

**P U B L I C   H E A R I N G**

before

**ASSEMBLY COMMITTEE on AGING**

on

"Issues and Concerns of Senior Citizens"

Held:

April 19, 1984

Glen Gardner Geriatric Center

Glen Gardner, New Jersey

**MEMBERS OF COMMITTEE PRESENT:**

Assemblyman Thomas H. Paterniti (Chairman)

Assemblyman Edward K. Gill

**ALSO PRESENT:**

Norma Svedosh, Research Assistant

Office of Legislative Services

Aide, Assembly Committee on Aging

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**TABLE OF CONTENTS**

	<u>Page</u>
Robert Long Director Glen Gardner Geriatric Center	2
Paula Snevily Private Citizen	3
Stanley Miller Representing the Advisory Council of Hunterdon County Area Office of Aging	6
Walter Baker Private Citizen	11
Gail Knee Aide to Assemblyman Richard A. Zimmer District 23, New Jersey State Assembly	18
 <b>APPENDIX:</b>	
Letter, submitted by Robert F. Danziger Private Citizen	1x
Letter, submitted by Herbert W. Miller Board Chairman and Chief Executive Officer, and John Szyborski, President New Jersey Coordinating Council of Organized Older Citizens, Inc.	2x
Position statement submitted by F. Stanley Miller, Chairman Advisory Council Hunterdon County Office on Aging	6x

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**ASSEMBLYMAN THOMAS H. PATERNITI (Chairman):** I would like to call this public hearing, which is being held at Glen Gardner, to order. Good morning, ladies and gentlemen. I am pleased to welcome all of you to a public hearing being conducted by the Assembly Committee on Aging.

My name is Thomas Paterniti, and I am the Chairman of the Committee. Before we start, I would like to take this opportunity to mention some of the members on my Committee. Our Vice Chairman is Anthony Vainieri. Some of the other members are David Schwartz, John Bennett, and Edward Gill. If they happen to arrive to participate in this hearing, I will introduce them to the audience as they arrive.

I would also like to mention that if you have written testimony, or if you wish to be placed on our witness list, please contact our staff aide, Norma Svedosh.

This is the second hearing the Assembly Committee on Aging is holding this year in the rural areas of our State, to learn of the concerns and problems faced by the senior citizens of New Jersey.

The long-awaited and greatly-needed Assembly Committee on Aging was created last year by the New Jersey Legislature, and its form and mechanism is devoted solely to legislative efforts to deal with the issues, problems, and concerns of senior citizens.

Before the formation of the Committee on Aging, legislation which addressed the needs of seniors went to different committees. Now we can give top priority to these concerns, and coordinate a more effective response to the problems faced by senior citizens.

The Senate has just recently followed in our footsteps by creating a Senate Committee on Aging. There are many problems which we must attempt to solve. Development of a balanced long-term health care system; easing of the tremendous tax burdens faced by our senior citizens; provision of adequate and affordable transportation; and the construction and financing of suitable housing are only some of the problems.

During the past year we have been successful in beginning to address and solve some of these preexisting problems. The Assembly Committee on Aging is concerned about reaching as many of our State

senior citizens as possible. We are conducting these hearings to get your input. We want your thoughts, ideas, and questions. We are interested in hearing your comments on these very important issues.

I would like to ask the witnesses to keep their testimony as brief as possible. Anyone wishing to present written testimony for the public record may do so. I have a series of witnesses scheduled, and at the end of the witness list if there is anyone in the audience who wishes to comment, he or she will then have an opportunity to come before this Committee.

Our first witness is Robert Long, the Director of Glen Gardner Geriatric Center. I would like to thank him for giving us the time and the facility in which to hold this hearing.

Before I call on Mr. Long, I would like to introduce Edward Gill, who sits on our Committee. He has been on the Committee since its inception is he is really an asset to the Committee.

Mr. Long?

**ROBERT LONG:** I just wanted to welcome everybody to Glen Gardner Geriatrics Center, and let you know that we are an adult psychiatric facility. We are also a skilled nursing home. The Center was opened in 1977, on the grounds of the former New Jersey Hospital for Chest Diseases. The Center services 188 residents. All of our residents are formerly from psychiatric hospitals. We have two buildings, the building you are in right now, and on either end of this building there is a wing. We have 88 residents in this building, and it is licensed as an adult psychiatric facility. Across the way, you will notice there is a new building. It is licensed as a skilled nursing facility.

I would just like to let you know that if anyone would like to contact us regarding the activity here, or if they have any questions regarding the facility, we would be more than happy to answer their questions.

I would also like to thank you all for coming. I would like to thank you for using the facility. I appreciate your coming up here and taking advantage of our facility.

**ASSEMBLYMAN PATERNITI:** Thank you very much. When you said it was rural, it really is, but it is very beautiful. Driving up here, especially in the spring is like a breath of fresh air.

Our next witness is Judith Parness, from the New Jersey Coalition for the Protection of Vulnerable Adults. Judith? (no response) Judith hasn't arrived yet, so we will get back to her.

Our next witness is Paula Snevily.

**PAULA SNEVILY:** Thank you. I am here to testify as a private individual, due to the fact that I work for the Federal government and it is impossible to go through the red tape in order to get my statement cleared through the government.

The greatest difficulty I am encountering in working with elderly patients and their families is the lack of availability of resources when discharging patients from acute care facilities.

The choice between institutionalization and community placement often depends upon the quality and quantity of services available. Often, the elderly could be maintained in their homes, or in homes of family members, if the caretakers were offered support services. In particular, day care centers would permit working families to maintain individuals in their homes, individuals who need a sheltered, or structured environment while the caretaker, or caretakers, are at work.

