

SPEECH TEXT

Governor James E. McGreevey
State of the State
Tuesday, January 13, 2004

Reverend Clergy, Mr. President, Mr. Speaker, Madam Chief Justice, Justices of the Supreme Court, Members of our Congressional delegation, members of the Legislature, honored guests, fellow New Jerseyans:

Over the holidays, I've had the opportunity to visit the Ronald McDonald House, the St. John's Soup Kitchen with Senator Jon Corzine, Jersey Shore Medical Center and witness New Jerseyans care for children and strangers for no other reason but simply because of their faith in the common good.

I've been with the dedicated men and women of the New Jersey State Police and National Guard who sacrificed their New Year's Eve so we could safely celebrate ours.

These individuals represent the best of our state.

In recognition of their strength and the strength of our citizenry, we come to this place to build a common vision, dedicated to the common good, united by a common purpose.

We are here to create a government that stands up for those whose spirit and energy drive this state forward, but whose voices are too rarely heard.

For two years we have worked to re-establish that the three most important things in New Jersey are a clean environment, a strong economy, and a quality education for our children.

We have dedicated ourselves to the people who get up early every day, work hard, pay their bills, and play by the rules.

We made the difficult decisions that others avoided -- and brought change to a government that had lost its focus.

We forced giant corporations to pay their fair share in taxes and closed 1 billion dollars in corporate tax loopholes rather than ask hard-pressed families to dig deeper into their pockets.

We took on the gun lobby to make sure New Jersey's children are safer with the nation's first childproof handgun law.

We stood up to developers with the nation's toughest standards to protect our drinking water and our open space.

We punished polluters with tougher enforcement and collected more from polluters in the last two years than the previous administration did in all eight.

And we answered the prayers of hope with a landmark law to use stem cell research to find new cures for age-old afflictions.

So on this January afternoon, I can say to you that the state of our state is strong; and New Jersey is setting a standard for other states to follow.

There is no clearer proof that New Jersey is moving ahead than the facts on jobs and education.

While the administration in Washington has lost two million jobs, we in New Jersey have added more than 40,000.

Our unemployment rate has been lower than the national average for eight straight months and we have gained more jobs than all of our neighboring states combined.

Our children's reading and math scores are among the best in the nation. And we have created some of highest standards for new teachers anywhere.

We fought the tough fights; we challenged the status quo, and we put the interests of hard-working families front and center.

I was taught at a very young age -- do what is right, let the record you compile, the people you represent, and the fights you undertake do your speaking for you.

So here is our record.

We balanced two budgets, closed billions in deficits, held the line on state spending, and restored fiscal responsibility all without raising the sales or income tax.

We made New Jersey a leader in homeland security and bio-terrorism protections.

We stood up for good drivers, we cracked down on fraud, and we brought more choices to New Jersey motorists.

We honored the dignity of committed relationships with our legislation to recognize domestic partners and I thank Assemblywomen Watson-Coleman and Weinberg.

We said 'yes' to parents who want dinner conversations with their children instead of telemarketers.

And with the leadership of Assemblymen Payne and Stanley and Senator Bryant we said 'no' to discrimination when we made New Jersey the first state to make racial profiling a crime.

We stood up for consumers by forcing cable companies to put your time ahead of theirs.

And when the power went out over the fourth of July, we held JCP&L accountable, and for the first time, forced a utility to compensate small businesses and families.

Our state is better because every day of the last two years we have taken on the right fights.

We dedicated over half of the state budget to property tax relief and we provided more aid to local school districts than ever in the history of our state.

We ended decades of state subsidies for professional sports franchises at the Meadowlands. It wasn't easy, but we did it.

It wasn't easy to say no to a culture in Trenton that was used to spending more and more taxpayer money every year, but we did.

We cut spending on state government and held overall spending below the rate of inflation for two years in a row; no one has done that in nearly fifteen years.

And that has built a better New Jersey.

No state rivals our performance on standing up to polluters and protecting the water we drink and the air we breathe and I want to acknowledge Commissioner Brad Campbell and Attorney General Peter Harvey for their leadership.

