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MESSAGES TO THE LEGISLATURE

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ANNUAL MESSAGE

STATE OF NEW YORK—EXECUTIVE CHAMBER

ALBANY, January 5, 1966

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

It is a great personal pleasure to greet you at this opening of the 189th Session of the New York State Legislature.

I congratulate each of you on your election last November.

I extend a special welcome to the 77 among you who are serving in the Legislature for the first time.

As elected officials, you and I are here to serve the wishes, needs and aspirations of the people we have been chosen to represent.

In the course of preparing this Message, I have spent the past six weeks in meeting with the people of the Empire State in their home communities from Nassau to Niagara, from Chautauqua to Clinton.

The people have expressed themselves freely and frankly at these meetings—giving me at first hand their reactions to the major problems of human concern before them at this time.

It is clear that the people generally approve and support State actions of recent years:

- To create a climate favorable to maximum economic growth and increased job opportunities;
- To provide major increases in aid to schools;
- To build the world's largest and fastest-growing State University;
- To initiate unprecedented State assistance to college students and other steps helping to preserve their freedom of choice among the State's rich diversity of private and public higher educational institutions;
- To launch the world's first program to clean up and end water pollution on a statewide basis;
- To adopt a Master Plan for care of the mentally ill and mentally retarded which has set new standards for the Nation;
- And to take comprehensive steps to acquire parkland, advance recreation, foster the arts, protect the consumer, and build roads at a record-breaking pace.

The people of this State enjoy greater opportunity—better jobs, better pay, better schools and a better chance for a good life—than ever before.

In the past seven years, the total personal income in New York State has risen 34 percent—\$14 billion more last year than in 1928. The employment situation has improved dramatically. The President of Rochester Institute of Technology estimated last month that 10,000 jobs were vacant in metropolitan Rochester alone for lack of trained workers.

We are moving from a job shortage to a skill shortage—and, with special training, new horizons of opportunity are opening to men and women previously left behind as our economic life progresses. In this period of rapid change the people of this State are keenly aware of and deeply interested in the future. They want us to continue to find sound and imaginative solutions to key problems yet unsolved.

They are deeply concerned about crime and its effect on their personal safety. They are worried about air and water pollution, the costs of illness and the problems of old age. They are especially concerned about education, its availability, its quality, its financing. And particularly in the big cities, they are concerned with the problems of poverty, the underprivileged, and housing.

They look to us to continue to meet urgent needs. And they expect maintenance and improvement of essential State services on a prudent basis—and with emphasis on those services which will open up still further opportunities for their economic and social progress.

They expect continued economy and efficiency in State government.

In preparing my recommendations for the new year, we have been reviewing all existing State programs with great care. Every effort has been made to cut where possible, to increase efficiency and economy, and to hold new programs to the bare essentials.

Realistically, however, we face significant mandated increases in State aid for education and local government, together with increases in the cost of on-going programs as required by previous legislation. But they can and will be met within the existing State revenue structure.

Within this framework, in my Executive Budget and in Special Messages to your Honorable Bodies during this Session, I shall recommend certain specific improvements in existing State programs for:

- Meeting the State's fair share of ever-increasing school costs with emphasis on educational quality and opportunity for all;
- Developing new and imaginative programs for contracting with private colleges and universities to provide certain specific educational opportunities which they can supply;
- Training to equip men and women for productive jobs, and so help to reduce welfare dependency;

—Retraining workers for new and better jobs in a time of rapid technological change and new opportunity;

—Assisting underprivileged youth;

—Helping the aging to meet their special problems;

—Expanding the horizons of equal opportunity for all;

—Providing for the welfare of those in need;

—Caring for the mentally ill and mentally retarded;

—Consumer protection and veterans' benefits;

—Housing, transportation, highway safety and beautification;

—Increasing State employee salaries and improving employee benefits so as to continue to attract and hold dedicated and qualified employees;

—Meeting the problems of local government;

—Conservation and recreation;

—Agriculture, the historic base of our State's economy;

—Helping and encouraging business and industrial growth; and

—Improving conditions for labor, encouraging greater job stability, better jobs, and increased job opportunities.

In this Message, however, I will concentrate on four areas of prime concern as expressed by the people of this State.

First, we must make New York State the safest place to live;

Second, we must make New York State the cleanest place to live;

Third, we must keep New York the State of greatest opportunity for all;

Fourth, we must keep New York the State that does most to protect its citizens against the adversities of illness and the problems of old age.

I. TO MAKE NEW YORK STATE THE SAFEST PLACE TO LIVE

We pride ourselves on living in a prosperous and civilized State in a prosperous and civilized country.

Yet the national crime rate is accelerating at an alarming pace. The number of crimes is growing six times faster than our population. The Federal Bureau of Investigation reports that violent crimes—murder, rape, aggravated assault—increased 10 percent last year alone.

New York State is no exception to the over-all national trend—despite the fact that our local governments and the State spend over \$665 million a year for protection of persons and property.

Behind the crime statistics lies human tragedy—the innocent victim, the stricken family, the wasted life. There is no way to measure the human suffering that crime brings. The cost in property alone totals billions.

Our citizens should not have to live in uncertainty and fear. They should be able to count on the security of their persons and property. They are entitled to expect that their communities, streets, parks, places of business, and homes be safe from criminals.

Though police protection is primarily a responsibility of local government, the State must continue to extend and step up its aid to local governments and to its citizens in the fight against crime and the hardships caused by crime.

Accordingly, I shall present to your Honorable Bodies important new legislation and will take executive action in four major areas to help protect our citizens against criminal activity.

Narcotics

First, we must fight crime with an all-out attack on a prime cause of crime—narcotics addiction.

Narcotics addicts are said to be responsible for one-half the crimes committed in New York City alone—and their evil contagion is spreading into the suburbs.

The problem of narcotics addiction is not confined to any class or area; it invades the split-level home as well as the cold-water tenement.

In the heart of every parent lies the hidden fear that this terrible tragedy could come to one of his own children—as indeed it could.

It has happened—to the Manhattan executive whose daughter was arrested for prostitution to support a drug habit costing her more than \$50 a day.

It has happened—to the Brooklyn mother on relief whose son was caught stealing to buy dope.

And, tragically, it is happening every day to thousands of our fellow citizens.

This is a problem which society has failed to face. Nowhere has it yet been dealt with effectively.

It is high time that we in New York pull back the curtain, take a good, hard look at the tragic reality of narcotics addiction, and assume the leadership in taking decisive steps to eliminate this spreading disease.

Nowhere is this task more urgent than in New York—for our State today has more than one-half of all the drug addicts in the country.

We must remove narcotics pushers from the streets, the parks, and the schoolyards of our cities and suburbs.

I shall propose stiffer, mandatory prison sentences for these men without conscience who wreck the lives of innocent youngsters for profit. Society has no worse enemy.

In addition, we must deal decisively with the addicts themselves—to break them of the dope habit and rehabilitate them for useful lives.

Experience under the Metcalf-Volker Act of 1962 has shown that the choice offered addicts accused of a crime under this

humanitarian and landmark legislation has allowed too many of them to choose a short stay in prison and an early return to drugs when their real need is treatment, rehabilitation and aftercare to help them become constructive citizens in our society.

As to the addicts who have not actually committed a crime, an emerging consensus supports more effective action to isolate them from drugs.

The United States Supreme Court has clearly recognized the right of a state to require treatment for addiction to prevent crime and to protect the people's health and welfare. Within the framework of this ruling, the State of California already provides for compulsory treatment.

Mayor Lindsay of New York City and I as your Governor are joining together in an all-out fight against narcotics pushers and narcotics addiction through a program of comprehensive treatment and rehabilitation of addicts.

Our purpose is to save human beings from this worst form of degradation and to eliminate this major cause of the crime in New York City and its environs.

This would reduce the enormous burden on the existing police forces and could well turn the tide in restoring peace and safety to the streets, homes and places of business of our citizens.

Former Mayor Wagner of New York City had come to these same general conclusions in a report issued by him in the closing days of his administration. The Joint Legislative Committee on Narcotics and Drug Addiction, after study and hearings, has also arrived at similar conclusions.

Throughout the State, the people have made it clear to me that there was increasing concern about this cancerous growth in our society.

Accordingly, this program, which I will recommend in a Special Message, will include legislation to act decisively in removing pushers from the streets and placing addicts in new and expanded State facilities for effective treatment, rehabilitation and aftercare.

The goal is to rebuild wrecked lives, to prepare addicts for a return to society as productive, self-respecting and law-abiding citizens.

To finance the needed facilities and programs, there must be Federal-State-local cost-sharing for this vital program of human renewal. I will propose a formula similar to that now used in the urban renewal program— $\frac{2}{3}$ of the funds provided by the Federal government and $\frac{1}{3}$ provided by the State and localities. Certainly human renewal should command at least as much support as urban renewal.

No one should lose sight of the fact that this problem does not originate in New York State. Most of the illegal drug traffic originates abroad. Therefore, the Federal government has the moral and financial as well as the legal responsibility to protect the American people from the havoc caused by the illegal importation of these drugs.

The Federal government has not been able to stop this dope traffic—and is doing little to help meet the cost of repairing the social damage inflicted on our communities and their citizens. Therefore:

—We in the State must take leadership ourselves in initiating a major assault on the problem of drug addiction; and

—We have every right under the circumstances to expect the Federal government to shoulder a major portion of the cost. This is a program of highest urgency—for the elimination of narcotics addiction will strike a devastating blow at the roots of crime.

Criminal Repeaters

Now let me turn to the second phase of our all-out fight against crime.

We must reduce the alarming proportion of persons who emerge from prison only to return to a life of crime.

An estimated 70 percent of all crime today is the work of "repeaters".

Any way we can reduce the number of repeaters will have a significant effect on the crime rate in New York State.

Last month, I appointed a special committee to seek ways of preventing first offenders from returning to crime and to recommend improvements in our methods of dealing with convicted criminal offenders—from probation to parole.

I look forward with great interest to the first of a series of reports from this committee, hopefully during this Session.

Further, my Executive Budget will contain funds to begin a program of basic education for inmates of county penitentiaries, as one approach to reducing this problem of the "revolving door" criminal.

Assistance to Local Police

Third, we must increase the effectiveness of local law enforcement in terms of personnel and equipment. To assist in achieving this goal, I propose:

—Expanding development of the State's new criminal identification and intelligence system by installing equipment at State expense in local law enforcement agencies to link them electronically with central criminal record files in Albany;

—Substantially enlarging the Bureau of Criminal Investigation of the State Police to work with local police in fighting organized crime across the State;

—Improving local police forces by establishing minimum pay standards for local police and doubling the hours of basic training for their recruits;

—Creating a State Police Academy with the most modern and advanced training facilities, which would be available to local law enforcement officers; and

—Requiring full-time service by the District Attorneys of large-population counties.

