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MESSAGES TO THE LEGISLATURE

Regular Session—Convened January 6—Adjourned June 22

ANNUAL MESSAGE

STATE OF NEW YORK—EXECUTIVE CHAMBER

ALBANY, January 6, 1965

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

At the start of this 188th Session of the Legislature, I extend a warm personal welcome to the re-elected and newly-elected members of your Honorable Bodies.

Twenty-six years ago, on January 4, 1939, Governor Herbert H. Lehman appeared in this Chamber under circumstances resembling those here today.

Governor Lehman was then beginning his seventh year as Governor of New York—and now so am I.

Governor Lehman was then confronting for the first time in his service as Governor a Legislature in which the opposition political party had won majorities in both Houses—and now so am I, also for the first time.

And Governor Lehman on that occasion in 1939 concluded his Message to the Legislature with words we might well apply to the present proceedings.

This is what Governor Lehman said, and I quote him:

“Differences of opinion in a democracy will always exist. They make for healthy government. In a spirit of earnest cooperation and sober analysis they can often be reconciled.

“It is unnecessary, I am sure, to urge upon you the necessity of laying aside all considerations of political expediency and of political advantage.

“Our solemn duty must always be to seek the welfare of the people.

“Ours is a sacred trust. In its fulfillment I stand ready at all times to advise and to confer with you. I am confident we will be motivated solely by a common desire to serve the people of our State.”

So spoke Governor Lehman in 1939—and it is in this same spirit that I come before your Honorable Bodies today to present my legislative program for 1965.

Together we have much to do, for the business at hand is of great urgency and the effects of what we do here or do not do here these next few months will affect the well-being of the people of New York for decades to come.

We are challenged by the demands and the opportunities of a society which daily grows ever more complex and competitive—challenged to assure that every individual may have an equal opportunity for self-realization.

We must take further steps to continue to increase the rate of economic growth and the expansion of job opportunities for our working men and women—and to broaden their protections against adversity.

We must act anew that education may keep pace with the demands of a world that places ever-increasing premiums on education.

We must further intensify the effectiveness of the war on crime and juvenile delinquency.

We must work together that housing may be additionally expanded and the arts advanced for the enhancement of the lives of all.

We must act that the programs for the sick and the needy aged be further strengthened, and the unfortunate assisted.

We must increase our efforts to combat the effects of poverty.

We must accelerate the building of our great network of highways and improve safety on those highways.

We must seek in the public interest that the beauty which a generous Maker has given to man shall be preserved, and we must restore those bounties of nature that man has defiled and all but destroyed—by cleansing pollution from our streams and lakes and coastal waters, by harnessing the miracle of the atom to produce fresh water from the sea itself, and by making cleaner the very air we breathe.

The problems are enormous, the needs are urgent but the opportunities have never been greater—and the people will judge before this year has ended what is done here.

In meeting our responsibilities in these and other areas, we are confronted with the reality of the need for additional revenues. Facing this reality and meeting these needs will call for a high order of statesmanship, cooperation and courage on the part of both political parties, and from both the Legislative and Executive Branches of government.

Together we face the challenge of proving that representative government and our two-party political system can work constructively in the service of all the people, enhancing their lives and protecting their liberties.

This great challenge and this great purpose urgently summon the dedication of all our thought and courage and effort.

Let us, then, turn to the specific and pressing matters of the people's business which lie before us.

I. ECONOMIC GROWTH

Underlying the soundness of the State's position as it faces the problems ahead is the robust health of the State's economy.

Your Honorable Bodies and this Administration have devoted much effort these past six years to building this economic vitality. Together, we have taken well over 100 legislative and executive actions to encourage economic growth and so to increase job opportunities in the State. These basic efforts have paid off.

I am sure you share my sense of gratification in the fact that in 1964, New York State enjoyed the best year of employment, business and general prosperity in its history. The State's business index hit another new all-time high of 162 points last September—seven points higher than September of 1963. Personal incomes in the State have risen by over \$13 billion since 1958. These general results are also accompanied by specific effects of specific joint actions; for example:

—We created the Job Development Authority, and the 84 loans it has approved thus far will provide an estimated 5,767 new jobs in new and expanded plants.

—We opened Commerce Department offices in Chicago, Los Angeles and Montreal—and now, 23 plants or offices of firms with headquarters in these areas have located in New York State, giving employment to more than 1,000 people with annual payrolls of about \$5 million.

—We created an International Division in the State Commerce Department—an undertaking unique among all the states—and in the past year this Division turned up 14,500 sales leads in 80 countries for 9,000 New York manufacturers, exporters and suppliers. These leads offer the opportunity to sell over 42,000 categories of New York-manufactured goods. It is too soon yet to know exactly what these leads will mean in terms of sales, but we do know that such sales in 1963 totalled \$37 million—equivalent to 5,500 manufacturing jobs—and that export sales leads in 1964 are running nearly 60 per cent above 1963.

—We opened a European office in Brussels, headquarters of the Common Market, and it has been so overwhelmed with business that we have had to add more space and more people after only slightly more than one year's operation. Incidentally, some 50 foreign firms are considering branch plants or contract manufacture in New York.

—We have stressed tourism and taken numerous steps to aid the State's travel industry, and now there is ample evidence that 1964 was the best year on record for the travel industry in our State, with income approaching the \$3 billion-a-year level.

These are but a few examples of the great progress this State has made during the past six years in dealing with major problems

affecting the job opportunities and the well-being of the people. New and expanding opportunities lie before us. I therefore urge your consideration and action in the following vital areas:

A. PURE WATERS

Two-thirds of the people of New York State live today in areas afflicted by water pollution—and when I speak of polluted water, I mean water that cannot be used for drinking, recreation or industrial purposes.

This pollution is fed by 1,167 communities which pour raw or poorly-treated sewage into our waterways, by 760 industrial sources, and by miscellaneous other sources.

Pollution jeopardizes health through diseases such as typhoid fever, dysentery, and hepatitis.

It lowers property values and increases the cost of water for community use.

It restricts industrial expansion because so much modern industry requires tremendous quantities of water.

It destroys recreational areas, threatens commercial fishing and shellfish harvesting.

Pollution impoverishes all it touches through fewer jobs, higher water costs, reduced local revenues and an incalculable toll in recreational and aesthetic values.

Some communities and industries have met their pollution problems. Too many have not because of the expense, competing needs, and lack of an immediate incentive to clean up pollution. It is usually the community or the industry downstream that suffers most from any particular failure in this respect—not so much the ones responsible for the pollution.

Today it has become dramatically clear that everyone has a stake in ending the pollution of our lakes and streams, our rivers, and ocean fronts. Industrialists, workers, farmers, housewives, sportsmen, children—all want pure waters.

Despite our strict State laws, a great many of our local communities, with all of their other growing financial burdens, have not met the pollution problem by themselves.

The huge sum of \$1 billion, \$709 million is needed just to meet the backlog of accumulated needs and new needs through 1970 for local sewage interceptors and treatment plants. Elimination of industrial pollution will involve another \$67 million.

The existing Federal program of grants-in-aid for municipal pollution abatement facilities is highly discriminatory against urbanized areas like New York State.

Though it provides that the Federal government can pay up to 30 percent of the cost of such facilities, it limits New York State to about five percent of the total funds appropriated and places a \$600,000 ceiling on any one project. As a result of these limitations, a recent New York City project costing \$87.6 million received only \$250,000 from the Federal government—less than one percent of its rightful share.

If we are to recapture the true value of one of New York State's greatest assets—namely, an abundance of water—we have no choice but to give the solution of the problem of water pollution top priority.

Rising costs of construction and vast future needs caused by increasing population and obsolescence of existing facilities mean that action is essential now before the costs soar beyond our reach.

The State must lend a helping hand particularly to the cities, counties, towns, and villages, and also to some industries, to bring about effective treatment of waste and to return our lakes and streams to pure waters.

The State must take the leadership in a new program for federal-state-local sharing of the costs of constructing the sewage treatment plants and interceptor sewers that are needed.

I therefore propose a \$1 billion State bond issue to finance a six-year program for pure waters in New York State.

I propose that the State assume 30 percent of the cost as its share. I call on the Federal government to pay its full 30 percent share, and to stop discriminating against large cities and urbanized states.

Furthermore, I recommend that the State be prepared to finance not only its own share but to pre-finance the full Federal share pending the necessary Federal action.

State, Federal and local governments should encourage industry through tax incentives and other measures to build the necessary industrial pollution control facilities and in some cases to change industrial processes in order to end pollution from this source.

