Department of Banking and Insurance alleging irregularities in these activities. The Department cannot satisfactorily investigate or resolve these complaints without some degree of regulatory authority. Proposals concerning the supervision of these companies will be submitted for your consideration.

### A More Productive Dollar

The State Investment Council—a pioneer in administering the investment of public moneys—has admirably demonstrated the wisdom of its creation in 1950. In the past 12 years, the number of separate State funds which it administers has increased from 18 to 28 and these have been classified into groups having similar investment requirements. As a result of the constant supervision of these investments, the aggregate value of securities held in the funds has increased from \$349 million to more than \$1.1 billion

and the effective rate of return achieved has been increased from 2.37% to 3.73%. As an aid to its quest for greater efficiency and higher earnings, the Council requires legislative authorization for the establishment of combined accounting procedures for our major pension funds. Bills for this purpose will be resubmitted for your consideration.

### An Aspect of Taxation

While I am reserving an overall discussion of taxation for my fiscal and budget messages, there is one area involving taxation with which we should come to immediate grips. This concerns local real and personal property taxes. Since the decision in *Switz v. Middletown* in 1956, the law concerning the assessment of real and personal property has been in a state of uncertainty. For several years following that decision, the Legislature itself was incapable of devising a satisfactory formula to resolve the assessment problem. An apparent compromise solution was achieved in 1960 with the enactment of Chapter 51. Implementation of this law, which was to have become effective in the year 1962, twice has been delayed. The purpose of these postponements was to give all interested parties ample opportunity to review the potential effects of Chapter 51 and to make such corrections or modifications as seemed justified. The time has come, however, when we must face this question directly.

The Legislature has had two years to consider possible modifications of the law. To the extent that such modifications are desirable, there will be opportunity to enact them during this session. I will consider carefully any revisions the Legislature feels to be necessary, but I must stress the fact that time is short.

I do recommend that the Legislature act promptly on proposals to amend the Constitution to permit tax exemptions for qualified veterans and persons over the age of 65 to be fixed at a dollar amount deductible from the tax bill. Such action is necessary if we are to give the people of this State an opportunity to resolve the confusion that has resulted from the court's decision in the second *Switz* case concerning the computation of such assessments. Legislation also should be enacted to implement these constitu-



tional amendments, if adopted by the people, so that the new method of computing these tax exemptions can be operative from the tax year starting in 1964.

### Of Farms and Taxes

Because of the heavy industrialization of our State, there is the tendency to forget that agriculture remains a most important asset of this Garden State. Twenty-eight per cent, 1,431,000 acres, of the State's lands are devoted to agriculture. Agricultural production accounted for \$312 million in 1962.

The value of agriculture to New Jersey, however, cannot be measured in dollars alone. Our State derives much benefit from the fact that this vast land acreage is devoted to a profitable enterprise at the same time that it preserves open space for our people. The value of such open land can be measured, in part, by our present \$80 million Green Acres program of land acquisition. Moreover, the spiritual, moral and community strength of agriculture and those engaged in agriculture, forms an indispensable part of the very character of this "Garden State" and I am determined that family farming shall not disappear from the New Jersey scene.

We all realize that the New Jersey farmer has been beset by many problems. Some of his problems are caused not only by the legitimate competitive factors which all businessmen must meet but by the fact that his activity requires large land holdings. As local governing units have turned more and more to increased real property taxes to support education and other necessary functions of government, the tax burden of our agricultural people has increased sharply. To an extent this is inevitable and justifiable in view of the increased value of land in New Jersey. We cannot, however, expect agriculture to remain thriving in this State unless we can bring to this activity some element of tax stability.

I have appointed a committee on farm land tax assessment which is now engaged in preparing a constitutional amendment to permit agricultural and other open lands to be assessed by standards that would maintain these lands in their present socially

desirable uses. The public is entitled, however, to safeguards against abuse of this law by those seeking speculative gain.

I expect the committee to report its recommendations to me and the Legislature in the very near future. As soon as its proposals are ready, I shall request that you give them priority consideration.

