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MESSAGES TO THE LEGISLATURE

Regular Session—Convened January 4—Adjourned March 25

ANNUAL MESSAGE

STATE OF NEW YORK—EXECUTIVE CHAMBER

ALBANY, January 4, 1961

To the Members of the Legislature of the State of New York:

I am honored and pleased, at the start of this 184th session of the Legislature, to extend my warm personal welcome to you, the newly elected and re-elected Members of the Senate and the Assembly of the State of New York.

Free government—self-government—is a serious business and a serious responsibility. The times of danger and conflict in which we live make this work more serious than ever. They make it historic.

For let us face the stern and simple truth: history is watching. It is watching and it is asking: do free men have the wisdom and the will—the sense of responsibility and the sense of purpose—to make freedom work for all the people?

The fact is that freedom—free men and free processes of government—is under test, or under fire, across the earth. Everywhere, the question is basically the same: can free men rule themselves—responsibly, imaginatively, purposefully?

We are here assembled, in this capital city of this Empire State, to give renewed evidence that it *can* be done—that even in these fast-changing times, it is *free* government which reflects the best interests of the people.

We have always been a pioneer state. We have never known a more urgent time to show it—than **right now**.

It is right and necessary, too, that the proof of free government—its courage and its wisdom—be given on the *State* level. For our State governments are the keys to our whole Federal system—the basic political structure of American freedom.

The State government is close enough to the people to know what the people need, and it has the resources and capacity to act upon this knowledge—to be *responsive* as well as *responsible*.

In the American scheme of things, therefore, it is a special challenge to a State government—to show how creatively freedom can function.

We are here to do precisely this.

And I say "we" in a most specific and definite sense. I mean the Legislature and the Executive—working together, in common trust and confidence and purpose. I mean partnership government.

We have a good foundation to build on. The record already spells progress.

We have firmly re-established the fiscal integrity of our State.

We have notably improved the climate for increased job opportunities within our State—making New York a place where more and more people and industries want to do their work—and so we have quickened the pace of our economic growth.

We have shown practical and productive concern for all phases of the social and economic well-being of the people—from education and parks to health and housing—while also making the State itself more responsible and efficient, with the first serious reorganization of the Executive Branch in 33 years.

All this is good. And I believe you will agree that it provides the sound basis from which we can more effectively meet the remaining problems before us.

Vast and varied as these human problems are, they *all* affect the unity and strength which is at the very heart of our society. This unity and strength are to be found in the *family*. And every family in our State must face these problems, directly or indirectly, in *three* categories of challenges.

The first is *youth*—its education in the present, its opportunity for the future.

The second is *family living*—and particularly the complex of urban problems that affects the entire environment of the greater part of our population, as well as the prosperity of our rural areas.

And the third is *our senior citizens*—their health, well-being, and dignity in the community.

These three groups of problems roughly correspond to the *three generations* of our citizenry at all times. For the problems and the needs of both young and aged fall not only upon them but also upon the *middle* generation. To the one side, this middle generation must face all the problems of educating its children. To the other side, it must face all the problems of caring for its elders.

To help in the meeting of these responsibilities is one of the great challenges to our State government. For in this area, there meet the needs—and the destinies—of not one but three generations.

Government must have a heart as well as a brain. It must *care*, as well as act. It must be *concerned*—not merely competent.

In this spirit, then, let us look at some of the specific matters before us—and before the three generations of our citizens.

I. OPPORTUNITIES FOR YOUTH

There is no greater or more crucial task for a free nation than to prepare its youth for citizenship in a democracy. A generation of free citizens that fails to look beyond itself is only preparing the death of its society. If we wish, as a nation, to endure, we must educate.

A. Elementary and Secondary Education

The people of New York believe deeply in preparing their children for life by providing them at the outset with the best education available.

This belief is basically responsible for the State's position of national leadership in elementary and secondary education. It is reflected in unremitting efforts at the local level to improve the public schools, and in sharp increases in State aid to education.

For the two school years commencing in the present administration, almost \$1.4 billion in State aid has been provided for local school districts—representing an increase of more than \$278 million over any two preceding years. Special aid for rapidly growing districts and for those with high tax rates was included in these grants.

The preparation of standard school plans to reduce capital costs for new schools—long advocated by Senator Gordon and Assemblyman Folner—was approved by your Honorable Bodies at my request last session. The Education Department and the Department of Public Works have moved swiftly ahead under this 1960 legislation and the first standard plans will be available to local districts this summer.

Despite these significant steps, many school districts are encountering difficulties in carrying their share of rising educational costs. I await with interest the report of your Special Committee on School Districts Improvement, under the chairmanship of Charles H. Diefendorf, which is studying various proposals to assist local districts in meeting the financial problems of elementary and secondary education.

Last year, we took the first of three planned steps toward making it possible for every school district to have its State aid based upon school attendance for the current year. I recommend that at this session we take the second step toward this goal.

I also wish to make two specific proposals relating to special aspects of elementary and secondary education, both of which are in accord with recommendations advanced by the State Board of Regents.

1. *Identifying and Developing the Talents of the Underprivileged*—No waste is more tragic than the waste of human talent which occurs because the possessors of such talent are held back by accident of birth or other social circumstances for which they have no responsibility.

I therefore urge your support for an intensive, five-year program, headed by the State Education Department and conducted in cooperation with the local school districts of the State, to identify talented youngsters, particularly among those underprivileged groups most neglected in this respect, and to give these children a chance to develop to the limit of their capacities and ambitions.

Such a program would make a most significant contribution to the cultural and intellectual resources of State and Nation.

2. *Increased Use of Educational Television*—Education in New York, as in every State, unfortunately is handicapped by a shortage of teachers and by the limited number of students whom the best teachers can reach through conventional methods.

Educational television projects with State participation and various locally sponsored projects have provided outstanding examples of television's great potential as a tool of education.

In addition to continuation of the various projects in which the State now participates, I urge your Honorable Bodies to support a program including special matching grants to school districts interested in using television to improve instruction.

B. Higher Education

Fundamental as is the role of elementary and secondary education, it no longer takes the full measure of the needs and desires of a majority of our young people. Where higher education in past generations was the privilege of the relative few, today it has become the ambition and necessity of the many—and of society as a whole.

Of all the important matters to be considered by your Honorable Bodies at this session of the Legislature, none is more urgent—none more vital to the future of freedom itself—than is the role of New York in higher education. This is not a hypothetical problem. It is real and immediate. It relates to boys and girls who are at this very time making application to college.

Throughout the State University, there was an average of 2½ applicants for each place in the freshman class in the fall of 1960 and at Harpur College, the only State liberal arts college, there were five applicants for each available place. The number of applicants in 1960 rose 30 per cent over the number in 1959—but freshman enrollment could be increased by only five per cent.

For the young men and women turned away, we must think in terms of shattered youthful aspirations and of the disappointment of their families, as well as the potential loss to our society.

But as difficult as is this problem of the high school graduate today, it is only the beginning of a much greater problem. By the time the children who are now in the third grade reach college age—namely 1970—we shall need twice the higher education facilities which exist in New York today. And there are enough pupils in the eighth grade of our schools right now to require that two-thirds of this task be accomplished by 1965.

In its report to the Governor and the Board of Regents last November 15th, the distinguished Committee on Higher Education, under the chairmanship of Henry T. Heald, summed up the dimensions of the problem we face by declaring:

“It will be so large as to make everything we have been doing in higher education until now seem insignificant in retrospect.”

The report of the Heald Committee has very recently been commended by the Association of Colleges and Universities of the State of New York “for its strong and clear emphasis upon the necessity for the investing of public monies in higher education by the State of New York at a greatly increased rate . . . and for its clear con-

clusion that both the private and public sectors of higher education must, with State support, be developed aggressively to meet rising enrollment demands. . . .”

At the same time, the Board of Regents, the State University, and the combined body of public and private institutions represented in the Association of Colleges and Universities of the State of New York are all making an effective contribution to public understanding of this problem and its solution.

I shall submit detailed recommendations on this whole subject to your Honorable Bodies in a Special Message, following completion this month by the Trustees of the State University of the new master plan for the State University and with the benefit of further consultation with your leaders and your committees and with interested groups.

The message will include specific recommendations on the expansion of higher education, public and private, at all levels, to meet the requirement of doubling our college and university facilities in ten years and tripling them in 25 years. This program will include recommendations for doubling the number of State scholarships, as well as endorsement of the proposed constitutional amendment—sponsored by the Temporary President of the Senate, Senator Mahoney—making \$500 million available through the Dormitory Authority.

C. Cultural Resources

As the material development of our State continues, and leisure time increases, we have both the duty and the opportunity to broaden and enrich the lives of our young people by giving them greater access to the unique cultural resources to be found in this State. Your Honorable Bodies created the State Council on the Arts at my request last year. The Council has organized, and I expect to receive its first recommendations this month for action helping to make more widely available throughout New York the cultural resources of this great State for the inspiration of our youth and the benefit of the people of the State, as well as the increasing number of visitors we seek to attract here.