The Federal, State, and local governments must also stop contributing to the pollution problem themselves—by eliminating pollution from their installations such as hospitals, colleges, schools, military bases, prisons and other facilities.

Finally, the State should intensify enforcement, administration and research by:

- Appropriating funds to pay one-third the cost of operating and maintaining local treatment facilities as authorized under a program enacted in 1962;
- Establishing an automated water quality monitoring system; and
- Conducting additional research into pollution control methods.

This is the first time since I became Governor that I have recommended a State bond issue drawing upon general revenues for debt service.

I do so now only because of the urgency and magnitude of the problem of water pollution, the long-range benefits to be secured, and the staggering costs and crises which would result from further delay.

Fortunately, the State's credit has been scrupulously maintained for just such a purpose. Tax-supported State debt has been reduced during this Administration to the point that debt service amounts to but one percent of the budget.

Under this proposed program, the Federal and State governments would pay 60 percent of the capital cost and the localities would pay 40 percent, which the localities can, if they choose, finance outside their constitutional debt limits under the terms of a constitutional amendment approved in 1963.

Furthermore, comprehensive sewerage planning studies by local governments have been wholly financed by the State since 1962. These have greatly increased the ability of municipalities to act quickly, wisely and, where feasible, jointly with their neighbors. The State, through the Office for Local Government, which has provided such highly-effective leadership in local intergovernmental cooperation will continue to encourage joint action in order to realize economies and achieve the most effective results.

This massive program to clean up the waters of New York State is practical, necessary and a most desirable investment in the future.

The return this investment will yield to our citizens of today and future generations can be measured in better health, improved living, increased productivity, higher property values, lower water costs, vastly improved recreation, restored beauties of nature, and more and better jobs including 18,000 jobs a year for related construction work alone.

These benefits fully justify bond financing to meet our accumulated needs. The time to act is now.

B. WATER SUPPLY

The water pollution problem was put into even sharper focus by the drought of last year. Paradoxically, drought-stricken communities were often unable to use the waters which flowed by their doors due to the polluted condition of these waters.

Although in a normal year we receive 40 inches of rainfall, by late last year, drought had become such a problem in upstate counties that the State Civil Defense Commission's emergency stockpile of pumps and pipe—loaned to communities for bringing in emergency water supplies—had been all but exhausted.

I have therefore taken emergency measures to purchase additional pipe, pumps, chlorinators, and related devices that can move and purify water, using \$100,000 of State funds and a like amount of matching Federal funds.

I also directed Civil Defense to set up a drought information service so any stricken community can learn what others have done to conserve water or find new sources.

And I instructed the State Director of Civil Defense to inform the U. S. Office of Emergency Planning as to our possible future needs so Federal emergency equipment will be maintained in New York.

Long-range water supply planning programs are progressing in many parts of the State under auspices of the State Water Resources Commission, and New York has long been engaged in a number of interstate water management programs.

One of the most unusual and exciting projects, however, is that of utilizing nuclear energy to obtain fresh water from the sea—a project intended to meet the particular water supply problems of Long Island as well as the need for additional electrical power.

I therefore will recommend in my Executive Budget an appropriation of \$3.5 million as an advance to the New York State Atomic and Space Development Authority to construct a nuclear desalination plant on Eastern Long Island—a plant that will produce one million gallons of pure water a day and 2,500 kilowatts of electricity.

No nuclear desalting plant now exists anywhere in the world. This project will therefore demonstrate a new peaceful use of atomic energy with application not only here at home but also in many of the earth's underdeveloped regions whose need for new sources of water was highlighted in a recent United Nations report.

Such a demonstration here in New York will stimulate further growth of the State's already substantial atomic industry and at the same time help to solve an increasing water problem on Long Island.

The shortage of water on Long Island becomes more of a problem with every passing year as population grows, industry expands, the water table drops, salt water seeps in, and conventional sources of water are fully used.

By purifying sea water, this plant will open up a new and previously untapped source of water to the residents of Long Island.

Although this is a pilot project, it can point the way to an unlimited supply of water which will no longer rely on wells, which are subject to contamination from salt water and other sources.

The expanding population and industrial growth on Long Island are also increasing the demand for electric power there. The electricity produced by the nuclear plant will be sold through regular utility company channels to supplement their existing supply of power.

Proceeds from the sale of power and water are expected to meet the annual operating costs of the installation.

The State Atomic and Space Development Authority will carry out the project in conformance with national objectives to advance nuclear desalination technology. To the extent that these national interests are served, the Authority will seek the Federal government's financial participation in the project.

C. TRANSPORTATION

During the past six years, New York State, with the cooperation of your Honorable Bodies and the local governments of the State, has gone a long way toward meeting its major responsibilities in the field of transportation.

1. Railroads

The railroads of New York have played an indispensable role in the building of our State and remain today of vital importance to the continued vitality and growth of the State's economy.

Upon my recommendation, your Honorable Bodies have enacted a series of programs to strengthen our railroads, including provisions for substantial tax relief, a \$100 million State commuter car program, and programs of station operation and maintenance by local governments.

a. Commuters

The form and availability of commuter transportation facilities vitally affect the future growth and development of the State's greatest metropolitan area. We face two urgent transportation problems—the Long Island Rail Road, the nation's largest rail passenger service, and the bankrupt New Haven Railroad. In 1966, the 12-year statutory redevelopment status of the Long Island Rail Road expires and a solution to the problem must be found. I am awaiting a report of a special committee I appointed to make recommendations to me on the future status of the Long Island Rail Road.

The solution to these problems must be intimately related to the solution of the entire metropolitan area transportation problem, which we have been studying intensively.

I intend to transmit to your Honorable Bodies later in this Session a Special Message on the future of the Long Island Rail Road and on related rail commuter problems in the New York metropolitan area including the special problem of the commuters who rely upon the New Haven Railroad.

b. Full Crew Laws

I again recommend to your Honorable Bodies the outright and immediate repeal of New York State's archaic full crew laws. Actions taken at the Federal level by the Congress and a National Arbitration Board regarding railroad work rules cannot be implemented in New York State without the repeal of these out-dated statutes.

This repeal can be effectuated with a minimum of dislocation to those presently employed in the State's railroad industry, while fully protecting the human factors involved. As I have stated on many occasions, the interest of the people as a whole must prevail.

After repeal, the safety regulations of both the State Public Service Commission and the Interstate Commerce Commission would still apply and supplementary railroad crewmen can be placed in operations if in the opinion of the Public Service Commission safety dictates their presence.

It is pertinent to note that during 1964, California and three other states repealed legislation similar to New York's full crew statutes.

c. Railroad Mergers

My Administration has played an active role in protecting the interests of the State in the important rail merger proceedings

that have been before the Interstate Commerce Commission over the last three years.

New York was the first state to intervene in the several proceedings to call for the inclusion of the bankrupt New Haven Railroad into one of the new major trunk line systems being established. New York State has consistently held that the long-term solution to the problem of the entire New Haven Railroad must be found through merger. We shall continue to advocate the inclusion of the New Haven Railroad in the proposed Penn-Central system.

2. Highways

A safe and modern highway system is essential to the economic development of the State and the safety and convenience of our motorists.

Under this Administration we have engaged in the most massive highway expansion program in the State's history, doubling the rate of road-building since 1958.

New or improved highways have been completed at the rate of one mile every six and one-half hours of every day of this Administration.

New and improved expressways, parkways and two-lane highways have been opened in every region of the State.

As a result of 1964 contract awards, we are steadily closing the gaps in the North-South Expressway, the Adirondack Northway, and Interstate Route 84. Major new construction has been started on the South Tier Expressway (Route 17) and the Long Island Expressway.

At the close of 1964, 70 per cent of the State's Interstate system was open for traffic. This was more than one and one-half times the national rate of progress.

Our long-range arterial highway program passed the half billion dollar mark last year as the result of the record commitment of more than \$200 million in State and Federal funds for this purpose since 1959.

Major grade crossing elimination projects have been completed, and a new spot safety-improvement program inaugurated to eliminate possible highway hazards.

At the Special Session last month, your Honorable Bodies took action at my request to prevent any use of highway bond funds except for future highway construction.

This action will make possible a further acceleration of the highway construction program. I shall recommend accelerated construction of arterials and of major arteries including the North-South Expressway, the Adirondack Northway, Southern Tier Expressway (Route 17), and the Long Island Expressway.