Innocent Victims

Fourth, we must seek to help the innocent victims of violent crime and their families.

Crimes of violence cause untold personal suffering and financial loss.

An example was the young man murdered in a New York City subway last October while trying to protect his family and other passengers.

Surely his widow and infant daughter, the tragic survivors of this violent crime, deserve the compassion and help of a civilized society.

I am presently awaiting the report of the special committee which I appointed to study this problem. I shall make recommendations, based on this report, for paying compensation to victims of violent crime, as well as to the "Good Samaritan" who is injured while attempting to prevent crime.

However, crime is far from being the only hazard of modern life. Let us turn our attention now to a second major goal outlined in this Message.

II. TO MAKE NEW YORK STATE THE CLEANEST PLACE TO LIVE

The people of this State are rightly concerned about the dangers to health in the water they drink and the very air they breathe.

Water Pollution

At last year's Session, I proposed a comprehensive Pure Waters program to clean up the waters of our State. Your Honorable Bodies gave unanimous support to this program and the people overwhelmingly approved it at the polls last November.

I am happy to report that the program is being carried forward vigorously.

Since last September, when the new powers of enforcement against polluters became effective, the State Health Department has held some 70 hearings on pollution and obtained 60 agreements by the municipalities or industries involved to end the pollution in question. Legal proceedings have already been started by the Attorney General as necessary in the cases not resolved.

The Health Department also is working closely with more than 500 local communities in planning new sewage disposal facilities, and we are studying methods whereby the State can also be helpful in connection with the mechanics of financing the local share of the cost.

Under the State's Pure Waters program, the localities will be relieved of 60 percent of the cost of sewage treatment plants and interceptor sewers.

The State will provide 30 percent of the cost and advance an additional 30 percent, representing the Federal share, in anticipation of appropriate Federal action.

I am hopeful that President Johnson and the Federal administration will give major emphasis this year to developing a Federal program that will match the urgency and magnitude of the problem:

Such a program should:

—Remove limitations which now discriminate against New York and other large states in order to assure a full 30 percent contribution by the Federal government to all eligible municipal facilities;

—Provide for ultimate reimbursement to the states that advance the 30 percent Federal share as New York is doing; and

—Encourage industry with a fast tax write-off to complete its pollution abatement facilities, as New York already has done.

As far as this State is concerned, I shall ask your Honorable Bodies to approve certain additional measures to supplement the work done last year, including:

—Streamlined procedures by which the Attorney General may proceed directly in the courts against those who pollute our water sources;

—Funds for a Statewide water-quality monitoring system; and

—Funds for a program to assure the prompt abatement of pollution from State facilities, where it exists.

Air Pollution

Throughout the State, and particularly in our large cities, air pollution steadily grows more serious—irritating, obnoxious, a hazard to health and to life itself.

In addition to the human toll, the economic toll in deterioration of property and cleaning costs is heavy.

Not only do we have major problems of our own—but also, a substantial part of the air pollution in the New York City metropolitan area is caused by smoke and pollutants originating in the State of New Jersey.

We are working with the Federal government and our neighbor States on a regional basis to seek more effective means of dealing with the contamination of our common atmosphere.

It is unfortunate that the necessary scientific knowledge does not exist to enable us to take all-out action against air pollution as we are now able to act in the abatement of water pollution.

Because of this, I have requested Dr. Edward Teller, the distinguished scientist, to mobilize the best talent in the Nation—from

industry, universities and government—to seek new scientific breakthroughs in dealing with air pollution.

Dr. Teller and his associates will work under contract with the State University in carrying out this vital project. I have also asked this group to explore the problems of water pollution abatement and preventing future massive failures of electrical power supply.

In the meantime, I shall propose specific steps relating to air pollution originating in our own State:

—Progressively stronger enforcement of our existing anti-pollution standards wherever feasible;

—Tax incentives for abatement of air pollution by industry;

—Maximum use of Federal funds available for air pollution abatement programs; and

—State aid to encourage planning for modern municipal refuse disposal systems.

I turn now to the third major goal outlined in this Message.

III. TO KEEP NEW YORK THE STATE OF GREATEST OPPORTUNITY FOR ALL

The healthy condition of the State's expanding economy offers greater job stability and better pay, improved job opportunities, and a unique chance for the unskilled to get the training and find the jobs necessary to break free of old patterns of deprivation and dependency.

With growing educational opportunities and expanded training programs, we have the chance to achieve our goal of full employment and reduced welfare rolls.

Therefore, I shall propose additional legislation and take executive action:

—To extend modern vocational education to young people of high school age in all parts of the State through area centers of cooperative educational services;

—To establish, in addition, four experimental, two-year technical colleges of the State University, two upstate and two in New York City for young people not now benefiting from regular four-year or community college programs;

—To expand and improve the State's manpower training programs by relating them more closely to the specific manpower needs of local industry;

—To open new job opportunities by broadening the powers and strengthening the resources of the Job Development Authority;

—To expand the educational and employment opportunities of women;

—To assist mothers who must work to support their families through expanded day care services for their young children; and

—To expand educational and cultural opportunities for pre-kindergarten children from culturally deprived backgrounds.

I turn now to the fourth major goal outlined in this Message.

IV. TO KEEP NEW YORK THE STATE THAT DOES MOST TO PROTECT ITS CITIZENS AGAINST THE ADVERSITIES OF ILLNESS AND THE PROBLEMS OF OLD AGE

As we act to make New York State safer, cleaner and with greater opportunity for all, we must continue to assist our citizens in withstanding the hardships that come with illness or old age—by direct State action and by securing all newly available Federal funds.

Your Honorable Bodies enacted legislation at my request last year to help check the rising costs of hospital care and hospital insurance.

We must act further to hold down hospital costs and assure medical care of the highest quality for all of our citizens. I shall advance these objectives in my 1966 program:

1. By directing the Health Department to act immediately on February 1st to implement the landmark hospital planning legislation which your Honorable Bodies enacted last year at my request.

Under this legislation, the State Health Department with the aid of the State and Regional Hospital Review and Planning Councils will coordinate planning and improve operational efficiency of public and private hospitals and nursing homes throughout the State.

The purpose is to eliminate needless duplication of facilities, functions and personnel in order to increase efficiency and thereby hold down the spiraling rise in hospital bills and the cost of hospital insurance.

2. By asking your Honorable Bodies in my Executive Budget to approve additional funds for the Hospital Councils in view of their greatly expanded role and responsibilities.

3. By proposing specific legislation to make State loans for construction and improvement of non-profit nursing home facilities for low-income patients.

This legislation will implement a Constitutional amendment which the people approved last November. It will be carried out through the proven, low-cost financing resources of the New York State Housing Finance Agency.

4. By proposing further action to provide similar low-cost loans for hospital construction, reconstruction and equipment, as a means of reducing hospital costs.

5. By encouraging greater numbers of young men and women to enter the health professions to meet the critical shortages.

In this connection, I shall recommend steps to provide for contracting with private universities for additional student enrollment or to provide increased financial support for the students themselves in medicine, dentistry, nursing and other health professions.

6. By action to implement the recently enacted Federal Medicare legislation, assuring that its benefits are available to all our citizens with a uniformly high standard of medical care.

7. By recommending legislation to expand the scope, quality and duration of medical care available to the needy under the new Federal laws.

8. By directing the Advisory Council on Alcoholism to proceed with a comprehensive plan for a major research institute on alcoholism.

CONCLUSION

Such are the outlines of my four major proposals to you at this time.

We are building on the strong foundation of the progress we have jointly achieved in the past seven years.

New York State can be proud of the ingenuity, resolution and magnitude of its efforts to meet the challenges of our rapidly changing times.

This progress has brought us to a new point of departure for enhancing human opportunity and the quality of living in New York State.

As a first order of business, I urge your Honorable Bodies to act swiftly on a fair and valid plan for legislative reapportionment so we may turn our attention to dealing with the challenges before us.

We have important work to do this Session—and a unique opportunity to build further upon this work in the State Constitutional Convention next year.

This Convention will give us our first chance in more than a quarter century for a full review of the Constitution—an opportunity to open whole new vistas of progress for the people of New York State, to reshape the tools and inspire the public policy of New York State for years to come.

I know what this potential is, for nine years ago I had the privilege of serving for more than a year as chairman of the preparatory commission for the 1959 Constitutional Convention.

From the work undertaken at that time by more than 100 eminent authorities I know of the new opportunities that can be opened for the people of this State.

We must look to our forthcoming Constitutional Convention not as a series of legalistic or partisan skirmishes, but as a rousing opportunity for all to fight for a better tomorrow.

We must seek to mobilize the best minds, the best talents, the most eminent scholars, the most outstanding political leaders of

both parties and all other authorities available for the task of helping us to prepare for the Convention of 1967.

Though we may be divided politically, let us be united in our purposes—to serve the wishes, needs and aspirations of all New Yorkers with dedication, fairness, imagination and responsibility.

Let us stand firm together in our determination to achieve a greater future for all our citizens.

Each of us can help to make this State a better place than we found it. That is why we are here. With God's help, let us get on with the job.

(Signed) NELSON A. ROCKEFELLER

APPENDIX

Setting forth the achievements of the State government on subjects referred to in the 1966 Annual Message of the Governor.

"... State actions . . . to provide major increases in aid to schools . . . to build the world's largest and fastest-growing State University . . . to initiate unprecedented State assistance to college students and other steps helping to preserve their freedom of choice among the State's rich diversity of private and public higher educational institutions . . ."

(Annual Message, p. 9)

EDUCATION

The State's massive commitment to quality education is apparent from the fact that 45 per cent of the total State budget is now dedicated to education purposes. In fiscal 1965-66 approximately \$1.6 billion (nearly 2½ times as much as in 1958-59) will be spent for these purposes—State aid to schools, the State University and City University, and community colleges, libraries, scholarships, fellowships, scholar incentives, educational television and other programs. Some of the most important of the State's contributions to education during the past seven years are set forth below.