These centers need flexible, extended hours. In addition to offering relief to the caretaker, the centers provide opportunities for socialization, and they focus upon the maintenance of independence by the participants.

As the number of women who work continues to increase, and their role as traditional providers of care changes, there will be an increasing need for the provision of day care for the elderly.

Another major need which has a large impact on the elderly is transportation. Often transportation is available to residents of senior citizen housing, but not to individuals who are in their own homes. Transportation needs to be provided for access to day care centers, recreational and social activities, shopping, medical appointments, and other activities.

The final difficulty I encounter is the placement of patients who have a psychiatric illnesses, in addition to being elderly. Many nursing homes are not willing, or they are not prepared to care for

these patients. Many times the families cannot maintain them in the home because they are not able to provide 24-hour care, and these patients do need 24-hour supervision.

ASSEMBLYMAN PATERNITI: Thank you. Actually, this Committee is trying to address some of these problems. In fact, we are working on one of the points you just brought up. We are drafting a piece of legislation that will actually force nursing homes, if they have a certain amount of space, to take at least ten percent of the people who are on Medicaid, ten percent of what we would consider acute cases, since they cannot stay in a regular hospital but they need extensive care. In many instances, nursing homes try to push them to the side, because they involve more time and more expense.

Second, although we do have day care centers in the State -- that became law back in 1977; we are, I think, the fifth in the country to have them -- they are sporadic. I also want nursing homes to take a certain percentage of the elderly as day care patients. This is not only in new and expanded facilities, but in existing facilities as well. I am presently drafting that piece of legislation. Hopefully, that may answer some of your questions.

As far as transportation is concerned, we did pass legislation last year. What was that, twenty million or ten million?

ASSEMBLYMAN GILL: Eighteen million.

ASSEMBLYMAN PATERNITI: Was it eighteen? I think it was twenty and it was cut down to eighteen. We are going to try and distribute some of that money to the various county agencies on aging, and also, I guess New Jersey Transit is going to get part of that money in order to expand transportation facilities for the elderly.

The third thing that I think is very important is when people have psychiatric problems and we have to find ways of fitting them into some kind of institution or facility. I think that is something we are going to have to address, and I am glad you brought that to our attention.

Thank you very much.

ASSEMBLYMAN GILL: May I ask a question, before you leave?

ASSEMBLYMAN PATERNITI: Go ahead, Assemblyman Gill.

ASSEMBLYMAN GILL: With respect to day care, I have been working with George Albanese, the Commissioner of Human Services. As you probably know, New Jersey is starting with a program of 1800 experimental long-term home health care patients. Part of that program is a respite program, and also includes day care centers.

Now, I know Catholic Charities in Union County, for example, has been quite active in that area. I think I looked at one or two of those on Monday. There is one in Union, New Jersey, and one in Roselle Park.

Partly, this is to provide day care for senior citizens. We are talking about just senior citizens now. Partly, it is to provide respite, on the theory that sometimes the children need to have a change. As much as they love their parents, they need to put them away for a day or two in order to give them a chance to get going. That is a common and a growing concern. I think the respite and the day care center idea is catching on very nicely.

I sit on the Transportation Committee, and I have to tell you we have spent a lot of time and a lot of work on transportation for the handicapped and the elderly. As you know, the voters, two years ago, said that the casino revenue funds can be used for not only the elderly, but also for the handicapped. As Assemblyman Paterniti said, last year the voters did indeed vote for \$8 million dollars, and this is being channeled back to the counties.

Again, Union County is going to get \$180 thousand this year, and about \$400 thousand next year, and the pattern will be about the same in every county throughout the State. This is mainly to address transportation just for the handicapped and senior citizens.

I must admit I think the emphasis at this time is going to be pretty much on the handicapped. They have been left pretty much alone.

In our infinite wisdom, we thought we were doing a good job when we provided some 600 new buses to New Jersey Transit, some of which kneel down so that the elderly can get on; some have lifts. We then found that we could not get the handicapped people from their homes to the bus line without a feeder bus. So, now we are concentrating on feeder operations. It is a big operation.

I have nothing to add about the psychiatric issue, except I do know that at Bonnie Burn, again located in Union County, we have some long-term space designated for psychiatric types. All I can say is, you have a point there. I don't quite know how to address it, but you have a point.

ASSEMBLYMAN PATERNITI: Thank you very much. The next witness is Stanley Miller, representing the Advisory Council of the Hunterdon County Area Office of Aging.

STANLEY MILLER: You have my testimony, and I think it illustrates our views on what we have discussed over a period of time. We think a lot of those problems should be taken care of, or at least worked upon.

ASSEMBLYMAN PATERNITI: I just received this, so I haven't had a chance to read it.

ASSEMBLYMAN GILL: Just picking one -- through you, Mr. Chairman -- number four refers to large cash payments for nursing homes. As you know, the Governor, in his State of the State Message early this year, commented on just this point. Many of the senior citizens' families had to impoverish themselves in order to pay up to \$25 thousand a year for two years, in advance. I know in this part of New Jersey it is about two years, or two and one-half years. The Governor has addressed both the Attorney General, and I guess the State Legislature, to take of and solve this problem. It is not easy.

If you saw some of the letters I have been getting from nursing home owners, they claim we are violating all their freedom and rights, etc.

I quite agree that we should not require senior citizens to commit themselves to spending \$50 thousand of their money -- practically all they have left -- before they go on Medicare. That is the problem. The nursing homes, particularly in North Jersey, feel that Medicare is not able to pay sufficient amounts to cover the actual cost of the senior citizen. Therefore, they are asking this to be paid up-front, and then Medicare comes in later. To my mind, at least, it is a very bad system. We have to come up with some accommodation that will include Medicare, plus the difference, or go under Medicare immediately.