3. Bridges

Last year, we instituted separate studies to determine the feasibility of two new bridges spanning Long Island Sound. One

would be at the eastern end of the Sound, linking Long Island with the coast of Rhode Island. The second would link the major highway networks of Nassau and Westchester counties. I look forward to receiving these reports.

4. Transportation Planning

The Federal Highway Act of 1962 requires that by July 1, 1965, urban areas must have underway a comprehensive and continuous transportation planning program if the State is to continue to receive Federal aid for highway construction. The recently enacted Federal Mass Transit Act requires a similar planning process as a condition for Federal aid for those purposes.

I am pleased to report that the State administration had shown foresight and had already taken leadership in these activities by establishing the Upstate Transportation Study program in the Department of Public Works. Under this program, comprehensive urban planning studies have been under way in over a dozen upstate areas. In the New York Metropolitan Area, the Tri-State Transportation Committee established in 1961 has already been doing similar planning.

These State-initiated programs have been designed to meet the requirements of both the Federal Highway and Mass Transit Acts while providing valuable planning and urban development information for use by State agencies and our local governments.

Last year, your Honorable Bodies passed, for a second time, a Tri-State Transportation Commission compact which was also enacted by Connecticut.

It is my hope that a tri-state agreement will be achieved and enacted by the three states—New Jersey, New York and Connecticut—to continue the pioneering work so well advanced by the Tri-State Transportation Committee and to enable the respective states to qualify for continued Federal highway aid, mass transit grants, and Federal planning funds.

D. PROTECTION OF WORKERS

This Administration is proud indeed of the progress achieved these past six years in broadening job opportunities and affording greater protection to New York State's working men and women against injury, illness, unemployment and exploitation.

We are gratified that the present period of record-breaking high employment and relatively low unemployment was also accompanied in 1964 by the achievement of a new post-war low in time lost through strikes.

Further protections for New York State's labor force are desirable at this time to keep pace with human needs and rising costs in our expanding economy. I therefore recommend:

1. *That Workmen's Compensation benefits be increased from a weekly maximum of \$55 to \$60.*

This Administration and the Legislature in a series of actions since 1959 have extended Workmen's Compensation coverage to hundreds of thousands of additional workers and twice increased weekly maximum cash benefits to a present level of \$55.

We have also stepped up rehabilitation services for injured workers to the point that New York returns more workers to job usefulness than any other state. Further, we have speeded up the processing of workers' claims and provided new protection for workers whose employers fail to provide the required coverage. These steps were in the tradition of a State which has pioneered for 50 years in the field of workmen's compensation, inaugurating many of the benefits now available nationwide.

As in other social insurance programs, the time has come to raise benefits to a more realistic level—in this case, to a weekly maximum of \$60.

2. *That disability benefits be increased from a weekly maximum of \$50 to \$55.*

This program provides weekly cash benefits for workers in case of off-the-job sickness or injury. On my recommendation your Honorable Bodies increased the maximum weekly benefits from \$45 to \$50 in 1960, and we have extended coverage of the law to 500,000 more workers—the first extension since the original law was passed.

The proposed increase in benefits would be in line with other increases.

3. *That maximum weekly unemployment insurance benefits be increased from \$50 to \$55.*

In 1960 at my request you also increased unemployment insurance benefits from a maximum of \$45 a week to \$50, and extended its coverage to 70,000 additional workers.

Legislation to permit unemployed workers to attend vocational training courses without losing unemployment insurance benefits was enacted in 1960, liberalized in 1962 and extended last year to cover education in basic skills such as reading and writing. This legislation is particularly important for workers displaced by automation who need to learn new skills.

The time has come to raise the unemployment insurance benefit to a more realistic maximum of \$55 a week. Fortunately, we are able to take this necessary step because we acted in 1962 to assure the fiscal soundness of the unemployment insurance fund.

4. *That the State and Federal minimum wage rates be raised to \$1.50 an hour concurrently.*

I am indebted to the distinguished Committee on the Minimum Wage which I appointed last February, headed by Dean Courtney C. Brown of the Graduate School of Business at Columbia University for their report.

This State's first statutory minimum wage was enacted in 1960 on my recommendation. Last October 15th, the State minimum

rose to \$1.25 an hour, the same as the prevailing Federal minimum. This raised the pay of about 164,000 workers in New York State.

I am deeply concerned, however, about those families in our State who must rely upon a single wage-earner paid at the present level of minimum wages. The hard-working heads of such families must, all too often, turn to a second job and even to public assistance to make ends meet.

At the same time, it is a vital necessity for New York industry to remain competitive—a prime objective is that existing job opportunities be retained and that new jobs be created here. The danger to be avoided is making New York such a high-cost island that expansion of our job opportunities is hurt.

Plainly, it is in the best interests of New York's working men and women that necessary increases in minimum wages shall apply to competing states as well as ourselves, if we are to have both higher pay and preservation of our competitive position so we will be able to expand our job opportunities.

I therefore urge:

—That the Legislature memorialize the Congress to increase the Federal minimum wage to \$1.50 an hour; and

—That your Honorable Bodies increase the State's minimum wage to \$1.50 an hour effective simultaneously with similar Federal action.

E. PARKS, PLAYGROUNDS AND RECREATION FACILITIES

With its \$100 million program enacted on my recommendation and approved by the voters in 1960 and 1962, New York State assumed national leadership in the acquisition of park land and open space.

From Long Island to the Thousand Islands to the Niagara Frontier, extensive park expansion is taking place throughout the State, even in highly congested city areas. Other states and the Federal government have followed our example.

With a 300 percent increase in the use of New York's unsurpassed outdoor recreational facilities during the past ten years, and with a steadily growing population, more leisure time, increased income and greater mobility, we must now turn our attention to the need for more rapid development of our park and recreation lands—including the need for development of a new type of intensively used park-playground area in the midst of our most densely-populated urban areas.

Development is often more expensive than the land itself. However, where the State and local governments have carried the burden of land acquisition, new Federal legislation promises additional funds for recreational development under a joint Federal-State-local program.

On the initiative of the State Council of Parks, my Administration has been preparing a program for park and outdoor recrea-

tional development which I plan to submit to your Honorable Bodies for consideration later in this Session.

II. HUMAN AND SOCIAL CONCERNS

The expansion of our State's economy and the raising of State revenues sufficient to meet the people's needs for public services and facilities are not ends in themselves. Rather they are means to an end—the assurance and enhancement of opportunities for individual self-realization.

Let us look now to those matters of the mind and spirit that touch our aspirations for the future, those protections which express our compassion and responsibility for youth, the aging, the sick, the poor and the disadvantaged, those vital concerns for good housing, personal safety, honest commerce and cultural advancement that mark a progressive society.

A. EDUCATION

New York State stands at the forefront of American education. It leads the Nation in the fullness and variety of opportunity it offers its youngsters for education of high quality and to the limit of their capacities. This decade of New York history already is destined to be marked as unique in its maximum effort to sustain and enlarge these opportunities without regard to race, color, creed or financial status.

To meet our growing needs and to continue to provide these opportunities, I shall recommend in this year's budget state aid to public schools which is considerably more than double the amount of State school aid in the year I became Governor.

Nothing remotely approaching this rate of growth has happened before in our State's history or in any other state's history—not as a matter of fact in any nation in the world.

More and more young people must be accommodated in our schools and colleges, rising expenses must be covered, and the challenge to attain maximum quality education for all must be met.

For today, as never before, the education of young men and young women determines their chance to make a maximum contribution to society.

1. Elementary and Secondary Education

State aid to public schools has been based since the 1962 Diefendorf Commission study on a formula under which the State and the local school districts share in actual operating costs up to \$500 per pupil. The percentage borne by the State varies according to the relative financial capacity of the school district.

The median school operating cost was approximately \$500 per pupil when this formula was adopted. It is expected, however, to reach \$600 in this school year. I therefore request your Honorable Bodies to raise the current expenditure ceiling for determining State school aid from \$500 to \$600 per pupil, and to make appro-

prate adjustments in the statutory floor to provide for flat grant districts.

This change would provide an additional \$97 million in State aid to public schools in the next school year—of which \$37 million would go to the schools of New York City. The overall increase is almost nine percent, and would be in addition to a \$52 million automatic increase due primarily to larger school enrollments.

I also plan to recommend in the Executive Budget an increase in State school aid under the population density factor which was added to the formula by your Honorable Bodies on my recommendation in 1962. This will help school districts in cities and elsewhere with the growing problem of meeting the needs of disadvantaged students.

