Eighth Annual Message

RICHARD J. HUGHES
Governor of New Jersey

To the Legislature
January 13, 1970
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Eighth Annual Message

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

In 1966, as I assumed my second term of office, I said to the people and the Legislature of New Jersey that “we have too long been hidden in the shadows of great cities to the east and west, too long a mere corridor without our own identity, too long rich in private wealth but poor in public services, too long afraid to come to grips with our own destiny.”

I believe that we in New Jersey, during the past eight years, have indeed come to grips with that destiny. I believe that we have fought hard and well for the best interests of our people. We have laid a solid foundation on which the new administration can and, I am confident, will work for greatness for this State in the 1970’s.

Consider for a moment how the face of New Jersey has changed during these eight tumultuous years.

Excellence in Education

Consider the proud signs of our progress toward excellence in all phases of education:

— a new Department of Higher Education.
— a five-fold increase in expenditures for higher education.
— a four-fold increase in students enrolled in our public institutions of higher learning.
— two new State colleges authorized.
— two new medical schools in operation.
— a trebling of State aid for education to more than $300 million.
—a crucial emergency school building aid program.
— the Urban Education Corps.
— the historic Educational Opportunity Fund.
— the Public Broadcasting Authority.
— thirteen community colleges now enrolling almost 30,000 students.
— the Educational Facilities Authority.

**Progress in Other Fields**

Consider some other features that now identify New Jersey—features unknown in 1962:

— a great Department of Community Affairs and Housing Finance Agency.
— a great Department of Transportation.
— the strongest air and water pollution control laws in the nation.
— implementation of the crucial Green Acres bond issue.
— the historic Hackensack Meadowlands Reclamation and Development Act, the key to a massive development problem that defied solution for 300 years.
— prevention of the giveaway of 400,000 acres in tidelands in which the State has a substantial interest.
— a Moral Recommitment to the urgent needs of our hardest-pressed citizens and communities.
— laws authorizing a statewide grand jury, witness immunity, wiretapping, a State Commission of Investigation, and strong action against loansharking and waterfront crime, together with an increase in the number of State Police from 903 to 1,568.
— the toughest gun control law in the nation.
— a great public defender system.

— a long and historic series of reforms to benefit the working men and women of New Jersey and to safeguard the human rights of all our citizens.

— voter approval of nearly $1.4 billion in bonds, beyond annual appropriations, to forge ahead with unprecedented progress in our construction and improvement of institutions, colleges, highways, commuter railroads, and water pollution control and conservation facilities.

These are a few of the actions we have taken together for all the people of New Jersey, including the one million souls who have joined our ranks since I took office. These are some of the reasons for my belief that we have together established a new and proud identity for New Jersey and created the basis for excellence in the 1970's.

**ESSENTIAL ACTION ON PENDING PROGRAMS**

The new administration will soon be calling on this Legislature to act on important new programs for New Jersey. At the same time I respectfully call your attention to a series of legislative proposals that I have put forward repeatedly without success. I consider their prompt passage as important now as when I first recommended them.

I urge your reconsideration and enactment of the following measures:

**Consumer Protection and Law Enforcement**

1. The twenty-three remaining essential consumer protection bills contained in my Bill of Rights for New Jersey Consumers. These measures are essential to the well-being of both legitimate businessmen and the public-at-large, and there should be no further delay in their enactment.

2. The various anti-crime measures contained in my 1968 and 1969 legislative messages that you have not yet enacted. While our drive against crime in all its forms has been advanced by numerous programs that I have signed into law—including measures relating to the State Commission of Investigation, wire-
tapping, witness immunity, the statewide grand jury, loansharking, and waterfront crime—I consider action on my additional anti-crime proposals essential to a still more vigorous war on crime.

I therefore urge once again, in the strongest terms, prompt passage of the intrastate anti-trust law that would protect honest businessmen against the intrusion of organized crime into legitimate business through extortion, intimidation, monopolization, or collusion. I also urge prompt passage of the bills I have proposed to regulate the garbage collection and disposal industry so as to eliminate alleged price gouging and collusion and to remove criminal elements from this industry.

Moreover, I urge prompt passage of the wiretap amendments I have suggested in order to ensure that effective legal wiretapping will not only serve as a crucial tool in the war on crime but will also provide the necessary safeguards for personal liberties that are lacking in the present law. I also call your attention once again to my proposal for a Division of Criminal Justice, with a strong organized crime unit, that would establish the same relationship with the State Police that now exists between the U. S. Attorney's office and the F. B. I. In addition, I urge passage once again of a companion measure to create full-time prosecutors.