For the first time in state history, we shut down a Pennsylvania power plant that was polluting our air.

We stood up to the Administration in Washington when they tried to appease their coal industry friends with new giveaways that threatened to pollute the air New Jersey families breathe.

As long as the federal government continues to put the interests of polluters ahead of the health of New Jersey residents, we will be in court every single day until Washington changes its priorities or we change it for them.

We have restored our state's tradition as the national leader in environmental protection and I challenge you to show me a state that's done it better.

Last year in this Chamber, I came before you and said there was no single greater threat to our quality of life than the unrestrained development that is driving up property taxes, crowding our schools, and threatening our water supply.

We didn't reverse decades of bad decisions overnight, but we did more in two years to stop sprawl than was done in the entire decade before.

We said we were going to preserve 20,000 acres of farmland -- a milestone that had never been achieved in New Jersey history. We did it, and next year we are going to do it again, and I want to thank Secretary Kuperus.

We preserved 18,000 acres in the Highlands, and working with our task force, local communities, and the Legislature, we are going to take bold steps to preserve that area which supplies drinking water to half of New Jersey's families.

We made New Jersey the first state in the nation to require a 300-foot buffer between any development and a water supply.

We put 300,000 acres of land, 7,865 acres of reservoirs, 96 rivers and lakes -- the drinking water for 3.5 million people -- off-limits to developers.

This year we will build on these successes by protecting more waterways and passing transfer development rights legislation so towns can better preserve their futures.

If you think we haven't made real progress, go talk to the residents of White Township in Warren County, or the residents of Clinton or Tewksbury in Hunterdon, or Closter in Bergen County.

Ask Mayor Thomas Borkowski of Clinton Township who is here today about the hundreds of unwanted housing units that won't be built. Ask him if our policies haven't made a difference in preserving their quality of life.

I will continue to use every tool available to me as Governor to preserve the communities that we love from the excesses of over-development.

I invite this new Legislature to join me, but I will continue alone if necessary.

As we speak, the New Jersey Builder's Association is in court, attempting to repeal the very protections that keep our drinking water clean.

So let me be clear.

They must not prevail in court, they must not prevail in the Legislature, and they will not prevail in this state as long as I am Governor. These drinking water protections must stand.

Look at what is happening in the Meadowlands, Camden, Asbury Park, Long Branch -- billions in private investment, thousands of jobs created.

We proved that our state's economy can thrive with more job growth at the same time we toughen environmental protection.

And that has built a better New Jersey.

Our children's reading and math scores are among the highest in the nation, but we know we can and must do more to better prepare our students.

Last year in this Chamber, I said we must be ready to break with past policies and embrace new priorities, particularly early childhood literacy. I want to thank Commissioner Librera and Secretary of State Thomas for promoting literacy in our classrooms and libraries.

Through our reading coaches program, there are now sixty coaches in 158 schools that are helping 50,000 children become better readers.

I want to recognize one of those coaches who is with us today, Arlene Marty, who shares her time between Madison Park and Memorial Elementary Schools in Old Bridge.

The Governor's Book Club, the first of its kind, now extends through the sixth grade.

We are building and fixing over 1,300 schools across New Jersey. I want to acknowledge Jack Spencer of the School Construction Corporation for making this a reality.

We are fighting for the children in our classroom by raising the quality of teaching across the state.

We are partnering with the business community to create new incentives for national certification for teachers.

And I want to personally congratulate Trista Pollard from Tamaquas Elementary School in Westfield who earned her national certification in November.

We are making sure that middle school teachers are proficient in the subjects they teach.

We are making technology part of everyday learning.

And we're making our school children safer with a law to stop bullying.

And that has built a better New Jersey.

Six months ago, we enacted the most comprehensive auto insurance reform package in decades.

We are replacing years of failed policies with more competition, more consumer protection, and a commitment that good drivers should not pay for bad drivers.

I want to give special recognition to Commissioner Holly Bakke. Her dedication and her commitment are the principle reason behind results that speak for themselves.

