

Fifth Annual Message

OF

ROBERT B. MEYNER

Governor of New Jersey

TO THE ONE HUNDRED AND EIGHTY-THIRD
LEGISLATURE OF NEW JERSEY

January 13, 1959

Trenton, N. J.



GOVERNOR'S ANNUAL MESSAGE
TO THE LEGISLATURE

January 13, 1959

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

It is once again my duty and privilege, at the beginning of a new session, to advise you on the legislative needs of the State. New Jersey, part of a Federal Union which now contains, I am happy to say, 49 States, has its own special problems for whose solutions you, as the Legislature, and I, as the Chief Executive, are responsible. We cannot shirk the tasks that lie before us. For my part, I pledge the fullest cooperation of the Governor's Office and the 14 executive departments in our joint endeavor.

You are here as the elected legislative representatives of the people, who themselves cannot, in the nature of things, study and make judgments upon the many issues that confront a law-making body. In the halls of this State House are many special lobbies but, for the people as a whole, you are their lobby. You were sent here by their vote to seek out the various ways in which the whole public interest can be served and, by your industry, your wisdom and your character, to make the right decisions. That is the solemn method of democracy. That is the kind of thought and action that can make your work luminous in the eyes of the State.

As I say, the people themselves cannot make themselves heard on every phase of a complicated legislative program, but they have many ways of measuring and valuing a Legislature's total performance. They will learn through the press and other means of communication, and through word of mouth, what kind of performance this session brings forth. And the people's voice, silent now, is heard eloquently at the polls. On November 3, 1959, less than 11 months from today, 72 of the 81 seats in the Legislature go for judgment to the jury of the people. They will speak then.

LEGISLATIVE INACTION

In the last legislative year there were many bills approved by the General Assembly on which the Senate did not act. Each House, of course, has its own duty and responsibilities. If this inaction resulted from no more than a difference of opinion, I would make no mention of it.

This was not the case. If there were differences on a bill, it would be expected that the Senate would have proposed appropriate changes or would have made some attempt to reach agreement through conference. Instead, these measures were merely bottled up in the Senate caucus, about which much has been said in the past.

There was, for example, the bill to extend rent control at the local level. There was a bill to revise our insurance laws. There were several bills to clear up troublesome parts of our Workmen's Compensation laws. There was a bill to establish minimum wages on an intrastate basis. There were bills dealing with the embezzlement of trust funds, with the improper obtaining of money by public officials, and with the removal of members of county election boards. The Assembly sent across a bill to close loopholes in our laws which limit liquor licenses.

It acted on another to establish standards for the reporting of crimes so that law enforcement officers might improve their performance. It approved a bill to insure that brakes on trucks would meet essential standards of safety. It provided for needed changes in the schedule of fees for the Public Utilities Commission so that it might be better staffed to handle its tremendously increased workload.

Again, legislation was proposed to allow tax appeals to be heard by single members of the State Board, so that cases could be decided within months instead of years. In addition, there were many bills dealing with the internal housekeeping of government, such as the bill to provide a broader basis for the investment of State funds.

On all of these — and many were not controversial — there was not only inaction, but a complete absence of communication. This was a serious failure which the public

will recognize as some evidence of the way their elected representatives carried out their duties — or failed to.

In mentioning these failings of the Senate, I do not suggest that the Assembly was perfect. It does have significant achievements to its credit, however, for it processed a substantial number of Senate bills, and activated a working committee system. With a full year of experience under new leadership, I am sure that the Assembly will acquit its responsibility to achieve a sound program this year.

Since the matters I have mentioned still require attention, I recommend that both Houses join in a common effort to take proper action on them.

Several matters of unfinished business deserve more extended comment.

RAPID TRANSIT

The first has to do with the common plight of the commuter and the railroad. The original proposal advanced last year met with more opposition than support. In the area most affected, which contains more than half our population, it was rejected. We must now find an acceptable formula.

After much study, an Assembly committee substitute for the original bill was reported out. I recommend that bill to you for serious consideration. Its exact form is not important. What is important is that it fixes policy and creates an agency to follow through.

This critical problem developed gradually over decades, and from many causes. There is no single magic solution. We must work at it steadily, starting in those areas where the most can be accomplished in the least time, and then moving to the long-range aspects.

Any real hope for solution must meet certain minimum requirements:

One: The prime objective of the agency should be to preserve the essentials of our present system. This would

include making the best use of trains, buses and other means of transportation.

Two: The agency must have the guidance, aid, and participation of all agencies of government, state or interstate.

Three: The agency must be efficient and able to act quickly and surely.