D. Jobs for Youth

The problems and needs of our young go far beyond the classroom.

During the 1960's over two million young people in the State will be seeking jobs with high hopes and aspirations for the future.

Job opportunities for these young people require the vigorous and continued economic growth of our State. Only by such growth will there be the jobs that can respect individual dignity and assure a productive life.

Particular groups among youth require special help in finding the job opportunities that are available or can be made available in private business and industry. The Youth Employment Service program, established last spring as part of my administration's program for youth opportunities, is steadily growing in its useful-

ness. I propose to continue to expand the Youth Employment Service and the work of the Apprenticeship Council in the opening of training opportunities in the skilled trades for new generations of potential craftsmen.

E. Youth Health

Every parent prays that his child will be sound in mind and body. But, the heartache and concern for a child handicapped by severe disease or affliction come to parents in every community. They impose human burdens that love and affection support, but so often cause financial burdens that the family cannot carry unaided.

1. *Long-Term Diseases of Childhood*.—In recognition of these family burdens, New York State already has tried to help in many ways. But a number of long-term diseases and conditions of childhood are not covered under existing public health programs.

I therefore propose that the State now initiate a careful survey of the nature and extent of these childhood problems, and that a demonstration program, confined initially to children with cystic fibrosis which afflicts the pancreas, be commenced to ascertain the kinds and costs of services needed on a Statewide basis.

2. *Rehabilitation of Mentally Retarded Young People*.—Three of every one hundred children born today are mentally retarded. The Joint Legislative Committee on Mental Retardation under its dedicated Chairman, Senator Brydges, has played an important and sympathetic role in responding to the problems of these young people and their families in New York.

One particularly encouraging advance has been the striking success of the experimental program of intensive education and vocational training for mentally retarded adolescents and young adults, begun several years ago at Wassaic State School. Its record of release of young people back to their homes is double that of the other comparable State schools.

I recommend that immediate action be taken to extend this program to the other State schools.

F. Outdoor Recreation

New York, with its unmatched forests and lakes, with its marvelous beaches and streams, is greatly and wonderfully endowed by nature, and New York's young people are the special beneficiaries of this endowment. They and generations of the future are fortunate that we in this State have recognized that what nature has taken long ages to provide, man can swiftly destroy.

We must practically apply this knowledge, and this concern, in several key areas.

1. *Land Acquisition*.—At the general election last November, the people overwhelmingly approved the proposition passed by your Honorable Bodies permitting the purchase of park and recreation land under a self-liquidating bond issue of \$75 million. I now have under study reports submitted by the State Council of Parks, as well as by many counties and local governmental units, recommending

areas to be purchased with these funds. At an early time decisions will be made on the lands to be acquired. These funds will also be used to enlarge and improve our State Forest Preserve.

2. *Reservation of Open Spaces*.—Further important legislation, which was introduced by Speaker Carlino and passed at the last session, will provide a useful supplement to the Park and Recreation Land Acquisition Act, by permitting municipalities to purchase interests of less than full legal ownership in open areas to assure their future availability for recreational uses.

3. *Development of Recreational Facilities*.—Much of our State's recreational land requires additional development—a big task which we must start now.

My Executive Budget will allocate funds to the Conservation Department in the coming fiscal year to expand Commissioner Wilm's outstanding program for the development of State parks, campsites, boat launching sites, and other sorely needed public recreational facilities, including a major park and recreation development at the Saratoga Springs Reservation.

G. Youth in Trouble—Prevention and Cure

Concern for the individual and his self-realization has special relevance for the small but important three per cent of young people in conflict with society and the law. It is of vital importance that such children be helped and led away from delinquency before it is too late.

In a pre-session memorandum to your Honorable Bodies, I reported that the new Division for Youth, which you established by legislation at the 1960 session, has completed comprehensive plans under the leadership of Director Alexander Aldrich for its program of "Youth Opportunity" and "Youth Rehabilitation" Centers aimed at the prevention and cure of juvenile delinquency.

This program will provide new facilities for aiding hundreds of youths to find the road to a more constructive life. Provision will be made in the Executive Budget for expenditures under this program, which are expected to total approximately \$850,000 in the forthcoming fiscal year.

In addition, the Conservation Work Camp program in the Correction Department is being quadrupled by expanding the size of two existing camps and construction of two new camps in Schoharie and Madison Counties.

Construction now under way or planned at training schools operated by the Department of Social Welfare will provide needed additional accommodations for boys and girls at various locations.

II. SPECIAL CONCERNS OF THE FAMILY AND THE HOME

The family as a whole and any generation within it, may be faced with special problems or afflictions. As these fall beyond the power of an individual family to meet, the State has a responsibility to act

where the dedicated capacities of voluntary agencies are not sufficient.

A. Public Health

In this field of major concern to us all, heart disease and cancer must be faced in our State, as in the nation, as the two greatest killers. In the past two years, an extensive cancer research program has been centered at the Roswell Park Memorial Institute in Buffalo under the direction of the State Department of Health. This research has produced outstanding advances in drug treatment of cancer, isolation of viruses which have evidenced a relation to cancer, and an understanding of heredity in the incidence of cancer.

1. *A New Bureau of Heart Disease*—Pioneering work in heart disease is under way in the State Health Department in research studies at Albany and Buffalo to determine the physical, mental and social factors associated with heart disease and to develop improved methods of control. The time has come to give focus to the State's various activities under the unifying hand of a new Bureau of Heart Disease in the Department of Health. I am requesting the State's uniquely able Commissioner of Health, Dr. Hilleboe, to take all action necessary to provide promptly an effective working unit for this purpose, so that increased funds will be effectively utilized and, most importantly, the greatest contribution will be made to the saving of lives.

2. *Hospital Review and Planning*—Assuring the ready availability—while curbing the rising costs—of hospital and related services are matters of growing concern to me. There is urgent need for more systematic planning of medical care facilities and services on a regional and State basis to hold down these costs, which are rising at the rate of 10 per cent a year.

I have therefore requested the State Hospital Review and Planning Council—created in 1960 and composed of persons from outside government concerned with all phases of construction, operation and use of hospitals—to assume leadership in working with the seven Regional Hospital Review and Planning Councils and the medical profession to assist in the elimination of unnecessary costs from health expenditures. The State Council through the Regional Councils should guide and encourage local action on hospital procedures essential to halt spiraling health costs and to keep voluntary health insurance within the reach of the millions of people in the State who presently have such coverage.

3. *Catastrophic Expense Health Insurance*—Upon recommendation of a special study group, I am designating the Interdepartmental Health and Hospital Council to follow up on specific suggestions for closing gaps in voluntary health insurance coverage against catastrophic health expense, particularly oppressive among employees of small firms, farm workers, the self-employed, the unemployed, and retired persons.

B. Alcoholism

Alcoholism is an affliction that can bring tragedy to all too many families. It has been estimated that there are as many as 700,000 alcoholics in our State.

I am convinced that our State's present efforts are not commensurate with the seriousness or the urgency of this problem. Accordingly, in a Special Message to your Honorable Bodies in the near future, I shall outline specific ways in which I propose that our State program for alcoholism should be coordinated with local and private programs, while new State research and education projects are provided with effective direction.

C. Narcotics Addiction

Narcotics addiction strikes at the family most often through its adolescents or young adults. It can move from family to family with a vicious destructiveness prodded by the insidious "pusher" or seller serving the racketeers of organized crime.

Recently, as the incidence of teen-age addiction has spread out from the cities into surrounding suburbs, we have had further sad proof that no community is safe from invasion by the "pushers" of narcotics who enter school yards and homes to inoculate curious and impressionable teen-agers with their poison.

There are more than 25,000 identified addicts in New York State, over 85 per cent of whom are addicted to heroin. Every year, some 6,000 cases of violation of the narcotics law come before the courts in New York County alone. In addition, time and again, the expense of supporting the habit is the underlying cause of crimes of violence. We must act on more than one front.

1. *Sternier Punishment of "Pushers" and Wholesalers*—Sternier measures must be taken against the "pushers" and wholesalers of narcotic drugs who feed upon the misery of those who are helplessly addicted. The maximum penalties under our State laws in this regard appear to be sufficiently strong, but they are in many instances lacking in strict enforcement. The Judicial Conference is presently directing itself towards greater unifying of sentencing practices in the various State courts. I suggest that the Conference can make a constructive contribution to effective law enforcement in narcotics cases by drawing attention to the need for resort to the full range of penalties available against the non-addicted seller.

2. *Progress in Treatment and Cure of Addicts*—In 1960, New York made important progress in the development of treatment centers at three State hospitals with a total of 155 in-patient beds, each hospital with an after-care program for patients released from institutional care. There is still a great need for more in-patient accommodations. My Budget for the coming fiscal year will provide funds to permit the further expansion of these treatment facilities, as well as to strengthen further the narcotics addiction research unit at Manhattan State Hospital.

