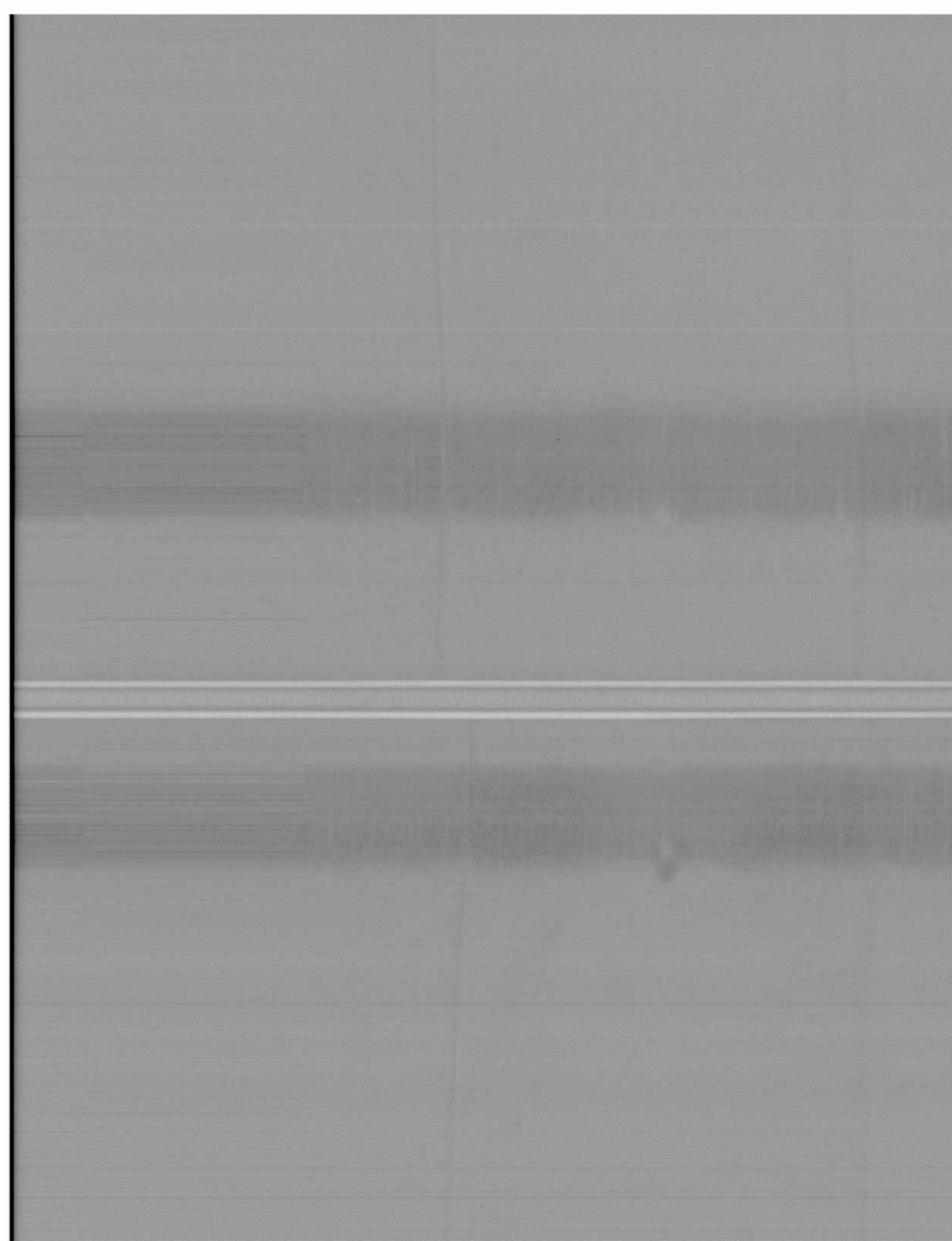




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MESSAGES TO THE LEGISLATURE

Regular Session—Convened January 7—Adjourned April 20

ANNUAL MESSAGE

STATE OF NEW YORK—EXECUTIVE CHAMBER

ALBANY, January 7, 1970

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

We are here today to examine challenges, weigh priorities and set goals for the 1970's.

We are here to make judgments together on the actions that will most effectively realize the opportunities before us in the decade ahead.