Four: New Jersey's wide experience with interstate agencies requires that the decisions of the agency be by majority vote of the members from each State, to preserve the sovereignty of the participating States.

Five: The agency must be made directly responsible to an elected public representative. Gubernatorial veto power over actions of the agency will achieve this.

Six: The agency must be responsive to local groups, municipal and private.

Seven: Since the heart of the problem is commutation across the Hudson River, close interstate cooperation with the State of New York is essential. Discussions with New York should precede enactment. My office has already taken steps to work closely with the new Governor of New York and his staff to avoid delay from the recent change of administration there.

Eight: The clear public policy should be to resolve the problem by testing the achievement of each step before attempting the next.

TAXATION

Another matter of unfinished business is revamping our laws for the assessment of property taxes. This tax is not a state tax, but is the main source from which local governments provide their services.

After receiving the Ninth Report of the State Tax Policy Commission, I expressed approval of its Second Alternative Proposal. This course was not adopted. What is now needed

is an expression of fundamentals that must be met, followed by an exploration of the available choices and a selection of those commanding general agreement. The final details must satisfy the underlying fundamentals, and there must be a real determination to reach agreement. The fundamentals are not hard to specify.

First, fair play demands equality of treatment within taxing districts. Other factors require that the standard be the same throughout the State.

Second, any substantial change in the system will have unpredictable effects. In some cases these could be severe. The legislation must provide means to prevent undue hardship.

Third, the particular assessment ratio chosen is not critical. What is important is the total amount of a taxpayer's annual tax bill, and the assurance that he has not been assessed for more than his fair share.

Fourth, there are collateral statutes which will be affected. These must be conformed to the major amendments.

Fifth, a revised system will involve a tremendous administrative effort, including careful revaluation. For this task, there are just so many trained people available, and there are limits to how much they can do well in a given time. This must be allowed for in fixing the effective date for the new system. It should provide a time short enough to discourage delay and long enough to insure quality performance.

Sixth, provision must be made for an orderly transition. The Director of the Division of Taxation might be assigned to review the status of revaluation programs, the availability of experts, and the establishment of an orderly revaluation schedule. Although some 200 municipalities have undertaken to revalue, more than 350 have not. Revaluations take so long that, unless properly kept up, the first may be obsolete before the last is finished. Periodic review of local assessment rolls, and the building up of a body of capable assessors are necessary. The key to real improve-

ment lies not in the details of the system but in the quality of assessment in the first instance, and in preventing revaluations from becoming obsolete and inequitable.

The importance of this point cannot be overemphasized. We face this problem today because of local failure to carry out assessing duties properly. I have seen examples of homes, in the same district, selling in today's market from as low as \$6,500 to as high as \$16,250, yet all assessed at the same \$4,000 valuation. In another district, homes ranging in price from \$6,700 to \$21,750, were all assessed at \$3,500. While these are just examples, and by no means conclusive, they are indications of how far from fair and equal treatment some cases have gone.

If these injustices are to be corrected, legislation alone will not accomplish it. Only sincere and competent local officials can do it. Perhaps the greatest impetus to uniformity would be the publication of local assessments.

CONFLICT OF INTEREST

It is unwise not to spell out State policy to guide governmental officers and employees. It is a disservice to the public not to mark off the boundaries of proper and improper activity by public officials. We need have no misgivings about the dedicated public servant, but for those occasional few for whom the guide of conscience is too frail, the rules must be clearly stated. Proper legislation to regulate and prevent conflict of interest is needed to inspire public confidence in government.

The General Assembly has taken a commendable first step by adopting rules for the regulation of its own members. This is not enough. Good legislation on this subject should be approved without hesitation.

LAW ENFORCEMENT

Law enforcement is a primary State responsibility. It must have the support of sound legislation. One bill to be offered will authorize prosecutors, on the basis of a court

order, to obtain answers from key witnesses upon a grant of immunity. Amendments will be offered to extend the present law on bribery of labor officials to indirect payments. Enactment of a suitable police training law will provide the way for New Jersey's police efficiency to become among the first in the nation. The crime reporting law is needed as much in 1959 as it was in 1954, the year of my first request.

Legislation to bring all charitable trusts under the surveillance of the Attorney General will be submitted. New legislation adding a registration and licensing requirement to the present law on fraudulent sale of securities will be offered. There will also be a bill to give better protection to the perpetual care funds of cemetery companies.

TRAFFIC SAFETY

The average citizen, good driver though he may be, is exposed to the danger of the speeder, the weaver, the reckless and the drunk. An administrative program to take away the driving licenses of speeders was put into effect with the start of the year. Early experience indicates it is working well.