D. Mental Health

Dramatic new methods of treatment of the mentally ill in the State Hospitals of the Mental Hygiene Department, carried forward by our outstanding Commissioner of Mental Hygiene, Dr. Hoch, have in recent years halted the growth of the hospital population and given new hope to the mentally ill and their families. The impact of these new methods is reflected in the increase in releases of patients from State hospitals. In the current fiscal year releases from State Hospitals will total approximately 18,500 patients as compared with only 10,215 patients in 1955.

This kind of progress now must be pressed on a number of fronts.

1. *New Treatment for Chronic Patients*—Up to this time, new methods of treatment have been used primarily for the recently hospitalized and acutely ill patient. Many of the patients in the chronic wards of the State Hospitals have been considered incurable and have never been exposed to the new methods of intensive therapy. Recent experience gives hope that some of these patients will respond to such treatment and I propose that the Commissioner of Mental Hygiene place new and special emphasis on this intensive treatment for chronic patients.

When it is realized that approximately 50 per cent of the mentally ill patients in the State Hospitals have been hospitalized for over ten years, the benefits of such a program are dramatically evident.

2. *Creation of Mental Health Regions*—Following my recommendations of last year, the State has been divided into ten mental health regions, and a committee representing the State hospitals and schools and the various local mental health boards within each region began to meet last fall. Their deliberations in the coming year may well point the way toward a new era in psychiatric care based on a broadened service through the joint participation of our State institutions and the local communities.

3. *Mental Patients in Correctional Institutions*—Many unfortunate persons, who are in a Department of Correction mental institution even though they are no longer under criminal sentence, may be suitable patients for a Mental Hygiene institution which can offer the best hope for their rehabilitation. I am reviewing the problem of these patients with the Commissioner of Correction and the Commissioner of Mental Hygiene, and intend to recommend action later in the session if legislation is required to remove any unnecessary impediments to their recovery.

E. Social Insurance Protection

1. *Workmen's Compensation and Disability Benefits*—In the last two years, injured and disabled workers have benefited from improved administration of workmen's compensation placing new emphasis on rehabilitation of injured and disabled workers and from legislative action extending coverage to firms employing two employees, and increasing maximum weekly benefits from \$45 to \$50. The experience under this legislation has been highly satisfactory,

and I urge you to take the remaining legislative step of extending coverage under these important social insurance programs to single-employee firms and institutions.

2. *Non-Profit Institutions*—At the last legislative session, great progress was made in affording new protection to workers in non-profit institutions, by extending to them for the first time the benefits of the minimum wage law and disability benefits law. With respect to the extension to these wage earners of protection against unemployment, recognition must be given to the special status of non-profit institutions in our society. Coverage on a reimbursable cost basis for each institution, however, requires Federal action, before our State can go forward in this field of serious concern.

F. Rehabilitation

New York continues to lead the Nation in rehabilitation and the number of individuals who each year are restored to lives of greater usefulness and self-sufficiency. Still, large numbers of the handicapped who could benefit from rehabilitation are not presently being reached. This is a source of concern to us all.

My administration recently initiated a program to expand and improve rehabilitation services, ultimately to establish under the program a Statewide network of 12 primary centers associated with medical schools and teaching hospitals, and 15 secondary rehabilitation centers.

As a first step in this rehabilitation center program, arrangements are now complete for a pilot center at the Syracuse University Hospital of the Good Shepherd. There, in a single center, an individual will be able to receive complete diagnosis and expert medical, psychological, social and vocational services, including occupational therapy, speech therapy and vocational testing, guidance and training.

Furthermore, all State departments concerned with rehabilitation activities—Health, Welfare, Education and Labor—will use the center for their respective activities.

G. Consumer Protection

Attorney General Louis J. Lefkowitz has diligently and effectively spearheaded the State's fight against fraud and deception in sales and services to consumers. This fight will continue to be pursued with vigor. I commend for your consideration the revised proposal relating to false advertising which the Attorney General is submitting to this session of the Legislature.

III. THE AGING

The health, the well-being and the dignity of our senior citizens are of critical concern to all generations of the family.

Rising costs of health care burden the elderly at a time when their need for medical attention is at its peak and their income is at its lowest.

The same problem of limited income complicates their problem of finding decent housing.

Let us consider what is being done and should be done in these fields.

A. Medical Aid to the Aging

More than 1,600,000 residents of this State have passed the age of 65 years. Nearly 60 per cent of them have no health insurance at all, and of the remaining 40 per cent who do, the coverage is frequently inadequate to meet the demands of chronic illness.

It is clear that a major effort is necessary to help the aging meet their medical needs. I have been working closely with Senator Metcalf, who has been greatly concerned with this problem.

As a part of this major effort and to take advantage of Federal funds made available by 1960 legislation, I propose adoption of a new \$40 million program of additional medical assistance for the newly aged in New York State.

This program, coupled with certain existing programs for medical aid to the needy aged, would annually supply institutional and non-institutional medical benefits to a total of 170,000 aged persons. Of these, some 92,000 would be persons who have not previously been covered by any existing public medical assistance. Of the remainder, many would become eligible for medical benefits not previously available.

Medical assistance to be provided under the new combined program would include physicians' services, in-patient hospital care, out-patient clinic services, and, when prescribed, drugs, sick room supplies, prosthetic appliances, and physical therapy.

The program contemplates that \$47.5 million of additional Federal funds would be made available to match State and local expenditures. The State would add \$10.25 million to its share of the cost. This will lift a substantial share of the heavy financial burden now being carried by the localities. Through this increased Federal and State aid, the localities will actually save \$17.75 million annually.

The coverage of this program would be limited to the medically indigent. In determining who is medically indigent, special allowances are contemplated for the benefit of those who have purchased private health insurance.

It is my conviction, as I have previously stated, that far more comprehensive Federal legislation is required to help our senior citizens meet their medical needs.

I believe that the only fiscally sound approach to the financing of such a Federal program is through the proven contributory system of Social Security (OASDI). This should be done in a way that includes, however, a voluntary feature providing a choice to the beneficiary of taking either—

- (1) benefits under a schedule set up under the Social Security System or,
- (2) a direct cash payment to cover purchase of private health insurance providing benefits that are at least equal to those specified in the Social Security benefits schedule.

This voluntary or optional feature differentiates my proposal from previous proposals to the Congress for medical aid to the aged using the Social Security payroll tax as a means of financing. I feel this voluntary option is essential to preserve the principle of individual choice in connection with such a program, and to foster continued development of private health insurance plans for the elderly.

Such a comprehensive Federal program would dovetail with the assistance program for the medically indigent now proposed for the State, and would give real protection for all senior citizens.

B. Housing for the Aging

Special concern for housing for the aging has characterized the State's low rent and middle-income housing programs during the past two years. The State has assisted the development by municipalities of housing projects exclusively for the aging and the sponsorship of such projects by interested non-profit organizations. The planning of housing facilities to be operated in conjunction with public or private institutions, such as hospitals, has similarly been supported.

Under all these programs 3,648 apartments specially designed for the aging and 16,479 other small apartments available to the elderly have been built or are now being developed. We shall continue to expand the program in this area of vital need.

IV. URBAN DEVELOPMENT

Complex problems of deep human concern rise from the growing urbanization of the population of New York State. More than 85 per cent of the people of this State now live in urban areas, and their daily lives are affected by a variety of problems found especially in such areas.

It is tragic that in great urban centers of today, there exists a shortage of decent rental housing for those of modest means, a lack of sufficient opportunities for good jobs, too many schools that are not of high quality, serious commuter problems, pollution of air and water, and—most hurtful of all—barriers of racial and religious discrimination.

Let us, then, consider the all-important question of leadership to overcome these problems and achieve for all our citizens in urban areas the opportunity for better living.

A. State's Role in Urban Development

Two years ago, upon my recommendation, your Honorable Bodies created the Office for Local Government. The vitality and indispensability of this new agency have been shown by its services to municipalities, its informational functions, its important work as a clearing-house for legislation and in resolving some exceptionally difficult and long-standing problems of local government, and its progress in fostering joint action among municipalities. The Office for Local Government, with its Advisory Board representing all

units of local government under the able chairmanship of Frank C. Moore, deserves great credit for making possible these accomplishments.

Each year, the State spends more than \$1.5 billion for direct services to the people and for assistance to localities in urban areas. These include important responsibilities in the fields of education, housing, transportation, industrial development, public assistance, mental hygiene, highway construction, highway safety, urban planning, public health, youth guidance, care of veterans, helping its citizens to find jobs, training of workers, inspection of food sources, regulation of public utilities, and many others.