### On Other Matters Agricultural

#### *Milk*

Since 1933, with few exceptions, New Jersey consumers have purchased milk at or above minimum prices established by the State. Unfortunately, over the years it has become increasingly difficult to determine whether the prices fixed by State government bear any reasonable relationship to the production costs of the milk industry. The uncertainty of costs in this area prompted the State Supreme Court last summer to set aside minimum prices which had been established by the Office of Milk Industry. Following this action, I appointed a milk study committee to review the entire situation. This committee recommended and I concurred that all minimum prices should be removed. This was done by the Office of Milk Industry.

The removal of minimum prices restored the milk industry to a competitive position and provided lower milk prices for the benefit of our consumers. The removal of price regulations, however, brought with it the threat of unfair competition and the possibility of a price war. To guard against such a development and to protect the integrity of this essential industry, we agreed upon legislation providing for a six-month moratorium in the milk industry. This moratorium was established with price levels which resulted from competition, thus preserving for the consumer the benefits received from fair competition while extending to the industry a measure of price stability.

During the moratorium period, the Department of Agriculture and the Office of Milk Industry will proceed to establish and implement a uniform system of accounting and reporting of actual costs of marketing this vital commodity. Once established,

this system should provide the basis for orderly milk marketing. Some legislation may be required to accomplish the necessary re-orientation of the Office of Milk Industry so that it can function effectively as a regulator rather than price fixer. Such proposals will be brought to your attention as they are developed.

### ***Marketing Procedures***

The Department of Agriculture is reviewing two measures of extreme importance to our agricultural industry which were before you for consideration last year. The egg marketing proposal is being revised to incorporate suggestions made at the public hearing held by the Senate. The Agricultural Marketing Order Authorization Act also will be modified to some extent. Both of these proposals are essential to the orderly marketing of New Jersey products in New Jersey markets and to the well-being of agriculture. They warrant the complete and immediate support of the Legislature.

### **Protecting a Resource**

The great Atlantic storm of last March left in its wake personal tragedies as well as serious financial and safety problems for the State, county and municipal governments.

Governmental agencies have worked to provide, first, emergency shore protection and, then, more permanent protection to restore the beaches and their protective structures to pre-storm status. Restoration will continue through the winter and spring to assure completion—a monumental undertaking, but an essential activity in view of the role of the seashore in the economic and community life of the entire State.

A conference was held in November, 1962, with officials of shore municipalities to obtain local views of the task ahead. The estimated cost of essential construction was reported at \$14 million. This does not include additional work proposed by a number of shorefront municipalities under the Federal Accelerated Public Works Act of 1962.

Federal and State engineers are carefully examining the shore protection needs for today and tomorrow. All levels of govern-

ment must act in concert to restore the shore area and to extend shore protection against erosion and future storms, as well as for accommodation of our growing population.

Much serious thought and effort has been given by this administration to the establishment of shorefront parks. Planning and action in this direction have advanced. It is appropriate that New Jersey, the early champion of beach protection and preservation for the citizen, again should take a leading position in this area.

## **GOVERNMENT IN HUMAN TERMS**

As a goal of government the common good must include the many needs of man: his education, recreation, his health and safety. For society requires sound, well-balanced citizens for its health as well as their happiness. Further, a sense of social justice flows naturally from any concept of the common good to a just concern for the less fortunate who, through circumstances often beyond their control, find themselves in need of a helping hand.

Let us never forget that government is the people's instrument for joint accomplishment.

### **Education**

The aspirations of society have been most clearly mirrored in the plans made for its youth. Educational opportunity is the hallmark of American society. In New Jersey, no other area of governmental activity commands more attention or a greater share of our resources than does education.

In 1962 the school population in New Jersey continued the steady increase of recent years, further driving home the fact that our schools will continue to make significant demands on the public income. These demands highlight the importance of a long needed revision of Title 18—the School Law—prepared by the Department of Education and now being circulated among school administrators throughout the State. I know it will receive your intensive consideration.



Main attention is now shifting to the State's role in the field of higher education. In May, we received from the State Board of Education the Strayer Report which made long needed projections of college enrollments and provided estimated costs of capital construction. Last year we opened the door to meeting these needs by enacting a bill providing for two-year county colleges. The State, the counties and the students would share the cost of these important facilities.

Also in the field of higher education was our action to amend the State scholarship law to raise the number of out-of-state scholarships from 15 to 35 per cent of the total. This action was taken to meet a critical need in certain sections of the State.