We undertake this task in the knowledge that never before in history has any nation made such rapid improvement in the quality of life for its people.

The decade of the 1960's brought unprecedented progress in terms of industrial expansion, high employment, rapidly rising personal income, and vastly enlarged opportunities for self-realization for most people.

But the result of increased opportunity and rapidly rising standards of living has of necessity been an accelerating rate of change—change that increasingly affects the mores and the very fabric of our society.

These changes in our economic and social patterns have resulted from an ever-accelerating rate of scientific discovery and revolutionary advance in technology.

And they have produced two significant effects:

—First, uncertainty, insecurity and fear.

—Second, a weakening of traditional moral values, guidelines and restraints.

And so we have witnessed an increase in juvenile delinquency, in excessive use of drugs, in crime and in violence. This in turn has caused increased fear, bitterness, and polarization in our society.

On the other hand, there are also very positive forces developing:

Forces that give us hope we may be entering a significant period of self-renewal as a society.

More and more people — and especially young people — are questioning hypocrisy and injustice in our society. They also question the mad scramble for material progress which, unless checked, may well be on the way to despoiling our environment.

Thus the danger that apathy, selfishness and indifference could engulf and destroy our affluent society is being challenged by a rebirth of idealism and concern.

For those of us who have been trying to shape change, so it would serve mankind and not overwhelm and destroy us, these new forces give great hope:

Hope that this can be an era of true progress — an era in which peace and justice, faith and love will prevail.

Our challenge is to create a framework to shape forces of change so they serve our goals.

We can overcome poverty and injustice.

We can achieve the kind of progress that will restore faith in ourselves and our society.

We can restore that individual sense of meaning and purpose, of hope and confidence so essential to the quality of life for all.

But in order to do so, three things are essential:

—First, clear goals must be established and agreed to by the people;

—Second, effective priorities adopted and supported; and,

—Third, means and mechanisms to carry them out.

We are fortunate that this free society of ours, operating as it does within the framework of a federal system, provides freedom of action at all levels for the initiative and participation of the individual citizen.

Those of us elected to public office have a special responsibility to listen to the people and to lead.

During the past decade, together, we have forged a record here in New York — you as legislators and I as Governor — that has placed the Empire State in the forefront in meeting the needs of the people.

We have led the way for the Nation as a whole.

No State in the United States matches New York today in the support of public schools.

No State in the United States is expanding opportunity in higher education to a degree that even begins to approach our pace in New York.

No State in the United States — except New York — has recognized a major state role in improving mass transportation.

No State administration has done so much to help the people of our great metropolitan areas.

This record of new and bold approaches to problems new and old is also clear in our initiatives:

- To fight crime and narcotics addiction,
- To further urban development and housing,
- To protect the health of the individual,
- To promote and make available the arts,
- To expand State parks and recreational facilities,
- To provide all those services the citizen expects and deserves from responsible government.

All this has been made possible in large measure because of an unprecedented growth of the State's economy. Since 1959, over 7,000 business firms have either located or substantially expanded their operations here in New York State. Personal income, disposable income, factory earnings and the index of business activity are all at all-time highs. This economic expansion has been and remains a cornerstone of the policy of this administration.

In one area after another, New York has demonstrated the capacity to understand and to deal with emerging problems. It has been a great period of joint pioneering and progress. Now as we enter the next decade, it is time to take stock together.

On the basis of our past experience, with a sensitive understanding of human needs and aspirations in New York State, we must set new goals and priorities that will reflect the new conditions that lie ahead in the 70's.

In its year-end report, the State's unique Office of Planning Coordination points out that:

"Development planning in the 70's must reflect a primary concern for raising the quality of life in the State — through the improvement of social and economic opportunities and the enhancement of the natural environment.

"Knowledge of the patterns of probable population growth and change is essential for assessing the need for public services and for evaluating investment and development policies.

"New York's population will surpass 20,000,000 in the decade of the 1970's with additions expected to average roughly 200,000 a year. The State at this rate will add 2,000,000 persons over the decade, an increase of over 11 percent. This is the equivalent of four times the current population of Buffalo or ten times that of the City of Syracuse. And it implies the need for an additional nine-tenths of a million jobs and two-thirds of a million housing units.

"New York State has, unquestionably, an economy more diverse, complex and mature than that of any regional economy in the world.