Despite the magnitude of past and proposed new school aid, I agree with the Regents, the State Educational Conference Board, and other representative spokesmen for education who point out that increases are essential to keep pace with rising school operating costs.

The added State support will assist school districts in the face of rising costs to protect and enhance our most precious investment—the future of our children—by assuring the continued excellence of public school education.

It will also help hold down increases in local school tax rates on real property, particularly in fast-growing suburban districts where school costs are highest and have been rising rapidly.

Increasing real property school taxes have been a serious problem for all property owners in these districts, and have been particularly hard on the retired older people living on fixed incomes.

2. Educational Television

Fourteen years ago, the State Board of Regents applied for and received Federal Communications Commission approval of ten television channels for educational purposes in New York State.

This was an act of vision that puts the State today in a position to make a major contribution to the people of New York through educational television.

Local and regional educational television councils and the State Commissioner of Education have demonstrated the need for further developments in educational TV. And now with the new President of the State University, coming to us with a broad background in educational television, the time has come for a dramatic breakthrough in this field.

Therefore, I recommend to your Honorable Bodies the establishment of a statewide educational television network in accordance with a specific plan developed by President Gould and approved by Commissioner Allen.

This network would be operated by the State University of New York in cooperation with the State Education Department and existing local television councils. Initially, it would provide public telecasting on ultra-high frequencies from educational television

stations at University graduate centers in Albany, Buffalo, Binghamton, and Stony Brook, plus a closed-circuit network for educational purposes among the 58 units of the State University.

Developing in six phases over the next ten years, by 1975 the network would originate public telecasting of college credit courses, as well as grade and high school and adult education programs, that could be viewed on virtually every television receiver in the State.

The cost of establishing the educational TV network would be \$625,000 in the first year and at the rate of \$2.2 million by the fifth year. I commend this program to your Honorable Bodies as an outstanding opportunity to achieve a major new advance in education, the significance of which far exceeds the cost. Such a network can accommodate thousands of students who otherwise might be denied the opportunity for a higher education because New York, in common with other states, is producing students faster than it is producing classrooms and qualified instructors.

3. Higher Education

One of my goals as Governor has been that no young man or young woman in this State with the desire and capacity for a college education shall be denied it for lack of personal financial means or adequate facilities.

Your Honorable Bodies have strongly supported me toward achieving that goal:

—By approving greatly expanded financial aid for college students, including the tripling of Regents scholarships, the creation of Scholar Incentive awards in 1961 and the enrichment of the student loan program; and

—By establishing the State University Construction Fund, under which \$575 million of the billion-dollar State University construction program have already been committed.

Rising costs and increases in the number of high school graduates now require upward adjustment of the scholarship and scholar incentive programs if our basic objective is to be achieved. Therefore I submit the following specific proposals, based on recommendations of the State Board of Regents:

—An increase in the number of Regents college scholarships awarded annually from 17,400 to 20,000;

—An increase in the maximum annual amount of the Regents scholarships from \$700 to \$1,000;

—An increase in the maximum Scholar Incentive award to undergraduates from \$300 to \$500 a year, and in the maximum first-year graduate Scholar Incentive award from \$400 to \$600 a year; and

—Recognition of the independent status of a graduate student no longer relying on his family for support in determining the amount of any State award based on financial need.

These two programs of financial assistance will enable hundreds of thousands of New York State's students to afford the college of their choice. Nearly 134,000 students now receive scholar incentive grants ranging from \$100 to \$800 a year. The number of four-year Regents College Scholarships currently outstanding approaches 70,000, with an average stipend of \$385 a year.

With the increases recommended in both the Scholar Incentive grants and the Regents college scholarships, the neediest undergraduate scholarship winners will receive \$1,000 a year in scholarship assistance and \$500 a year in scholar incentive assistance, making a maximum total of \$1,500.

The proposed change in the basis for determining the amount of grants for graduate students is designed to make this basis more realistic. At present, the income of both the graduate students and their parents is considered in determining the amount of the State grant. Many graduate students, however, are independent of their parents, and therefore may be eligible for higher grants if parental income is not included in determining the amount to be awarded.

4. State Conference on Libraries

New York State has one of the most effective library systems in the nation. To help make this possible we have more than tripled state assistance for local libraries in the past six years.

Progress in the development of library programs has been significant. To help determine how best to make use of the emerging data-processing and electronic devices for more efficient storage and for easier access to reference and research materials, I shall soon call a Statewide conference.

B. YOUTH

In view of the deep concern of the people of this State regarding juvenile delinquency, it is important to stress the fact that 97 percent of our young men and women lead constructive and law-abiding lives promising much for the future of our society. However, the State is dedicated to taking all possible steps to reduce juvenile delinquency, for the sake of the young people and the protection of society.

We are heartened by the fact that in New York State's efforts to prevent and combat juvenile delinquency among that small percentage of youngsters who get into trouble, the State Division for Youth is saving four out of every five delinquents or near-delinquents who enter its programs.

Imaginative and pioneering rehabilitation conducted at the forestry camps, youth centers and urban homes of the Youth Division has been so effective that over 80 percent of those discharged from these facilities have had no further brushes with the law—and only 8 percent of those discharged back to the community have gone subsequently to custodial institutions.

Since these programs began in 1960, the Division has opened ten centers with an annual capacity of 529 juveniles. Three more

will open shortly and a fourth next summer.

The Youth Division has requested funds for additional facilities which, with those existing or nearing completion, would bring the total annual capacity of 840 juveniles—or more than half the long-range goal of 1400 capacity by 1970.

My Executive Budget will recommend funds to initiate work on the additional facilities requested and I strongly urge your support of these additional, highly effective programs.

C. EQUAL OPPORTUNITY

During this Administration, New York State has led the Nation in action to underwrite the historic American principle of equal opportunity for all our people.

Successive enactments have advanced the statutory bans on discrimination to virtually every aspect of our daily lives.

We take pride in the fact that New York State has established the legal framework for true equality of opportunity.

The State Commission for Human Rights, under the distinguished leadership of Chairman Fowler, is doing an outstanding job in enforcing the letter and spirit of the law—especially in the fields of employment, apprentice training and housing. Attorney General Lefkowitz, working closely with the State Commission for Human Rights and the Industrial Commissioner, has vigorously exercised his authority under the law to initiate civil rights cases and to obtain court injunctions against the sale or lease of housing pending determination of discrimination cases.

In addition, important programs to further equal opportunity are being conducted by major State agencies including the Departments of Education, Labor, Civil Service, and Social Welfare. These programs are closely coordinated with the Commission for Human Rights and the Governor's office.

We must continue to work together at the community level to make a living, affirmative reality of the rights we have sought to protect.

In line with my recommendations in June of 1963, 44 local commissions dealing with human rights have now been established throughout the State. Supported by a close working relationship with the State Commission for Human Rights, these local commissions have demonstrated how many of our community problems can be worked out at the local level.

I will therefore recommend in my Executive Budget additional funds for the Commission for Human Rights to make possible closer ties with these community commissions and assistance in planning and developing their programs.

D. ECONOMIC OPPORTUNITY ACT OF 1964

New York State has been working toward improved economic opportunities for all its citizens throughout this administration. The funds provided by the new Federal Economic Opportunity

Act of 1964 will, in many instances, enable us to expand our proven activities, and to demonstrate and test many techniques and approaches.

I appointed a special cabinet committee last September to coordinate State government activities under the Act, and have established a State Office of Economic Opportunity upon recommendation of the cabinet committee.

At my request, appropriate State departments and agencies have prepared proposals which can be developed in conjunction with local community action programs under the Federal Act. These programs intensify and supplement existing State government efforts.

The educational, training, and social welfare aspects of these programs are of great value in preparing underprivileged persons for jobs. But the creation of more jobs through an accelerated rate of economic growth under our free enterprise system remains the basic objective.

E. HEALTH

1. Health Costs

The spiraling costs of health care are a matter of deep concern. I appointed a Special Committee last May to seek means of holding down hospital costs, under the distinguished chairmanship of Marlon Folsom, former Secretary of Health, Education and Welfare. Since then, the problem has been highlighted by a number of requests of Blue Cross and other plans in various parts of the State for premium increases.

Working with Mr. Folsom on this Special Committee are Francis Kernan, investment banker and United Hospital fund trustee; Joseph P. Molony, labor leader; Roy H. Park, publisher and hospital trustee; J. J. Straus, business leader and hospital board vice president; Dr. Warren Weaver, medical scientist and vice president of the Sloan Foundation, and Dr. Waring Willis, president-elect of the New York State Medical Society.