Elementary and Secondary Education

State aid. The total amount of State aid for elementary and secondary education has been increased by approximately \$700 million since 1958. In 1965-66, total State aid for elementary and secondary education will amount to approximately \$1.3 billion, or 230 percent of the \$594 million of State aid in 1958-59—whereas local support is 166 percent of the 1958-59 level and student enrollment is 123 percent of the 1958-59 level. Most of the increase achieved during the past seven years is thus over and above normal growth. Major State actions with respect to State financial aid for elementary and secondary schools have included

- increases in State aid of \$42.7 million in the school year 1959-60, of \$111.6 million in 1960-61, of \$53.0 million in 1961-62, of \$152.7 million in 1962-63, of \$62.5 million in 1963-64, of \$72.4 million in 1964-65 and of about \$189.5 million in 1965-66;
- creation of the Joint Legislative Committee on School Financing, (the "Diefendorf Committee") to recommend basic revisions in the formula for State aid to public schools;
- sweeping reform of the State aid formula in 1962 (c. 657), pursuant to recommendations of the Diefendorf Committee and of the Governor, including;

- replacement of the archaic system of "foundation aids" with the more equitable "shared-cost principle", while reaffirming the traditional State aid principle of equalization;
 - extension of building and transportation aid for the first time to city school districts, a step of substantial importance to the Big Six cities; and
 - new formulas for special "size correction" aid for sparsely and densely populated districts.
 - in 1963, provision of additional aid for school districts with low average property valuations (L. 1963, c. 982);
 - in 1963, an increase in aid to rapidly growing districts by removal of the limitation on the amount by which State aid can be increased in any one year (L. 1963, c. 777);
 - in 1964, provision of three percent additional operating aid above formula amounts (L. 1964, c. 430);
 - in 1965, raising from \$500 to \$600 per pupil the ceiling on operating expenditures that are shared by the State, with corresponding increases in the minimum guaranteed amounts of State aid (to \$216 for operating expenses and to \$240 total, per pupil), and increasing size correction aid for the Big Six cities from 10 percent to 17.5 percent, with special aids and save-harmless guarantees (L. 1965, c. 83, 561).
- Teachers' Salaries.* The minimum salary schedule for teachers was increased in 1961 (c. 813), 1962 (c. 656) and 1965 (c. 997). The minimum salary for a beginning teacher with a bachelor's degree in 1965-66 is \$5200 and the minimum salary for an eleventh year teacher with a bachelor's degree is \$7700, as compared to \$4000 and \$5600, respectively, in 1958-59. Minimum salary differentials for additional training and experience have been correspondingly increased.

School Dropouts. With new programs such as Project Re-entry, Project ABLE and Talent Search, schools in New York State have increased their "holding power" from 69 percent in 1959-60 to 79 percent in 1964-65. The State's programs to reduce the number of school dropouts, and other State programs for young men and women, are detailed under "Youth" in this Appendix.

Higher Education

Toward the goal that no young man or woman with the capacity and desire for a college education shall be denied it due to lack of funds or lack of college facilities, the State has made unprecedented breakthroughs during the past seven years—strengthening university organization, increasing financial support, expanding physical plant, strengthening faculties and increasing financial assistance to college students.

Strengthening Public University Structure. Major steps to help the State University and other public institutions of higher

education keep pace with rising enrollments and modern education demands have included

- revision of the State's Master Plan for Higher Education in 1960 and 1964, to meet the educational challenges of the future;
- establishment of major State University Centers at Albany, Stony Brook and Binghamton;
- merger of the University of Buffalo into the State University, to form a fourth University Center;
- reconstitution of the State Colleges of Education as State University Colleges, with broadened curricula in the arts and the sciences; and
- creation of the City University of New York to operate the public colleges in New York City as a single university under a comprehensive Master Plan (L. 1961, c. 388).

Increasing Financial Support. State appropriations for public higher education have been increased as follows:

- in 1965-66, State appropriations for operating expenses of the State University of New York amount to almost \$150 million, or 340 percent of the approximately \$44 million appropriated in 1958-59;
- in 1965-66, State appropriations for the operating expenses and capital costs of the City University of New York amount to \$40 million, or 473 percent of the \$8,450,000 appropriated for the constituent colleges in 1958-59; and
- in 1965-66, State appropriations for community colleges (one-half of capital costs and one-third of operating expenses, pursuant to L. 1965, c. 73) amount to \$33.5 million, or 198 percent of the \$16.9 million in 1958-59.

Expanding Physical Plant. The demands placed upon the State University, the City University and the private colleges and universities in the State for increased plant and physical capacity are apparent from the following full-time enrollment statistics:

	1958-59	1965-66	Projected 1970-71
State University (including community colleges)	38,000	108,000	165,000
City University	29,000	45,600	65,400
Private Colleges and Universities	122,000	185,000	214,500

In order to help meet these rising enrollments, the State has taken the following actions:

- creation of the State University Construction Fund in 1962 (c. 251) to speed a \$1 billion program of construction of State University facilities with capital financing through the State Housing Finance Agency. Since May 1, 1962, when the State

University Construction Fund began operation, it has completed 185 projects with a cost of \$225 million, and has an additional 204 projects costing an estimated \$374 million under construction or in process of award of construction contracts, and 160 more projects with an estimated cost of \$243 million in the design stage; and

—financing of dormitories and academic buildings at private colleges and universities in the State through the Dormitory Authority, which has assisted 54 private institutions in the design and construction of 129 facilities with a total cost of \$377.3 million since 1958.

Strengthening Facilities. In addition to general financial support for public institutions, the State has acted to help assure high quality facilities at public and private institutions in the State by

—legislation (L. 1964, c. 335, 337, 338) and administrative action in 1964, to afford the State University greater autonomy in fiscal and personnel matters, including submission of budget requests, recruitment and salary determination for professional positions, and to offer an alternative retirement program (TTAA) to facilitate faculty recruitment;

—creation of five Albert Schweitzer Chairs in the Humanities and five Albert Einstein Chairs in the Sciences, each providing \$100,000 annually in salaries and research support to attract the most brilliant scholars and teachers to public and private higher educational institutions in the State (L. 1964, c. 964);

—provision of 100 Regents College Teaching Fellowships with stipends of up to \$2500 annually (L. 1963, c. 351; L. 1964, c. 812).

Increasing Financial Assistance to College Students. During the past seven years, the State has increased direct financial assistance to college students from a 1958-59 level of \$12 million to a 1965-66 level of \$114.5 million, an increase of 853 percent, through the following major assistance programs:

—the Scholar Incentive Program, created in 1961 (c. 389) to provide financial aid for full-time undergraduate and graduate students who are residents of the State of New York. Annual awards were increased in 1965 (c. 420) on the recommendation of the Governor, and now range from \$100 to \$500 per year for undergraduate students, and from \$200 to \$800 per year for graduate students. Since the inception of the program, more than 602,000 awards, totalling approximately \$111.5 million have been made. In 1965-66 alone, there will be an estimated 154,000 Scholar Incentive awards totalling \$35.6 million;

—Regents College Scholarships, which have been more than tripled in the past seven years—increasing from 5,126 Schol-

arships totalling \$9 million in 1958-59 to 18,842 Scholarships totalling \$30.6 million in 1965-66, with an increase in the maximum award from \$700 to \$1000 per year (L. 1965, c. 85);

—ninety Herbert H. Lehman fellowships, each providing up to \$5000 annually for graduate study in the social sciences, created in 1965 (c. 397); and

—one hundred science and engineering fellowships, with stipends of \$2500 (L. 1964, c. 812).

In addition to direct State aids to college students, the guaranteed loan program for students at public and private institutions, administered by the Higher Education Assistance Corporation, has been expanded by increasing the annual and total amounts that a student may borrow, by eliminating interest charges on student borrowers and by steps to encourage financial institutions to provide student loans under the program. In 1959 the Higher Education Assistance Corporation guaranteed 5,266 loans totalling less than \$3 million, whereas in 1964-65 the Corporation guaranteed almost 60,000 loans totalling more than \$48 million.

* * *

In addition, the State promotes continuing education through assistance for libraries and educational television as follows:

Libraries. State aid to libraries in 1965-66 will amount to \$10,200,000 or more than three times the amount of State aid appropriated in 1958-59. This program of State aid assists 660 public libraries participating in 22 library systems serving all of 49 counties and parts of 13 others—a total of 96 percent of the State's population.

On June 24, 1965, the Governor convened in Albany a Library Conference to establish guidelines for the future development of public and private library resources in New York State, with specific emphasis on the application of data processing techniques for reference and research. The Conference was attended by approximately 200 leading representatives of public and private colleges and universities, foundations, labor and industry, government, and public and private libraries. The Governor has appointed a special Governor's Library Committee, consisting of 22 distinguished librarians and public officials, to review the general recommendations made by the Conference and to make specific suggestions for their implementation.

Educational Television. Under a program of assistance initiated in 1961 (c. 724), the State has provided support for the establishment of educational television projects, thus far for 23 participating school districts. In 1965-66, \$800,000 was appropriated for this program. In addition, \$1.3 million was appropriated to the Education Department for educational television, including programs in cooperation with local educational television councils around the State, and \$625,000 was appropriated to the State University for educational television programming.

ARTS

"... comprehensive steps to ... foster the arts..."

(Annual Message, p. 9)

During the past seven years, the State has acted to stimulate appreciation of and participation in the performing arts, without limiting freedom of artistic expression, through the State Council on the Arts, established on a temporary basis in 1960 (c. 507) and made permanent in 1965 (c. 181). Among the most significant contributions of the Council have been

—in the performing arts, Council sponsorship, during the 1964-65 season of 276 performances by 69 touring companies before a quarter of a million people in 92 communities in New York State—including the debut of the American Dance Theater at the State Theater at Lincoln Center;

—in the visual arts, Council sponsorship of touring exhibitions of art and extended loan exhibitions from the Metropolitan Museum of Art in New York City to upstate communities, Council assistance to local art and history museums, and Council action to help preserve architecturally significant buildings.

Since New York State created the nation's first Council on the Arts, more than 25 other states have enacted or are currently considering similar programs, and in 1964 the Federal Government established the National Council on the Arts.

MANPOWER TRAINING

"... existing State programs for ... training to equip men and women for productive jobs, and ... retraining workers for new and better jobs in a time of rapid technological change and new opportunity..."

(Annual Message, pp. 10-11)

In 1965, over 48,000 men and women participated in the State's vocational rehabilitation programs. Since 1959, the State has tripled its financial contribution to vocational rehabilitation programs, with an expenditure of \$6.4 million in 1965-66.

Moreover, the State has taken maximum advantage of Federal funds (\$24.5 million in 1965) available under the Manpower Development and Training Act. Through these programs, which emphasize development of skills to meet changing technological needs, the State helped train or retrain an additional 15,188 persons in 1965.

To assure maximum effectiveness, State programs of job training and retraining are coordinated by the Division of Manpower in the State Labor Department, established in 1962.

Additional State programs relevant to job training and employment assistance are detailed in other sections of this Appendix, as follows:

—programs to help young people to obtain good jobs, such as the

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School to Employment Program and the Youth Employment Service, are detailed under "Youth";

—State actions in support of education, including vocational education, are detailed under "Education"; and

—activities of the Job Development Authority, created in 1962, and related programs are detailed under "Economic Growth".