ASSEMBLYMAN PATERNITI: I was just looking at some of the bills. One has to do with pharmaceutical assistance. There are at least a dozen bills that have to do with pharmaceutical assistance -- increases, and so on and so forth. In fact, I was the one who increased the pharmaceutical assistance three and one-half years ago, from nine to twelve, and twelve to fifteen. That was my legislation that increased this for the seniors.

In item two, you are talking about Bill S-59. I have four bills in and we held a public hearing last Thursday in Trenton that had to do with catastrophic life insurance. It is called Medigap. It is 1130 to 1133 -- am I correct, Norma? They are Assembly bills. If you get copies of those you will see that my legislation would actually like to get people from the private sector involved, where we will keep the premiums very low, and if they qualify for pharmaceutical assistance, 25% of the premium would be picked up by casino revenue in order to help pay for this. It is an ongoing scale. At 65 years of age, it would be "x" numbers of dollars, and so on.

Actually, the way the legislation works under Medicare, for the first 90 days you are covered; after that, you are not. This would pick up where Medicare ended, and it would pay for one's nursing home stay for up to a period of three years. We felt that if we could more or less have certain parameters or guidelines -- start after 90 days and limit it to three years -- we could keep the premium kind of low so that it would be affordable. Some of the figures we have obtained seem to fit that kind of thinking.

There are a few questions that have to be resolved with some of the insurance companies. I am setting up some meetings with them. I would like to meet with them and see if we can more or less work something out. But, I feel if we go ahead with this type of legislation it is going to be a benefit.

You said something else that had to do with--

ASSEMBLYMAN GILL: Number six.

ASSEMBLYMAN PATERNITI: Oh, yes. We have both introduced that type of legislation. We are going to be having public hearings on the legislation; it has already been released from committee.

ASSEMBLYMAN GILL: That is to create the Department of the Aging.

ASSEMBLYMAN PATERNITI: Yes, it has to do with the Department of the Aging. We have addressed that. A lot of this isn't going to go into effect until about July. In fact, I was listening to the Governor on WCTC yesterday morning, because I had to go to Trenton for a public hearing, and he pointed out that as of July 1st, some new programs would go into effect which will help cut down on some of the auto insurance.

I know we took the initiative insofar as senior citizens are concerned, where, on the Federal level, they changed the insurance. Medicaid was primary and the auto insurance was secondary. They have changed that, and we addressed it with new legislation. We reversed it, and we are presently saving senior citizens money in that area.

I am just looking through another bill you have here. Oh, yes, "Support of legislation permitting the court to impose an additional term of up to three years' sentence on a person convicted of a violent crime against a victim 60 years of age, or over." I know New Jersey is probably a leader insofar as being in the forefront against people who commit violent crimes. As you recall, we did pass the death penalty, etc.

In fact, I have legislation in that has just been released from committee which has to do with deadly force. So, if someone breaks into your home, you have the right to protect yourself. The way the law reads right now, you have to meet force with equal force. So, if someone comes in with a gun, you have to run and find a gun and shoot him. By that time, God forbid, you are out of luck. With this new legislation, one would have a right to defend himself or herself if a person tried to break into his or her premises.

We are addressing some of these concerns, and I am glad you pointed them out because we are on the right track. Thank you very much.

MR. MILLER: Thank you. I hope you will do all you can for us.

ASSEMBLYMAN GILL: Mr. Miller, one last comment regarding converting single family houses. In the area of ultimate forms of housing, I run a couple of senior citizen housing operations, so I know the problems that are involved. Recently, we have been getting into the area of looking at alternate housing schemes -- and when I say schemes I mean taking a large house that is occupied at the moment by a single senior citizen couple who can't afford to keep it going, either physically or financially, and opening that house up and making it available to possibly six or eight senior citizens. Or, there are reverse mortgages, where the owner of a house is again having difficulty paying for his mortgage -- or just paying his taxes, as a matter of fact -- and he will sell his house and reverse mortgage with the mortgage company, which pays the senior citizen to stay in the house, pays the taxes, and that sort of thing, until he or she dies, or until they disappear -- or something.

On May 2nd -- you may be interested in this -- Seton Hall is going to have another conference on alternate forms of housing. I know I will be there, and if you are interested in this particular subject, it is a very good conference. To me, it offers a choice of what to do instead of building large-block senior citizen housing, which we have been doing in the past.

MR. MILLER: Well, the problem there is that the zoning laws, or the local municipalities, say that a senior citizen cannot convert his house into a rental unit due to the fact that he is in a zone which states he cannot turn it into a two-family house.

ASSEMBLYMAN GILL: You are quite right. However, this has been overcome in two or three communities. I won't necessarily point them out now. You are quite right. We will receive some sort of opposition because of the zoning laws, but that too will have to be changed if, indeed, we are going to do this.

We have more and more senior citizens coming on stream and we don't have the facilities to accommodate them.

MR. MILLER: Yes, according to what I have read, our senior population is increasing every year, year by year. In fact, I think it is somewhere around 15 million right now.

ASSEMBLYMAN PATERNITI: No. Our senior citizen population in the State, to my knowledge, is about 27 million. They have surpassed teenagers. For the first time, the seniors have surpassed teenagers. By the year 2020, it should be up to about 65 million. Actually, by that time almost one out of every third person will be a senior citizen over the age 65.

MR. MILLER: Right.

ASSEMBLYMAN PATERNITI: Right now it is one out of every five.