In a great number of these areas, the State shares responsibilities either with local governments or the Federal government or both. In my opinion, based on personal experience in dealing with these problems at local, State and Federal levels, the primary need is to make full use of joint resources and initiatives, to achieve more effective planning and to avoid overlapping and duplication. Much could be done in this connection if each municipality were to formulate a long-range and comprehensive development plan embracing every major aspect of local needs, as the Temporary State Commission on Economic Expansion has recently recommended.

Local governments, however, increasingly encounter problems which range beyond their own boundaries. Since the Federal government, by virtue of its very size and range of responsibility and its remoteness from local problems, cannot be expected to be responsive to local needs, it becomes clear that strong State leadership is needed.

- (1) To help coordinate local, State and Federal activities on a functional basis.
- (2) To coordinate the State's own activities on a regional basis.
- (3) To provide initiative in planning and development of the State's urban centers.

1. *A New Executive Office of Urban Development*—To help provide the necessary leadership, I propose to establish an Executive Office of Urban Development. This Executive Office would provide a small staff to assist the Governor in urban and regional affairs in a manner comparable to that in which the Division of the Budget assists in fiscal affairs. This staff function would be to facilitate the joint effort, but in no sense to supersede the functions of any department, agency, or any unit of local government. Its purpose would be to coordinate the administrative activities of State departments and agencies and to relate them to local and Federal efforts. Its objective would be to assist State government in planning its varied programs for the conscious purpose of regional development in partnership with the municipal governments of the area and in cooperation with the Federal government where appropriate.

The new Executive Office of Urban Development will work in close collaboration with the Office for Local Government, as with all other State units. A specific proposal with respect to the new Office will be submitted to your Honorable Bodies in the Executive Budget.

B. New Jobs in Urban Communities

Most urban areas of the State have benefited greatly in terms of increased job opportunities from the vigorous and intensive campaign of the State Department of Commerce, led by Commissioner Keith S. McHugh, and from various actions taken by your Honorable Bodies at my request to improve the business climate. Industry has made \$4 billion of capital investments in New York during the past two years for new plants and machinery and the modernization and expansion of existing industrial facilities. In 1960 the index of business activity has hit new all-time highs and average total employment has improved markedly, with 300,000 more New Yorkers at work than in 1958.

Unfortunately, some of our upstate urban areas have not shared fully in this economic growth. Despite persistent efforts by the Department of Commerce and community groups to attract new industry into such areas, they still persist as labor surplus areas. To the man without a job, there is little immediate comfort in the fact that the economy of the State has improved, or that it is considerably better than that of many other States in the face of a national slowdown in business.

1. *Public Works Stockpile*—At the 1960 session, you recognized the usefulness of a stockpile of necessary public works projects as a reserve to combat the immediate effects of unemployment in such areas. I recently have drawn upon the Public Works Stockpile, directing acceleration of construction of \$273 million in projects. Of this total, \$243 million is scheduled for the Buffalo, the Albany-Schenectady-Troy and the Utica-Rome areas, and \$30 million for the Amsterdam, Gloversville, Auburn and Plattsburg areas. These and other areas will also benefit from the general program of highway and public works construction to which I shall later refer.

To insure adequate financing of the stockpile program in more critical times, I strongly urge second passage of the constitutional amendment now before you which would permit the State in periods of economic recession to borrow money for more than one specific purpose.

2. *Job Development Authority*—Another constitutional amendment, sponsored by Senator Jerry, now before your Honorable Bodies for second passage, would allow the State to guarantee the bonds of a new governmental agency up to \$50 million in principal amount. The agency would be authorized in surplus labor areas to advance up to 30 per cent of the total cost of land and buildings for new industrial plants and for the modernization of existing industrial buildings. On the basis of the recent experience of the Department of Commerce, with its concentrated efforts to develop job opportunities in surplus labor areas, I am convinced that this proposal can provide us with a more basic approach to the problems of these areas and with important additional means of attracting private capital. Accordingly, I strongly support and urge adoption of this constitutional amendment.

Because the principal purpose of such an agency would be to foster new job opportunities and to realize the goal of full employment, I propose that the agency be known as the "New York Job Development Authority."

While this Authority's first efforts would be to encourage the expansion of job opportunities in surplus labor areas, it should also be authorized to assist industrial rehabilitation and expansion elsewhere in our State where adequate private funds are not reasonably available to responsible businesses, large or small. Its efforts in surplus labor areas would be remedial—in other areas, preventive. Its financial assistance should be made available through non-profit local development corporations composed of leading citizens concerned with the economic growth of their communities. I recommend that it be authorized to issue bonds for these purposes up to \$100 million in principal amount, \$50 million of which would be guaranteed by the State under the proposed constitutional amendment.

In the preparation of detailed legislation to carry out these recommendations, I have been working closely with Senator Jerry, who was the original champion of legislation in this field. In due course I shall submit a bill to establish the New York Job Development Authority.

C. Strengthening Urban Renewal

Two years ago, following a \$25 million bond authorization by the voters, you initiated the State's program of financial and technical assistance to municipalities undertaking Federally-aided urban renewal projects. The successful reception of this program by municipalities—large and small—is demonstrated by the fact that the entire bond authorization has been committed or reserved for 37 projects in 32 communities in all parts of the State. The Division of Housing, emphasizing the State's cooperative role in community development, is also rendering important technical assistance to municipalities in the planning and carrying out of their attacks on urban blight.

To assist the progress of this program and to further the municipal initiative so vital to urban renewal, I am happy that after honoring existing commitments and reservations of the \$25 million bond funds, the State is now in a financial position which will permit me to recommend in a Special Message legislation placing the urban renewal program on a pay-as-you-go basis.

D. Housing

Over the past 25 years, you have supported programs to provide housing for families of low income and, more recently, families of middle income. Under these programs, more than \$1.6 billion in loan funds have been made available to municipalities and private sponsors, thereby placing New York first among the States in assisting families to find decent housing accommodations.

1. *Low-Rent Housing*—The low-rent housing program is making good progress as municipalities throughout the State increasingly

recognize that it is both a source of relocation housing in conjunction with urban renewal and the most important source of housing for the aging. The State's low-rent program now embraces a total of 114 projects, involving 66,300 dwelling units and a development cost of \$868 million.

2. *Middle-Income Housing*—Last year, concurring in my recommendation, you took a dramatic stride forward in authorizing the creation of the New York State Housing Finance Agency to attract \$525 million of private investment funds into private housing for middle-income families.

The Agency, headed by Commissioner Gaynor, has embarked with vigor upon its new program and more than 20 middle-income cooperative and rental projects to be financed with the Agency's mortgage loans are in various stages of planning throughout the State. This brings the State's private middle-income housing program to a total of 45 projects in various stages of operation, construction and planning, involving 20,775 dwelling units and a total development cost of \$350 million.

This creative program, developed with the close cooperation of the Joint Legislative Committee on Housing and Multiple Dwellings headed by Senator Mitchell, for the first time provides the State with adequate funds and a sound, continuing method of financing to help meet the critical private housing needs of our middle-income families. The program is receiving the hearty support of private developers, including labor unions, fraternal organizations and other non-profit institutions.

3. *Residential Rent Control*—Hundreds of thousands of tenants will suffer severe hardship and dislocation unless residential rent control is maintained. Accordingly, following the past legislative pattern of two-year extensions, I recommend the law be continued for another two years, with such changes as may be indicated as a result of the forthcoming reports of two studies which I previously directed to be undertaken.

I am asking the State Rent Administrator to present to you at the forthcoming public hearings to be held by the Temporary State Commission on Rents and Rental Conditions a statement highlighting current operating experience and recommendations to correct any revealed abuses and inequities. The law should apply with fairness to both tenants and landlords.

E. Anti-Discrimination in Housing and Commercial Space

This Nation was founded to give expression and realization to our spiritual heritage proclaiming the supreme worth of the individual. Yet even today the American ideal of justice and equality of opportunity is under test and under fire—in the nation and in the world.

Over the years, you have pioneered in strengthening progress toward greater human dignity. Beginning with landmark legislation barring discrimination in employment, you have moved successfully to outlaw discrimination in public housing, in public accommodations, and in private housing receiving public assistance of any kind.

Experience has demonstrated that the State's Law Against Discrimination can and should now be extended further in the field of private multiple dwellings and houses in developments, and in the area of commercial space. I urgently recommend your early enactment at this session of a measure which would

- (1) Prohibit discrimination in the sale or lease of an individual home in a development or a housing accommodation in a multiple dwelling.
- (2) Prohibit discrimination in the sale or lease of commercial space.
- (3) Bar discrimination by real estate brokers in the sale or lease of housing or commercial space.
- (4) Bar discrimination by financial institutions in providing financial assistance for the acquisition or repair of housing or commercial space.

Every American should be able to live where his heart desires and his means permit. Every American must enjoy to the full the privileges, the opportunities and the protection that are accorded to every other American. Only in this way can we be true to our national heritage based upon the Judeo-Christian tradition of the brotherhood of man under the fatherhood of God.