We need to have similar action to deal with the drunk driver. I recommend for your consideration a legal requirement that every driver be called upon to agree to a scientific test of sobriety as a condition of being allowed to drive. The object should be to make possible a prompt and accurate determination of fitness to drive, and should be as much for the protection of the fit driver as for the detection of the unfit.

During the year, the system of spot checking for motor vehicle violations was intensified throughout the State. Improved reports of accidents are giving better information on serious accidents and will help determine major causes as well as guide educational and enforcement efforts. County traffic coordination is an important part of this work, and a bill providing such an office will be offered.

EDUCATION

To a large degree, the future of our State and Nation is in our colleges and universities. They prepare our teachers to inspire and guide our children to become tomorrow's useful citizens. They stimulate those who labor at the frontiers of knowledge.

The program for additional buildings at Rutgers, at the six State Colleges and at Newark College of Engineering as recommended by the State Board of Education should proceed. As I said last year, either a bond issue or a series of annual appropriations, as the Legislature may prefer, will be acceptable to me.

As to a scholarship program, the Legislature should note the importance of early action if it is to have any meaning for the 1959 school year, because a staff will have to be organized, and applications processed this Spring.

CONSUMER PROTECTION

The State must provide better protection for the consumer. The squeeze of rising prices, the impact of heavy Federal income taxes, and narrowing profits in many enterprises have encouraged the unscrupulous to increase their activities at the expense of the consumer.

The common law doctrine "Let the buyer beware" has its limits in the complexities of the modern era. The common law buyer could expect to bargain on fairly equal terms. He bought simple merchandise, easily examined, easily evaluated. He dealt mainly with merchants and traders with whom he was personally acquainted.

Today's business is largely anonymous. Goods are made and shipped all over the Nation. The buyer often places orders by telephone. While most of our manufacturers and traders maintain a high level of business ethics, there are those who are no more than confidence men, looking for victims to fleece.

Thus, there are merchants who pretend to sell bargains

at attractive prices, only to reap more in the end than the legitimate merchant. They bleed the consumer and rob the honest trader.

Some examples disclose heavy-handed service charges on installment sales, many as high as 30% to 40%, and some over 100% a year on top of the purchase price. There is now no legal limit to these charges. Other abuses include the use of agreements signed in blank, and the imposition of excessive insurance requirements, both as to amount and coverage. It is the State's responsibility to regulate these practices by law.

Such measures should be carefully designed. They should be self-executing and should provide for rapid remedy in our courts. They should create a minimum of administrative burden. They should encourage the honest and deter the unscrupulous.

UNEMPLOYMENT COMPENSATION

The original concept of our unemployment compensation laws was that benefits should bear some reasonable relationship to wages. However, rising wage levels, along with the declining purchasing power of the dollar, have tended to make the present maximum of \$35 a flat, fixed amount with no realistic relationship to wages.

The program is also constructed on an insurance concept. Thus, it is necessary that any upward adjustment of benefits must be balanced by corresponding changes in other parts of the law. There must be tighter control to prevent abuses and unwarranted drains. Coverage should be extended to employers of one or more, and contribution rates adjusted to keep the system in balance.

One difficult aspect of this subject is the unfair competitive condition fostered by the failure of the Federal government to provide any kind of minimum standards for all States. Here, the Federal government, having initiated the program on a basis calling for state administration, has wholly failed to prevent some of the States from adopting

programs so inadequate as to be almost meaningless. Such programs, of course, cost little, and this fact has been used to entice industry to those States. This activity, in turn, creates local unemployment in areas where realistic programs have been put into effect, causing severe drains upon their resources.

A single State, by itself, is powerless to legislate in any effective way to cure this condition. We should press for Federal action so that we can carry our own program forward.

We can and should enact a realistic minimum wage law applicable to men as well as women. The problem of the migrant worker will probably require separate interstate action. I renew my request for a sound State Labor Relations Act to function in those cases not reached by the Federal law.

STATE BUILDINGS

I regret that we have made little progress toward providing more efficient space for State offices. Despite the fact that it would cost New Jersey nothing to construct a building for the Department of Labor and Industry, the Senate refused to act beyond providing funds, at its December meeting, for acquisition of land and the preparation of plans.

This is particularly inadequate because in taking only a tiny step, the Senate failed to indicate how much it would provide for the building itself. Without this information, plans and specifications are meaningless.

Let me read to you what was said in the resolution adopted by the New Jersey Employment Security Council at its meeting last month:

“* * * the Federal Government has, for the past three years, strongly urged that New Jersey promptly consolidate under one roof the head-

quarters operations of the Division of Employment Security, which now are distributed in eight scattered locations, and the Regional Director of the Federal Bureau of Employment Security recently stated to the Council that New Jersey has the most chopped up and inefficient headquarters arrangement of any State with which he was acquainted.”