I look forward to the forthcoming recommendations of this committee and will then present a Special Message to your Honorable Bodies on this important subject.

Insofar as medical care for all our senior citizens is concerned, I have long advocated, as the only effective program, a national program of medical benefits for senior citizens through the fiscally-sound and proven contributory system of Social Security, but with three important provisions:

(a) That each eligible retiree have an option of accepting cash payments, in lieu of benefits under the program, to pay premiums on private health insurance offering protection at least equivalent to the statutory benefits;

(b) That benefits be available for the three million persons not now covered by Social Security; and

(c) That a separate trust fund be set up to handle the medical care portion of the Social Security system.

I again urge the Federal government to act on this matter without further delay.

2. Air Pollution

The prevention of further pollution of the air we breathe and the detection, abatement and control of existing air pollution are health measures of high importance.

Five diseases in particular are circumstantially related to air pollution. They are cancer, heart disease, chronic bronchitis, emphysema, and air-borne allergies.

Last October 30, the New York State Air Pollution Control Board established an air quality control system which had been three years in development. The system is designed to eliminate hazards to health and is the first of such broad scope by any state.

This system provides a means of classifying or zoning the atmosphere over a locality with standards of various air contaminants for each of 16 zone classifications.

The system can be applied only where comprehensive area studies have been conducted. Such studies have been completed in Westchester, Rockland, Chemung, Erie, Nassau, and Niagara counties, and are under way in Suffolk, Albany, Columbia, Dutchess, Greene, Rensselaer, Schenectady, and Ulster counties.

A pilot project to put the standards into effect is scheduled for Chemung County next spring with the entire plan to be put in action over the next 10 to 15 years. The Board's priority plans call for the standards to be applied, in order, to Erie, Niagara, Nassau, Westchester, Rockland, and Suffolk counties.

To further the important work of the State Air Pollution Control Board:

(a) I have directed the Board to work with New York City and New Jersey to establish an interstate air pollution warning and enforcement system for the New York Metropolitan region. The purpose of this system is to monitor the air of the Metropolitan region 24 hours a day, conduct a continuous analysis of the weather, sound the alarm and undertake corrective action whenever serious air contamination that may endanger the public health should appear.

(b) I have directed appropriate State action and am seeking to encourage action by New York City and New Jersey to qualify for the \$1.5 million in Federal aid requested for an air pollution survey of the New York metropolitan area.

(c) I have directed the Air Pollution Control Board, in consultation with the State Building Code Council, and local health and housing officials, to take further steps to insure that, as far as practicable, all plans for construction which include devices that may pollute the air must be approved prior to commencement of construction. Such prior approvals have been confined largely

to industrial installations while many apartment house boiler plants and incinerators, and similar installations, are being constructed without inspection.

(d) State legislation enacted in 1962 requires special ventilating systems which substantially eliminate air pollution from motor vehicle crank-cases. The State Health Department and the Air Pollution Control Board are continuing studies to determine how best to reduce or eliminate air pollution from motor vehicle exhausts. I shall make appropriate recommendations to your Honorable Bodies when these studies have produced significant results.

F. NARCOTICS

Narcotics addiction not only represents human tragedy but a major source of crime. The problem is particularly acute in the New York City area where almost one-half of the addicts in the nation are estimated to live.

By statute and traditionally, the major responsibility for combating illicit traffic in drugs rests with the Federal government. Historically, also, the Federal government has provided for the custody and treatment of those addicted to narcotics. The Harrison Act of 1914 and subsequent legislation gave the Federal government a very broad but unfortunately a somewhat vague jurisdiction over the whole field of narcotics.

For three years, I have been urging the Federal government to meet its responsibility by:

1. Establishing a Federal narcotics treatment facility in the New York City area with aftercare and follow-up treatment available instead of reliance solely upon the Federal hospitals at Lexington, Kentucky, and Fort Worth, Texas—hundreds of miles from the centers where the problem exists;
2. Drastic revision and modernization of Federal laws relating to narcotics—defining more clearly Federal and State responsibilities;
3. Adoption of a cost-sharing formula, similar to that of the Federal urban renewal programs, with two-thirds financed from Federal funds and one-third from State and local government funds;
4. Mounting an intensive research program on the cause and cure of addiction; and
5. More intensive Federal law enforcement and a substantial increase in Federal enforcement personnel.

Federal action, on a broad scale, is essential if we are really going to deal effectively with this problem. Certainly, addiction is both a cause and a result of poverty and, as such, should be given major attention in the Federal anti-poverty programs. It is national and international in its scope and ramifications.

However, with the problem at our doorstep, with the human suffering caused by addiction, with the crime and degradation addiction inflicts, New York State has acted. In the past six years, New

York State has developed the nation's most advanced program for the rehabilitation of addicts through hospitalization and community-based aftercare. This program includes:

- Stringent laws to curb the distribution of narcotics;
- Legislation which, for the first time, fully recognizes narcotic addiction as the illness it is;
- Establishment of medically-oriented in-patient treatment units in six state hospitals, with accommodations for the treatment of over 2,000 patients a year; and
- The appointment of the Advisory Council on Drug Addiction.

Since the inception of the Metcalf-Volker program in January, 1963, 3,384 addicts have been admitted to Mental Hygiene hospitals. This includes voluntary admissions and arrested addicts who were accepted for treatment.

The Department of Mental Hygiene has followed from the outset a policy of selected admissions for arrested addicts, because of the special problems associated with custody of persons charged with criminal offenses.

In spite of these problems and serious shortages of personnel trained in the treatment of addicts, the Department has nevertheless treated more than 2,000 arrested addicts.

The number of treated addicts who have remained drug-free is small. The nature of the affliction is such that the rate of cure is tragically low. To date there is frankly not sufficient knowledge of the causes of the disease nor is there any known remedy. It could well be said that our knowledge of drug addiction today is no better than our knowledge of cancer a generation ago.

To find the answer will take a massive effort in the laboratory, the hospital and the clinic. It will require Federal, State and local government cooperation, and community and other voluntary effort. We must intensify our State efforts, while continuing to urge the President and the Congress to assume the Federal government's fair share of this responsibility.

I recommend that we expand our existing State program and take the following additional steps:

- Establishing a program of State assistance through contractual grants to established community groups for the in-patient treatment in half-way houses of addicts referred by State hospitals and community agencies;
- Providing State assistance for the operation of a sheltered workshop to assist treated addicts to regain the skills necessary for their return to useful employment while undergoing aftercare;
- Establishing a program of 50 percent State aid to the New York City Community Mental Health Board for narcotics outpatient facilities;
- Establishing in conjunction with the New York City Community Mental Health Board special housing facilities for homeless addicts upon their return to the community from in-patient care; and

—Providing assistance and encouragement to community organizations for the establishment and expansion of services presently rendered to addicts in communities having high rates of addiction.

In addition to these programs, my Executive Budget will also include provision for expansion of the valuable work being done at present by the Special Narcotics Project of the Division of Parole in protecting the public while at the same time reclaiming the lives of parolees who were formerly addicted.

There has also been an alarming increase in the consumption by teenagers of habit-forming patent medicines and other substances which have an incidental narcotic effect. To meet this problem, I shall recommend to your Honorable Bodies legislation to bar the sale of these medicines to children except upon prescription.

G. HOUSING

During the past six years, this Administration with the support of your Honorable Bodies has pioneered a billion-dollar self-liquidating middle-income housing program at no expense to the taxpayers.

We have also extended the traditional low-rent public housing programs until total funds committed after 25 years now total almost another billion dollars.

We have expanded the State's urban renewal program and moved ahead in all other areas of housing including housing for the aged and improvement of existing private housing.

In addition, the State's program against discrimination in housing and urban renewal has been strengthened and expanded into a program that is a model for the nation.

Additional action, however, must be taken in several areas of the housing field:

1. Low-Rent Public Housing

In 1963, you created upon my recommendation the Temporary State Commission on Low-Income Housing, which, in its report last year, recommended legislation authorizing, subject to approval by the people, an additional \$165 million of State loan funds to continue the State's public housing program for three more years. This legislation was enacted, but the people, at the last general election, voted against this authorization.

The fact is, however, many thousands of citizens of low income continue to be in need of decent, safe and sanitary housing at rentals which they can afford to pay.