"New York State's economic growth in the next decade will occur within an environment of rapid socio-economic change.

"The coming of age of the postwar generation, higher levels of education, rising affluence, changing technology, new jobs and higher productivity will be among the important forces driving the economy to new heights.

"Responsible policy coordination and planning, with the enlightened partnership of public and private efforts to expand New York's economy, should provide the basis for surpassing the high levels of activity currently foreseen."

Thus we begin to see the magnitude of the challenges before us.

The legitimacy of our democratic system — its ability to meet these challenges — is on trial before the world.

Based on what lies ahead, and guided by the experience of the past 11 years, I present to your Honorable Bodies five interrelated goals for the decade of the 70's to improve the quality of life for all New Yorkers:

1. To eliminate poverty and injustice and to make the opportunity for good education and good health a universal right.
2. To make all our communities safe, healthy and attractive places in which to live, work and bring up our children.
3. To restore and protect the quality of our environment.
4. To improve the climate for the growth of free enterprise and personal economic security.
5. To assure that government remains responsive to the people and their needs.

Our goals can be nothing less.

I will treat with each of these goals for the 70's in this Message and recommend means and mechanisms to carry them out. In my Executive Budget, I will recommend the priorities.

It is no simple matter to maintain the momentum of progress. State and local governments are passing through an extremely trying period. There is no State today that is seriously attempting to meet the needs of its people that is not at the same time suffering severe financial problems. The same is especially true for the cities, but it is also true for other local governments. The problem has been greatly exacerbated by the forces of inflation.

Not only have the demands risen but the cost to state and local government of providing needed services has soared. No matter how courageous, determined or innovative state and local governments may be in seeking to meet the needs of their people, the simple fact is that the capacity of these governments to raise needed revenues on a sound basis is limited.

Therefore, the Executive Budget will reflect my determination to hold the line against pressures for excessive State spending — and against any increase in State taxes.

To summarize, three things are becoming increasingly evident:

First, this Nation must meet its responsibilities on the home front.

We can no longer tolerate poverty, hunger, injustice, deterioration of our cities, inadequate housing, faltering mass transportation, poor education and poor health — now that we have the capacity and resources as a Nation to meet these needs.

Second, only the Federal Government has the magnitude of resources necessary to make this possible.

The Federal Government collects 64% of all the taxes in the country. This year, for instance, New York State taxpayers alone are sending \$22 billion to Washington — but we get back only 7¢ on each dollar. This much money cannot be drained off from our communities with so little coming back if we are to meet our responsibilities to the people at home.

Until a week ago, the Congress and the President would have been in a position to have devoted for the next six years, say, 35 or 40% of an average \$18 billion annual growth in Federal revenue to these problems, without cutting into their other responsibilities. It would have meant that by 1976 — our 200th anniversary as a Nation — Washington would have been returning an additional \$40 billion a year to state and local government. Only this magnitude of aid will make possible the realization of our goals.

President Nixon had already made some extremely significant and innovative recommendations to the Congress concerning a greatly enlarged assumption of a responsibility by the Federal Government in the field of welfare, and also an initial step in the field of revenue-sharing.

But last week, in an election year mood, the Congress cut taxes for everyone — thus not only fanning the fires of inflation, but also reducing greatly the possibility of the Federal government assuming its full share of responsibility for meeting the people's needs at home.

Unless Congress has the courage to correct this disastrous action at the next Session, sufficient money won't be there to do the job in the decade ahead.

Third, it has become increasingly evident that while the more concerned States, which try desperately to meet the needs of their people, have enacted major increases in their State taxes, other States have not. We already have a situation where these discrepancies in State tax levels are adversely affecting the movement of job-producing business and industry away from socially-conscious States like New York.

In fact, New York State and local taxes combined now represent the highest tax effort of any competitor State.

In view of this situation, I would hope that all state and local public officials would join me in a concerted effort to impress upon the Federal government the urgency for greatly increased federal assistance and to support steps that would bring this about. For unless the Congress reverses its year-end tax cuts, which are not only inflationary but also reduced the basis for federal revenue growth so necessary to provide the funds to meet our acutely urgent human needs at home, the President may well be forced by events to turn to a wage-price-dividend freeze.