ASSEMBLYMAN GILL: Doctor Paterniti commented on the single bill. We have both introduced bills creating a single department. At the moment, programs for the elderly in the State are spread through 14 different departments. There is a lot of money involved. Our plan is to have it all concentrated under one department, which means, of course, a cabinet office. We have some services under Commissioner Albanese now in the Department of Human Services, and some services are under Transportation. We would like to see it all pulled together for better administration. It would probably also eliminate some duplication somewhere along the line. We are working on it anyway.

MR. MILLER: Good. Well, thank you.

ASSEMBLYMAN PATERNITI: Thank you for coming before this Committee.

Is there anyone in the audience who would like to speak? You are welcome to come up and address the Committee.

Is Judith Parness here? (no response) She was on the agenda to speak.

As I mentioned earlier, this is the second hearing we have had in a rural area this year. Last year, our Committee had public hearings in three different parts of the State, the northern part of the State, the central part of the State, and the southern part of the State. The reason for this was, when we created this Committee we wanted to have input from the people that this really affects, the elderly. I believe we had roughly about 65 different groups come before us last year, and they gave us input. From this input, we have been able to address some of their needs. It has really opened up our eyes and given us an education.

I think the State of New Jersey is becoming very professional insofar as the elderly are concerned. In most other states -- as it was in the past -- it is more sporadic. People would be going from one committee to another committee, and they weren't always top priority. Today, we realize they are important, and I think the time has come when we have to care for those who cared for us. I think the inception of this Committee was probably one of the greatest things the Legislature ever did.

Are there any other questions? If not, then this hearing will be closed. Thank you for coming.

(Whereupon there is a request to be heard from a member of audience)

ASSEMBLYMAN PATERNITI: Please give us your name, sir.

**WALTER BAKER:** My name is Walter Baker. I didn't come here to present any testimony, but inasmuch as the comments are so sparse, I would like to reinforce some of the major areas of concern among the senior citizens. Of course, one which you have heard many times is the cost of medical care.

The second thing I think you hear about a great deal is housing. There is a great need for housing for these older people. I think there are three types of housing needs. There are condominiums, where people who have sufficient money to pay \$60 thousand for a condominium can get a small one and have someone take care of the property, and so forth. They can pay them a monthly fee.

Another form of housing is the smaller type condominium, in which there is probably one bedroom, or perhaps even a studio apartment. It would be much cheaper. They could afford it. I don't know what price tag to put on it, maybe somewhere in the \$30 or \$35 thousand area. But, they could buy this. That is pretty high for many people, but there is a group of people that can afford it; and, here again, for a small monthly fee they could have somebody take care of the property around the condominium.

I think the third and perhaps most important one is another one that is a small studio apartment, or a one-bedroom apartment, in which the people who could not buy could be housed. They would have to pay some rent. It would have to be a low rent. I don't know whether

it would have to be subsidized or not. Then I would go a little further with this one, in that they could have some place where they could practice crafts, or have some kind of classwork or other facilities in the main area. Whether this would be conducted on the county level, or by a local senior citizens group would depend upon the area.

If I might even go one step further, this would be a place where they could get one hot, full meal a day. Because so many of these older people, as you have heard and know, go to the cereals, sandwiches, and fried foods, which, because of the grease, they should not have. If this is big enough, it could be serviced by someone who would come in and provide that meal for them. There is also the possibility that this could serve as either a nutrition site, or meals could be delivered to the site. But, it would provide them with one full meal a day. Then, for the other two meals, they could provide for themselves from their own little pantries or kitchens.

The next item is transportation. Out in the counties this is a little difficult because they are so spread out. If you put transportation on the main line, they can't get to it. If you don't put it out in the rural areas, it doesn't do them any good. The cost to get out into the rural areas is tremendous. I think Somerset County has done a pretty good job with this, as a starting point, with their scoot bus. It is on the main roads, however, and one has to get to it, but it is a start. I am not sure what the other counties are doing about this.

Recently, there was grant money passed that made money available for improved transportation, in order to put it into the counties. I don't know how much good this will do, but it is a start.

There is also another minor concern for many senior citizens -- not so much for the senior citizens but for the families of the senior citizens -- and that is respite care. Families are afraid to leave the elderly-frail at home alone since they might fall, or they might need other help. Periodically, families would like to go out shopping for a day, or to do something else -- or, get away for the weekend -- and they need someplace where they can take their parent, or this person, and leave them for a day or a weekend.

Another thing you hear about very frequently is the use of casino funds. Everybody thinks there are millions of dollars in the casino funds, and as it is now -- at least to my understanding -- they are pretty well used up. We are also afraid that with all these people coming in and saying, "Use casino funds," the Legislature is going to dilute those funds by dishing them out to various groups, etc. We would like to see those casino funds stay allotted to those programs for which the law was originally passed.

ASSEMBLYMAN PATERNITI: Thank you. Regarding some of the questions you brought up, as far as people receiving one more meal a day, I guess in the rural counties this is more difficult. But, in Middlesex and in neighboring counties, we call this a nutrition program, where people are able to go out, plus we also have the Meals on Wheels. These are administered through the County Divisions of Aging. There are 21 of these Divisions of Aging.

You mentioned housing. Housing is a problem. The only area I have seen where you can keep the cost of housing down, and almost fit into what you have said, is Spotswood -- which is in my district. We have a mobile home park for senior citizens. The way it is set up is actually beautiful because each one looks like an individual home. Actually, they have little cobblestone curbing. They have a clubhouse. The units run between \$20 to \$40 thousand a year, depending on how big one wants them. The smaller ones have four or five rooms, and they run about \$20 thousand. And, the big ones, which are like a six-room home, run about \$35 or \$40 thousand. They pay a maintenance fee. They have two spots for two cars to park in. They have all the utilities underground. The air conditioning has to be centralized. So, it is really well-kept; it is really beautiful. I always felt that if a person had a modest pension, coupled with social security, that would be an answer.