F. Better Building Code Administration

The New York State Building Code, recognized throughout the country as the outstanding code of its kind, helps in reducing construction costs, in stimulating the use of new materials and methods, and in assuring adequate health and safety in new construction.

Last year the Building Code functions were continued in the Division of Housing for one year. These functions must be established on a permanent basis in order that the 340 local communities that have adopted the Code, and others considering its adoption, have the assurance of complete, continuing and professional service on the part of the State. I recommend that the functions be made permanent as part of the community development programs in the Division of Housing.

G. Sewage Facilities and Water Pollution

Health, safety and the availability of pure water for home, recreational and industrial use are matters of great concern relating to adequate sewage facilities. Some municipalities cannot—and others will not—assume the burden of constructing sewer systems, extending sewer lines or building treatment plants.

The total need for water pollution control today in the State has been estimated to cost more than \$1 billion. In contrast, expenditures in the last ten years have totaled approximately \$270 million.

The Office for Local Government, preliminary to proposing legislation to help meet this need, is now preparing a study of the fiscal aspects of sewage collection and treatment which will include an inventory of existing facilities, the projection of future needs and

the financial ability of local governments to construct needed facilities. I look forward to the receipt of this study on a subject of urgent concern to the localities of the State.

H. Per Capita Aid for Municipalities

The dramatic changes in population in the last ten years are reflected in the 1960 Federal census figures which are now available. Certain communities have lost population while many others have had dramatic increases in population. Existing law does not permit, however, the use of the 1960 census figures for the allocation of per capita State aid in the 1961-62 fiscal year.

If nothing were done about the existing situation, State per capita aid in the next fiscal year would not reflect population changes, to the great disadvantage of those communities with population increases. In addition, we have no evidence that any declining populations have made it possible to reduce significantly necessary municipal services. Therefore, as I announced last September on the basis of preliminary census figures, I recommend that the law governing per capita State aid be amended

- (1) To permit the use of 1960 census figures for allocating per capita aid to cities, towns, and villages in fiscal 1961-62.
- (2) To guarantee that there will be no loss for fiscal 1961-62 from present levels of aid for those municipalities which have lost population since the 1950 census.

Various proposals have been advanced for revising the distribution of general State aid. The proposals I have recommended for the current year will afford a measure of relief while these various proposals are receiving the careful consideration of your Honorable Bodies and of my administration.

I. Capital City Rehabilitation

Albany has been our State's capital city since 1797, and as such it merits special attention.

Large areas of the city have deteriorated. It is essential to have a capital city in which not only its residents but the entire Empire State can take proper pride.

At the heart of a revival of Albany is the need for a comprehensive plan, carefully developed, showing the desirable distribution and intensity of the various land uses throughout the city, and providing for, among other things, arterial development, a convention hall and multiple dwelling housing. I urge for your favorable consideration the creation of a Temporary State Commission on the Capital City, including local representation, to cooperate with local officials and groups in developing recommendations directed toward the rehabilitation of Albany. Interested local groups, with the cooperation of city officials, have undertaken the preparation of a master plan for the downtown business section. While the master plan is in preparation, the State will, of course, continue to make available to the city the many programs offered Statewide to municipalities.

The carrying out of a master plan requires, of course, a will and determination on the part of the city itself. No State or Federal assistance program can substitute for local initiative for community development, industrial expansion, rehabilitation, housing, public works, and other needed facilities.

J. New York City Charter Revision

During the past year, the Commission on Governmental Operations of the City of New York has been focusing on preparing its recommendations as to revision of the New York City Charter. Its report is expected early in this session.

V. TRANSPORTATION

If New York is to continue to attract and retain the business activity necessary to a healthy economy, it is imperative that the State's transportation system be fully capable of meeting the demands placed upon it, now and in the future. For this reason, all New Yorkers—whether urban or rural—have a vital stake in the quality of this transportation system.

Two years ago your Honorable Bodies, upon my recommendation, created within the Executive Department an Office of Transportation to develop a coordinated transportation policy to guide the future development of rail, water, land and air transportation within the State. Among the special problems assigned to the Office of Transportation were those of urban and commuter transportation in the metropolitan areas of the State.

A. Rail Transportation and the Commuter

At that same session you enacted legislation to arrest the deterioration of railroad service, particularly commuter service, within the State, and to relieve in part the financial distress of railroads operating within the State. This program included real property tax relief, State aid to municipalities to cover one-half of any resulting decrease in real property taxes, and a commuter car equipment program under the auspices of the Port of New York Authority.

Despite these important steps and a continued policy of postponed maintenance and rehabilitation on the part of the railroads, the situation facing the passenger railroads operating in New York has taken a critical turn and is even more acute today than it was in 1959. Freight revenues for most of the railroads have declined to a point where freight earnings can no longer absorb passenger service deficits.

Against this background my representatives have been meeting over the past three months to study the critical problems confronting the New Haven Railroad—along with official representatives of Massachusetts, Rhode Island, Connecticut, Westchester County and New York City. This group after meetings with railroad management, railroad labor, representatives of the Interstate Commerce Commission and others will shortly submit a program for revitalizing that railroad.

My staff and the Director of the Office of Transportation have also been meeting with Nassau County officials over the problems of the commuters who depend upon the Long Island Railroad.

On the basis of the study of these problems and the recommendations of the State Office of Transportation, I shall recommend legislation

- (1) To accelerate, in commuter areas served by the railroads in difficulty, the general railroad tax relief granted in 1959, so that the full benefits of such relief may be realized as soon as possible rather than in 1964.
- (2) To exempt from local real property taxes certain properties devoted to commuter passenger service.
- (3) To grant State aid to the localities affected to cover half of the revenue loss caused by such additional tax relief.
- (4) To require from the commuter railroads, in return for tax relief, definite commitments for continued and improved service.
- (5) To implement, in accordance with the principles I shall discuss shortly, the recommendations of the Public Service Commission relating to the full crew laws.

This program will assist all railroads operating in the State, but particularly those serving the urban commuter. It requires the joint contribution of all interested groups: railroad management, railroad labor, the municipalities through which the railroads run, the commuter as a taxpayer, and the public at large. It will continue our policy of assistance in the public interest to this vital segment of New York's transportation system.

In order to carry out the program initiated in 1959, I recommend at this time (1) second passage and submission to the people of the constitutional amendment before you which would permit the State to guarantee special Port Authority bonds to help finance the acquisition of commuter car equipment and (2) extension of the New York-New Jersey Transportation Agency for an additional year.

B. "Full Crew" Laws

The so-called "full crew" laws prescribe the minimum personnel which must be employed on certain trains operating within the State. In 1959 you directed the Public Service Commission to inquire into the full crew laws for the purpose of determining the relationship between such laws and railroad safety. In the 1960 report following its study, the Public Service Commission found that there was no relationship between the two, and recommended that the full crew laws be repealed in their entirety. It was the Commission's unanimous view that it had under other existing law all necessary power, upon its own motion or upon complaint to the Commission, to regulate the number of crew members necessary in the interests of safety for particular operations.

I consider an adjustment in the full crew laws to be a minimum contribution on the part of railroad labor toward an effective solu-

tion of the problems faced by the railroads of the State. At the same time, I fully recognize the human factors involved and the necessity of minimizing the dislocation of presently employed railroad workers. Within this framework, I urge you to take appropriate action at this session upon the recommendations made by the Public Service Commission concerning the full crew laws.

C. Freight Handling in the Port of New York

Through the initiative of the New York-New Jersey Transportation Agency, the States of New York and New Jersey, with the cooperation of the Port of New York Authority and the railroads entering the Port of New York, are launching an action study of major significance to all shippers and receivers of freight. The objective is to improve the facilities, methods, and speed in the handling of freight in the Port area while at the same time reducing the cost and to enhance the competitive position of the Port of New York and of the commerce and industries using the Port.

D. Niagara Frontier and Lake Ports

A second transportation study of major importance to all large urban areas in the State has been started on the Niagara Frontier by the Department of Public Works with the aid and assistance of the Federal Bureau of Public Roads. The objective is to develop a comprehensive transportation plan involving all forms of public and private transport for passengers and freight. This study will give particular recognition to the importance of mass transportation in congested urban areas. The Office of Transportation, the Office for Local Government, the Department of Commerce, the Division of Housing, the State Park Commission, and the Thruway Authority are all cooperating in this study.

Over the past two years \$11.9 million in first instance appropriations for initial harbor development along New York's 300-mile northern coast have been provided for local port authorities in Buffalo, Oswego and Ogdensburg. This has permitted the acquisition of cargo handling facilities and terminals, dredging, and plans for harbor development to go forward. These port projects will increasingly benefit not only the three cities most immediately concerned but also the surrounding areas which will enjoy closer access to ocean-going water transportation and the fruits of increased business passing through the ports.