YOUTH

"... existing State programs for ... assisting underprivileged youth..."

(Annual Message, p. 11)

Education is the most important State program for youth. Since 1959, annual State expenditures for elementary and secondary education have doubled—reaching a 1965-66 level of \$1.2 billion. The State's financial commitment to higher education in 1965-66 is more than five times as much as in 1958-59. The State's education programs are detailed under "Education" in this Appendix.

To supplement its massive investment in the education of its youth, the State offers a wide range of programs. Carried out by the State Division for Youth, which was established as a permanent agency in the Executive Department in 1960, these programs include:

—the Forestry Camp Program, established in 1962, with four camps providing conservation work, remedial and vocational education, group and individual counseling for delinquent and pre-delinquent youths in a nine-month resident program;

—the Short-Term Adolescent Resident Training (START) Program, established in 1961, at five centers accommodating at any one time approximately 100 delinquent or pre-delinquent youths for an average of four months of intensive group counseling and supervised work experience;

—the Short-Term Aid to Youth (STAY) Program, established in 1965, similar to START, but operated on a non-residential basis;

—the Urban Home Program, established in 1963, with five homes for 100 delinquent or pre-delinquent boys, who stay an average of twelve months;

—the After-care Program, established in 1963, with a "half-way" center for young people making the transition from residential centers back to life in the community;

—the Local Assistance Program of State aid to localities for recreation and youth service projects and youth bureaus, now including 1,300 projects in 1,170 municipalities, available to 90 percent of the youth of the State; and

—the Hometown Beautification Program, established in 1965, under which the State pays the full wages of youths engaged in community beautification projects.

In addition to the activities of the Division for Youth, the State offers other important programs for youth, including

- the School to Employment Program (STEP), initiated in 1961, which now has 58 State-aided programs operating in 30 school districts to provide potential school dropouts with appropriate work-study experience;
- the Youth Employment Service (YES), established in 1960 as a counseling service in the State Labor Department concentrating exclusively on youth employment problems; and
- Project ABLE, established in 1961, now serving over 16,000 underprivileged young people by identifying and developing potential skills and abilities.

AGING

"... existing State programs for ... helping the aging to meet their special problems ..."

(Annual Message, p. 11)

Office for the Aging. In 1961, the Governor established an Office for the Aging in the Department of Social Welfare. The success of that Office justified the creation by law of a permanent Office for the Aging in the Executive Department (L. 1965, c. 444). The Office sponsors and promotes programs of assistance to the aging, stimulates community interest and cooperates with local governments and organizations in meeting the needs of the elderly.

Housing. As of June 30, 1965, over 37,400 special and smaller units for the aging were completed, under construction, or in planning under the State's low-rent and middle-income housing programs—nearly 2½ times the number available on January 1, 1959.

Although many senior citizens in need of housing are economically and physically able to live in customary homes and apartments, it is often necessary to build dwelling units for other senior citizens in conjunction with medical and social service facilities.

Many experienced and responsible nonprofit institutions are interested in making their medical and social service facilities available to help senior citizens by adding housekeeping units under the limited-profit housing program. Yet they could not do so because they lacked cash resources to meet the five percent equity capital requirement—until the Governor sponsored legislation in 1964 authorizing 100 percent instead of 95 percent development loans from the State Housing Finance Agency to non-profit membership corporations sponsoring such housing for the aging.

Financial Assistance. In fiscal 1965-66 the State is paying \$57 million to extend

- old age assistance to 57,000 residents of New York State; and
- medical assistance for the aged to 37,000 residents.

In addition, State aid is given to local governments for the cost of care for needy older citizens in public homes and private institu-

tions. Local caseworkers, paid in part by State aid funds, provide a variety of services to the elderly, and the State inspects and supervises homes for the aged, nursing homes and other facilities, and furnishes advice and training for their staffs.

EQUAL OPPORTUNITY

"... existing State programs for ... expanding the horizons of equal opportunity for all ..."

(Annual Message, p. 11)

In advancing civil rights, New York State has made unprecedented steps during the past seven years toward assuring equal opportunity for all, without regard to race, creed, color, national origin, age or sex.

The State's laws forbidding discrimination were broadened by legislation which

- prohibited discrimination in the sale or rental of all publicly-assisted housing, all commercial space and all private housing except owner-occupied two-family dwellings (L. 1961, c. 414; L. 1963, c. 481);
- banned discriminatory practices by real estate brokers in the sale or rental of housing covered by State law (L. 1961, c. 414);
- banned discrimination by financial institutions in loans for purchase or repair of private housing or commercial space (L. 1961, c. 414);
- broadened the law against discrimination in places of public accommodation (L. 1960, c. 779; L. 1962, c. 370);
- tightened the ban on discrimination in apprenticeship and other job training programs (L. 1962, c. 164; L. 1964, c. 948; L. 1965, c. 516);
- extended the prohibition against discrimination in employment to protect women against discrimination (L. 1965, c. 516) and to broaden the guarantee of equal pay for equal work regardless of sex (L. 1965, c. 354);
- extended the prohibition against discrimination in employment because of age to cover persons between the ages of 40 and 65 (L. 1961, c. 609); and
- extended the prohibition against discrimination in employment to cover employers with as few as four employees (L. 1965, c. 851).

During the same seven years of broadening the coverage of the State's laws against discrimination, the State has strengthened the enforcement of those laws by

- expanding the State Commission Against Discrimination and redesignating it the State Commission for Human Rights (L. 1962, c. 6 and 165).

- increasing the Commission's operating budget from \$743,000 in 1958-59 to \$1,900,000 in 1965-66;
- strengthening the Commission by authorizing it to initiate complaints (L. 1965, c. 4), to apply for temporary injunctions and to award compensatory damages (L. 1965, c. 851);
- promulgating a Governor's Code of Fair Practices for State employment;
- adopting the Governor's Standard Non-discrimination Clauses for all contracts by the State and by public authorities;
- providing for the establishment of local commissions on human rights (L. 1963, c. 376; L. 1964, c. 413);
- adopting an administrative policy under which urban renewal programs are to be used to promote integration; and
- creating a full-time Civil Rights Bureau in the Department of Law.

WELFARE

"... existing State programs for ... providing for the welfare of those in need ..."

(Annual Message, p. 11)

New York State has a comprehensive public assistance program for those who are unable to provide for themselves and their families. The major categories of State-assisted welfare programs are:

- Medical Assistance for the Aged*, adopted in 1961 on the recommendation of the Governor. In the first four years of this program, more than 150,000 New Yorkers were assisted at a cost of \$479 million in State, Federal and local funds. Approximately \$40.9 million State funds alone are being paid to the medically-indigent elderly in fiscal 1965-66.
- Old Age Assistance*, under which in fiscal 1965-66 more than \$66.6 million in State, Federal and local funds are being paid to a monthly average of 57,000 needy New Yorkers over age 65.
- Assistance to the Blind*, under which more than \$4.9 million in State, Federal and local funds are being expended in fiscal 1965-66 for financial and other assistance to a monthly average of 3,200 needy blind New Yorkers.
- Aid to the Disabled*, under which approximately \$61.5 million in State, Federal and local funds are being paid to a monthly average of 36,600 needy disabled individuals during fiscal 1965-66.
- Aid to Dependent Children*, a program of assistance for needy children living in their own homes but deprived of parental support because of the death, incapacity, absence or unemployment of a parent. In 1965-66 approximately \$349.9 million in State, Federal and local funds are being expended, to assist a monthly average of 580,000 needy persons in 114,000 families.

In 1961, such assistance was extended, on the Governor's recommendation, to children of unemployed parents.

—*Home Relief*, under which approximately \$63.2 million in State and local funds (without Federal participation) is being expended in 1965-66 for financial assistance and medical care for a monthly average of 116,750 New Yorkers who are in need but do not qualify under any other public assistance program.

While providing for those in need, the State has made every effort in the past seven years to find ways to hold down welfare costs, including

- appointment by the Governor in 1961 of a Moreland Commission, to make the first comprehensive study of public welfare administration in New York State in 25 years. Legislation (L. 1963, c. 934-936; L. 1964, c. 281 and 731) and administrative action, directed at improving the administration of welfare programs and emphasizing services to reduce dependency, implemented Commission recommendations.
- appointment by the Governor in 1964 of a Citizens Committee on Welfare Costs, to recommend ways to hold down the cost of public welfare.
- specific programs to reduce welfare costs by helping residents of the State, who might otherwise have to turn to welfare, to remain wholly or partially self-sufficient. These programs include
 - State aid for local child day care services;
 - authorization for the "New York 65" plan of non-profit health insurance for the aged, providing low-cost health insurance for over 150,000 persons;
 - expanded unemployment insurance benefits and workmen's compensation benefits, detailed under "Labor" in this Appendix;
 - improved job retraining programs and services to youth, detailed under "Manpower Training" and "Youth" in this Appendix; and
 - the requirement (L. 1961, c. 468) of a thorough investigation of applications for assistance by persons newly arrived in this State, to assure that they did not come for the purpose of obtaining public assistance.

MENTAL HYGIENE

"... existing State programs for ... caring for the mentally ill and mentally retarded ..."

(Annual Message, p. 11)

During the past seven years, the State has acted to improve the care of the mentally ill and mentally retarded, by

- increased financial commitment so that the State will spend

- \$392 million is fiscal 1965-66 on mental hygiene, or 147 per cent of the \$267 million expended in 1958-59;
 - a Master Plan, announced by the Governor in 1962, which was the first such plan in the nation and was used in 1963 as the model for comparable action at the Federal level;
 - imaginative capital financing through the Mental Hygiene Facilities Improvement Fund, established in 1963 on the Governor's recommendation, and authorized to construct—through user fees and thus at no cost to the taxpayers—\$500 million of mental hygiene facilities, more than the State built in the preceding 25 years;
 - an immediate construction program, announced by the Governor in 1965, to use the Mental Hygiene Facilities Improvement Fund to build
 - four new hospitals with a total of 4,000 beds for the mentally ill;
 - seven new schools, with a capacity of 6,500, for the mentally retarded;
 - 13 new facilities, with a capacity of 2,300, for emotionally disturbed children; and
 - 13 new rehabilitation centers for the mentally ill;
 - improved methods for the treatment of the mentally ill, which have reduced the average length of stay of newly-admitted patients in mental hygiene institutions from eight months in 1958 to four months in 1965;
 - legislation (L. 1964, c. 738) to improve the procedures for commitment of the mentally ill, by emphasizing the medical basis for commitment and admissions;
 - legislation (L. 1964, c. 785) to prevent mental retardation caused by phenylketonuria (PKU), by requiring that all newborn infants be tested for this condition in time for effective treatment;
 - creation of an Advisory Council on Alcoholism, by executive order in 1961 and legislation in 1965 (c. 813), and an Alcoholism Unit in the Department of Hygiene (L. 1965, c. 813);
 - increases in State aid for community mental health services—from \$1 per capita to \$1.20 in 1960 (L. 1960, c. 418) and to \$1.40 in 1962 (L. 1962, c. 252), with full State cost sharing after 1964 (L. 1963, c. 579);
 - State assistance in financing the construction of community mental health and mental retardation facilities, by
 - authorizing municipalities to finance such capital costs through the Mental Hygiene Facilities Improvement Fund (L. 1965, c. 648); and
 - extending State aid to 1/3 of capital costs of such community facilities (L. 1965, c. 647).
- The State's important programs for the treatment of narcotics addicts are described under "Narcotics" in this Appendix.