Narcotics Control and Education Measures

3. Several crucial narcotics control measures that you have declined to consider to date. These include the civil commitment program for juvenile narcotics offenders; the accelerated expenditure of $6 million from the 1968 bond issue for construction or acquisition of appropriate facilities for the treatment of non-criminal addicts; and the establishment of a select and specially trained group of parole-probation officers to supervise and guide discharged addicts upon their return to the community.

4. A doubling of the emergency school construction program from $90 million to $180 million. Already 55 New Jersey communities have received assistance under this program, and authorization of an additional $90 million—as I first requested in my Moral Recommitment message of 1968—will provide direct and immediate aid to 62 districts.

5. Creation of a municipal bond bank, which through State assistance would provide both a short- and a long-term solution to the crushing borrowing cost and debt management problems of our municipalities.

6. Creation of a general state authority, under strict controls by both the executive and legislative branches, to help finance those capital projects—such as construction of sewage treatment plants—for which bond financing represents the most economical and efficient approach.

Municipal Aid and Land Use

7. Passage of my municipal aid program, which is based on a fair and equitable increase in the bank stock and financial business taxes. There can be no doubt of the pressing need for this program or of the fairness of its revenue aspects. And I have repeatedly indicated my willingness to accept any fair distribution formula.

Your decision to delay this program has already meant the loss of $27 million in new State aid to our communities. I urge you to take action so that its benefits can begin to flow immediately to our communities and their citizens.

8. A state land use act to ensure, through improved balance in land development and renewal, that we will benefit from growth rather than be victimized by it.

Health and Water Policy

9. Creation of a Division of Health Care Administration in the Department of Health to attack with utmost vigor the grave problem of skyrocketing health costs. In view of the recent increase in Blue Cross rates I commend this proposal to your attention once again with the greatest urgency.

10. Rationalization of State water policy through the creation of a water plan development board and water board of arbitration.

11. Revision of the process of pressing claims against the State along the lines I have set forth.
Conflict of Interest and Seasonal Worker Measures

12. Adoption of a strong conflict of interest law pursuant to my conditional veto message of Senate Bill #707 of 1969. The provisions of my message with reference to local officials and dealings of legislators with State agencies are especially critical and must be included in any meaningful conflicts legislation. I also call your attention to my proposal for tighter control of lobbying activities.

In acting on the conflicts problem the Legislature should also give careful consideration to establishing appropriate guidelines for State and local administrators dealing with business concerns, the principals of which have been indicted or convicted of criminal offenses. Government should be in a position where it deals only with legitimate business enterprises. We have witnessed in recent years, however, convictions of individuals holding positions of responsibility in national corporations as well as the indictment of principals in smaller concerns. Obviously a blanket disqualification of all business concerns who may have employed a wrongdoing executive cannot be justified. The governmental administrator, however, should have guidelines clearly enunciated by the Legislature to assist him in making appropriate judgments when confronted by these circumstances.

13. Measures relating to the rights of seasonal farm workers with respect to transportation safety, collective bargaining and visitation.

Election Law Reform

14. Essential revisions in our election law with reference to mandatory use of voting machines in all counties; mandatory mobile neighborhood registration; a longer registration period; improved absentee voting provisions; and the creation of a State supervisor of elections.

With respect to participation in our political process, I must point out to you once again that it is nothing short of scandalous that more than 1.2 million persons in this State who are eligible to vote, or about 25% of the total, are not registered. The measures I have urged to broaden political participation would help remedy this intolerable condition. It is your solemn duty to work not for constriction of this participation but for its expansion. I therefore ask you to accord action on these measures the highest priority.

CRUCIAL ISSUES FOR THE NEW LEGISLATURE

Above and beyond your prompt consideration of this important pending business I commend your attention to several issues that will weigh heavily on the quality of life in this State during the year and the decade ahead.

A State Income Tax

You are fully aware that a major tax decision awaits this Legislature. Indeed, you were fully aware one year ago that the pressing budget requirements of State government could not be ignored. As I told you in my budget message of last February:

"You should keep in mind that if this Legislature successfully avoids a basic tax decision, that decision certainly will be forced upon future Legislatures."

Notwithstanding my revenue proposals of last year, you chose to avoid that basic tax decision by accelerating existing revenue collections and increasing "nuisance" taxes.

In place of a forthright and realistic tax solution you opted for a one-year expedient—the accelerated collection of taxes on corporate income and net worth, motor fuels, and alcoholic beverages. To complement this bookkeeping device, which brought no real new revenue to the State, you raised motor vehicle driver and registration fees.