You know, when people think of a mobile home, they think of the old mobile home parks, which are not that well cared for. But, this is beautiful. It really is.

MR. BAKER: Where did you say this is?

ASSEMBLYMAN PATERNITI: It is in Spotswood, in Middlesex County. It is the borough of Spotswood. They have over 500 units. They have their own clubhouse. They have a pool. It is very beautiful. In fact, because of them I have introduced legislation due to the fact that they were kept from getting cable television. Actually, the land is not owned by them. They only own the mobile home, and I have introduced legislation, where they would be able to get cable television whether they were in an apartment, or a mobile home, because that is a public service.

Now, another thing you pointed out was the respite care. I believe Assemblyman Gill pointed out that the Governor and the Legislature have tried to address this problem. We do not have that much money in it, because we have raised about \$10-1/2 million from casinos and we are having it matched with Federal monies. The respite portion is small, but we are going in the right direction. We are really trying to answer the need. If a family wants to take a few days off, or if they have to go somewhere, someone would come in and help them out.

As far as the use of casino revenue funds, I believe we are creating this Committee on Aging, and we are making sure that those funds are being used for new programs. When I go back on the 30th -- it is sitting right in my briefcase -- I am introducing legislation to try to get more monies from the casinos. I want to raise it. Right now, we presently get eight percent of the gross, and I am going to try to raise it to ten percent, which would bring in another \$30 or \$40 million, and that will be made available for the senior citizens. That bill will be introduced when I go back on the 30th. It is sitting in my briefcase right now.

So, we are addressing the points you brought up because we have had hearings such as this, where people like Assemblyman Gill and I hear your concerns and make every effort to address them.

I want to thank you for coming. Assemblyman, do you have anything to add?

ASSEMBLYMAN GILL: Let me just say before you leave, that the area of housing is like Alice in Wonderland, we run very hard just to

stay in place. I am in the process of building a senior citizen housing unit right now. When you talk about \$25 or \$30 thousand, or less, this is moderate income housing, and it is going to run about \$45 thousand per unit. There will be 100 units.

I think you will find that the cost, generally speaking, for a senior citizen housing unit, which is usually one bedroom, kitchen, bathroom, and living room, will run between \$32 and \$50 thousand, depending upon which part of the State you are in.

Under the Federal government's 202 Program -- of course, if that complex comes under rent subsidy -- the individuals who are committed to that program -- committed to the housing complex -- will get a good part -- and it varies -- of their rent subsidized, up to about 30 percent; it would pay up to about 30 percent of their housing. That means a lot; it is a big addition.

I have to point out to you though that I think we are creating more-- I am a senior citizen, and I would like to state that we are creating senior citizens faster than we are building the buildings.

MR. BAKER: I am glad to know that. I didn't know what the price range would be.

ASSEMBLYMAN GILL: It is pretty high. We, of course, have no control over that; it is purely the cost of building.

With respect to the casino funds, so you don't go away with the wrong idea, we anticipate the casino revenue funds this year to bring in about \$180 million. Now, I ran a tally the other day, and we are already over-committed by about \$60 million. If we were to institute and put into place all the programs that the well-meaning legislators, with your help, would like to see, we would be over-committed by \$60 million.

It is very easy to say, "Let's introduce this program," I have been guilty of it, "and let's have it paid for by senior citizen's funds." But, there is a stopping point.

Most of the funds at the moment go towards the Lifeline Program, the PAA -- the Pharmaceutical Program -- the Homestead Rebate, and some of it goes towards transportation. It is all committed.

I have a bill in on bed-holding, which you may be familiar with. Any individual who is in a nursing home and who has to go to a hospital -- while they are in the hospital, the home cannot fill that bed. That is a common practice, on a hot bed basis. As soon as they move a senior citizen out to a hospital, they fill that bed, and the senior citizen can't get it back. That program alone is a very small program, but it is going to cost \$8 million from the casino revenue funds.

I guess all I am saying is, we have to be careful as to how we commit that money.

MR. BAKER: I have two things I would like to mention about the PAA program. That program was not part of the original plan for which the casino funds were going to be allotted. But, it was taken out of the casino funds, and as I recall the Attorney General, at the time, when he was confronted with this, said, "Well, nobody complained at the time that it was against the law, so I didn't do anything about it." That is not so good.

ASSEMBLYMAN PATERNITI: The pharmaceutical revenue comes from two sources. The first source is from general revenues. That was the original pharmaceutical assistance. Then the latter part, which was my legislation, which expanded it to the disabled and increased the amount, came out of the casino revenues, because the people in the State of New Jersey voted for new and expanded programs for the seniors. They wanted it expanded; so, actually, it is funded through two sources.

Now, the one area I addressed we held a public hearing on, and it was passed by the Legislature -- it has to go through the legislature twice. We are trying to recoup the \$22 million that has gone for the tax rebate. I always felt that it should have come out of the General Revenue Fund, as was intended. The past Governor and the present Governor -- both Byrne and Kean -- have been using casino funds where I felt they shouldn't be used; they should be coming out of the General Revenue Fund.