CONSUMER PROTECTION

"... existing State programs for ... consumer protection..."
(Annual Message, p. 11)

- During the past seven years the State has acted to protect the people of New York State as purchasers and consumers of goods and services, by legislation and administrative action to
- establish a permanent Bureau of Consumer Frauds and Protection, under the leadership of the Attorney General;
 - empower the Attorney General to correct fraudulent and deceptive practices in the retail sale of goods and services, and to stop monopolistic price-fixing (e.g., L. 1961, c. 749);
 - strengthen the authority of the Attorney General to combat fraud in the sale of securities (L. 1963, c. 923);
 - reduce charges for installment credit (L. 1962, c. 328);
 - require proper labeling of all reconditioned and rebuilt household appliances (L. 1960, c. 986);
 - bar persons with criminal records from fund raising activities for charitable purposes (L. 1960, c. 984);
 - require that all meat slaughtered or processed in New York State and not inspected by Federal or New York City inspectors, be inspected by State inspectors (L. 1962, c. 324); L. 1964, c. 784);
 - limit the liability of the owner of a lost or stolen credit card (L. 1961, c. 549);
 - require that payments made to a homebuilder for purchase of real property or construction of a building shall be treated as a trust fund which the builder may only apply for the purposes agreed upon (L. 1969, c. 696);
 - require securities salesmen and investment advisers to register with the Attorney General and to file copies of all publications furnished by them to the investing public (L. 1959, c. 692; L. 1960, c. 961);
 - require registration with the Attorney General of all theatrical production financings and of all theater ticket agents (L. 1964, c. 728; L. 1965, c. 325);
 - amend the Alcoholic Beverage Control Law to end State maintenance of retail liquor prices (L. 1964, c. 531);
 - authorize the Commissioner of Agriculture and Markets to prescribe sanitary conditions for the manufacture and distribution of cream substitutes made from vegetable oils (L. 1964, c. 386);
 - establish a network of testing stations to monitor radiation levels in water and milk supplies;
 - combat abuses in installment and service contracts, by broadening the right to recover cash deposits, prohibiting automatic renewal of contracts without written notice to the holder, forbidding the assignment of wages in installment credit agree-

- ments, and prohibiting lifetime contracts for dancing lessons, weight control salons and gymnasiums (L. 1963, c. 97; L. 1961, c. 507; L. 1964, c. 289);
- require funeral directors to furnish a detailed list of the services and merchandise included in the price of a funeral (L. 1964, c. 427);
- regulate real estate syndications and require full disclosure as to their operations (L. 1960, c. 987);
- prohibit certain mail solicitations of funds through the use of unordered merchandise (L. 1963, c. 94);
- crack down on the loan shark racket (L. 1965, c. 328); and
- restrict referral selling plans (L. 1965, c. 872).

HOUSING

... existing State programs for ... housing ..."

(Annual Message, p. 11)

New York State leads the nation in meeting the housing needs of its people for middle-income housing, low-income housing and urban renewal.

Middle-income Housing. The State and the State Housing Finance Agency have committed \$876 million for 52,218 limited-profit, middle-income housing units throughout the State, up from \$31 million for 2400 units in 1959. Key steps in this advance were:

- the creation in 1960 of the New York State Housing Finance Agency, to channel private funds into the middle-income housing market;
- promotion of the use of "air rights" over publicly-owned and tax-exempt properties for middle-income housing;
- the Home Owners Purchase Endorsement (HOPE) program, enacted in 1962, to enable families to borrow at low rates to raise the equity for purchase of middle-income cooperative apartments;
- the authorization in 1962 of low-interest Housing Finance Agency loans up to 95 percent of the cost of middle-income cooperatives; and
- the authorization in 1964 of 100 percent State and Housing Finance Agency financing of middle-income housing for the aged.

Low-income Housing. Since 1937, New York State has spent or reserved \$947 million of loan funds, with matching subsidies, for State-aided public housing for persons of low income—providing for 65,907 low-rent units in 136 projects in 41 communities in the State. Presently-authorized public housing funds are nearly exhausted, however, and the People have twice disapproved (in

1964 and 1965) propositions that would have authorized additional public housing loan and subsidy funds.

On the recommendation of the Temporary State Commission on Low-Income Housing, the State in 1964 embarked upon a pilot Capital Grant Low-Rent Assistance Program, under which the Housing Finance Agency provides low-rent housing in middle-income projects built with private funds, at a cost substantially lower than in traditional public housing and without the economic segregation which often accompanies public housing.

Urban Renewal. The State has promoted intelligent urban renewal, by

- changing in 1961 from the costly loan-and-subsidy method of providing State aid for local urban renewal to a capital grant program, thereby cutting State costs by one-third;
- extending State aid for planning relocation housing, to permit earlier relocation of families displaced by urban renewal (L. 1964, c. 225);
- simplification of urban renewal laws (L. 1961, c. 402-405); and
- legislation to facilitate local financing of urban renewal through municipal urban renewal agencies (L. 1962, c. 921).

TRANSPORTATION

"... existing State programs for ... transportation ..."

(Annual Message, p. 11)

The State has acted with breadth and foresight in the past seven years to meet the transportation needs of the people, in the following major areas:

Planning. In 1961 and 1962, the State initiated a broad State-wide program of transportation-land use planning before the establishment of Federal requirements for such planning.

In 1961, the Tri-State Transportation Committee was created to conduct comprehensive transportation-land use planning for the New York metropolitan region. In 1965, under an interstate compact approved by New York, New Jersey and Connecticut, the Tri-State Transportation Commission was established to succeed the Committee. The Commission is also conducting experimental mass transportation projects such as special express passenger service, bus-train coordination and automatic ticket collection.

In 1962, the State initiated a program of transportation-land use planning studies for each major upstate area through the Department of Public Works.

Commuter Railroads. On the recommendation of the Governor, the Legislature in 1965 created the Metropolitan Commuter Transportation Authority to provide for continued and improved commuter and related transportation in the New York metropolitan area. After purchasing the Long Island Rail Road, the Authority will undertake a \$200 million modernization program. The Author-

ity is also at work on a long-term solution to assure continuation and modernization of the commuter service of the New Haven Railroad.

Railroad local real property tax relief was provided state-wide in 1959, with additional tax relief in 1961 for commuter railroads. Through special aid, the State assumes half the cost of this \$26 million annual tax relief, which helps keep commuter fares down and continue essential rail services.

In 1961, the people of the State approved the \$100 million New York State Commuter Car Program, under which 117 new commuter cars are already in operation on the New York Central and Long Island Railroads.

In 1962, the Port of New York Authority was authorized to acquire, operate and modernize the bankrupt Hudson and Manhattan Railroad in conjunction with the establishment of the World Trade Center in lower Manhattan.

Highways. Over \$2 billion of State contracts for highway construction were let in the seven years from 1959 through 1965, for an average of \$286 million per year (compared to \$189 million per year during the preceding four years).

For seven years, highway construction and improvement in New York State have gone ahead at the record pace of 3.6 miles a day.

Under the accelerated highway construction program, initiated late in 1964, the State has speeded up construction of Interstate 84, the Southern Tier Expressway (Route 17), the Northway and the North-South Route (Pennsylvania to Canada via Binghamton and Watertown), and has thus been able to advance the target dates for completion of these highways.

Since 1965, the full cost of land for arterial highways within cities has been borne by the State.

Policy Coordination. In 1959, the Office of Transportation was created to coordinate the State's transportation policy. The Office administers the railroad real property tax relief program and cooperates with the Port of New York Authority in implementing the commuter car program. The Office also represents the State in merger proceedings, seeking, for example, the inclusion of the New Haven Railroad in the merger of the Pennsylvania and New York Central Railroads. The Office also was instrumental in helping to end 80 years of freight rate discrimination against the Port of New York.

HIGHWAY SAFETY

"... existing State programs for ... highway safety ..."

(Annual Message, p. 11)

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The traffic fatality rate (deaths per 100 million miles of travel) has changed as follows in recent years:

Year	New York State	National
1957	4.9	5.9
1958	4.6	5.6
1959	4.8	5.4
1960	4.3	5.3
1961	4.5	5.2
1962	4.7	5.3
1963	4.5	5.5
1964	5.1	5.7
1965 (9 mos.)	4.5	5.3

Thus in recent years New York State's traffic fatality rate has been consistently below the national rate. During the past seven years, the State has acted to improve highway safety, through

- incorporating new safety features in the design and construction of highways;
 - strengthening the laws against drinking drivers, by making "driving while impaired" an offense (L. 1960, c. 184);
 - reorganizing and strengthening the administration of highway safety laws;
 - requiring safer equipment on vehicles such as the ban on unsafe tires (L. 1963, c. 501) and the requirements for seat belts (L. 1961, c. 579; O. 1965, c. 960) and hazard warning lights (L. 1963, c. 653);
 - raising driving standards, by stricter licensing and testing and stiffer penalties for traffic offenses (numerous chapters);
 - adopting the Interstate Driver License Compact and providing for an interstate compact guaranteeing appearance of traffic offenders in member states (L. 1965, c. 650, 651); and
 - study of a prototype "safety car" (L. 1965, c. 747).
- The number of traffic deaths, however, continues to rise. Based on present trends, it is estimated that in 1986 there will be 7,200 traffic deaths in New York State—an increase of 186 percent over 1965. To hold down this trend, the Governor has proposed the following additional traffic safety measures:
- mandatory safety inspection of all new cars;
 - suspension of operator's licenses for excessive speeding;
 - inclusion of bail forfeitures under the "point system" for suspension and revocation of operator's licenses; and
 - inclusion of driving convictions in contiguous states under the "point system".

PUBLIC EMPLOYEES

"... existing State programs for ... increasing State employee salaries and improving employee benefits so as to continue to attract and hold dedicated and qualified employees ..."