Last year good drivers waited months to get a new policy. Today, 70% of policies are being issued within one week of a request.

For the first time in nearly a decade, a new auto insurance company, Mercury General, has

opened for business.

Two companies, State Farm and USAA, voluntarily reduced their rates for over 600,000 drivers.

For the first time in twenty-five years, Allstate expanded their operations. In the last six months, five hundred new auto insurance agents have been added throughout the industry in New Jersey.

Companies are soliciting new business and actually competing for customers. And that is good news for every driver.

We held companies accountable and made them provide three easy-to-read coverage options so consumers can choose what's right for them.

We made auto insurance fraud a serious crime; we doubled the number of indictments and we led the nation in the crackdown on fraud.

And that has built a better New Jersey.

Drivers are realizing the promise of EZ Pass and taxpayers are saving millions through the merger of the Turnpike and the Garden State Parkway.

DMV was tantamount to a four letter word in New Jersey but no one wanted to risk the political capital to try and fix it.

With only a single vote from across the aisle, we did the right thing for New Jersey drivers and fixed an agency that was an embarrassment to this state.

And we could not have done it without the leadership of Diane Legreide and Commissioner Jack Lettiere.

We increased the penalties for identity theft, and in the last six months alone, our investigators and State Police have made over 200 arrests for crimes including fraud, bribery, and potential threats to our national security.

We know that drivers have better things to do with their time than wait in line.

So now you can go online and renew your registration, change your address, or schedule a driving test without leaving your home.

We are delivering on our promise to give New Jersey a modern, secure driver's license. And on January 24th, for the first time in nearly fifteen years, motor vehicle offices will be open on Saturdays.

That has built a better New Jersey.

And that is our record -- two years of the right fights, two years of standing up for working men and women.

But there is much more to do.

Our work overhauling DYFS is underway. We are demanding a new level of accountability from this agency, subjecting it to review from the courts as well as an independent panel of national child welfare experts.

And I want to thank the Legislature for its bi-partisan support in creation of the Office of the Child Advocate and providing additional resources and tools to respond to this crisis.

I want to thank Commissioner Harris for handling the toughest job in state government with grace

and dignity.

I am confident that under Commissioner Designate James Davy, we will complete the reforms that will allow this troubled agency to meet its critical mission. Together we will get this done.

And there is more work to be done to build people's trust in their government -- from Town Hall to the County Courthouse to the State House we're in today.

Over and over again, I have made my position clear -- ethics reform is a priority. We all agree it is a priority, but it cannot be limited to one branch or one level of government.

This morning I signed three ethics reform bills into law. I want to credit the action taken in the Assembly and the leadership of Speaker Sires and Senate President Codey in bringing these measures to my desk.

We can do more. The people of New Jersey want and deserve nothing less than comprehensive reform ... and together we can get this done.

We enter these next two years a stronger state, with a clear purpose and a common vision to ease the burden on working men and women.

I want nothing short of a New Jersey that sets the national agenda on education policy and environmental standards; that leads the nation not just in creating jobs but in creating lasting hope and permanent opportunities.

I have been to almost every corner of this state. I see the challenges that families and our seniors face every day.

There are too many people living paycheck to paycheck, working harder but not getting ahead.

Too many families struggling to achieve their middle-class dreams in a world that has gotten more complicated, more costly, and more overwhelming.

Too many workers, both young and old, worried about what the global economy means to their future.

Dina and I know first hand the struggle to balance work with the responsibility to do right by your children.

I hear the concerns about the rising cost of living, the impact development is having on our quality of life, and property taxes that seem to go higher every year.

The frustration of a health care system that is governed by insurance dictates instead of sound medicine.

The feeling that the decisions that affect our environment, our quality of life -- even our health -- are too often out of our control.

This is our cause, our common purpose -- to stand by the working men and women of this state and fight the battles that they cannot fight against the interests that they cannot beat.

To create a New Jersey where anything is possible and our children are limited only by their willingness to dream and work hard.