When the original income tax was passed, we were supposed to get the tax rebate from that. Every homeowner would get a tax rebate

and the senior citizen would get the extra \$50. What Governor Byrne did, and Governor Kean continued to do it, was to take the \$50 rebate out of the casino revenue, rather than out of the income tax revenue, which is where it should really be coming from. I have a constitutional amendment in that will hopefully change that; it will go back to where it was originally supposed to come from, either the General Revenue Fund or the income tax. That will make an extra \$22 million available for senior citizen programs.

MR. BAKER: Many people are promoting programs, and they try to finance them through the casino funds. By law, the casino funds are not permitted to be used for all these new programs that people would like.

ASSEMBLYMAN GILL: Let me stop you there, the question that was put on the ballot, and which the people voted for, merely said that the casino revenue funds would be used for programs for the elderly.

The second vote said the casino revenue funds would be used for new and extended programs for the elderly and for the handicapped. It did not stipulate what the programs were going to be.

Now, at the time of the first passage, as Doctor Paterniti pointed out, there were certain programs for the elderly already in place. We feel, as you and a lot of other people feel, that it is not fair to say, "Sweep these programs in and have them paid for out of the casino revenue funds." We feel they should be continued to be paid out of the General Revenue Funds.

However, in all fairness, about \$100 million has been put back into the casino revenue funds, just for senior citizens and the handicapped. We have made a large step in the last two years by having most of the money go just to senior citizens.

Before -- and I won't say which regime it was under -- we had a lot of that money going into the General Revenue Fund in order to balance the budget. We are trying to correct that. But, we are still about \$22 or \$28 million short, completely.

MR. BAKER: One other thing. I am not sure of this, but I think the Legislature set up a committee of 15.

ASSEMBLYMAN GILL: You are right.

MR. BAKER: But, the positions on that have never been filled.

ASSEMBLYMAN GILL: Right.

MR. BAKER: May I ask if you have any idea why they have not been filled?

ASSEMBLYMAN PATERNITI: We have asked the same question. In fact, after the first meeting we had this year we sent a message back to the Administration, asking when they were going to fill these positions because we wanted some answers. That, in fact, was our first meeting, am I correct?

ASSEMBLYMAN GILL: This was a Commission to be set up. It was introduced by Senator McManimon, just to set priorities for the spending of the casino revenue funds. This was for a very good purpose, because, as I said, we are over-committed. Everybody and his brother is on that program. The purpose for this was to say, "This is the most important," and so forth, all the way down to the least important, so we would have a very orderly way of disbursing the funds every year.

I don't have a good explanation. I don't know if any of us do. I have raised enough fuss in the front office. They are getting tired of listening to me. My guess is they are afraid -- whoever "they" are -- that they might lose control over the spending of this money.

MR. BAKER: I understand the five public members have been appointed, but the Senate and Assembly representatives have not as yet been appointed to the Commission.

ASSEMBLYMAN PATERNITI: I never got any report back at all.

ASSEMBLYMAN GILL: I haven't heard of any either. You know something I don't know. I think the Commission is just dormant, and I don't like it.

MR. BAKER: Thank you.

ASSEMBLYMAN PATERNITI: Thank you, Mr. Baker.

Yes, young lady?

**GAIL KNEE:** I am Gail Knee. I am Assemblyman Zimmer's aide, but I am speaking for myself. I have a question. It may sound a little naive,

but I live in a planned urban development in Flemington, and part of that development has been designated as set-aside for senior citizens. While we have never actually been told where the funding is coming from, it is lower income. It is not the Mount Laurel. It is not low income families. It is senior citizen families. It will be especially designed for senior citizens, with the sidewalks on the one level and access to a shopping area. They are in an area of the development which is closer to a shopping area; it is within walking distance for them. This was voluntary on the part of the builders of my development.

I was just curious as to whether there was any way you could tie in to any future PUD application -- that a certain area be designated for senior citizens?

ASSEMBLYMAN GILL: It is a good idea. I have never heard of that before. This, of course, requires cooperation on the part of the local community as far as zoning goes.

MS. KNEE: Most of the members of the Homeowners' Association -- in fact, I can say all of the members, because I have been active in it since we first moved there -- feel that while there are still senior citizens who are capable of living in regular condominiums, we would welcome these senior citizens. Most of us live out there, away from families. We are a mobile society. We don't have our parents and grandparents around. We would love substitute parents and grandparents around for our children, or whatever. We would welcome them as neighbors.

ASSEMBLYMAN GILL: They are good babysitters too.

MS. KNEE: Yes. They are just a different perspective. Rather than living in a community of all your peers, it is nice to have a different cross section.

ASSEMBLYMAN GILL: Which town is this?

MS. KNEE: Flemington. In Raritan Township.

ASSEMBLYMAN GILL: I would like to stop in and see that. I have never heard of that before. It is a good idea.

MS. KNEE: The builder is-- As I said, the area that is planned contains I don't know how many units, but it is substantial.

It is supposed to be lovely when it is finished. I know they are not obligated. I know it is strictly voluntary, but I don't see why it couldn't be regulated.

ASSEMBLYMAN GILL: I don't know of any subsidy program that the Federal government has that would accommodate that.

MS. KNEE: No, but I have a feeling it is built into the expense. Most of this is a middle-income development. It is not low-income. Most of us are two-family workers.

ASSEMBLYMAN GILL: Does Assemblyman Zimmer represent that area?

MS. KNEE: Yes.

ASSEMBLYMAN PATERNITI: I think Weidel also represents that area, and "Moose" Foran is the Senator from that area. He is quite a guy. I really like your Senator.

Are there any other questions? (no response) I am glad we reopened the hearing because we had some additional input, and I think it was very worthwhile. Again, I want to thank you for coming before this body. I hope that with this input, we will be able to do more for our senior citizens. Thank you very much. This hearing is now adjourned.