(Annual Message, p. 11)

Effective government at all levels depends on the competence and dedication of government employees. For the execution of government programs—thoroughly, fairly and economically—it is essential that government be able to attract into the public service, and retain, men and women of the highest caliber. During the past seven years the State has

- increased the ability of State and local governments to recruit and retain qualified public servants;
- met fairly the salary and retirement needs of civil servants;
- taken steps to assure that government services to the public not be interrupted.

With respect to State employees, the State has taken the following actions:

(1) Salaries have been increased four times in seven years (L. 1959, c. 200; L. 1961, c. 350; L. 1962, c. 469; L. 1964, c. 829), with the result that from 1958 to 1965 the average salary paid State employees increased 34 percent.

(2) Take-home pay of State employees was increased by over 11 percent by the State's assumption of the first eight points of 1966. In 1965 the State assumed any remaining contributions of State employees in the State Employees Retirement System.

(3) Retirement benefits have been improved by

- a vesting program enabling members of the State Employees Retirement System to vest their pension rights after 10 years' service (L. 1960, c. 334; L. 1965, c. 19);
- a special interest credit program enabling all members of the State Employees Retirement System to receive four percent interest on their contributions (L. 1961, c. 853);
- elimination of the so-called "death gamble" for employees who continue in State service after becoming eligible to retire (L. 1962, c. 911);
- a guarantee of one-half pay retirement for members of the State Police after 25 years' service (L. 1961, c. 557);
- a 25-year retirement plan for correction officers (L. 1965, c. 891);
- reopening for one year the age-55 retirement plan to permit members of the age-60 plan to transfer to the age-55 plan. (L. 1965, c. 20);

—enabling a retiring State employee to apply the dollar value of unused accumulated sick-leave to pay health insurance premiums; and

—a supplementation program, first enacted in 1960 and adjusted in 1962 and 1964, to help pensioners meet the increase in the cost of living since the year of retirement.

(4) Working conditions, employee relations and miscellaneous benefits have been improved, by

- enactment of a survivors benefit program providing a minimum death benefit for all employees with at least 90 days' service (L. 1962, c. 255);
- promulgation in 1963 of an Executive Order simplifying and strengthening employee grievance procedures;
- development of an employee health and medical service program providing health counseling;
- protection of employees against salary losses if their positions are abolished because of automation and they are transferred to another job;
- legislation protecting employees in the non-competitive class with five years' continuous service against removal other than for incompetency or misconduct (L. 1965, c. 738); and
- revision (L. 1963, c. 702) of the (Condon-Wadlin) law prohibiting strikes by public employees, to make its enforcement more certain but its penalties less severe—revisions which were not extended in 1965.

With respect to local government employees throughout the State, local employees in the State Employees Retirement System have received generally the same retirement benefits and take-home-pay increases that have been provided for State employees. In addition, the State has

- mandated a minimum annual salary for local welfare case workers (L. 1964, c. 731);
- established a 48-hour maximum work week for most paid municipal firemen (L. 1962, c. 992);
- guaranteed at least eight paid holidays for police (L. 1964, c. 944) and firemen (L. 1965, c. 383);
- required municipalities with 100 or more employees to establish an employee grievance procedure (L. 1962, c. 354);
- enacted a uniform conflict-of-interest statute for local officers and employees (L. 1964, c. 946) to replace the many scattered and miscellaneous provisions;
- made many improvements in the benefits of the Teachers Retirement System (e.g., elimination of the "death gamble," payment of "additional interest" to "3 percent" members, increased ordinary death benefit, vesting), and provided for employers to assume the first five points of employee retirement contributions;

—raised minimum salaries and increments for teachers (L. 1965, c. 997); and

—guaranteed minimum sick leave and provided increased supplemental pension benefits for retired teachers (L. 1965, c. 30; L. 1961, c. 870; L. 1965, c. 812).

For *New York City employees*, the State has acted as follows:

(1) Sanitation Department employees have been provided an optional retirement plan guaranteeing one-half pay retirement after 25 years' service (L. 1963, c. 262; L. 1964, c. 952).

(2) Special retirement plans were established for Housing Authority police, Transit Authority police and correction officers, allowing them to retire after 20 or 25 years of service (L. 1964, c. 971, 969, 973, 954.)

(3) The "death gamble" has been eliminated for certain police (L. 1964, c. 953) and firemen (L. 1964, c. 958), teachers (L. 1961, c. 1965, c. 860) who remain in service after becoming eligible to retire.

(4) "Special interest" provisions, permitting payment of up to an additional one percent interest on employee retirement contributions and the pension providing-for-increased-take-home-pay, were enacted for members of the City Employees' Retirement System, City Teachers' Retirement System and Police Pension Fund, whose regular rate is three percent (L. 1964, c. 711, 719, 720).

(5) School supervisors were guaranteed salary increases whenever the maximum salary level for teachers is raised (L. 1963, c. 259).

(6) Teachers retiring from the City Teachers' Retirement System prior to 1956 were given supplemental pensions (L. 1962, c. 1006).

(7) Members of the City Teachers' Retirement System were allowed to elect to retire at age 55 after 25 years of service (L. 1964, c. 959).

(8) Guaranteed half-pay retirement, based on salary on the last day of work, has been granted to members of the Police and Fire Pension Funds.

(9) The disability allowance for members of the Police and Fire Pension Funds was increased and is now based on salary on retirement date, rather than on a salary average (L. 1964, c. 955, 961).

(10) The retirement contributions of uniformed sanitation men were reduced by providing that the city assume 75 percent of pension obligations rather than 50 percent (L. 1965, c. 387).

LOCAL GOVERNMENT

"... existing State programs for ... meeting the problems of local government ..."

(Annual Message, p. 11)

To make expert advice available to local governments, and to increase their voice at the State level, an Office for Local Government was established in the Executive Department (L. 1959, c. 335). The Office provides

—an information clearing house for local governments;

—technical assistance to local governments on such problems as water supply, sewage and waste disposal and the applications of computer technology; and

—police and fire training, and police advisory services.

To deal effectively with modern problems, local governments need adequate powers and a modern legal structure. In the past seven years, the State has modernized this legal structure and has increased home rule powers, through

—a Home Rule Amendment to the State Constitution in 1963;

—the Statute of Local Governments, permitting important further grants of home rule powers without amending the Constitution (L. 1964, c. 205);

—the Municipal Home Rule Law, granting home rule powers to towns and small villages and broadening home rule powers for all local governments (L. 1963, c. 848);

—the Suburban Town Law, to meet growing suburban needs (L. 1962, c. 1009);

—the Municipal Annexation Law, facilitating the solution of annexation problems at the local level (L. 1963, c. 844); and

—the Municipal Cooperation Law, authorizing municipalities to join together to render services on the most economical and efficient basis (L. 1960, c. 102).

The details of the massive increase in State financial aid to local governments—more than doubled in seven years from \$929 million in 1958-59 to more than \$2 billion in 1965-66—will be contained in the Executive Budget for 1966-67. The category of State financial aid which may be spent by local governments for unrestricted purposes (per capita aid) was extended in 1965 (c. 182), pursuant to recommendations of the Commission on State-Local Fiscal Relations, to

—double the amount of such aid from \$99 million in 1964-65 to \$198 million in 1965-66;

—make per capita aid available to counties;

—establish a new category of aid to towns for areas outside villages; and

—distribute aid under an equalization formula.

CONSERVATION AND RECREATION

"... existing State programs for ... conservation and recreation..."

(Annual Message, 6. 11)

During the past seven years, the State has promoted conservation and recreation, through

- major expansion of fish and game programs through the Conservation Fund;
- adoption of the \$100 million Land Acquisition Bond Act—a model for action by the Federal Government and other States—to save approximately 360,000 acres of predominantly open and natural land for the enjoyment of future generations (L. 1960, c. 522-523; L. 1963, c. 491);
- creation of the Water Resources Commission to provide high level coordination of water management activities and to directing (L. 1960, c. 7 and 341);
- creation of the Division of Motor Boats, institution of motor boat registration and boating safety instruction, and expansion of public boating facilities (L. 1959, c. 836, 837);
- enactment of a comprehensive Pure Waters program to end water pollution, including a \$1 billion bond authorization for construction of sewage treatment works (L. 1965, c. 176);
- creation of the Hudson River Valley Scenic and Historic Corridor to preserve and enhance the resources of that area (L. 1965, c. 560); and
- adoption of a \$400 million program for the development of recreation facilities over the next 10 years, including \$200 million in State bonds to be voted on in 1966 and an additional \$200 million in Federal, State and local funds (L. 1965, c. 558).

AGRICULTURE

“... existing State programs for ... agriculture, the historic base of our State's economy ...”

(Annual Message, p. 11)

Agriculture in New York State is a \$10 billion-a-year industry, and a strong agricultural economy is vital to a strong State economy. Furthermore, all of the people of the State, as consumers of farm products, have a stake in a plentiful and healthful food supply. During the past seven years, the State has acted to strengthen the agricultural economy, through:

- a 10-year extension of the Town Highway Improvement Program to 1972, under which 13,149 miles of farm-to-market highways have already been constructed and improved, with the State having paid \$73 million, or more than half of the cost (L. 1960, c. 315);
- increased research and extension work at the State University College of Agriculture at Cornell and at the Geneva Experiment Station;
- establishment of a state meat inspection plan (L. 1962, c. 324), broadened in 1964 (c. 784) to cover processed meat;
- regulation of food additives (L. 1961, c. 797);
- intensified State programs for eradication of plant and animal diseases such as golden nematode, sugar beet cyst nematode,

- rabies, brucellosis and anaplasmosis (L. 1965, c. 77, 78 and 80 and numerous chapters in prior years);
- pesticide controls (L. 1960, c. 284), and the establishment of a Pesticide Control Board in the State Health Department (L. 1964, c. 423);
- quality controls over commercial fertilizers (L. 1965, c. 847);
- strengthening of bargaining powers of farmer cooperatives, by requiring milk dealers and processing plant operators to pay members' dues directly to authorized cooperatives (L. 1962, c. 515; L. 1964, c. 331);
- increased financial aid for county extension services and rural youth groups, from \$623,232 in fiscal 1958-59 to \$945,971 in 1965-66;
- improved programs for migrant farm workers, detailed under “Labor” in this Appendix;
- expansion of the New York State Fair into a State Exposition; and
- intensive promotion of New York State agricultural products.

ECONOMIC GROWTH

“... existing State programs for ... helping and encouraging business and industrial growth ...”

(Annual Message, p. 11)

The State's economy is healthy. The seasonally-adjusted index of business activity in New York State averaged 126 (1957-59 = 100) in the first ten months of 1965, a gain of 30 percent since 1958.

Jobs are at a record level, with nonagricultural employment averaging an all-time high of 6,434,000 during the first ten months of 1965.

Unemployment is down, with the rate for October, 1965 dropping to 3.8 percent.