Our economy is as strong as any in the nation -- the productivity and skills of our workers are second to none.

We have to keep it that way against a tide of increasing global competition.

There is no single more important thing we can do for our economy than make sure our workers and businesses have the skills they need to compete.

We have to make sure that the high school graduate, the single mother, the laid-off worker all have access to some form of advanced training.

We have to make sure that the small business that needs to increase its productivity has access to the resources to do it.

We have to make sure our high schools, our system of higher education, the private sector and government all work together to create a better trained workforce.

The current system is too fragmented and disconnected. There are 27 programs in three departments.

We must deliver on the vision of John Heldrich, Rutgers' own pioneer in workforce development.

We need one department, with one mission that can deliver a seamless web of services to employees and employers.

Today I have presented a plan to the Legislature to restructure workforce development in New Jersey through a single department -- the new Department of Labor and Workforce Development.

This new department will have a single task. Whether someone is unemployed or underemployed, a high school graduate or a Ph.D., we are going to provide the skills they need and our economy demands.

I have directed Commissioner Kroll to develop a plan to use distance learning and college credit for apprenticeship programs to bring job training to those who are hard to reach and hard to find.

I want to congratulate Ivette Torres, a single mother of two from Vineland, who completed our distance learning pilot program and, as a result, she has received a promotion to regional manager -- and more importantly, a bigger paycheck.

I especially want to thank the Black caucus and Hispanic caucus of this Legislature for their leadership on this important issue.

We have already helped train over 60,000 workers, but I will not be satisfied until every worker and every small business that wants help receives help.

The quality of our workforce must also be supplemented with strategic investments in the critical areas of our economy.

Our new jobs attraction program will continue to attract the fastest-growing companies, like Lexicon and Lifecell, and the highest paying industries, like life sciences and financial services, here to New Jersey.

Our springboard and biotechnology venture funds will help make New Jersey the research and development capital of America.

These are just two of the reasons why New Jersey is far-outpacing the national economy and I want to recognize our jobs team of Commerce Secretary Watley, Treasurer McCormac, Commissioner Kroll, Port Authority Chairman Coscia, and Al Koeppe and Caren Franzini from the EDA.

But to move to the next level, to compete with Massachusetts and California, the research in our public universities must become a catalyst for the private sector.

I have asked each of the public research universities to build on the work of Dr. Vagelos and others and present a plan that eliminates the institutional barriers that prevent the enhanced research and teaching opportunities that our state desperately needs.

Today, I am proposing the creation of three Innovation Zones that will build industry clusters around our public research universities.

These initiatives will use tax credits and financial incentives to facilitate collaboration and the transfer of innovative discoveries from the laboratory to the marketplace.

That will build a better New Jersey.

More than 50% of all jobs come from small businesses. They are the unsung economic workhorse of New Jersey and they need our support to compete.

Most small business owners live the job ... they don't have time to conduct a lengthy hiring search or find the government agency responsible for the advice, permit, or financing they need.

But they still need help and we are going to provide it with new business resource centers that will serve every county.

To meet their needs for skilled labor, we are reserving 20% of all workforce training grants for small businesses.

And to keep small manufacturers competitive, we are going to provide additional incentives to modernize their plants and equipment.

Investments in people, investments in research, investments in small business -- that is how our New Jobs for New Jersey initiative will set the national standard for economic excellence.

Two weeks ago I joined Christopher Reeve and signed the legislation to make New Jersey one of only two states to allow stem cell research.

It would not have happened without the efforts of many in this room, but especially the leadership and courage of Senate President Codey, Speaker Sires, and Assemblyman Neil Cohen.

With this compassionate and ethical act, we gave hope to millions of families that cures or treatments can be found.

It may be the most important legislation I ever sign.

But I am not going to settle for merely signing this legislation; that isn't going to cure anyone's diabetes or Parkinson's.

And so today, I challenge every biomedical and every pharmaceutical company in America -- come to New Jersey, use our incentive grants, our innovation zones, our research universities -- reward our faith, find a cure for the incurable.