VI. GOOD GOVERNMENT

The role of government in helping to meet problems of human concern can be effective only as the tools of government are effective. Good government provides the essential framework within which public action creates the climate and the opportunity for a better life for the individual. Strengthening of the tools of government goes forward in this State on several fronts.

A. Reorganization of the Executive Branch

Last year, I submitted to your Honorable Bodies a plan for the first broad-scale reorganization of the Executive Branch since 1927. With your cooperation many important measures designed to streamline State government, to improve its administration, to increase efficiency and achieve economies, and to make it responsive to the needs and wishes of the people, were adopted at the 1960 session.

I urge your favorable action at this session in passing for the second time the proposed constitutional amendment, basic to the reorganization, sponsored by Senator Pierce and Assemblyman Goddard, to provide legislative flexibility in transferring and consolidating functions within the Executive Branch, and to achieve improved administration and operating economies.

In addition, I plan to seek your approval at this session of additional measures to improve further the operations of State government. Principal recommendations will deal with interstate compact agencies on which matters my staff have been working with your Joint Legislative Committee on Interstate Cooperation headed by Senator Barrett.

B. Civil Service Improvements

1. *More Meaningful Grievance Procedure*—Governmental leadership recognizes its responsibility by the adoption of enlightened personnel practices to promote cooperation for better governmental operations.

An important aspect of sound government-employee relations is an appropriate procedure for settling employee grievances and complaints. In 1955, an executive order was issued which revised the pre-existing grievance procedure for State employees. Experience under this executive order, however, has revealed that there is room for improvement. Accordingly, I shall soon promulgate an executive order to improve the State's grievance procedure and to further harmonious employee relations.

2. *Review of the Condon-Wadlin Act*—The continuity of public services is essential to the democratic process. This requires dedicated and faithful performance by our civil servants and continuing efforts at all levels of government to improve personnel practices and grievance procedures.

Government employees recognize the distinctive nature of their employment when they, as most do, renounce the right to disrupt governmental operations by strike efforts. A strike or threat of a strike by public employees is wrong in principle and utterly inconsistent with their special responsibilities as public servants.

Many responsible persons, however, without countenancing strike action by public employees, have expressed dissatisfaction with the penalty provisions of the Condon-Wadlin Law, and have urged that these provisions be reviewed in the light of experience since the law was enacted in 1947. Your Joint Legislative Committee on Industrial and Labor Conditions has undertaken such a review and I

look forward to its recommendations with respect to this matter of public importance.

3. *Salary Study*.—In 1959, upon my recommendation, you increased all State salaries by approximately five per cent, on an over-all basis, ranging from \$200 in the lowest-paid titles to \$486 at the highest levels. Again, in 1960, I recommended, and you enacted, a law providing for an increase in take-home pay by the State's assuming responsibility for the first five percentage points of employee contributions to the State Retirement System.

These measures were undertaken in an effort to assure the State's ability to obtain and retain the services of qualified persons for important public service.

Significant progress has been made, but to complement the continuing work of the Department of Civil Service and the Division of the Budget in reviewing State salaries, I have retained an outside independent agency to analyze the State's salary structure in order to make them competitive with salaries outside government. I am counting on the availability of this study in sufficient time to permit me to make recommendations for action at this session.

This is a matter of urgent concern to the efficient and effective administration and operation of the State government, its institutions, services and highly important research work. As matters stand today, we are losing key people and having increasing difficulty in retaining and recruiting personnel with special training at all levels.

Also to be available for action this year is a program, being developed by a five-member intergovernmental group, headed by your distinguished former colleague, Lieutenant Governor Wilson, to eliminate differentials in salaries for similar work in State institutions.

4. *Retirement Benefits*.—I recommend extending for another year the five-point program adopted last year which will continue the increase in take-home pay of public employees. I shall also recommend the extension and liberalization of other retirement benefits in accordance with our policy of strengthening the economic security of our dedicated civil servants.

C. Court Reorganization and Revision of Civil Procedure

1. *Court Reorganization*.—The last session of your Honorable Bodies gave first passage to a proposed constitutional amendment to provide New York for the first time with a single, unified court system with improved administrative procedures. I urge early second passage at this session so that it may be submitted to the voters at the 1961 general election. The adoption of the Erwin-Lounsberry Amendment will mark the conclusion of the sustained and dedicated efforts of bar associations and civic groups which contributed so greatly to the development of the court reorganization proposal. I stand ready to work with you and the Judicial Conference to develop legislation to carry out the reorganization which the constitutional amendment will make possible.

2. *Revision of Civil Procedure*.—An important and related project has been your extensive work in the revision of court practice and procedure. A bill to modernize and simplify practice and procedure was introduced for study in 1960; meanwhile, a moratorium was placed upon amendments to the existing Civil Practice Act. Following public hearings on the proposed revision, the 1960 bill has been amended by your committees and has been prefiled in its amended form for the present session. I hope that any necessary further amendments may be promptly agreed upon and the revision of civil procedure adopted at this session of the Legislature. When enacted, this will be the first major revision of New York's civil procedure since 1848.

D. Revision of the Penal Law and Code of Criminal Procedure

The present Penal Law and Code of Criminal Procedure were each adopted in 1881. Since then neither has been the subject of a major revision.

The Penal Law and the Code contain archaic provisions which should be modernized. The volume of provisions can be greatly reduced and procedures can be simplified without affecting substantial rights. I recommend that the Penal Law and the Code of Criminal Procedure be revised and simplified to provide a streamlined substantive law and procedure and that this be undertaken by a Commission including in its membership the Chairman of the Judicial Conference, law enforcement officials and members of the bar.

Hopefully, such a revision can also serve to reduce delay in the trial of criminal cases. In that connection, I also urge second passage of the proposed constitutional amendment, sponsored by Senator Rulison and Assemblyman Amann, designed to expedite criminal justice by permitting a defendant to waive indictment under appropriate safeguards to protect the rights of the defendant and the State.

E. Legal Aid for Indigent Defendants

In my 1960 Annual Message, I urged that counties be granted wider authorization to assure effective representation to indigent defendants in criminal cases. The need for such legislation is even more urgent today than it was a year ago.

The fundamental guarantee in our Constitution of the right to counsel can be meaningful only if adequate representation is assured. There is evidence, however, of instances in which representation has not been adequate. The Chief Judge of New York has recently expressed his concern and the need for reform in respect of the representation of defendants who are without means. I join with the Chief Judge in urging this matter for your earnest and favorable consideration.

In addition, I am suggesting to the Judicial Conference that it give early consideration to a study of the practices and methods of assignment of attorneys in capital cases, to the end of affording all

persons accused of capital offenses the opportunity for effective representation, irrespective of their means.

F. Motor Vehicles and Traffic Safety

The year 1960 was one of great accomplishment, both in the strengthening of our highway safety laws and in the administration of our motor vehicle programs.

Now as we look to further progress in this field, the foresight shown by the Joint Legislative Committee on Motor Vehicles and Traffic Safety and its Chairman, Senator Speno, has again been demonstrated by his prefling, on behalf of the Committee, of a measure of major importance. It would require every motor vehicle registered in New York and manufactured after June 30, 1962, to be equipped with attachment points for automobile seat belts, and thus make available to motorists at negligible cost the immense protection these belts afford. This proposal, together with others of the Committee, merits your most careful attention.

I again urge the enactment of legislation to include, within the operation of the "point system," violations which may not now be considered. I refer to those who forfeit bail on traffic offenses as well as those convicted of traffic violations in states contiguous to the State of New York.

G. Constitutional Revision

Last year, you gave initial approval to a number of proposals of the Temporary State Commission on the Revision and Simplification of the Constitution, designed to modernize our State Charter. These proposed constitutional amendments will again be before you for action this session.

In addition, the Commission will put before you for the first time this year a proposal to fill the gaps in gubernatorial succession in the event of catastrophe, and a number of other proposed amendments to simplify the constitution by excision of obsolete provisions and excess verbiage. I urge your earnest consideration of the Commission's recommendations.

H. Civil Defense

Last year I made known to you my deep concern regarding the urgent need for fallout protection as essential both to our military defense and to our policy of seeking peace through deterrence of nuclear attack. At that time your Honorable Bodies, in support of declared National Civil Defense Policy, adopted a resolution memorializing Congress and the President to take actions which would "provide affirmative additional support to state, local and individual initiative in obtaining essential fallout protection."

The position of the National Administration in this respect has been clearly set forth by President Eisenhower:

"Our total defense is incomplete and meaningless without reliable and responsible home defense. Survival cannot be guar-

anteed merely with a capacity for reprisal. Equally important is our ability to recover."

A fallout shelter program can be effectively implemented at the State, local and family level only if it is backed by Federal policy and by Federal leadership and example. Therefore, while I propose to carry forward the program and the policies established for the State in 1960, I consider that the development of a detailed New York fallout shelter program for 1961 must await the announcement by the new National Administration taking office on January 20th of its civil defense policy and contemplated actions.