(Hearing Concluded)

117 Main Street  
Flemington, NJ 08822

March 28, 1984

New Jersey Legislative Committee on Aging  
State House  
Trenton, NJ 08625

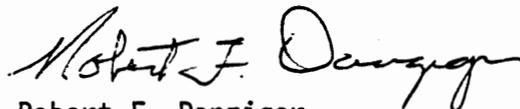
Dear Ladies and Gentlemen:

We all know elderly people who have served their communities well and who have been a vital force in their hometowns, but who have had to sell their homes and move to a "retirement village," because they could not afford to pay the real estate taxes in their hometowns. When these people move away, the other townspeople lose an important link with the past and also lose the wisdom and the contributions which these older people could still make through service on various municipal committees and in charitable groups. The people who are forced to leave are often exiled from grandchildren and the sounds of other children playing.

One way in which this problem might be alleviated would be to increase the annual exemption for senior citizens who have owned their residences for a significant period of time. It would be my suggestion that the annual exemption be increased in stages to \$1,500.00 for a senior citizen who has resided in his own home for a continuous period of at least 10 years. Any adverse consequence upon local municipal revenues might be offset by having a State rebate to the municipality of one-half the amount of the exemption.

The basis for this letter is simply my personal observation of families in a limited number of communities. I do not regard myself as an expert on aging or municipal finance, but I have talked to others who have made like observations.

Yours very truly,



Robert F. Danziger

RFD:fkf

# NEW JERSEY CO-ORDINATING COUNCIL OF ORGANIZED OLDER CITIZENS, INC.

an association of senior citizen organizations  
at the state, county, city and municipal levels



425 Crest Drive, Northvale, N.J. 07647

March 19, 1984

Assembly Committee on Aging State of New Jersey  
Thomas H. Paterniti, Chairman; Anthony P. Vainieri, Vice  
Chairman; David C. Schwartz; John O. Bennett; Edward K. Gill

Dear members of the Committee:

Thank you for your invitation to testify at the scheduled  
public hearings on issues and concerns of senior citizens  
at Vineland, N.J. on March 22, 1984 and Glen Gardner, N.J.  
on March 29, 1984.

The following is submitted as written testimony on matters  
of concern to New Jersey senior citizens affiliated with  
this Council through their clubs and chapters throughout  
the State.

On February 3, 1984 we sent a letter of our concerns and  
priorities addressed to all legislators. Please refer to  
that letter (copy attached). We now restate these concerns  
with added information as bills relating to the particular  
matters have now been introduced. We urge you to move these  
bills as quickly as possible. They follow:

1. Exempt senior citizen organizations from the sales tax.  
Bills A-174, S-55, S-81 and S-793 have been introduced.  
Bills introduced in prior years regarding this concern  
have languished in the Legislature for several years.  
We understand that a fiscal note indicates a large loss  
of revenue to the State. We do not agree with that.  
The loss of revenue, in our opinion, will not exceed  
 $\frac{1}{2}$  million dollars, if that much. The primary benefit to  
the members will be the savings of the tax when they go  
on a club bus ride and eat at a restaurant. Many of  
these daily trips are to places outside of New Jersey.  
Accordingly, the State derives no revenues from these  
trips. At the present time the cost of a luncheon is  
about \$10-\$12 per member. Usually, the restaurant will  
ask the club if they have an exemption number (out of  
State clubs have such numbers). Most New Jersey club  
officials are honest and say they do not have an exempt  
number but some do not. They give a phony number and the  
restaurant accepts their word and does not collect the  
sales tax. Accordingly, the State derives no revenues  
from these trips. By the simple process of including  
senior citizen organizations from exemption of the sales  
tax, along with other groups, will go a long way to

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-2-

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## Assembly Committee on Aging State of New Jersey

bringing some order among all groups and a savings of at least 75¢ per meal for club members which will allow those of lower incomes to enjoy the day trips. With respect to the purchases of supplies and other materials there is very little of that so that the revenue from this source is minimal. Passage of this legislation will go a long way toward removing a source of aggravation among actual senior citizens.

2. Grant the right to senior citizen organizations to conduct raffles. Bills SCR-87 and ACR-87 have been introduced and referred to the Senate Committee on Aging and the Independent Authorities & Commissions Committee of the Assembly, respectively. We recommend that ACR-87 be referred to the Assembly Committee on Aging. As a matter of information, the communities now give the clubs some financial assistance. It is our considered opinion that the clubs would have less dependence on the taxpayers if they were given the opportunity to work for income to meet their needs.
3. Increase homestead rebates and rent relief for all senior citizens. Bills S-256 and S-473 have been introduced. We request that similar bills be introduced in the Assembly. We favor the concept of Bill S-473 to provide for additional amounts of rebates based on a percentage of increases in the income taxes from year to year. When the income tax was enacted the people were given to understand that it would reduce property taxes. Since that time, property taxes have increased from 40 to 60 percent and the rebate has remained constant. Many senior citizens, on fixed incomes, now find themselves worse off because of constantly rising property taxes than before the income tax was enacted. We also point out the people were promised that casino revenues would be used to give senior citizens additional property tax relief. Middle income senior citizens have not received 1¢ of casino revenues as a reduction of their property taxes. This must be condemned as unfair and unjust! We also point out that the use of casino revenues for reimbursement to communities for additional property tax relief granted to senior citizens with limited incomes arbitrarily set by the Legislature is out of line with other programs that benefit these same people because it exempts from income social security and pensions and other benefits received under Federal, State and local government programs. Thus there are many retirees who have incomes far in excess of the income limits set for other programs who are receiving this