As we review the estimates of the numbers of our youth who will be seeking higher education in the years ahead, we know that our present facilities, public and private, are inadequate to meet the demand. We cannot but wonder whether the present pattern of distribution of our resources is efficient. More importantly, we must ask whether our facilities can measure up to the demands of excellence in education which are so essential to growth and leadership in a complex society.

We have reached a point where it is necessary to undertake a searching review of all our resources for higher education, both public and private, to evaluate their effectiveness in imparting quality education to an increasing number of students.

I therefore propose a broad study of the future of higher education in this State, and I shall appoint a panel of impartial authorities for this important evaluation.

### Green Acres—A Progress Report

Toward the enrichment of our own lives and the lives of succeeding generations, we have made progress in 1962 that has evoked national attention. In November, 1961, the people approved a bond referendum to provide \$60 million to buy lands for parks and other conservation and recreation purposes. For State purchases, \$40 million was set aside, and \$20 million was dedicated to State matching assistance for county and municipal purchases.

Eight new State park and recreation areas currently are under purchase negotiations. Thirteen existing State park and recreation areas are scheduled for additions. Together, they will add an estimated 44,500 acres to our State park system.

The apparent success of this phase of the Green Acres program, however, should not obscure the fact that the Green Acres legislation, other than for the actual land purchase price, does not provide for land development. The addition of new public land areas brings upon us the responsibility of protecting, maintaining and developing such areas so that the public may utilize them for recreational purposes. Although development need not and should not be on a crash program basis, sufficient facilities should be provided as soon as possible so that the public may enjoy the benefit of these open spaces.

### Natural Areas Council

During the past year, a Natural Areas Section was established in the Bureau of Parks and Recreation in accordance with chapter 51 of the Public Laws of 1961. This section is responsible for the acquisition and preservation of natural areas with unique value for educational, scientific and aesthetic purposes. A Natural Areas Council has been appointed and a program is underway utilizing parts of existing State-owned lands and additional lands to be acquired under the Green Acres Program. A much needed step toward the preservation of New Jersey's natural heritage has been taken.

### Institutions and Agencies

Nowhere is the impact of government more clearly translated into human terms than in the area of institutions and agencies. Thus, we can view with considerable satisfaction the progress made to date in implementing the capital development program to expand and improve facilities in the Department of Institutions and Agencies. Under the initial appropriation early in the year, five projects moved swiftly to construction. You recently appropriated the remainder of the \$40 million bond issue for three additional projects upon which bid results are pending. The

addition of these new and improved facilities to our operational program will reduce markedly the problems which have confronted our institutions and their staffs.

Of equal importance in the area of improved service was the embodiment in legislation of the major recommendation of the Alexander Study Commission, which called for the reorganization of the Division of Welfare. The beneficial effects to be derived from simplification and improvement of administrative practices in this area can be expected to eliminate much of the misunderstanding attendant upon our welfare programs.

In addition, we also have strengthened the hand of agencies disbursing public assistance to cope with problems of fraud, misrepresentation and deceit, and have made available to county welfare boards the authority to file complaints in affiliation proceedings.

To maintain the impetus thus given to our public welfare and assistance programs, I suggest to you the following areas appropriate to further legislative activity:

#### *Mental Health*

Rapid scientific, medical and social advances have made possible the elimination of much human suffering while reducing the burden of caring for the mentally ill and mentally retarded in State facilities. Yet, the downward trend in population of our State mental hospitals, which has been giving us much reassurance in the last five years, has shown signs of reversing itself. With the rate at which the total population of our State is increasing, we cannot hope to keep abreast of this great human problem unless we take prompt advantage of every insight modern medical practice provides. I urge your fresh consideration of the mental health bills which will make available simplified procedures for voluntary admissions to promote early, effective treatment without the stigma or expense of court commitment. With this legislation, we can proceed with the development of a broad, modernized program of diagnosis, treatment, care and rehabilitation while providing standards for determining impartially the responsibility of relatives and public agencies to pay for needed care.

Since the Community Mental Health Services Legislation became effective on July 15, 1957, we have seen an unprecedented citizens' interest, coupled with action on the community and county level, result in a significant increase in professional services for the mentally ill. Most counties already are spending more than the 20 cents per capita which current statutes authorize the State to provide for such services. I soon shall submit to you legislation which will provide for increased State financial participation to the end that additional mental health services may be made available.