We brought the expertise of New Jersey's only federally designated cancer center to South Jersey, and our investments have brought the best care, the latest treatments, and the most sophisticated clinical trials to New Jersey patients.

I want to thank Assemblyman Lou Greenwald for his advocacy and Dr. Lacy and Dr. Hait for their commitment to making New Jersey a premiere location for cancer care and research.

But in my visits at the Cancer Institute, I have met too many women with breast cancer and heard of too many insurance company policies that don't cover a mammogram unless a woman is forty years old.

This is wrong. A woman's doctor and her medical history should make the determination about whether or not to have an annual mammogram, not some bureaucratic insurance guideline.

Today, I ask this Legislature to stand up for the women of New Jersey and require insurance companies to cover mammograms for those under forty with a family history of breast cancer and a recommendation from her doctor.

That will build a better New Jersey.

We must not only focus on making sure New Jersey families have the best level of care, we must do everything we can to make sure they never need to use it.

I have met too many families, too many children with illnesses from environmental pollution.

Last night, we took an important step with Legislation to address the hazards of lead paint. Senator Ron Rice has been working on this for years and today I congratulate him for his tenacity.

And in recognition of his efforts, today, I am proposing that when every mother leaves the hospital with a newborn child she also leaves with a lead detection kit provided by New Jersey.

That will build a better New Jersey.

Lead abatement is only one of the environmental health issues we must address.

Pollution is a silent killer. This government has to step forward with a comprehensive plan to protect families from a killer they can neither see nor stop.

I believe the scientists who have told me that high levels of mercury are dangerous to pregnant women and the development of young children.

And I believe the researchers who report that excessive levels of arsenic in our drinking water increase the risk of cancer.

I believe it should be easier, not harder, to prosecute polluters and those who ruin our environment and harm the health of our families should be given harsher, not weaker penalties.

We have to stand up to the federal government and set the nation's strictest limits on the arsenic in our drinking water and the mercury in our air.

The soot and exhaust from diesel trucks and buses is contributing to high rates of asthma, premature deaths, and too many emergency room visits. It is a threat to the health of our children.

Children can't protect themselves from soot, so that is why I am asking this Legislature to enact new laws to reduce the impact of diesel emissions on New Jersey air quality.

I want New Jersey to send a message to the nation that, in our state, the health of our families comes first.

So today, I am setting a new goal to reduce soot and smog air pollution by 20% in the next decade.

By meeting these tougher standards, we will prevent a thousand premature deaths, 140,000 asthma attacks, and 13,000 emergency room visits every year.

That will build a better New Jersey.

I believe that raising our children is the most important responsibility we have, but it is getting

harder and harder for working parents to balance responsibilities to their children with their need to work.

Every day working parents, single mothers and fathers struggling to choose between attending a teacher conference and taking time off from work.

We can set a national example and be the first state to provide sixteen hours of Kids Time so parents no longer have to make that choice.

I want to thank Assemblywoman Greenstein and Senator Buono for agreeing to take the lead in making sure working parents have this choice.

That will build a better New Jersey.

Every afternoon, there are too many children on their own, too many sitting alone in front of the television, in front of a video game, in the mall, or on the street finding trouble.

Let's keep our schools open from three to six so children can have more time for learning and less time for trouble.

Let's give hard-pressed mothers and fathers the peace of mind that when they are at work, their children are in a safe and productive environment.

Today, I am proposing a new partnership among the State, the private sector, and the many dedicated education and community providers.

A partnership that will work together to fund and operate a system of after-school programs across the state.

New Jersey After 3 will be the first state-sponsored, non-profit corporation anywhere in America to take on the after-school challenge.

I will need this Legislature's help, but I am going to challenge us to have 20,000 children enrolled in after-school activities in the next school year and that will build a better New Jersey.

Two months ago, I said it was time for this state to have an honest discussion about how we govern and deliver services throughout New Jersey.

And I have been having that discussion in living rooms, diners, AARP senior citizen forums, and even over the internet.

What I learned may shock you. Nobody wanted to cut services; everybody wanted to cut taxes.