Personal income in New York State in 1964 reached an all-time high of \$66.6 billion. Personal income per capita rose to another all-time high of \$3,162 in 1964. Average earnings of manufacturing production workers are now at an all-time high of \$108 per week.

Construction continues at a high level. The value of construction contracts in New York State from January 1959 through October 1965 totaled \$24 billion. Private investment in new plants and equipment amounts to more than \$2 billion per year. Over 4000 major new manufacturing plants and expansions of existing plants have been announced since January 1959.

Among the ways in which the State has contributed to this record of economic growth during the past seven years, have been:

- encouragement of industrial research and development, by permitting a one-year write-off, for State tax purposes, of new research and development facilities (L. 1963, c. 446);
- encouragement of plant expansion, by permitting the tax write-off of new plant and equipment at a rate twice that permitted for Federal tax purposes (L. 1963, c. 446);

- tax relief to small business, by revising the unincorporated business tax so as to make 42 percent of unincorporated businesses exempt from this tax, with another 22 percent receiving some tax relief (L. 1960, c. 564) ;
- improvement of the competitive position of New York business mufa for goods sold interstate (L. 1961, c. 713) ;
- encouragement of new or expanding industries, through revisions in the corporate franchise tax and unincorporated business tax to permit carry-forwards and carry-backs of net operating losses (L. 1961, c. 713) ;
- tax relief for bus companies (L. 1960, c. 1081) ;
- creation of the Job Development Authority (L. 1962, c. 502) to extend low-interest loans to local development corporations for the construction and rehabilitation of industrial plants and other facilities to attract and retain industry in New York State, a program
 - under which 148 loans totaling almost \$21 million have been made since 1962 ;
 - which assisted in the purchase of land and construction of industrial buildings, costing approximately \$70 million ; and
 - provided over 7,700 new jobs, saved 2,800 other jobs and benefited the economies of communities throughout the State.
- opening of State Commerce Department offices in Chicago, Los Angeles, and the creation of a new Division of International Commerce in the State Commerce Department, with offices in Brussels and Montreal, to develop markets for New York State products, advise businesses of the advantages of locating in this State, and promote travel in the State (where tourism is now a \$3 billion-a-year industry) ;
- provision of over \$12.5 million for the development of the ports of Buffalo, Oswego and Ogdensburg ;
- establishment of a \$2.2 million Nuclear Research Center at the State University at Buffalo ;
- creation of the Office of Atomic and Space Development and the Atomic and Space Development Authority, to promote and develop new facilities in the field of nuclear energy (L. 1959, c. 41 ; L. 1962, c. 210 ; L. 1964, c. 366) which
 - sponsor the \$30 million Western New York Nuclear Service Center in Cattaraugus County, the nation's first state-sponsored privately-owned nuclear fuel reprocessing plant ;
 - are developing a water desalting plant, using nuclear power, on Long Island ;
 - are assisting in the construction of a \$5,200,000 Nuclear Structure Laboratory at the University of Rochester ; and
 - operate the Malta Test Station in Saratoga County, the first state-owned rocket development and test installation in the United States ;

- establishment of an Advisory Council for the Advancement of Industrial Research and Development, to promote the service available from the 1,200 industrial research laboratories in New York ; and
- establishment of the Science and Technology Foundation, with appropriations to date of \$1 million, to encourage basic and applied research in colleges and universities (L. 1963, c. 432) .

LABOR

"... existing State programs for ... improving conditions for labor ..."

(Annual Message, p. 11)

A healthy economy provides the greatest opportunity for the State's skilled labor force. Employment, personal income and average wages are all at record highs, and unemployment is down.

Within the framework of the State's healthy economy, the State has acted to benefit labor in the areas of social insurance, collective bargaining and union security and improved pay and working conditions.

Social insurance for the unemployed and injured has been strengthened by

- increasing maximum unemployment insurance benefits by 22 percent since 1959 (L. 1960, c. 783 ; L. 1965, c. 390) ;
- increasing maximum disability benefits by 22 percent since 1959 (L. 1960, c. 790 ; L. 1965, c. 392) ;
- increasing maximum workmen's compensation benefits by 33 percent since 1959 (L. 1960, c. 792 ; L. 1962, c. 55 ; L. 1965, c. 391) ;
- extending unemployment insurance, disability benefits and workmen's compensation coverage to hundreds of thousands of additional workers ;
- encouragement of job training and retraining by permitting unemployed persons to take vocational training courses without loss of unemployment insurance benefits (L. 1960, c. 783) ;
- extension of workmen's compensation benefits to cover disabilities of shorter duration (L. 1960, c. 789 ; L. 1965, c. 500) and to cover workers whose employers fail to provide insurance (L. 1959, c. 578) ;
- institution of a strong rehabilitation program under workmen's compensation for seriously injured workers ;
- restoration of fiscal soundness to the unemployment insurance system (L. 1963, c. 630-631) ; and
- programs for vocational rehabilitation, detailed under "Man-power Training" in this Appendix.

Collective bargaining and union security have been fostered during the past seven years by

- the Governor's consistent opposition to enactment of a so-called "right-to-work" law in New York State;
- legislation extending collective bargaining rights (with appropriate no-strike and no-lockout guarantees) to employees of non-profit hospitals and residential care centers in New York City (L. 1963, c. 515), and upstate (L. 1965, c. 133); and
- the Labor and Management Improper Practices Act (L. 1959, c. 451) requiring unions and employers to file annual financial reports open to public inspection—a statute under which organized labor has cooperated with the State Labor Department to combat "sweetheart" contracts and other improper practices.

Pay and working conditions have been improved during the past seven years by

- enactment of the State's first statutory minimum wage—established at \$1 per hour in 1960 (c. 619) and increased in two stages to \$1.25 per hour (L. 1962, c. 439); the Governor in 1965 proposed legislation to raise the State minimum wage to \$1.50, contingent on similar action by the Federal Government; and
- increased protection for migrant farm workers, including
 - expanded registration requirements for employers and crew leaders;
 - expanded requirements for keeping appropriate payroll and other records;
 - clarification of the responsibilities of employers and crew leaders to their workers;
 - institution of a requirement that crew leaders must submit copies of their fingerprints;
 - institution of a new informational program in 1962 to be sure that workers are aware of their legal protections; and
 - expansion of summer schools for migrant children.

CRIME

"... the State must continue ... and step up its aid to local governments and to its citizens in the fight against crime ..."

(Annual Message, p. 12)

In the past seven years, the State has fought crime by direct State action, by assisting local law enforcement activities and in strengthening the State's criminal law and the administration of criminal justice.

Direct State actions have included:

- reorganizing the State Police and increasing its manpower by 72 percent since 1959;

—continued support of the State Investigation Commission (L. 1962, c. 478; L. 1965, c. 134);

—providing for a School of Criminal Justice in the State University; and

—establishing the New York State Identification and Intelligence System, to employ modern computer techniques in a voluntary information-sharing network among State and local law enforcement agencies (L. 1965, c. 353).

State assistance for local law enforcement work has included:

- creation of the Municipal Police Training Council (L. 1959, c. 446), and the establishment of in-service training programs and the nation's first minimum training requirements for police recruits;
- legislation establishing standard qualifications for new policemen (L. 1965, c. 326);
- authorizing police to stop and frisk persons reasonably suspected of crime (L. 1964, c. 86);
- authorizing the execution of search warrants without advance notice if such notice would endanger life and limb or allow destruction of the property sought (L. 1964, c. 85); and
- creation of a Division of Police Administration Services in the Office for Local Government (L. 1965, c. 362) to act as a clearinghouse for developments in police administration.

During the past seven years, the administration of criminal justice in New York State has been strengthened by

- reorganization of State and local court systems, pursuant to a 1961 constitutional amendment (L. 1962, c. 684-705);
- establishment of sentencing institutes for judges (L. 1962, c. 547);
- improving parole supervision through expansion of the Board of Parole (L. 1962, c. 549; L. 1963, c. 207) and appointment of additional parole officers to reduce caseloads;
- strengthening of laws governing licensure of bail bond agents (L. 1962, c. 545);
- extension of 50 percent State aid to the full cost of local probation services (L. 1965, c. 82);
- expansion of programs to deal with juvenile delinquency, detailed under "Youth" in this Appendix; and
- protecting the rights of indigent defendants, by requiring counties to provide a public defender or assure equivalent private service (L. 1961, c. 365; L. 1962, c. 881; L. 1965, c. 878).

During the past seven years, the State's criminal laws have been strengthened by:

- thorough revision of the Penal Law (L. 1965, c. 1030) for the first time in 80 years, pursuant to recommendations of the

- Temporary State Commission on the Revision of the Penal Law and Criminal Code (created by L. 1961, c. 346);
- restoring the ancient power of grand juries to make presentments (L. 1964, c. 350);
- tightening the State's usury laws to combat the loan shark racket (L. 1965, c. 328); and
- mandating minimum jail sentences for multiple offenders of gambling laws (L. 1960, c. 549), and increasing penalties for syndicate-type gambling violations (L. 1960, c. 548).

NARCOTICS

"... an all-out attack on a prime cause of crime—narcotics addiction..."

(Annual Message, p. 12)

During the past seven years, the State has acted (1) to treat and rehabilitate narcotics addicts, and (2) to control the availability of narcotics and other dangerous drugs.

- (1) For the treatment of narcotics addicts, the State has
 - established more than 500 hospital beds (to be 650 by March, 1966) for treating narcotics addicts in the State Department of Mental Hygiene, there having been no such facilities in 1958;
 - enacted legislation (the "Metcalf-Volker" Law) to enable narcotics addicts accused of crime to elect a term of hospitalization instead of standing trial (L. 1962, c. 204);
 - created a Drug Addiction Unit in the Department of Mental Hygiene and created a Council on Drug Addiction (L. 1962, c. 204);
 - greatly increased the number of personnel in the Department of Mental Hygiene for handling narcotics addicts, from 12 in 1958-59 to 708 in 1965-66;
 - increased after-care programs, including State-operated clinics and State financial aid for local clinics—programs that received \$1.9 million in State funds in 1965-66; and
 - increased four-fold the expenditures for the special program for parolees from State prisons who have histories of narcotics addiction, from \$40,000 in 1958-59 to \$160,000 in 1965-66.
- (2) To control the availability of narcotics and other dangerous drugs, the State has
 - raised expenditures for narcotics licensing and control to a 1965-66 level 160 percent of the 1958-59 level;
 - controlled use of narcotics in nursing homes (L. 1961, c. 884);
 - regulated the possession and sale of barbiturates and other drugs having an incidental narcotic effect (L. 1965, c. 323).

HEALTH

"... the State that does most to protect its citizens against the adversities of illness and the problems of old age..."