#### *Boarding and Nursing Homes*

Community facilities directed toward the care of the aging are expanding rapidly to meet the needs of this growing segment of our population. Because of the insecurities inherent in the situation of aged citizens, we have a particular responsibility to make certain that good quality care is provided in the varied types of facilities required by their individual needs.

Similarly, it is apparent that our community hospitals and related medical facilities must be operated in such manner as to insure the provision of a high standard of care and treatment.

To better achieve these goals, I shall suggest that our licensing programs for such facilities be strengthened and that constant vigilance be exercised by the authorities charged with this responsibility.

#### *Aid to Children of Unemployed*

Recent Federal welfare legislation has reemphasized the basic values of administering public assistance in a manner that strengthens family unity. A new plan would make available to us additional Federal matching funds—amounting to \$5.7 million annually—if we widen the scope of our children's assistance program. This program now is restricted to situations where at least one parent is out of the home or incapacitated. The broadening would include those needy families with children in which the dependency results from the unemployment of the parent. At present, provision is made for such families only through the



General Assistance program, administered by the municipalities which share the program's cost with the State. The redefinition of the New Jersey program which I shall submit to you will totally relieve the municipalities of direct financial responsibility for such cases since matching costs will be shared by the State and counties. The social and fiscal significance of this new plan merits the serious consideration of the Legislature.

### *Kerr-Mills Implementation*

While reiterating our strong support for the President's program to finance medical care for senior citizens through Social Security, we cannot lose sight of the concurrent need for State legislation keyed to the Kerr-Mills Act of 1960, which would provide grants to the medically indigent. Such legislation, permitting us to share Federal funds now available, is essential from two standpoints: as a stopgap until Congressional approval of the well-merited Social Security approach, and, thereafter, for cases which may fall outside the Federal medicare program.

### *Placement of Children*

Present laws relating to interstate placement of children for foster care, adoption or treatment are wholly inadequate. Closer cooperation in the areas of investigation, supervisory control and maintenance of responsibility, through adoption of the Interstate Compact on the Placement of Children, can make available increased opportunities for good placements by broadening the geographic area within which proper safeguards could be assured. Legislation to that end will be presented to you in the near future.

### **The Public's Health**

The fact that New Jersey is the most urbanized State in the nation is most clearly impressed in the area of public health. Problems attendant to growing population and population densities are magnified in the area of sanitation, air and stream pollution and disease control.

During the past year, important legislative and administrative steps were taken to strengthen our air pollution law and to implement the State's sanitary code. In dealing with stream pollution,

the Department of Health reviewed and approved plans for the construction of \$50 million worth of stream pollution control projects. The department's authority to approve plant location on water sources was extended to include non-potable as well as potable watersheds.

As is always the case with growth, what already has been accomplished is but a small part of what remains to be done. The Department of Health, through the Commission on Radiation Protection, is considering amendments to the radiation code which would permit the State to assume responsibility for certain licensing and regulatory functions now conducted by the Atomic Energy Commission. Consideration also is being given to the development of programs for State financial aid to local health departments so that all of our citizens, no matter where they may live, work or play, may have the protection of essential public health services. At the present time, many of our localities are having difficulties in meeting the minimum standards of performance for local health departments which have been established by the State. The problems of providing adequate public health nursing services also are under review. They will be given intensive consideration at a Governors' Conference on Community Nursing Services March 6. To the extent that these programs and other plans now under consideration by the department need legislative assistance, proposals will be submitted to you during the course of the session.

There remain before you, however, several proposals which were recommended last session which have not yet been passed. The bill to grant to the Department of Health the authority to restrict the type of sewerage facilities that can be installed in areas hereafter developed could be considered a priority item. For too many of our municipalities, the problem of financing a program for sewage disposal is compounded because unsuitable sewerage facilities were utilized at the time that housing developments were constructed. In addition, the bill regulating the disposal of sewage and other materials from craft operated upon the waters of this State is essential to the effective control of water pollution. It will be resubmitted to you this year.

A new measure developed jointly by the Department of Health and the Attorney General's office should receive immediate consideration. This bill will provide for the licensing and control of commercial blood banks. There have been a number of recent instances of communicable diseases being spread through the use of contaminated blood which was obtained from commercial blood banks. This presents such a high danger to the general public that it should be brought under regulation immediately.