The report noted that the funds needed were available from Federal sources, and that the building would be self-financing; that the delay of the last three years means an increase of over 30% to construct the same building. It urged action to assure early construction.

You will recall that I made this recommendation early in 1956, and again in the fall of 1956, in January of 1957 and then in January of 1958. The only bill passed so far is a case of “too little and too late.”

TREASURY

For the Treasury Department, I recommend a bill for the hearing of tax appeals by single hearing officers. Until agreement on more extensive changes can be reached, at least this essential step should be taken to get the appeal calendar current.

A bill will also be offered to broaden the basis for investing State funds. Over the last fiscal year, the effective rate of earnings on long-term investments rose above 4%. This good record can be further improved and the public will benefit.

JUDICIARY

One area of judicial operations where important progress can be made is in the improvement of the law of evidence. The subject has now had full study and discussion. We have two extensive reports, one by a committee of the

Supreme Court and the other by a commission of the Legislature. On the need for improvement and on the details of the proposals as well, there has been general professional agreement and support. The only matter unresolved was the way to put it in effect. I believe that this one remaining question can be agreeably resolved. I recommend that this be given high priority so that the goal may be realized this year.

AGRICULTURE

Many of the problems of agriculture are economic and are greatly influenced by policies established at the Federal level. Nonetheless, each State possesses means to help stabilize the agricultural economy and to encourage the proper use of agricultural lands. Here, in New Jersey, great assistance to the farmer has been provided through expanded programs in our Department of Agriculture for promotion and marketing of New Jersey products. Much help has also come from the outstanding work done at the Agricultural Experiment Station at Rutgers.

A bill will be prepared and submitted for your consideration to help in the work of soil conservation by establishing a broader program to prevent losses from flood and sedimentation, and to insure the existence of adequate systems and supplies for irrigation.

DELAWARE RIVER BASIN

Conservation of natural resources is also the subject of a survey by the U. S. Army Engineers dealing with the Delaware River Basin. When the studies are completed we will need a suitable agency to coordinate the efforts of the Federal, State and local governments. It will doubtless involve the negotiation of an interstate compact.

After several years of effort, meetings with the State of Delaware have been initiated to explore how the two

States may best solve common problems of transportation and economic development in the Delaware River and Bay Area.

I am happy to report that the meetings have begun in a highly cooperative spirit, and with a clear appreciation by both States that neither alone can hope to accomplish the work. When a specific agreement is reached, it will be promptly presented to the Legislature for consideration and approval.

INTERSTATE PROBLEMS

The pattern of State and Federal responsibility has left some areas to negotiation and action by several States acting in concert. New Jersey has more experience in such relationships than any other in the Nation. One of our most pressing problems of this kind is getting fair treatment for our citizens who are subject to the income tax laws of other States. While progress must be based on voluntary agreement, efforts to demonstrate the injustice must continue.

WATER RIGHTS

Last November New Jersey took a great step forward when it approved the program for the Round Valley and Spruce Run reservoirs. In addition to that program, our growing population requires exploration of other ways in which future water needs can be met.

The problem has been studied in many parts of the country, and there appears to be general agreement that existing law governing surface water rights is no longer suited to modern conditions.

A bill is in preparation to provide a reasonable means for making the best use of our surface water supplies and reducing losses through misuse, waste and runoff. It will involve a review of the suitability of certain common law principles that have been in effect for centuries.

BOATING ACCIDENTS

Boating accidents on the waters of New Jersey have increased their toll from one death in 1956 to 13 in 1958. The ever more intensive use of our waters requires more effective law enforcement measures. Our present law is at about the same stage as our motor vehicle law was when the auto became popular. A new set of principles for the control of tidal and non-tidal waters for boating purposes is now in preparation and will be sent to the Legislature early in the session. This will include the registering of small outboard motor vessels, a matter left to state regulation by the recent Federal law.

HOUSING

The Attorney General has successfully defended the constitutionality of our Blighted Areas Law, and further review has been denied by the United States Supreme Court. This is a momentous decision as it will free substantial Federal funds for redevelopment and should speed action on this important program.

LAW REVISION

The subject of law revision, while not one that excites the imagination, is perhaps one of the most important of all legislative responsibilities. Some antiques are precious, but antique laws are shackles.

New Jersey has tended to follow the patterns of a more leisurely era. It has usually made a wholesale revision whenever our laws became so bad as to be scandalous.

This is not good law revision. When the 1937 revision was enacted, it was supposed to be kept current by regular effort, but this was soon forgotten. Revision should be continual.