In the meantime, however, we cannot use the present lack of adequate federal assistance as an excuse for irresponsibility or inaction. We can and we must work together to achieve the goals I have outlined for the decade of the 70's — and I am confident that the Federal government must soon recognize its major home front responsibilities. Let us turn now to my specific recommendations for the consideration of your Honorable Bodies at this Session.

I. "TO ELIMINATE POVERTY AND INJUSTICE AND TO MAKE THE OPPORTUNITY FOR GOOD EDUCATION AND GOOD HEALTH FOR UNIVERSAL RIGHT."

The achievement of this basic goal, to assure a quality of life for all New Yorkers, must relate to the whole man and all the facets of life that touch him. While I will consider the various facets separately, grouped under my five major goals, I am equally conscious of their interrelation and interdependence in achieving the ultimate objective — namely, opportunity, justice, and respect for the dignity of each individual.

In this first section, I will deal with the basic and essential elements which contribute to each individual's ability to achieve quality in his or her own life — full opportunity for a good education and training, good health care, a good job, decent wages, protection against exploitation or discrimination in any form, and, where needed, the necessary social services for the family, the aged, the blind and the disabled, as well as the care of the young and good nutrition for all.

4. Education

New York State leads the nation in the amount it invests in the education of its young people. And this investment is returned manifold in the form of men and women well educated and well trained to be productive, self-sufficient citizens. But we cannot rest on past accomplishments. Much more remains to be done.

1. Primary and Secondary Education

I propose an increase in the ceiling on State aid to schools from \$760 to \$900 per pupil. This increase, supported by the Board of Regents, will carry forward the excellence of our State primary and secondary school system in the face of rising costs. It will also help ease the pressure on local property taxpayers, who bear a heavy burden for the support of primary and secondary education.

To further help in this respect, I will recommend additional assistance for those school districts which would not benefit sufficiently from the proposed increase in the ceiling, and a first step toward 50-50 State sharing of school costs.

Perhaps the most important step taken in recent years has been the appointment by the Board of Regents and myself of a distinguished special commission to study the quality, cost and financing of primary and secondary education, public and private. We look to this commission to determine how we can get more for our educational tax dollar. We look to it for long-range solutions to the problems of maintaining the pre-eminent quality of education in New York State on a responsible, manageable fiscal basis.

2. Repealing Blaine Amendment

The special commission will have as a major part of its concern the long-term relationship between public and private schools, with special emphasis on the fiscal problems of the private schools, with the objective of developing appropriate ways in which the State can help further to insure the quality of education for children attending private schools.

In order that your Honorable Bodies may be in a position to respond positively to these recommendations in the future, I recommend that, at this Session there be a first passage of a Constitutional amendment to repeal the Blaine Amendment to the State Constitution and to substitute the less restrictive language of the Federal Constitution on separation of church and state. I am confident the latter provisions will amply safeguard the rights of all the people while affording greater flexibility in meeting the educational needs of all the people.

By giving first passage this year to a constitutional amendment to repeal the Blaine Amendment, your Honorable Bodies will avoid a possible three-year delay in implementing recommendations for State aid to non-public schools. Failure to act this year would result in postponing the opportunity for the people to consider this issue until 1978, at the earliest.

3. Full Opportunity Program

I recommend a "Full Opportunity" program offering access to a meaningful further education for every young man and woman graduating from high school in New York State.

"Full Opportunity" recognizes that education beyond high school — whether technical or academic — is increasingly an entrance requirement to a full life in modern society.

We have taken giant strides towards fulfilling that goal. The growth in State University enrollment from 38,000 to 180,000 full-time students in 11 years is one demonstration of that fact.

As we embark on the next decade, however, we must recognize that the needs and demands for education beyond high school grow constantly, particularly for educational opportunities which combine academic training and post-high school vocational training.

The elements of the proposed Full Opportunity program include:

—An increase in State operating aid for community colleges from 33⅓% to 40% for those community colleges submitting acceptable plans for admission of all high school graduates in their area who apply.

—Requiring Agricultural and Technical colleges to expand their admissions to accept all students applying from areas not presently serviced by community colleges.

—Creation of an Occupational Training Assistance Corporation to guarantee loans enabling individuals to purchase specific skill-training from both public and private resources.

—Expansion of SEIEK and other remedial and preparatory programs at State University, City University of New York and the private colleges.