But successful avoidance last year means hard decisions this year. As Governor-elect Cahill warned on October 20, the budget deficit resulting from this reluctance to face fiscal facts last year could well approximate $200 million. And the actual budget that Governor Cahill will present next month may require a still larger infusion of new revenues.
The choices before you are relatively simple. You can, if you choose, increase the sales tax and remove exemptions from it. But simple logic demonstrates that such action would represent the same kind of temporizing as your decision of last year. Moreover, such changes in the sales tax would only compound its present unfairness and cruelty to those least able to pay—the poor, the elderly, and those who are on pensions or fixed income.

Need for Revenues

Since 1964 I have advocated without success the enactment of a graduated income tax as the fairest and most effective means of raising essential State revenues. The need for these revenues now is even greater than when I first proposed an income tax:

—Medicaid, now in only its first month, is bound to reflect increasing health care costs in future years and should be expanded in any event.

—The Bateman Commission report on State support of local schools reflects a growing consensus for greater State aid and should be implemented.

—Institutions and colleges approved in the 1968 bond issue must be staffed and equipped.

—Our municipalities demand and must receive greater State assistance if local government is to perform essential services.

—The cost of maintaining existing levels of public services will continue to increase.

The graduated income tax is preferable to an increase in the sales tax for many reasons:

—It taxes citizens on the basis of their ability to pay.

—It produces greater revenue and is more responsive to economic growth and inflation.

—It is easily collected, tied as it is to federal income tax returns.

—State income tax payments are 100% deductible from federally taxable income.

Tax Reform

New Jersey's antiquated tax structure must be reformed. By relying so heavily on the local property tax, we force on the homeowner and the small businessman an unfair share of the cost of public services. Moreover, the local property tax creates grave inequities among New Jersey communities. The tax reform required by these circumstances will not be achieved merely by increasing the sales tax or by removing certain exemptions. The only hope for assisting our homeowners is to enact the graduated income tax I have long urged.

Enactment of an income tax is also required if we are to remove other inequities that now weigh on our tax system. Proposals for tax relief for the elderly, fair State payments to municipalities in lieu of taxes, and other useful and deserving reforms simply cannot be put into effect without the reliable replacement revenue that an income tax would provide.

This Legislature has a unique opportunity to respond to New Jersey's pressing fiscal needs. I strongly urge you to accept the fair and responsible course—enactment of an income tax. I urge you as strongly to avoid cruel and unfair adjustments in the sales tax that will only result in failure to meet unquestioned public needs and the inevitable imposition of an income tax at a later date.

In short, I ask you to use your great power for the good of the people and to set New Jersey's fiscal house in order.

Election Law Reform: Campaign Finance

I have already advised you of my strong hope that you will enact my proposals of last year to broaden political participation in this State. I call your attention as well to a basic defect in our approach to campaign finance. Our laws governing campaign spending promote evasion and hypocrisy by setting unrealistic limits. As you know, the Election Law Revision Commission is to report in April on recommended changes in these laws, and I urge your prompt consideration of them.
At the same time I urge you to amend our election laws to require full public disclosure of all campaign contributions and expenditures. Public confidence in the integrity of men and women in politics can be assured only when the possibility or appearance of purchased influence is removed.

At the same time, we should encourage support for political candidates from a far broader spectrum of citizens. Accordingly, I urge you to work with our Congressional delegation to raise again in Congress the question of a federal income tax deduction for campaign contributions of limited size by private citizens and, if and when you enact a State income tax, to include within it a similar provision.

The Equal Time Problem

Another issue that will require federal action is the availability of free prime television time to candidates for public office. Present law on this question, which requires equal treatment for all candidates, including frivolous ones, makes the allocation of such free public service time most difficult. The limits on television appearances by candidates thus imposed deprive the public of an excellent opportunity to study candidates and issues at first hand and induce major party candidates to rely for exposure on extraordinarily expensive television advertising.

I therefore urge you to lend your full support to efforts to revise the equal time provision so as to place before the public, in prime time, the major party candidates and those independent candidates who enjoy a more substantial base of electoral support than is now required.

I also ask you to encourage our new Public Broadcasting Authority to extend the maximum possible coverage to political campaigns and affairs of government, including, for example, the sessions of this very Legislature. For government in this way will become closer to the people and will be the better for it.

The decade ahead will require of our citizens a greater degree of participation in and concern for public matters than we have ever known. The reforms I propose are essential to meet these needs of the 1970's.

Audits of Municipal Budgets

I call your special attention to my proposal of last year to vest in the Division of Local Finance of the Department of Community Affairs the same kind of powers held by the General Accounting Office, the agency employed by Congress in the oversight of federal programs. The performance audits contemplated in this measure would be extremely useful in determining the efficiency and effectiveness of local government services. Moreover, they would contribute to increased confidence in local government and greater public willingness to face needs whose legitimacy is clearly established. A related measure to subject county and municipal authorities to a state audit also merits your immediate approval.