I have already mentioned one subject, our insurance laws, where prompt revision is important. Insurance has been held to be interstate commerce, and the Federal gov-

ernment has allowed a time for the States to show that they are ready, able and willing to carry the responsibility of sound regulation. Unless this work is done well and done promptly, the Federal government can be expected to intervene and supersede the jurisdiction of the States. Certainly, New Jersey, as one of the leading centers of the Nation's insurance activity, should be in the forefront of this effort.

Revision does not mean a mere collection and rearrangement of existing laws. That way lies confusion. Our present Title 40, now in process, is a good example. Never revised, even in 1937, it is a bramblebush even for the expert. After extensive work, several parts will be presented at the current session.

The Legislature should initiate a program for continual revision. Some titles are already in process. In addition to the ones mentioned there will be a revision of Title 18, dealing with Education, as well as of Title 51, Weights and Measures; Title 55, Tenement House Supervision; and Title 45, Professional Boards. A draft revision of Title 48, Public Utilities, is now undergoing review. Studies have begun in preparation for a revision of our General Corporation Act, Title 14.

In these efforts, the degree of legislative participation has been less than it ought to be. I guarantee that more time spent on sound revision will sharply reduce the need for the myriad piecemeal bills annually introduced.

We should have a program for cases where a need for change is discovered from judicial interpretation of the law. The opinions of our courts, in proper cases, point out specific problems which have actually arisen. There should be some workable method by which these can be taken up, discussed, and the legislative policy expressed. One such instance was that affecting the liability of charitable organizations. A law extending the prior rule until June 30, with some modification, was enacted last year. This problem should be resolved by appropriate permanent legislation at the current session.

REAPPORTIONMENT OF THE ASSEMBLY

The Legislature cannot forever postpone its duty to reapportion seats in the General Assembly. Action has been stalled by a fear that some large counties may lose seats to small counties, thus heightening the legislative strength of "acres" at the expense of people. While various recognized methods of apportionment may give differing results, reapportionment need not involve the feared consequence. The problem should be restudied and acted on.

Congressional redistricting is another essential State duty too long neglected. The disproportion of representation has now reached an extreme, from lowest to highest, of just about 50% of the average population per congressman, based on 1950 census figures. This is bound to be aggravated when the 1960 census is taken.

Legislation to extend the use of voting machines and to simplify registration procedure should also be adopted.

INSTITUTIONS AND AGENCIES

The commission appointed last year to study the Department of Institutions and Agencies has nearly completed its report. This was the first broad review of that Department in over 40 years. The legislation to be recommended by the commission should be considered seriously.

EMERGENCY GOVERNMENT

Although the Federal government has the primary responsibility in military matters, important programs for civilian defense and for survival have been assigned to the States for action.

Under existing law, a prototype plan to meet survival needs in case of nuclear attack has been issued. It will now be used as a guide for other local areas.

One aspect, however, needs legislative action. That in-

volves making arrangements to insure that essential governmental functions can be conducted if there should be a cataclysmic disaster.

I believe that the standard proposals offer arrangements which are too involved and too cumbersome to be dependable. I therefore suggest that the Legislature promptly establish a legislative commission, which should include representatives from both Houses, from the Judiciary, from the Executive Branch and from the public, to consider the various available choices and to submit recommended legislation. The commission should consult with groups from the legal profession which have already made important studies, as well as with the civil defense organization.

The object of the legislation should be to provide realistically for the succession of key government officials and for the establishment of emergency bodies in the event of a disaster which disrupts our normal processes. We must, if at all possible, be ready to function effectively under some form of emergency civil government, rather than under martial law.

CONCLUSION

I have pointed to some of the major problems which face this Legislature. I want to add that all of the facilities, experience and talents of the Executive Department are available to you. We have outstanding experts. The Legislature should make use of them. Most of the subjects to come before you involve Executive as well as Legislative responsibility and I again assure you of my wholehearted desire to have better communications with the Legislature. You should use the best available sources to get the facts.

There has always been rivalry between the Executive and the Legislative branches, as well as rivalry between parties and between Houses. All of us should rise above that rivalry in achieving a legislative record for the good of our citizens.

Let us also have a short, hard working session, without delays and postponements. Let us not quibble over sponsorship or origin.

Let us have decision, whether yea or nay. Let us have approval or rejection of nominations. Let us have issues voted on publicly.

Cooperation is a two-way street. You may be assured that my party and my office are ready and eager to join in the common effort.

Respectfully submitted,

ROBERT B. MEYNER
Governor

Attest:

BRENDAN T. BYRNE

Acting Secretary to the Governor.

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