—Expansion of State University Urban Centers to provide occupational education for additional urban citizens.

—Initiation by State University colleges of an innovative off-campus study program to permit a further increase in enrollment of 1,300 additional students this Fall.

—An increase of commuter enrollments in State University senior colleges to provide for a further increase of 1,600 additional students this Fall.

—Funds to pay the State's share of full implementation this Fall of the "Open Admissions" program of the City University of New York.

—Establishment of a network of higher education intake centers, jointly sponsored by State University and private colleges in urban areas and designed to provide sound remedial and preparatory education as a basis for transfer to one of the sponsoring colleges.

—Encouraging private colleges to increase admissions, on the basis of Bundy aid and other special State assistance.

B. Health

The availability of good health care is inseparably linked to the quality of life; indeed, I believe that access to good health care must be regarded as a fundamental human right.

New York State leads the nation in its programs to help fulfill the health needs of its citizens.

The present system of Medicaid and Medicare will never, in my opinion, be able to meet the health care needs and costs of all New Yorkers.

In the past eleven years, we have pioneered in our efforts to improve the efficiency and availability of hospital care. Health Guides, ghetto medicine and the rodent control program have expanded vitally needed services to low income areas — particularly in our cities. In addition, we have expanded our specialized programs through the Birth Defects Institute, the Kidney Disease Institute, the Bureau of Heart Disease and increased support for cancer research at Roswell Park.

Additional measures are necessary to achieve a fuller opportunity for good health care in the State. I will therefore again submit recommendations to achieve this goal, including:

1. Universal Health Insurance

I have consistently advocated a system of contributory universal health insurance as the first line of defense against illness and accident. Universal Health Insurance would cover a major portion of the hospital and medical needs of the vast majority of the State's working men and women and their families.

With employees and employers sharing the cost, Universal Health Insurance would:

—Give the beneficiary a direct stake in prudent management of the system;

—Avoid the welfare stigma which discourages many from using publicly-funded medical care; and

—Build on the existing public and private insurance industry.

Universal Health Insurance is rapidly gaining new adherents as the right answer to the Nation's spiralling medical care costs. The Nation's governors endorsed it at their last conference.

This will be the fourth year your Honorable Bodies have had an opportunity to consider this program for the people of our State. The facts, the figures, and the magnitude of the problems are all well known to you. Clearly, the time for action is now.

2. *Blue Cross and Blue Shield*

Even under Universal Health Insurance, voluntary non-profit health insurance plans, such as Blue Cross and Blue Shield, would continue to provide the principal source of health protection for millions of New Yorkers. Recent substantial increases in the cost of this coverage to the consumer have underscored the importance of a special effort to make certain that these programs are fully responsive to public need.

I will therefore recommend legislation which would require:—Additional public participation on Blue Cross and Blue Shield boards; and,

—Public hearings before rate increases or benefit reductions are approved.

3. *Hospital Cost Control Program*

Over the past few years, hospital and related medical costs have increased at a rate substantially greater than the cost of living generally. Last year, in an effort to halt such increases, your Honorable Bodies enacted a nine-month hospital rate freeze, a new low-cost loan program, and a new hospital cost control program.

Recently, federal courts have raised serious questions concerning the constitutionality of the rate freeze and the cost control formula itself. However, we will continue to work with the U. S. Department of Health, Education and Welfare in an attempt to develop a formula which will meet federal standards. Unless such steps are taken, we may be forced to abandon the State's pioneering cost control program. At best, under existing Federal law, we can expect to have only a mild impact on increasing hospital costs.

4. *Delivery and Cost of Medical Services*

Undeniably, this Nation's health service industry is plagued by duplication, waste, overlap, poor coordination and in general an absence of any genuine health system. The price of these failings is paid in higher medical costs and reduced quality of medical care.

Last November, I asked my Steering Committee on Social Problems, a group of outstanding citizens, to examine thoroughly the distribution and economics of medical and hospital care and to make recommendations for correcting present deficiencies. It is the same committee that proposed some excellent changes in the Nation's public welfare system, many of which are now reflected in President Nixon's new welfare proposals.

5. *Health Manpower*

Health services here and throughout the nation suffer from a chronic shortage of manpower at almost every level of health

occupation. As an additional corrective step, this administration plans to encourage private medical schools to develop educational programs in community medicine similar to those now required of the State University to fill the desperate need for more family practitioners.