### **To Meet the Peril**

Still fresh in the minds of all are the anxious days of October when the storm clouds of the Caribbean served as a chilling reminder that the State, no less than the nation, must hold itself prepared against the awesome possibility of global conflict. In this area of urgency, several important projects demand prompt conclusion. The Emergency Civil Government Commission shortly will recommend legislation to provide for an orderly line of succession to the offices of the Executive, the Legislature and the Judiciary in the event of catastrophic enemy attack. Thereafter this group will extend its study to encompass government on the county and municipal level.

Recently we cooperated in the enactment of legislation authorizing a limited exemption from real property taxation for the construction of radiation fallout shelters in the home. Additionally, funds were appropriated for a study to determine the feasibility of establishing a shelter for the relocation of governmental operations in the event of such emergency. Now let us promptly resolve the question of school fall-out shelter construction and proceed to the enactment of such enabling legislation as is necessary and appropriate.

A program for the effective preservation of essential records and documents has also been developed. Legislation on this subject soon will be presented to you.

## **THE STRUCTURE OF GOVERNMENT**

If government is to be responsive to the needs of the people and the communities in which they live, it must not burden them with suffocating regulations or prolonged delay in carrying on their business. Service to the people should be characterized by efficiency, by equity, by integrity in all branches and levels of their government.

From time to time it may be necessary to reorganize our government structure and to revise our procedures. A general survey of the operation of State government by a special Committee on Efficiency and Economy is nearing completion. Its recommendations, when implemented, should enable us to conduct an even more efficient government at the State level. But there are certain specific areas of reform which I should like to call to your attention now.

### **The Court System**

It is now becoming fairly well known throughout the State that the shape of our court system may require further modification. We can, with propriety and understanding, view the complaint of our county court judges that while the burdens and responsibilities of their office can be equated with those of the Superior Court judges, the remuneration and other benefits derived from their station are disproportionate in comparison with the technically higher court. Such matters as judges' salaries, pensions, tenure and the like are presently under review to the end that detailed recommendations soon will be presented to you.

### **Law and Public Safety**

I have noted various problem areas which are rendered more acute because of the growth and development of our State. These factors have their impact also in the area of law enforcement. A growing and changing population which is as highly mobile as New Jersey's places the utmost stress upon our law enforcement officials. For this reason, it is imperative that the Legislature approve measures which will better equip our law enforcement officials, both State and local, for the continuing fight for effective



law enforcement. I reiterate my previous request for the passage of a mandatory police training program for our municipalities. The Legislature should also act promptly on the proposals to authorize a uniform system of crime reports and to permit essential evidence to be obtained from a witness, by court order, without incriminating the witness.

Another proposal which will be resubmitted for your consideration is the proposed modernization of the tenement house laws. It is essential that this law be revised before the functions of the Tenement House Bureau are transferred into the new Department of Community Affairs.

The Department of Law and Public Safety will also submit several new proposals designed to protect the general public. The Department's Bureau of Securities has found its present program inadequate to the extent that it does not regulate real estate syndication. Such activities now amount to a multi-million dollar undertaking in New Jersey. They should be regulated.

The Department will also submit proposed revisions of the weights and measures laws and the laws concerning cemetery corporations. In both of these areas, it is essential that our laws be updated so that we can provide maximum protection to the general public.

### Law Revision

Throughout this message I have commented upon the need to modernize certain titles of the Revised Statutes. These included our laws relating to corporations, education and weights and measures. In addition, other parts of the Revised Statutes require updating. The work on Title 40, it is to be hoped, is about to be concluded. Commissions have been created to revise our laws relating to eminent domain and riparian lands. Other commissions have been established to review the laws relating to elections and insurance.

Merely specifying these areas indicates the magnitude of the task. The basic inadequacy of our existing program of law revision is amply demonstrated, I believe, by this constant requirement of revision. Law revision should be of a continuing nature rather

than a sporadic attempt every 10 or 15 years to update what has become obsolete in the intervening period. In this age of technical achievement, it would be well if we took advantage of techniques which were unknown and unavailable just a few decades ago.