I wish to take this occasion to pay tribute to General Huebner who, after a decade of dedicated service to the State, has just retired.

I. The Right to Vote

A large number of our citizens are unable to vote in Presidential elections because of changes in residence which prevent them from meeting the voting requirements of the State Constitution. Such requirements may be appropriate in State and local elections, but they cannot justify denying a citizen of our country the right to vote for the highest office in the land. I strongly urge adoption of a constitutional amendment which would allow the Legislature to prescribe reduced residence requirements and special voting procedures to permit persons to vote for President and Vice President even though they are not eligible to vote for local or Statewide officers. Legislation to implement such an amendment might well include, if practicable, provisions for former New Yorkers who move from the State but who are unable to meet the residence requirements of their new States in time to vote in a Presidential election.

Another group of citizens who are not now eligible to vote for the highest office in the land are those resident in the District of Columbia. An amendment to the Federal Constitution granting the citizens of the District of Columbia the right to vote in Presidential elections has now been proposed by the Congress for ratification by the legislatures of the various states. Your prompt and favorable action will place New York State among the first of the required thirty-eight states to ratify this amendment.

VII. INCREASING JOB OPPORTUNITIES

A good job providing steady employment is the basis of opportunity and fulfillment for the individual.

My administration has been engaged from its beginning in a concentrated effort to improve job opportunities in this State by stimulating its economic growth. This effort has resulted in substantial progress which has been achieved by markedly improving the State's business climate. A good business climate depends on sound fiscal policies which build business confidence in the State's government. Your Honorable Bodies had the courage to restore the State's fiscal integrity and thus helped mightily to create this confidence.

The ability of New York businesses to compete with those in other states and in foreign countries—the attractiveness of New York to new business enterprise—directly affects not only the individual but also the State's ability to provide public services—its schools, its highways, its hospitals and other facilities vital to the general welfare.

Much has been accomplished. More work remains to be done. Let us examine some specifics.

A. Jobs and the State's Economy

New York's improved business climate has played a major role in the decisions of private industry—as I have noted earlier—to invest \$4 billion in new plants and plant expansions within the State in the last two years. This has created over 300,000 new jobs.

But with a growing population, unemployment has not declined as rapidly as employment has increased. Continuing unemployment is a source of deep concern to me. We can never lose sight of the suffering and anxiety of those without work—the strain borne not only by them but also their families. I shall continue to watch closely developments in this situation and if it seems advisable I shall at a later time recommend so-called "trigger point" legislation to extend the normal benefit duration of unemployment insurance whenever there occur specific economic conditions of a recession character.

Next week, I plan to visit Chicago and Los Angeles to open branch offices of the Commerce Department in those cities. The purpose of these offices is to invite attention to the advantages of New York to those Midwestern and West Coast enterprises contemplating eastward expansion and thus to help us grow as these companies grow.

The Commerce Department, in addition to its efforts to attract new industry, has worked hard to develop and promote travel and tourism which brings \$2.5 billion annually to the citizens of the State.

The competition for industry and for travel is severe and increasing. It comes not only from sister states but from foreign countries which are challenging us in world markets and, indeed within our own State.

To insure New York's continued growth and new job opportunities, and to meet this intense competition from other states and from abroad, I urge that the Legislature approve a realistic expansion of the promotional efforts of the Commerce Department. It is truly the sales arm of the State, and money spent by it is an investment which will produce jobs, payrolls, tourist dollars and consequent revenues for the support of governmental services at every level.

B. Farm Prosperity

New York's gross farm income is estimated at nearly \$1 billion annually representing an investment of importance to every resident of the State. We must assure its continued vitality.

1. *Milk Marketing*—The production and marketing of milk and milk products account for more than half the cash receipts of New York farmers each year.

Action taken by the United States Secretary of Agriculture in October 1960 at my urging brought about relief from the cost-price squeeze which confronted New York's milk producers. There remains, however, a pressing need for serious consideration of long-range adjustments in the Federal order establishing prices to the producers, which would have a more permanent and equitable long-range effect than the temporary change for the three-month period covered by the Secretary's recent emergency order.

Despite the general growth in the State's economy over the past decade, there has been no revision since 1950 in the basic structure of the formula which determines the price producers are paid for fluid milk sold under the Federal price order. With a view toward suggesting possible revisions to the United States Secretary of Agriculture, I shall shortly appoint a committee to give thorough study to the Class I milk price formula. Everything possible should be done to assure New York farmers a fair return on their milk and consumers a steady supply of wholesome milk at a reasonable price.

2. *Marketing of Apples and Cherries*—A bright spot in the State's agricultural picture is the success of our two fruit-marketing orders—those covering apples and cherries. Through these orders, growers of apples and cherries assess themselves some \$400,000 annually for self-help promotion programs, the success of which is being watched carefully by growers throughout the nation.

3. *Golden Nematode*—We have been able to restrict the golden nematode disease in potatoes to a relatively small area on Long Island through research at the State College of Agriculture at Cornell and a judicious control program. Although the program has reduced infestation to a minimum, we anticipate that an even more effective new treatment will be available within the next year with the possibility of even greater success against the disease in the near future.

4. *Foundation Seed Potato Farm*—In 1960 New York ranked third nationally in the production of potatoes. The continuing vitality and, perhaps, even the survival of the State's potato industry will be importantly affected by the availability and use of new and better adapted varieties of disease-free seed.

While potato growers are making substantial efforts to establish a seed-producing farm in the only area of the State in which such seed stock can be safely multiplied—the Adirondack Mountains—funds beyond their resources for experimentation will be needed for several years.

To strengthen the potato improvement program now conducted by the State College of Agriculture at Cornell, I shall recommend in my Budget Message sufficient funds to start a foundation seed program in 1961.

C. Migrant Labor

Each year, more than 25,000 migrant workers come into the State to assist in the harvesting and processing of important fruit and

vegetable crops. Since this work requires large numbers of laborers but for short periods of time, complex social problems arise.

Thanks in large part to the effort of Assemblyman Waters, our State has been a pioneer in the improvement of the living and working conditions of migrant laborers. But there is more which must be done. I therefore recommend

- (1) Increased financial support for schools and child care centers for children of migrant workers.
- (2) Extension of registration and payroll record-keeping requirements to growers who recruit five or more migrant workers.

D. Industrial Research

Research is basic to the future of industrial growth. New and competitive industrial development depends upon research facilities. Establishment early in 1960 of the State Advisory Council for the Advancement of Industrial Research and Development gives us an effective means of increasing New York's leadership in the research and development field.

The Council, made up of 44 of the State's most distinguished scientists, educators and industrial research directors, who have given generously of their time, works with the Commerce, Labor and Education Departments and the Office of Atomic Development to promote industrial research, the seed-bed of modern growth industry. In the last two years, 27 major industrial research facilities were completed or started in New York. A new Commerce Department survey and directory now lists more than 1,000 research establishments with more than 70,000 employed as professional and technical staff and workers.

E. Training for Automation

This nation pioneered the production line and mass production methods but lately has faced the threat of being beaten at its own game. Japan and the industrial nations of western Europe, devoting a larger percentage of Gross National Product to investment in new plants and equipment than we, have built many automated new plants of high efficiency. This productivity, coupled with wage rates far lower than those in this country, has created fierce competition for American products, not only in foreign markets, but in our own markets as well.

The answer for America is to compete—not retreat. And to compete means to automate, to step up our own productive efficiency by all reasonable means. But automation, while essential to economic growth and an ultimate source of more and better jobs, creates human problems of job dislocation in the period of transition. Automation is a means of remaining competitive and thus providing more jobs. Its advantages must benefit both labor and industry. But to derive these advantages, we must understand the problems it creates as well as the problems it solves.

During the past year, I convened a Conference on Automation, attended by representatives from labor, management, the general

public and government, to help develop a clearer understanding of the implications of automation and to establish objectives toward which all parties in interest may work.

It was agreed by the conferees that continued technological development was both necessary and desirable to keep pace with the human needs of our society and our economy. Attention also was focused on the social impact of automation on the individual and the community. I commend the Conference report to your attention.

Skilled manpower constitutes our State's greatest economic resource. The expansion of the State's higher education program will greatly assist in the development of needed professional and technical skills. In addition, I shall recommend legislation to improve the State's apprentice training program. Special emphasis will be placed on widening opportunities for the training of members of minority groups.

F. Atomic Development

Two years ago, upon my recommendation, you enacted legislation establishing an Office of Atomic Development which was intended, among other things, to encourage the development and use within the State of atomic energy for peaceful purposes and to foster and support research and education relating to atomic energy. I am pleased to report that since 1959 there has been a steady increase in the number of industrial concerns within the State using radioactive materials for productive purposes. I am also pleased to report that construction of the Western New York Nuclear Research Center in Buffalo, for which you authorized State aid of up to \$1 million on a matching basis with private funds, is 95 per cent complete and will be ready soon to serve the nuclear research and training needs of higher education and private industry in that area.