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-3-

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- additional property tax relief. We strongly recommend that this program include all income from all sources to bring it into line with all other senior citizen programs.
4. Create a commission to review the disbursement of the State's revenue from casino gambling in Atlantic City. The commission was created by the passage of SCR-75 in 1983. However, it has not been fully staffed and is not yet functioning. We strongly recommend that the commission be fully constituted and fulfill its intended purpose, i.e., to advise the Legislature of priority needs for casino revenues. As it now stands more and more bills are being introduced to use casino revenues for sundry purposes without consideration of more important needs. We strongly recommend that the commission be fully constituted with an equal number of legislators and senior citizen leaders who have expertise in this field. We also strongly urge that no more bills be passed, that call for casino revenue usage, until priorities are set by the commission. In our opinion a percentage of these revenues should be used to provide additional property tax and rent relief for all senior citizens.
  5. Permit senior citizens to convert their homes to accommodate an "Accessory Housing Unit". Bills A-108 and A-857 have been introduced. We favor A-108 with a change made to eliminate the 100 feet by 100 feet restriction. All senior citizens should be treated equally. Many have properties that are on lots larger or smaller than 100 feet by 100 feet. Bill A-857, in our opinion, does nothing as it provides for Mother and Daughter type housing which now exists in many communities. We urge speedy passage of Bill A-108 with aforesaid changes. We also recommend that the Assembly Committee on Aging secure a copy of the ordinance passed by the Old Tappan (Bergen County) Mayor and Council in 1983 and study it with a view toward recommending its adoption by the respective New Jersey communities.
  6. Elevate the Division on Aging to Department status. Bills ACR-32 and A-540 have been released by the Assembly Committee on Aging. We urge speedy passage of this legislation by the Legislature. We thank the members of the committee for releasing this legislation.
  7. Freeze school taxes for senior citizens. Bill SCR-4 is resting in the Senate Committee on Aging. We strongly recommend speedy passage of this legislation.

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Assembly Committee on Aging State of New Jersey

8. Establish a commission to advise senior citizen associations how to go about getting the equity out of their homesteads to secure property to rent or build condominiums and co-ops. Bills A-103 and AJR-9 have been introduced. In our opinion this is excellent legislation and we urge its speedy passage and the establishment of the commission as quickly as possible.
9. Increase the amount of exemptions for taxing inheritances. Bills S-2, A-981 and S-1193 have been introduced. These should be thoroughly studied and passage of a final bill should be done quickly.
10. Require a study of social/health maintenance organizations to provide comprehensive medical and social services for the elderly. Bill AJR-3009 was introduced on February 28, 1983 to direct the Department of Health to undertake this study and make recommendations for the development and implementation of a social/health maintenance organization. This bill died a slow death in committee. Because of rapidly rising health costs we believe it is imperative that this legislation be reintroduced and passed quickly. This is perhaps one of the most important needs of senior citizens. Every moment of delay causes great hardships for many older people.

On behalf of the senior citizens of New Jersey we thank the committee for this opportunity to present our views. We earnestly request that this written testimony be entered into your report on the hearings on senior citizen concerns.

Respectfully submitted,

*Herbert W. Miller*

Herbert W. Miller  
Board Chairman & Chief Executive Officer

*John Szymborski*

John Szymborski  
President

The Advisory Committee to the Hunterdon County Office On Aging hereby submit the following concerns;

1- Support of Bill-A-1548-that would expand participation, and benefits of the Pharmaceutical Assistance to the Aged and Disabled, and Lifeline programs-(PAAD).The measure would protect many senior citizens now receiving those benefits, who, may find themselves ineligible because of increase in social security payments. At present the PAAD program helps seniors and the disabled pay their prescription pharmacies for all but the first \$2 of the prescriptions. This bill would help the elderly who suffer the ever-increasing medical costs.

2- Support of Bill S-59-To establish a Catastrophic Insurance plan;-in a study of the needs of the elderly, older people need a long term care insurance to help cover prolonged stays in hospital or nursing homes. These benefits would supplement medicare coverage and include unlimited confinement in a skilled or intermediate care nursing home facility after a hospitalization stay.

3- Continued attention to the funding of home health-care. "In Home Care Services" means care provided to an eligible person, in the eligible person's home, and includes health aide services, home maker, adult day care, and hospice care.

4- Support for legislation banning large cash payments being required prior to acceptance by nursing homes of medicaid patients.

5- Support of bills-A-108 and A-859-to permit senior citizens the opportunity to convert a single family house to accommodate an auxiliary unit for rental. Often there is seniors whose families have grown and left the home, extra rooms could be used for rental units;-but due to local zoning laws they are unable to rent them.

6- Establish a Cabinet-level Department on Aging, rather than locating this department under Community Affairs, a diffuse and already crowded agency. Bills-ACR-32 and A-540.

7- Support for the use of Casino Revenues for new programs or the expansion of existing programs as stipulated originally.

8- Investigate the increased rates charged by insurance companies for auto insurance. Auto insurance premiums was to be lower than in the past, and it would mean a break for the senior citizen. My insurance policy renewal for the same coverage for 1983 was \$439, but was increased a total of \$295 for the year 1984, a total of \$734 for the coverage as before.

Advisory Committee to the Hunterdon County Office on Aging.

9- Support of legislation to permit a court to impose an additional term up to 3 years to the sentence of a person convicted of a violent crime where the victim is 60 years of age or over.

The Advisory Committee to the Hunterdon County Office of Aging would like to thank the Assembly Committee on Aging for this opportunity to express our concerns.

*F. Stanley Miller*  
F. Stanley Miller,  
Chairman, Advisory Council.