And that is what makes this discussion so difficult, but we have to start taking action now, in this session of the Legislature.

The status quo on school and local government property taxes cannot continue.

We spend more than \$18 billion dollars a year on education, more than almost any other state.

But we don't spend it efficiently because we don't spend it where it matters -- in the classroom.

I think it's outrageous that we have 23 school bureaucracies that don't have a single school.

Do we really need 172 school districts with only one school building?

We must ensure that our education dollars are used for the right reasons -- to educate New Jersey's students.

I have directed Commissioner Librera to take five immediate steps.

First, develop a plan to eliminate the 23 school district bureaucracies that oversee nothing but their own existence.

Second, require the 172 one-building school districts to find ways to consolidate services.

Third, establish limits on administrative and non-instructional costs and a system of rewards for districts that meet these standards and sanctions for those that do not.

Every budgeted dollar that exceeds those limits will either go back to the classroom or go back to the taxpayer.

Fourth, provide performance grants to school districts who demonstrate excellence in student achievement while maintaining low administrative costs.

And finally, we must build on the work of legislators like Majority Leader Joe Roberts who has been a longtime advocate for shared services and increased cooperation among all levels of government.

I am directing Commissioners Librera and Levin to detail additional measures to require towns, school districts, and county governments to deliver services and purchase products ... together.

These steps will begin to change a culture that has spawned too much inefficient government and too much unnecessary spending.

But this is the beginning, not the end of this discussion and there are more steps and initiatives that we must take over the next several months to bring change to this broken system.

There is an incredible amount of expertise in this room and we will need it all.

Reforming our system of local and school property taxes is a process that must be bipartisan, and I look forward to working with this Legislature, and all of its leaders, to bring real change.

But there is something we can do right now for property taxpayers -- we can pass impact fee property tax relief legislation.

It is time for developers and not local property taxpayers to pay for the cost of new development.

Developers make the profit and communities pay the costs. If that doesn't convince you the system is broken, then I do not know what will.

So I ask you again -- send me legislation that puts the cost of new development where it belongs, and when you do, I will sign it.

The old way of doing things in New Jersey is over.

There will be no return to the fiscal irresponsibility of the previous decade.

There will be no return to the days when polluters set the environmental agenda.

We will not go back to a time when good drivers subsidized bad drivers.

Or when over-development threatened our drinking water and our way of life.

This is not Washington, D.C; we care about working class citizens.

We cling to old-fashioned notions like a balanced budget.

We still value the protection of our environment and the education of our children.

Every day we are going to put these values at the forefront of our decisions.

Some of the battles over the past two years have been high profile, many have not. But whether large or small, every one of them has made life a little better, a little easier for middle class New Jersey.

If a working mother can take for granted the quality of the water her son drinks, then the effort to restrict development has been worthwhile, because it is one less thing for her to worry about.

If our job-training program gives greater opportunities to a middle-age worker... or helps a small business owner stay competitive ... then we have not only improved our economy, we have given a little more hope to someone who needs it.

If our plan to build 200 parks gives a father and daughter a place to spend a few hours on the weekend away from the office -- even the Governor's Office -- then we have succeeded in making New Jersey a better place to raise a family.

If making New Jersey a pioneer in promoting stem cell research leads to a cure for Parkinsons or Alzheimers, then our courage has made America a better place.

If standing up to telemarketers means a single parent who works two jobs can sleep on Saturday morning without the phone ringing, then we have made their life a little more restful.

If a reading coach inspires a child's love of books that leads to a lifetime of learning, then we have made their future a little brighter.

If our new law to allow domestic partnerships lets two individuals who honor and respect each other ... grow old together in dignity, then we have made New Jersey a more decent state.

I am humbled by what we have accomplished, but by no means satisfied.

This is our state ; this is our community.

When we join in common purpose to pursue a common vision, we will build a better state, a better New Jersey.

We are strong today and we will be even stronger tomorrow.

To paraphrase Bruce Springsteen,. the sun is rising in a land of hope and dreams.

Now, let's get to work.