1. *State Operation of Atomic Waste Disposal Facilities*—Last year, you enacted legislation to permit the Office of Atomic Development to locate and acquire sites at which radioactive byproducts could be concentrated and stored. The Office of Atomic Development has been actively examining possible sites for such facilities over the past nine months, and now is ready to act.

Therefore, I recommend that the Office of Atomic Development now be given specific power to operate as well as to acquire sites of this kind. Only by a State-operated waste facility can we assure atomic industries which are prepared to locate in New York that they will find a safe repository for atomic waste material.

2. *Jamestown Nuclear Power Plant*—By special legislation adopted in 1960, a site was made available within the City of Jamestown for the construction and operation of an atomic plant, the nuclear reactor for which would be built, financed and owned by the Atomic Energy Commission as part of the Commission's atomic power research and development program. The State Office of Atomic Development has been working closely with the City of Jamestown and the Atomic Energy Commission in advancing this project. It is hoped that a decision will be reached by the Atomic Energy Com-

mission early this year to go forward with this Jamestown atomic power plant.

3. *The Seven Utilities Nuclear Project*—In connection with the State's effort to encourage the use of atomic power within the State, seven private utilities in the State have recently launched a \$10 million research project to develop a nuclear power plant which would produce electricity at costs competitive with steam-generated electricity. The participating utilities have agreed that if their research project is successful, as they anticipate, in developing an economically competitive process, they will finance, construct and operate large size atomic generating stations in New York State. They anticipate a decision within two years.

G. Highway and Public Works Construction

1. *A Record Program*—My Budget Message will include specific recommendations for the largest capital construction program of highways, parkways, grade crossings and public buildings which the State has ever undertaken. Included in this program will be important work on:

- the Northway,
- the North-South Expressway,
- the Long Island Expressway, and
- Route 17 in the southern tier.

2. *Regulation of Billboard Advertising*—In order to promote safety and preserve the scenic beauty of the countryside, the Federal Aid Highway Act of 1958 authorizes increased Federal reimbursement for construction on the Interstate Highway System that meets Federal standards of billboard regulation. To avail itself of this additional aid New York State prior to July 1, 1961 must enter into an agreement with the Secretary of Commerce undertaking to abide by the Federal standards.

New York stands to receive over \$2.17 million in additional Federal aid if it fulfills the Federal requirements on the regulation of billboards. I recommend adoption of legislation which will permit New York to do this.

H. Revision of Corporation Laws

Almost five years ago, you established a Joint Legislative Committee to study revision of the corporation laws of the State. That Committee has recently submitted its final draft of a bill which would enact a new Business Corporation Law to be effective March 1, 1963. It would supersede, as to such corporations, the present provisions of the General Corporation Law and the Stock Corporation Law. This bill, of major importance to our business climate, merits your thoughtful consideration.

VIII. SOUND FISCAL MANAGEMENT

I am happy to report once again that the State is in sound financial condition. The bold and forthright action taken in 1959 combined

with business-like management of governmental affairs has dramatically restored the State's fiscal integrity.

A. Tax Simplification and Improved Administration

We have taken giant strides in making taxes simpler, fairer and less restrictive—working towards greater economic growth and expanding job opportunities.

The personal income tax has been remodeled to make it far less difficult for taxpayers to file their returns and to assure for the first time that each will share fairly in the cost of government.

The fact that as many as 500,000 individuals who formerly overlooked their obligations are now paying their taxes, under withholding, is a major reason that I can recommend a flat 10 per cent refund of 1960 State income taxes with an estimated saving to taxpayers of \$90 million—details of which I shall discuss in a moment.

The tax forms are now reduced to bare essentials. In printing costs alone, the new forms will save over \$300,000 annually, while every taxpayer will save time and trouble in making out returns. At the same time, net savings to taxpayers totalling over \$10 million will result from your action last year in conforming New York law to Federal tax law.

We have aided small businesses in the State—the seed corn of economic growth—by greatly improving the unincorporated Business Tax Law and providing annual tax savings of \$2.5 million to these important elements of our economic life.

The Tax Structure Study Committee, which I formed two years ago under the Chairmanship of Tax Commissioner Murphy, is continuing important studies and its further recommendations will be submitted to you during this session.

B. A Fair Tax Refund Bill

The level of our economy has continued relatively high despite the fact that, to my continuing deep concern, unemployment still exists in some areas. Vigorous control of State expenditures has kept total outgo to the lowest possible level consistent with the furnishing of necessary services. Finally, tax withholding has brought forward several hundred thousand taxpayers who formerly evaded their responsibilities. As a result, we shall have a surplus of well over \$90 million for the current fiscal year.

In view of all these factors, I recommend a 10 per cent refund in personal income tax payments on returns due in April for the year 1960.

The 1959 amendments to the personal income tax law produced a progressive tax system that is fair to all categories of resident taxpayers. Given a fair system, the only justifiable way of refunding taxes with any degree of integrity is to grant the same percentage relief to each taxpayer. I urge your *early* consideration of this proposal to enable taxpayers to complete their returns with certainty, to avoid administrative complications, and to free this sum of approximately \$90 million as a stimulus for the economy and the creation of job opportunities for the unemployed.

C. Taxation of Non-Residents

Together with the relief proposed for all individual taxpayers, there should be a recognition of those inequities which exist in the taxation of the personal incomes of some non-residents. I renew my request that legislation be enacted permitting a non-resident to itemize all deductions a resident could claim, in the proportion his income from New York sources bears to his total income. Any such relief to non-residents should be conditioned upon reciprocal cooperation given us by their home States in the collection of taxes due New York.

IX. CONCLUSION

The challenge to us, the elected representatives and leaders of our State, is both stirring and complex. It is stirring because we are challenged to show the wisdom and vigor of free government at a time when freedom itself, throughout the world, faces mortal danger. It is complex because this is the nature of our modern life, of our society, and hence of the government that must meet the problems of this society.

Whatever the particular challenge and call upon our leadership, the key test is always the same: to prove that free government works—well and wisely in the service of the well-being and opportunity of the individual.

Concretely, we must demonstrate the unique role of State government in our system. The best tradition of American government does not leave the individual or the community to grapple helplessly with problems beyond their power. The best American tradition, too, does not abdicate local responsibilities by waiting for the Federal government to resolve these problems from a distance.

With clear resolve to preserve the vitality and dynamism of this American tradition, let us—in close cooperation and with common purpose under God—get on with our important work.

(Signed) NELSON A. ROCKEFELLER

Message Concerning Expanded Opportunities and Facilities for Higher Education

STATE OF NEW YORK—EXECUTIVE CHAMBER

ALBANY, *January 31, 1961*

FOREWORD

This Special Message on higher education is presented to the Legislature in the light of a clearly discernible urgent need for action. The unanimity of responsible opinion as to this need has been underscored during the past few months by the report of the distinguished Committee on Higher Education headed by Henry T. Heald; the proposals of the Board of Regents; the proposed Master

Plan of the State University Trustees, the recent statements by the Association of Colleges and Universities of the State of New York and by the Board of Higher Education of New York City. There is general agreement as to the magnitude of the problem that lies immediately ahead and as to a general outline of approach to this matter.

The people of the State of New York are deeply indebted to the eminent authorities of these groups whose collective efforts have helped to focus attention on the emerging problems facing our young people and their parents in the field of higher education and upon ways in which they may be able to meet those problems. In preparing my recommendations, I have drawn upon all of these sources.

To the Legislature:

The future of America—her strength and leadership as a nation of free men—depends upon maximum opportunity for the individual development of her citizens.

The future progress of the State of New York likewise rests upon individual self-development and self-realization which must provide the leadership, productivity, inventive genius and spiritual and cultural growth of oncoming generations.

This self-realization relies importantly upon educational opportunity for all who have the desire and the capacity to make use of it.

In a world of unmatched scientific progress and technological advance—and of unparalleled danger to human freedom—learning has never been more crucial to man's safety, progress and individual fulfillment.

In such a world, higher education no longer is a luxury in aid of the good life; it is a necessity for strength, fulfillment and survival.

Increased opportunities for higher education therefore are vital:

—To the individual in an intensely complex society where employment increasingly demands a college education, while the cost of that education is steadily rising;

—To the State in promoting future economic growth and increasing job opportunities for all its citizens through technological advance which depends upon education; and

—To the Nation in her struggle for freedom against the forces of darkness.

Such clear necessity for the higher education of all who have the ability and ambition to achieve it, imposes rising burdens of expense upon the family and great responsibilities upon our colleges and universities.

The problem of higher education in New York is not a problem alone of the future but is real and immediate, relating to boys and girls who are now preparing to make application to college.

And the sheer numbers of those now in high school and the even greater number in elementary school make it plain that we must