This situation is continuously being aggravated by the urgent necessity of providing adequate low-rent relocation housing before municipalities can proceed with much-needed urban renewal projects. Here I speak of urban redevelopment for commerce and industry, as well as residential re-use.

The immediate and compelling need for low-rent relocation housing and low-rent housing for the aged in almost all of our urban areas must be recognized and must be met.

In view of the inconsequential low-rent housing funds contained in the Federal Housing Act of 1964, and the continuing inequitable 15 percent limitation on the amount of such funds that may be allocated to any one state, it is imperative that New York State itself provide a base minimum of at least 3,000 new low-rent units each year.

Accordingly, I strongly recommend the enactment, subject to the approval of the people, of legislation increasing the State public housing loan and subsidy authorization by at least \$200 million.

2. Capital Grant Low-Rent Assistance

On January 1 of this year, the State embarked upon a trail-blazing new program, enacted by your Honorable Bodies last year, of providing housing for low-income families in privately-owned, limited profit housing.

Exhaustion of State funds for additional low-rent public housing makes the development of this new program all the more urgent. This is true regardless of the request I have just made for new low-rent public housing funds.

Under the new program, up to 20 percent of the apartments becoming available in both new and existing limited profit projects will be leased from the private building ownership by the Housing Finance Agency. The Agency in turn will sublet the same apartments to eligible low-income families, who will pay rents equivalent to 20 percent of their income, but in no event less than the comparable rents in the most recently completed State-aided public housing project in the community.

Tenants accepted for these low-rent apartments will be treated exactly the same as middle-income tenants. Apartments included in the program will not be identified in any way nor will they be restricted to one floor or one section of the building. Eligible low-income families will deal directly with the managing agent of the building, rather than with the Housing Finance Agency, and will conform to the standards and requirements applicable to all other tenants in the project.

As the incomes of these families rise, the necessary Finance Agency assistance will be reduced proportionally. When the income of such a family reaches the point where it can pay the normal middle-income rental, the Agency lease and sub-lease will be terminated and the family will be eligible to continue in occupancy as a tenant of the housing company.

Last year you appropriated \$1 million to provide initial operating funds for this new program. Such an amount will support only a maximum of 600 to 700 units for a period of three years.

In view of the well-established need for many thousands of new low-income housing units and the obvious undesirability of having

to evict low-income tenants from limited profit projects at the end of the initial three-year period—thereby forcing many to return to the substandard or overcrowded housing from which they originally came—I will ask in my Budget Message for substantial additional funds for this new and extremely promising program.

3. Housing Rent Control

The State residential rent control law continues to protect the tenants of over 200,000 housing accommodations located in many urban and suburban areas outside the City of New York where housing shortages persist and a normal rental market has not been fully restored.

Subject to the specific findings of a current survey, it appears that thousands of tenants will suffer severe hardship and dislocation unless residential rent controls are maintained. Accordingly, I recommend that the State rent control law be continued for another two years.

4. Increased Middle Income Housing Funds

The New York State Housing Finance Agency, created by this Administration, with your support, to attract \$1 billion in private investment funds for middle-income housing without any cost to the taxpayers, has proved to be such a success that projects approved or pending are now approaching a total close to the present billion-dollar borrowing capacity of the agency.

On the success of this Agency, the figures speak for themselves. In 1959, only 2360 middle-income dwelling units had been approved for mortgage loans totaling less than \$32 million. But since the establishment of the Housing Finance Agency, the program has moved ahead so rapidly that soon over 61,000 dwelling units will have been approved for loans exceeding \$942 million—more than 25 times the amount of middle-income housing provided six years ago.

This Agency's self-liquidating bond program has so improved the middle-income housing supply as to encourage many families constituting a stable community leadership element to remain in city core areas.

I therefore urge you to approve legislation increasing the Agency's borrowing capacity by \$500 million to assure the uninterrupted progress of these vital building programs at no expense to the taxpayer.

H. WELFARE

The elements of moral responsibility and community compassion for those who, through no fault of their own, are unable to provide for themselves and their families, are and must remain the basis for all welfare programs. About that there must be no question.

However, sharply rising welfare costs during a year when employment and the national income are at an all-time high require a

constructive inquiry into the factors forcing so many people to seek public assistance. This is the most serious economic paradox of our times.

The 1965-66 State budget will require \$90 million more for state aid to localities for welfare than was included in the 1964-65 budget. One-half of this will be needed to complete the 1964-65 year. These increases are not discretionary; they are mandated under existing law. Nor are they exclusively a big-city slum problem as is often assumed. On the contrary, suburban counties such as Nassau, Suffolk, and Westchester have recently had big welfare cost increases out all proportion to their population increases.

The problem is highly complex and of tremendous impact on the State's fiscal capacity. Welfare appropriations have gone up 69 percent in the past five years.

Therefore, Chairman Jones of the Social Welfare Board and I have jointly appointed a Citizen's Committee to examine widely into all possible means of halting the rising spiral of welfare costs and helping welfare recipients to become self-sufficient.

Baldwin Maull, a banker, is chairman of the Committee. Other members are John E. Burton, of Ithaca, Cornell University Vice President and former State Director of the Budget; Harvey C. Russell, of Yonkers, business executive; James J. Warren, of Albany, President of the New York State Welfare Conference and a trustee of the State University; and David L. Yonick, of New York City, business executive.

I look forward to the report and recommendations of this outstanding Committee.

I. HIGHWAY SAFETY

New York is a State of magnificent highways and advanced, imaginative programs to make those highways safer.

Genuine, life-saving progress in highway safety has been achieved in recent years by a sizeable complex of legislative and administrative actions. Thus a traffic fatality rate of 5.1 deaths per 100 million miles of travel in 1957 was cut to a rate of 4.4 by 1960.

The rate was held to 4.6 in 1961, and followed a national trend as it rose to 4.8 in 1962. In 1963, however, the death rate dropped back to 4.6, even as the national rate was increasing and 38 other states recorded higher death rates.

The complete picture for 1964 will not be available until March of this year. But we already know the final figures will show that about 300 more men, women and children lost their lives on New York's highways in 1964 than was the case in 1963—and that the death rate per 100 million miles will be up.

This is a tragic reminder that eternal vigilance and constant new effort are the price of highway safety.

We have already taken a long series of actions to tighten controls on drivers—their improvement as drivers, their licensing and testing—and penalties when they endanger others.

Our realistic new approach to the problem of drinking drivers enabled us to remove 8,634 of them from our highways in 1963—a 72 percent increase over 1960.

We have pioneered action to make vehicles safer—with seat belts, hazard warning lights and a ban on unsafe tires.

We have reorganized and strengthened the administration of laws affecting highway safety. And we have emphasized the importance of citizen efforts to make our highways safer.

But we must redouble our efforts to save lives and resources wasted in New York highway accidents.

I therefore propose and urge you to enact an eight-point traffic safety program as follows:

1. *Mandatory safety inspection of all new cars.*

Safety inspection is now required in New York State for used vehicles when resold and is also required annually for cars over four years old. My proposal would require for the first time that new motor vehicles also undergo safety inspection before they are licensed in New York State.

Recent checks by the State Police and the Department of Motor Vehicles have demonstrated that it is a fallacy to assume that new cars are safe just because they are new. On the contrary, many new cars, lacking inspection, had more things wrong with them than older cars which had been inspected.

It is time for the State to require a safety inspection before new vehicles are allowed on our highways.

2. *Mandatory cancellation of new drivers' licenses for serious violations.*

Under this proposal, new drivers' licenses would be probationary for the first six months and subject to cancellation if the driver is convicted in that period of violations such as speeding, reckless driving, and tail-gating—today's most serious problems not already covered by mandatory suspension or revocation for all drivers.

The main purpose is to make our young drivers better drivers at the outset. Traffic safety experts are convinced that good driving habits are more likely to be acquired if drivers are under particularly strict restraints during their first six months at the wheel.

Experience has also demonstrated that new drivers convicted of moving violations in their first six months are twice as likely as other drivers to have additional violations in the future. This further emphasizes the importance of strong discipline early in the driving experience.

The probationary license would be required for all new drivers who must take a road test. Those whose probationary license was cancelled would have to start again from the beginning to acquire a new license—and the original conviction would be held against their driving record.

3. *Suspension of drivers' licenses for excessive speeding.*

Under this proposal, a driver would have his license suspended for driving at 85 miles an hour or more on the Thruway, or for driving at 20 or more miles per hour in excess of any speed limit of 50 or more miles per hour.