These actions, together with a sharp upgrading of the responsibilities of the State auditor, as recommended by the Viesser Commission, will provide the taxpaying public with reliable assurance that tax dollars are being spent wisely and honestly by both state and local governments. I urge your immediate action on these measures.

Education: Handicapped Children and Illiteracy

Continued progress in education at all levels will require your close attention to and support of the programs of the Departments of Education and Higher Education. I call your attention as well to important legislative action in two areas:

1. I urge you to support the forthcoming proposals of Senator Beadleston to expand the scope of the historic Beadleston laws that now help about 25,000 handicapped school children each year. Senator Beadleston is rightly concerned, for example, with the need to develop methods to discover children with suspected handicaps at an earlier age and to keep track of their development so that our schools can anticipate and respond to needs well ahead of time. The Rubella epidemic of 1963 and 1964, which resulted
in a severe loss of hearing for a tragically large number of children, is a case in point.

In this connection I urge you to authorize the Department of Health to provide aid to municipalities to initiate a statewide program of immunization shots against German Measles, or Rubella, for all school children.

I also call your attention to the need to mandate special education for all handicapped children at an earlier age and to lengthen the school year for them. Such action may require both increased State aid and additional regional facilities, especially for children who are brain damaged, multiply handicapped, or suffering from severe hearing loss. I ask you to support Senator Beadleston's proposals in this crucial field.

2. I urge you to make New Jersey the first state in the nation to recognize as a matter of legislative policy the right of all citizens to read. The U. S. Commissioner of Education has stated that hundreds of thousands of our adult citizens are caught in the mire of illiteracy and that thousands of young men and women are graduated from high school each year even though they are effectively illiterate. Commissioner Allen has urged that we accept the elimination of this illiteracy as a fundamental national goal in the 1970's, and I ask you to insist that New Jersey will lead the way in this essential drive.

Success in this effort will require far more money, expertise, and concern than are now being concentrated on this grave educational problem. I ask you to sort out our priorities and place first things first. I ask you to make it possible for the 1970's to be remembered as the time when New Jersey, through a quiet revolution in our public schools and a great expansion in our school programs for adults, erased forever the blight and shame of illiteracy.

Capital Punishment

More than five years have elapsed since a majority of the members of the New Jersey Commission to Study Capital Punishment recommended that the death penalty be retained. That recommendation should now be reviewed in light of legislative and judicial developments both in this country and throughout the civilized world. I propose that a joint executive and legislative Commission be constituted for this purpose.

Among the many factors that such a Commission should consider are the following:

1. Whether the abolition of the death penalty in the 13 states of the United States and the more than 30 foreign countries where it has occurred has resulted in increased criminal activity or greater hazard to the public, or particular segments of the public, such as policemen and prison guards.

2. Whether there is some deterrent effect to the death penalty notwithstanding statistics which disclose that the rate of homicides is not higher in jurisdictions which have abolished it than in ostensibly similar jurisdictions which retain the penalty.

3. Whether any deterrent which the death penalty may have presented is not thoroughly dissipated by seemingly interminable legal delay in the execution of sentence and the apparent tendency toward de facto abolition of the penalty.

4. Whether the death penalty and/or the delay in its execution (one New Jersey inmate has spent more than 12 years on death row) result in cruel and unusual punishment in light of evolving societal standards.

I view the study here proposed as urgent notwithstanding the fact that cases pending before the U. S. Supreme Court raise serious questions concerning the constitutionality of death penalty statutes. Assuming the Court finds the imposition of capital punishment constitutionally permissible under existing procedure or under procedures to be devised, it will not have answered the question of the social utility of the death penalty. That question should be answered by the Commission after careful and dispassionate analysis, bearing in mind that the State should not exact the life of any person, no matter how depraved, unless there is clear evidence that the taking of life is necessary to further an essential social end.
A New Housing Policy

As you well know, it is increasingly difficult for New Jersey families to find the decent, adequate, and safe housing they seek. Fully one-fourth of all our housing units are substandard. High interest rates, rapidly rising construction costs, and ever more limited availability of land have slowed housing construction dramatically in the last four years. While New Jersey should be constructing 100,000 new houses annually to replace dilapidated units and to meet population growth, we are building only about 40,000.