I have been informed that a University of Pittsburgh project is placing the laws of Pennsylvania and New Jersey on electronic data processing equipment. This work, although of great potential value to the State of New Jersey, has proceeded to this point without cost to us. There remains, however, a certain amount of work to be done before the full benefits of this program can be obtained. The cost of that work is estimated to be \$13,000. Considering the great utility this material will have in the revision work now being done, I shall request the Legislature to appropriate this amount.

### Conflicts and Lobbyists

Those who serve in or deal with government owe the general public the duty of conducting their affairs in a proper manner. New Jersey lacks the fundamental legislation, however, which would delineate the boundaries of proper conduct.

I renew my request for a conflict of interest law forbidding government officials and employees from engaging in activities or retaining private interests which conflict with their public responsibilities. The necessity for this legislation should be apparent to all. Because of an impasse between the Houses of the Legislature on this subject, I have directed my staff to undertake a review in the hope of developing a proposal acceptable to all. Such a proposal will be submitted to you in the near future.

A related subject is that of lobbying. While lobbying for or against legislation is a valid exercise of democratic rights, it is highly desirable to require the registration of those lobbyists who do so on a professional basis. The general public has a right to know who they are and whom they represent.

### A Regulatory Obligation

New Jersey's natural advantages as a leading recreational State have been enhanced by the rising public interest in boating. This activity has imposed a regulatory obligation on the State.

The registration of power vessels as authorized by the Boat Numbering Act of 1962 has commenced. By April of this year approximately 20,000 boats will be registered with the State. Over the next three years, we will be renewing 75,000 boat registrations previously issued by the United States Coast Guard. During the forthcoming boating season, approximately 120,000 craft of 10 or more horsepower will be using New Jersey waters.

Most boat owners are sensible seamen. But the counterpart of the reckless driver on the highways now appears in greater numbers on the waterways. A small child, unlicensed and unaccompanied, may pilot a pleasure boat as long as 65 feet in New Jersey as well as most other states.

Operation by the reckless or inexperienced operator endangers the safety and pleasure of thousands of other boaters, swimmers and fishermen. Between January 1 and November 30, 1962, there were 151 marine accidents, bringing death to 51 and injury to 83 in New Jersey. During the year, 1961, there were 121 marine accidents involving 31 deaths and injury to 80.

These statistics indicate clearly that we must more efficiently regulate this activity. Therefore, I have requested that the Boat Regulation Commission devote special attention to the problems of boating safety—particularly in relation to the operation of power vessels on tidal waters of the State—and make recommendations on the licensing of power vessel operators. These recommendations will warrant serious attention.

#### Effective State Service

After almost a year of work and preparation, the Uniform Commercial Code was put into operation by the Department of State on January 2. Full facilities now are available to the banks, savings and loan institutions, credit unions, small loan companies and members of the bar who will function under this important codification. Streamlining of the department's administrative procedures has brought about substantial improvement in efficiency coupled with a reduction in the cost of operation with respect to the handling of correspondence and the administration of the election laws. Corporate annual report filings were increased to

64,000 as the result of an intensive drive and an impressive increase in the number of foreign corporations registering to do business in the State has been noted.

Further progress in these directions will depend upon the Legislature's favorable consideration of legislation that will be resubmitted to bring the fees charged by the Secretary of State into line with those charged by other states for like services. In addition, while the Revision of Title 14 (Corporations) is still in preparation, I will present several needed changes in that title for your interim consideration as well as a proposal for revision of our Trade-Mark Law.

#### CONCLUSION

Let us, then, proceed with the important business with which our fellow citizens have entrusted us. The world is growing up very quickly around us, and we must be neither laggard nor haphazard in planning our own growth and progress. In the Divine plan, it is ordained that we pass this way but once, and opportunities ignored in 1963 may never come within our reach again.

Our fellow citizens will hold us to a strict accountability, not for authorship but for achievement, not for political maneuver but for joint success, not for words but for action. And this is the essence of justice, for they have given us the tools we need to do the job—the stimulation inspired by their growing interest in government, the courage justified by their support, the sense of responsibility compelled by their trust and confidence. For my part I pledge every cooperation of my office, and hope that we can work together in a meaningful partnership.

Now let us turn, together, to our duty of shaping a body of law that will serve as guide and spur for a vital State.

RICHARD J. HUGHES,  
Governor

January 8, 1963

Attest:

LAWRENCE BILDER,  
*Acting Secretary*