4. *Inclusion of all bail forfeitures in New York State involving moving violations for purposes of revocation or suspension of drivers' licenses for persistent violations.*

5. *Inclusion of all convictions for moving violations in contiguous states and all the New England States for purposes of suspension or revocation under the Commissioner's point system.*

6. *Requiring that all school bus drivers have Class 2 chauffeurs' licenses, but making an exception for smaller vehicles such as station wagons.*

7. *Providing by interstate compact for guaranteeing on a reciprocal basis the appearance of any driver who receives a traffic summons in a member state.*

This would permit issuance of summonses for later appearance to out-of-state drivers instead of making it necessary to have an immediate trial.

8. *Adopting the interstate driver's license compact.*

This would expand license reciprocity and exchange of information. It would provide among other things that no driver can have more than one driver's license by obtaining licenses in other states, and that moving violations in another state will be recorded against a driver's record in this State.

1. WOMEN

The people of New York State owe a great debt of gratitude to the Governor's Committee on the Education and Employment of Women for its outstanding report.

The 14-member Committee under the chairmanship of Mrs. Oswald B. Lord, the former U. S. Representative to the United Nations, included the following members:

John R. Mulhearn, Vice Chairman of the Committee and business executive; Mrs. Charles K. Bassett, long active in women's organizations; Dr. Sarah Gibson Blanding, President Emeritus, Vassar College; Mrs. Orvil E. Dryfoos, Director of Special Activities of the New York Times; Lewis G. Harriman, Jr., banker; Miss Eleanor McMillen, women's clothing stylist; Mrs. Carmel Carrington Marr, attorney and adviser to the United States Mission to the United Nations; Cecil J. North, retired business executive; Mother Eleanor M. O'Byrne, President, Manhattanville College of the Sacred Heart; Russell V. Stephenson, airline executive; Miss Ruth F. Sturm, attorney and past president of the Business and Professional Women's Clubs of New York, Inc.; Dr. Paul L. Ward, President of Sarah

Lawrence College; Mrs. Charles S. Whitman, Jr., active in child welfare and educational activities; and the late Dr. Val H. Wilson, the former President of Skidmore College.

The Committee has submitted an important three-part program of practical recommendations in the areas of education, employment, and opportunity for women.

The report calls for a regional pilot study to provide factual information on women available for employment, both part-time and full-time, and to explore facilities available for training and guidance as a basis for future planning.

The Committee also recommends, among other things:

—The establishment of a pilot community guidance center to help women explore their needs for continuing education or training; and

—The establishment of a teachers' reserve to give inactive teachers the opportunity and incentive to maintain their skills and so better to serve their communities.

I am studying the report and will implement it by executive action where appropriate, and will recommend legislation where appropriate. In the meantime I recommend the report to your Honorable Bodies for study.

K. COUNCIL ON THE ARTS

The New York State Council on the Arts, which I proposed and you approved in 1960, must be counted today as a success that has far exceeded our predictions and expectations.

In the short period of its existence, Council-supported programs have enriched the lives of at least one million New York residents in smaller communities of the State and helped to strengthen the broad range of performing arts groups in our major cities.

The Council has amply justified the faith of those of us who believe that government has an appropriate interest and concern in the arts. It has led 25 other states and the Federal government to follow New York's leadership in this field.

The cultural life of every region of our State has been greatly benefited by the Council's activities. In cooperation with the localities it has brought live opera, theatre, music and ballet to many parts of our State where they had been seldom seen before.

The Council also has been instrumental in cataloguing and preventing destruction of architecturally significant buildings in the State. It has assisted local art and history museums, sponsored ten touring exhibitions of art, arranged for three self-contained touring exhibits in the decorative arts, undertaken a pilot project for extended loan exhibitions from the Metropolitan Museum of Art in New York City to upstate communities, and prepared a two-part art exhibit for the New York State Pavilion at the World's Fair.

This success story clearly indicates the merit of continued adequate financial support of this program by the State. Further, I recommend the elevation of its status by incorporation in the regular structure of State government as a permanent agency.

I. CONSUMER PROTECTION

This State has received national recognition for its efforts to protect consumers, a program which benefits not only consumers but honest businessmen as well.

Legislation prohibiting deceptive and fraudulent practices upon the consuming public has been enacted by your Honorable Bodies in a wide variety during the past six years. Much of this legislation was proposed by the Attorney General, who has followed it up with vigorous enforcement.

The Department of Commerce has held Consumer Education Workshops throughout the State, and the Department of Agriculture and Markets continually guards against any breach in our pure food standards. This Administration will continue to work with the Attorney General and others to undertake further improvements as the needs for greater consumer protection arise.

The Attorney General recommends that this Session enact an additional law to require registration of all personnel involved in theatre ticket sales and distribution and to require that they keep full and accurate records of their transactions. I urge you to adopt this bill.

III. IMPROVEMENT OF GOVERNMENT

The effectiveness of government in a democracy rests in major part on public confidence in those who serve it, the tools they are provided and the climate in which they serve. I turn now to several subjects bearing upon these considerations.

A. ELECTION LAW REVISION

Permanent personal registration of voters in New York State is currently a matter of local option in communities over 5,000 population. In the interest of uniformity and public convenience, I recommend that your Honorable Bodies enact permanent personal registration of voters for all such communities on a statewide basis.

B. CIVIL SERVICE

New York State's dedicated civil servants are the backbone of State government, the indispensable element of effective service to the public.

This Administration with the support of your Honorable Bodies has achieved steady progress in making State employment more attractive and more nearly comparable with private industry in its opportunities, in order to maintain and improve the quality of public service.

To continue this progress:

1. I shall announce shortly administrative action to protect the interests of State employees whose jobs are affected by automation.
2. I urge your Honorable Bodies to enact the following improvement in the State's retirement programs:

(a) Completing the trend of recent years toward making the retirement system non-contributory by making it entirely non-contributory for all State employees;

(b) Reducing the minimum pension vesting period from 15 years to 10 years;

(c) Providing for the payment of vested pension benefits at age 55; and

(d) Reopening the age 55 retirement plan for one year.

3. I also urge that you make permanent the revisions of the Condon-Wadlin law enacted in 1963 which provided more realistic and therefore more effective penalties to enforce the prohibition of strikes by government employees.

C. PER CAPITA AID

This Administration has based its approach from the outset on the philosophy that government closest to the people is the best government. It has backed this philosophy with six years of action to strengthen local governments throughout the State and to improve their capacity to serve the people.

Because they are so highly responsive to the people, local governments have taken an important role in meeting new needs as they emerge. As a result, and in spite of substantial increases in State assistance for specific purposes such as education, local taxes have risen by more than 100 percent since 1946 in the case of every type of municipality.

A formula for per capita state aid to cities, towns and villages was established in 1946. Since then, price levels affecting the cost of services provided by all types of local government have doubled. I recommend that your Honorable Bodies double the amount of per capita state aid to local governments to help them finance expanding public services, meet rising costs or reduce local taxes, in their own discretion, as determined by local priority.

Per capita state aid amounts to \$100 million a year under the existing formula of \$6.75 per person for cities, \$3.55 for towns, and \$3 for villages. The Temporary State Commission on State-Local Fiscal Relations—whose chairman is former Lieutenant Governor Frank C. Moore—will submit a detailed recommended revision of the formula to increase per capita aid 100 percent overall, the total increase amounting to \$100 million including the temporary \$21 million increase approved last Session to become effective this year.

D. LOCAL GOVERNMENT

The Office for Local Government, which has been making such noteworthy contributions to government improvement, has undertaken a broad-based study designed to examine State and local experience with automatic data processing and to explore the possibilities of cooperative arrangements for its use.

Because of its potential value, I am asking the Office for Local Government to expand its study in two directions: First, toward the development of specific guide-lines for local governments in making the most effective use of cooperative data processing applications; and second, to explore the possibilities of developing and maintaining for use in the State government a central file of local government information, a "local government data bank," in connection with the State's newly installed central computer facility in the Office of General Services.

I am also directing the Office for Local Government to make a comprehensive survey and study of factors to be considered in determining local needs, evaluating choices, organizing for action, and accomplishing local projects—wherever appropriate—on a basis of cooperation among local governments.

This study will deal, among other things, with physical improvements and services such as sewerage and drainage, sanitation and refuse, municipal water works, and similar basic requirements.

It will be directed toward greater cooperation in meeting such local needs, thereby avoiding the delays, fiscal waste, and service inadequacies which may arise from separate approaches to local issues.