Some important action is being taken. In just a few years, New Jersey has become one of the nation's leaders in devising and carrying out housing programs. The Housing Finance Agency has constructed or approved for construction 3,800 apartment units worth more than $80 million. The State has joined with federal agencies in seeking new, cost-reducing construction and financing methods. Despite our efforts, the gap between supply and need is growing.

As a first step in devising a new housing policy, the Legislature should commit the State to replace all housing destroyed by public construction. It should provide the legal and financial means to live up to that commitment. Thus, houses torn down for highways, new state colleges, urban renewal programs, or institutions would be replaced at approximately the same price levels, size, and quality. The advantages of adopting this policy are many:

—At a time when housing is in short supply, this policy would ensure that public action would not decrease the housing supply, as it may be doing now.

—This policy would improve an imperfect relocation program which cannot now assist those displaced by public projects because of an inadequate housing supply.

—Generally, such a policy will build housing where it is most needed—in our cities for our poorer citizens.

Protecting Our Environment

President Nixon has now articulated as a national goal for the 1970's what an increasing number of Americans have felt most deeply—the essential need to stop the poisoning of our environment and to restore and safeguard the precious ecological balance that all too often has been so violently disturbed. We in New Jersey, the most urbanized and congested State in the nation, must pay special heed to this national goal. Few tasks before this Legislature in the year and the decade ahead will require more resourcefulness and political courage.

To set the stage for your action in this field on a whole series of fronts, I urge you to weigh carefully, and to hold hearings on, the Environmental Bill of Rights introduced last year by your distinguished former colleague, Assemblyman Robert Wilentz of Middlesex County. The clear focus of the Wilentz proposal on the pressing need to prevent the further scarring of our environment by physical progress must be the focus of this Legislature as well.

I also call your attention to one specific proposal in this field that holds the greatest promise for our region. I refer to the action I hope you will take this year to create a Hudson River Basin Compact that will enable New York and New Jersey to join in the mammoth task of restoring majesty to the Hudson. The groundwork for such a compact has already been laid through extensive staff work in both States, and I urge you to work with Governor Rockefeller and the New York Legislature to make this great venture a reality.

The Forgotten New Jerseyans

When history judges the Hughes Administration, I hope it will reveal that this was an Administration that gave its best efforts to reveal and resolve the unspoken problems, discrimination, and suffering it found in this State. Let history record that we who have governed during these past eight years set as our goal the protection and uplifting of those New Jerseyans who are truly forgotten—those who are least able to speak for themselves.
When we sought millions of dollars to build new institutions and strengthen our programs of care, the unfortunate children in our institutions, and those who were not admitted for lack of room, could not speak for themselves. This Administration spoke for them.

When increases were sought in the rates for automobile and health insurance, New Jersey motorists and families were not organized to speak for themselves. This Administration spoke for them.

When some sought to divest the State of its interest in more than $1 billion of tidelands constitutionally dedicated to the School Fund, the school children of our State were not able to walk the corridors of the Legislature in their own defense. This Administration spoke for them.

When seasonal farm workers were denied the most basic elements of human decency, they were not organized to correct the conditions of their own suffering. This Administration spoke for them.

These few examples pinpoint one of the major guidestars of this Administration. I ask you today to cherish that guidestar in the years ahead. For government will always hear those who speak most loudly—those with long membership lists and heavy treasure chests. But government must have a special sense of mission, and make a special effort, to hear the ignored and the neglected.

This is a high obligation. I urge you with all my heart to defend the truly forgotten New Jerseyans as we have tried to do. I urge you to protect the many programs we have begun for precisely this purpose—from the Public Defender system to the Public Broadcasting Authority; from the three new Departments of State government to our institutional program.

And in your battle for the forgotten New Jerseyans I ask you to bring to a still higher degree of effectiveness the concept of the public defense. I ask you to work in the years ahead for still broader protection of the public's rights as they are affected by every agency of State government. This is your sworn and sacred duty.

In leaving this office and in trying to say goodbye, I have been groping for words to express the respect and affection I feel for the people of New Jersey—people of all parties, of every condition, and of every part of this magnificent State. Perhaps I can best say what I feel in the words I used in my first inaugural address just eight years ago:

I am conscious of a heavy debt to my State, for it is here that I have lived my life and had my being; where I have served as a judge; where I have practiced my profession; where I have reared my family; where I have touched the hands of friends.

It is with deep awareness of this obligation that I approach my part in the major tasks ahead.

While we are only men, yet with the help of God, whose ministers we are, let us act together in the interest of the State we love, to strengthen and protect the heritage we hold in hand for ourselves and for succeeding generations.

Goodbye and God bless you.

RICHARD J. HUGHES, Governor.

Attest:

ALAN J. KARCHER, Acting Secretary to the Governor.