(Annual Message, p. 18)

The State's programs in public health—in addition to those involving environmental sanitation, such as the Pure Waters and Air Pollution programs described in the Annual Message—are designed to combat disease, raise the quality of medical service, and keep down the costs of good health care.

Since 1959 the State has acted to combat disease and raise the quality of medical service by

- establishing a heart disease unit in the Department of Health in 1961;
- increasing support for cancer research at Roswell Park Memorial Institute in Buffalo to a 1965-66 level that is 153 percent of the 1958-59 level;
- regulating laboratories and blood banks (L. 1964, c. 217);
- encouraging the rendering of emergency medical services by enacting "good samaritan" laws to protect physicians and nurses from certain lawsuits arising from such services (L. 1964, c. 937; L. 1965, c. 981);
- requiring infants to be tested for phenylketonuria (PKU) in time for effective treatment (L. 1964, c. 785);
- authorizing the State Health Commissioner to audit the quality of medical care (L. 1963, c. 326); and
- requiring licensure of x-ray technicians (L. 1964, c. 295).

The State has acted to keep down the costs of health care. The landmark 1965 report of the Governor's Committee to Study Hospital Costs (the "Folsom Committee") was implemented by legislation (L. 1965, c. 795) which

- centralizes in the Department of Health the State's responsibilities relating to construction and operation of hospitals and nursing homes;
- requires the prior approval of the Health Commissioner for construction and modification of health facilities;
- authorizes the Health Commissioner to inspect and certify fitness and adequacy of health care facilities;
- requires the Health Commissioner to establish uniform systems of cost analysis, reports and audits for hospitals;
- requires that the Health Commissioner certify to the Insurance Department as to reasonableness of proposed rates for payment of hospital charges, and to the Budget Director for welfare rates;
- authorizes health insurance carriers to furnish both medical expense indemnity and hospital service benefits under a single contract, and to expand hospital services coverage to include out-patient hospital care;

- requires increased subscriber and public representation on boards of directors of Blue Cross; and
- authorizes Blue Cross to embark on new forms of service benefits on an experimental basis.

Other important steps taken by the State in this vital field include:

- authorization for the pioneering "New York 65" plan of health insurance for the aged (L. 1962, c. 236);
- expansion of the physically handicapped children's program from an original emphasis on orthopedic disabilities to include rehabilitation of victims of cancer, diabetes, cystic fibrosis and other chronic diseases (L. 1963, c. 701) and to treat 10,000 more children in 1965 than in 1959;
- reduction of statutory reserve requirements (L. 1965, c. 137) and permissible administrative costs (L. 1965, c. 388) to help hold down rates of health insurance plans;
- expansion of home care services for the chronically ill (L. 1960, c. 1079; L. 1962, c. 879; L. 1963, c. 638);
- increased vaccination programs to strengthen immunization against serious diseases, including a new program to help eradicate measles (L. 1965, c. 344);
- support for an extensive program of health care for the medically indigent detailed under "Welfare" in this Appendix;
- programs to help meet the special problems of the aging, including health care problems, detailed under "Aging" in this Appendix.

REAPPORTIONMENT

"... I urge your Honorable Bodies to act swiftly on a fair and valid plan for legislative reapportionment..."

(Annual Message, p. 19)

The background for the present State legislative apportionment situation in New York State is as follows:

Apportionment Rules and State Action prior to Supreme Court Decisions of 1964:

The present rules for State legislative apportionment were added to the Constitution in 1894. Under those rules, each county was guaranteed at least one seat in the Assembly, and Senate seats were apportioned under a complex formula. The Constitution also set out detailed rules for the drawing of district lines in multi-member counties.

The last State legislative apportionment prior to 1964 was at a special session of the legislature in 1953. The State Constitution required the Legislature to be apportioned after each decennial census—specifically at the first regular session after 1960, and not

later than 1966. But because reapportionment litigation was pending in federal courts, the Governor in 1963 asked the Legislature to defer action until the litigation was decided.

Litigation and State Action after Supreme Court Decisions of 1964:

On June 15, 1964, the United States Supreme Court in *WMCA, Inc. v. Lomenzo* held that the apportionment provisions of the State Constitution did not provide for apportionment sufficiently on an equal population basis.

Two weeks after the Supreme Court decision, the Governor and the Legislative Leaders announced that the Governor would appoint a Citizens' Committee on Reapportionment and that, after the Committee reported, a special session of the Legislature would be held to enact an appropriate plan.

On July 12, 1964, the Governor appointed a seven-member, bipartisan Citizens' Committee on Reapportionment, and directed it to consider ten basic questions involved in complying with the Federal court orders consistent with the Constitution and tradition of the State.

On July 27, 1964, the Federal District Court ordered that, not later than April 1, 1965, the Legislature enact a valid apportionment plan and that a special legislative election be held under that plan in November 1965.

On November 30, 1964, the Citizens' Committee on Reapportionment submitted its 42-page Report, which answered the Governor's ten questions, and indicated the many questions left unresolved by the court decisions to date.

On December 1, 1964, the Governor called a special session of the Legislature for December 15th, as he had indicated the preceding July he would do after the Citizens' Committee reported.

On December 15, 1964, the Governor placed before the Legislature the subject of apportionment and districting of the Senate and Assembly.

Also on December 15th, the Joint Legislative Committee on Reapportionment submitted its Report (1964 Legis. Doc. 76) to the Legislature, concurring in and expanding upon the findings of the Citizens' Committee on Reapportionment, including the findings that (i) voters might be the measure of population that would best comply with the U. S. Supreme Court decision, and (ii) the State Constitution guarantee of one Assembly seat per county might validly be preserved through the use of fractional voting.

The Joint Legislative Committee recommended that the Legislature enact four apportionment and districting bills—the basic bill to raise fewest constitutional questions (citizen base, whole votes only, and crossing county lines in both houses), and each of the succeeding three plans to be a chapter amendment to the bill preceding it, introducing one constitutionally novel but desirable feature, so that the fourth plan would have both a voter base and fractional voting in the Assembly.

On December 22, 1964, the Legislature passed and the Governor signed four bills embodying the four apportionment and districting plans (commonly known as Plans A, B, C and D) recommended by the Joint Legislative Committee.

On December 30, 1964, the Joint Legislative Committee submitted a Supplemental Report (1964 Legis. Doc. 76-A), giving detailed statistical analyses and maps of the legislative districts under each of the four plans.

Litigation and State Action during 1965:

In February, 1965, the Federal District Court in WMCA, Inc. v. Lomenzo held that both a voter base and fractional voting were invalid under the United States Constitution, thus invalidating Plans B, C and D. The Federal Court held, however, that the basic plan (Plan A) was valid under the Federal Constitution and should be used at the 1965 election. The Federal Court declined to consider arguments under the State Constitution.

In April, 1965, the State Court of Appeals in Matter of Orans held that Plan A violated the provision of the State Constitution that the Assembly have 150 members (the Plan A Assembly had 165).

On May 5, 1965, the Joint Legislative Committee on Reapportionment, under the changed legislative leadership, announced proposed districts for a 150-member Assembly. The districts were never officially presented to the Legislature or the courts, however, and the Joint Legislative Committee did not publicly announce any proposed Senate districts.

Later in May, 1965, the Federal District Court in WMCA, Inc. v. Lomenzo ordered that the Plan A districts be used for the 1965 election notwithstanding the decision of the State Court of Appeals that Plan A violated the State Constitution.

In July, 1965, the State Court of Appeals in Glinki v. Lomenzo enjoined the holding of a legislative election under the Plan A districts in 1965, on the ground that Plan A violated the State Constitution and could not be used unless expressly so ordered by the Federal courts.

In July, 1965, the Federal District Court in WMCA, Inc. v. Lomenzo stated that its May 1965 order was intended to provide for a 1965 legislative election using Plan A, notwithstanding its violation of the State Constitution. The Federal District Court enjoined all persons from interfering with the 1965 election.

In September, 1965, the State Supreme Court, in Matter of Orans, ordered the State to formulate a valid apportionment and districting plan by February 1, 1966, and declared that "reapportionment is a function which can be best accomplished by the Legislature."

On August 27 and October 26, 1965, the Governor requested the Speaker of the Assembly and the Temporary President of the Senate to submit to him as soon as possible a report of the progress of the Joint Legislative Committee on Reapportionment in preparing to meet the court deadline. No such report was submitted.

On November 4, 1965, the Speaker and Temporary President convened a separate Advisory Council on Reapportionment.

Message Proposing Emergency Legislation to Help the City of New York to Meet Its Current Financial Crisis Caused by the Transit Strike

STATE OF NEW YORK—EXECUTIVE CHAMBER

ALBANY, January 17, 1966

To the Legislature:

The transit strike was a crippling economic blow to New York City and its people with severe consequences to the economy of this State.

I therefore am asking your Honorable Bodies to take certain emergency actions which will help the City of New York to meet its current financial crisis without establishing any new or recurring obligations for the State of New York.

These actions will have the net effect of producing an additional \$100 million cash for the City of New York before April 1 including the cash necessary for the City to maintain the 15-cent transit fare in line with Mayor Lindsay's pledge and his proposal to merge the Triborough Bridge and Tunnel Authority with the New York City Transit Authority.

They would in no way affect the fiscal soundness of the State's finances nor my budget proposals to keep the State within the existing revenue structure for the next fiscal year.

Thirty years ago, Governor Lehman deferred a one-quarter payment of the State aid for schools. This was done to meet a State fiscal problem of the depression era. Down through the years, this situation was never corrected in the cases of New York City, Syracuse, Albany and Yonkers. I therefore propose that your Honorable Bodies make a deficiency appropriation in the current fiscal year of \$49,000,000 for New York City toward elimination of this item, and appropriations of \$1,491,979 for Syracuse, \$569,884 for Albany and \$1,108,805 for Yonkers in the next fiscal year.

I also propose that you appropriate an additional \$20,000,000 to New York City this fiscal year from proceeds of the stock transfer tax. Your previous appropriation of \$60,000,000 to the City from these funds was based on early estimates of stock transfer tax revenues now revised upward to \$80,000,000. The additional appropriation now would carry out the Legislature's expressed intention to make these proceeds fully available to the City of New York as compensation for the one-point reduction of the City sales tax when the State enacted its 2 per cent sales levy with a 5 per cent State-local ceiling.

I am also recommending a deficiency appropriation of \$15 million and an advance of \$16 million in State aid payments for social welfare purposes in New York City, and a deficiency appropriation of \$6.5 million and an advance of \$6.1 million for such purposes in welfare districts outside of New York City.

I am submitting later today the bills necessary to implement the recommendations set forth in this Message. I am further prepared to send a Message pursuant to the provisions of Section 14 of Article III of the Constitution to permit immediate consideration of