The goal is further to assist our municipalities in creating good community environments and providing public facilities which are essential to economic growth and opportunity.

E. ETHICS IN GOVERNMENT

Over the course of the years, it has been my experience that the vast majority of public servants are men and women of the highest integrity and dedication to the cause of good government.

Their daily actions and decisions are subject to the closest possible public scrutiny. Public confidence in government and public support for government depend on the faithful performance of their entrusted duties.

Upon them rests the difficult burden of avoiding even the appearance of misconduct, while at the same time exercising creative judgment and initiative in the complex business of government.

For these reasons, we must continually re-examine the standards of ethical conduct for the protection of the public interest and the protection and guidance of the public servant as well.

In this connection, I will recommend legislation to strengthen and improve the laws governing the ethical conduct of those serving in the Executive Branch of the New York State government.

The present laws governing ethical conduct of officers and employees of a State agency should be broadened to include officers and employees of state public authorities and public benefit corporations not already covered by law, and the existing laws should be revised so that the Code of Ethics will be strengthened.

Last year, Your Honorable Bodies enacted significant revisions of this State's pioneering Code of Ethics governing the conduct of

members of the Legislative Branch. I approved these revisions, which set forth clearer and stronger standards of disclosure of financial interests. After careful study, it is my feeling that the newly-created special legislative committees on ethics should consider legislation that would prohibit members of the Legislature and legislative employees from appearing against the interest of the State in any court of this State when the State is a party to the action and State funds are involved.

F. LAW ENFORCEMENT AND CRIME

Major crime continues to increase at an alarming national rate five times the growth in population.

In New York State, the administration of criminal justice costs the State and its localities \$665 million a year. Serious crimes—murder, rape, and robbery, for example—have increased steadily since World War II. Brutal and shocking assaults are reported daily by our news media. And most disheartening of all, youthful criminality has increased steadily.

The battle against crime needs many allies—the alert and aroused citizen, the trained official, and a constant improvement in anti-crime laws and regulations, techniques and information.

Accordingly, I recommend the following anti-crime program for your consideration:

1. *To establish the New York State Identification and Intelligence System by statute, making it a permanent agency of State government.*

This pioneering program, under development for only two years, has already received wide acclaim from law enforcement agencies throughout the world. Great Britain, for example, is studying its possible application to that nation as a whole.

By the use of an electronic computer system, information essential to investigation, prosecution and administration of criminal justice can be made available rapidly to officials throughout the State.

This will correct the presently insufficient interchange of valuable crime data among the 3,636 separate State and local agencies involved in administering criminal justice.

The increasing crime rate requires that we employ the most effective and efficient methods available. Making the New York State Identification and Intelligence System a permanent State agency will assure continued development of such methods in our war on crime.

2. *To establish standard age, education, physical and character qualifications for newly appointed local police officers.*

This proposal, sponsored by the New York Association of Chiefs of Police, would represent another step forward in the improvement and professionalization of police forces in the State.

3. *To establish in the Office for Local Government a police advisory service for assistance in matters of police administration and efficiency.*

There are 611 police agencies in New York State. At present, there is no established method for sharing information dealing with problems of administration, organization, and procedures developed for ordinary operations and emergency situations such as riots and natural disasters. The Office for Local Government provides a natural framework for coordinating this information.

4. *To establish an annual statistical reporting service for fiscal and workload data of local and State agencies concerned with the administration of justice.*

Under this Administration, the first inventory of the State's resources for criminal justice has been undertaken. The results are so meaningful and valuable in analyzing our anti-crime efforts that the preparation and analysis of similar data should be made an annual program.

5. *To enact a new Penal Law which revises and updates the provisions of the present Penal Law, after giving full consideration to the work and findings of the Temporary Commission on Revision of the Penal Law and Criminal Code.*

In 1961, your Honorable Bodies created, at my recommendation, a Commission to undertake the first major revision of the Penal Law and Code of Criminal Procedure in this State since 1881. Several of the Commission's recommendations have been since enacted into law and the Commission will submit a revised new Penal Law for your careful consideration at this Session.

6. *Support for the establishment of a School of Criminal Justice within the State University.*

Upon my recommendation, the Trustees of the State University have considered and included within their master plan the establishment of a School of Criminal Justice within the State University. I urge your support of the Trustees' action to improve the administration of criminal justice through a school addressing itself:

- (a) to the problems of training administrators and those requiring specialized knowledge, and
- (b) to the need for searching inquiries into crime causation, juvenile delinquency, law enforcement procedures, criminal rehabilitation and judicial doctrine relating to criminal cases.

7. *To support the recommendations of the State Commission of Investigation regarding pistol licensing laws and procedures.*

In November of 1964, the State Commission of Investigation submitted a detailed and comprehensive report calling for substantial improvement in the State's pistol licensing laws and procedures. Among other things, it recommends the adoption of a minimum age of 18 years for pistol licenses, a three-year maximum term for

licenses issued, and a more thorough investigation of applicants by local authorities. Implementation of the Commission's proposals could further improve the good record of New York State in controlling the use of firearms.

8. *To expand the education staffs of the State correctional institutions with emphasis on a program of literacy education for inmates.*

Prisoners in the State's maximum security institutions today are relatively younger and correspondingly have a greater life expectancy than in the past. Yet the inmate educational level is lower today than it was in 1942.

This program would go a long way toward alleviating this situation and enhancing the possibilities for successful adjustment on parole.

9. *To extend the duration of the State Commission of Investigation for an additional period of two years.*

The State Commission of Investigation, created by your Honorable Bodies in 1958, has made important contributions in the fight against organized crime and corruption. In 1962, the duration of the Commission was extended for two years.

I recommend that the Commission be extended for an additional period of two years. In order to maintain the continuity of the Commission as a coordinated, non-partisan agency, I urge that the new leadership of the Legislature reappoint those two members appointed by their predecessors and I am prepared to reappoint the members originally appointed by my predecessor and reappointed by me in 1963.

We must leave no stone unturned in the war on crime. Our effort against it must be all-out, relentless and untiring. We cannot be content until safety is restored to our city streets and homes.

IV. Conclusion

Let us—in conclusion—join in remembering the full size and true meaning of the challenge to free government today.

The range of problems before us—from water supply to workmen's compensation, from narcotics control to bridge building—is so great and varied that it can, all too easily, confuse and blur the serious sum of all our labors.

This sum—the abiding purpose that must inspire all men of good will, regardless of party—is to prove the creative power of free men to direct their own destiny in a revolutionary world of change.

This destiny means the guarding of liberty, the assuring of justice, and the enrichment of human life.

And it requires that we prove ourselves truly—at one and the same time—servants of the people trusting us and masters of the forces testing us.

These forces—these problems—abound. They touch the lives of our citizenry deeply and constantly—whether they concern the

training of our youth or the health of our aged, consumer protection or law enforcement, the flourishing of the arts or the problems of automation. And in all these matters the common mark—the constant challenge—is the measuring of our wisdom and our courage and our vision.

In this supreme sense, the challenge is as old as the memorable words of Lincoln:

"Fellow citizens, we cannot escape history. We will be remembered in spite of ourselves. . . .

"The dogmas of the quiet past are inadequate for the stormy present. The occasion is piled high with difficulty, and we must rise with the occasion.

"We must think anew, we must act anew."

In this spirit, and with Divine guidance, let our work together begin, progress, and prevail.

(Signed) NELSON A. ROCKEFELLER

Transmitting the Executive Budget and Recommended Appropriations for 1965-1966

STATE OF NEW YORK—EXECUTIVE CHAMBER

ALBANY, January 29, 1965

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

The Budget I present to your Honorable Bodies today is more than a series of appropriations and revenue proposals; it is an investment in the future of this State and its people. It meets the paramount and acknowledged needs of our society—needs that cannot be met through the efforts of individuals acting separately or in voluntary groups or by local governments acting alone. This Budget is a continuation of six years of progressive government. It recognizes the interdependence of all levels of government for the ultimate solution to our problems, and takes important steps toward strengthening local government in this State.

THE RECORD

New York State must build wisely, with vision and with deep human understanding, on the progress made during the past six years. Over this period in response to the needs of our people, we have, among other achievements:

—Doubled State aid to education.

—Accelerated the construction of State University facilities and established new community colleges.

—Tripled the funds for scholarships and instituted a new financial incentive program of grants to college students.

—Used new scientific findings in the care and treatment of the mentally ill and mentally retarded, and embarked on an ambitious program of mental health facilities construction.