I have also directed the State Health Planning Commission to cooperate with the Health Manpower Resources Commission to develop an educational program for training physicians' assistants as a means of extending to the fullest the skills of our present physicians. There is a tremendous reservoir of manpower in this field among returning Vietnam veterans, especially among the skilled Medical Corpsmen.

6. *German Measles*

New vaccines offer us an opportunity to wipe out German measles, a disease which may cause birth defects in the children of mothers infected in the early months of pregnancy.

I therefore will submit legislation establishing a program to immunize all New York State school children against this disease, since school-age children are the principal carriers.

In this connection, I would like to congratulate one of the national television networks which produced a most effective documentary, dramatizing the tremendous potential of mass immunization against this disease.

7. *Licensing Nursing Home Administrators*

The proper operation and management of nursing homes is essential to the health and well being of our increasing population of older citizens. I will recommend legislation for licensing nursing home administrators in conformance with Federal requirements.

8. *Abortion Law Reform*

I continue to believe very strongly that the State's archaic abortion law must be changed.

Two years ago, I appointed a panel of distinguished citizens to review the law and to make recommendations. The special Commission's report and hearings by the Joint Legislative Committee on the Problems of Public Health have contributed greatly to public understanding of the present law's harmful and often tragic consequences.

Recently, the State's law and similar statutes in other jurisdictions have come under attack in state and federal courts across the nation. I urge your Honorable Bodies to resolve the differences of the past and to give favorable action to much-needed legislation on abortion reforms.

C. *Mental Health*

This administration has introduced pioneering new concepts of care and treatment for the mentally ill, emphasizing decentralization of care facilities, community mental health

services, intensive treatment by special teams and child treatment centers.

The record of success can be measured partly in terms of statistics; for example, the average number of patients at State mental hospitals has decreased in the past decade from 90,000 to 65,000 or a reduction of more than 25 percent. These numbers continue to decrease, reflecting an enormous improvement in treatment methods, and despite the fact that the number of patients admitted annually is up 25 percent during the same period.

The median length of time that a newly admitted patient spends in the hospital has dropped from 120 days to 63 days, or almost 50 percent. The number of patients placed in family care has increased by more than 30 percent. And the number of State school residents returned to the community has increased by more than 25 percent.

The overall ratio of hospital patients to staff and employees is another important indication of the quality of care. Eleven years ago, that ratio was 3.4 patients to one staff member. Today, it is 1.6 to 1.

While statistics and programs partly tell our mental health story, they do not and cannot tell us the inspiring human story of minds restored, of families reunited, of men and women returned to gainful employment, of heartache replaced by hope and despair giving way to confidence in the future. The innovative programs which have produced these improvements must be continued and expanded in the next fiscal year.

1. More Intensive Care

To provide the best possible care in our State hospitals, I will recommend a major increase in institutional staff, special program staffs for adolescents and geriatrics, and new funds for halfway houses, hostels and family care.

2. Services for Children

The recent report of the President's Joint Commission on Mental Health of Children pointed to programs such as those in New York State's new hospitals for children with psychiatric disorders as a model of what modern treatment facilities should be. Five of these hospitals are now being opened. I will also recommend a significant increase in the treatment staff for children in all state hospitals.

3. Mental Retardation

A prime element in our program for the retarded will be a major decentralization of existing schools into eight separate treatment services. Each will be limited to a maximum of 300 patients, and each headed by a separate administrator. This reorganization will begin this year and will allow for much more individualized treatment.

4. Alcoholism

Alcoholism continues to be one of our most tragic social problems. This year we will:

—Expand and strengthen the alcoholism research and treatment efforts of the Department of Mental Hygiene;

—Encourage the establishment of local urban community alcoholic treatment centers to provide detoxification and other services for seriously ill alcoholics; and,

—Accelerate development of the Alcoholism Research Institute on the State University campus at Buffalo.

D. Social Services

In fulfilling its obligation to assist our less fortunate citizens, the State serves as a guardian of human dignity.

To the degree that failure of our society to meet its social responsibilities may diminish the dignity and increase the vulnerability of the deprived, it likewise diminishes the dignity of the whole society.

At the same time, it is essential that every possible step be taken to assure efficient administration and to avoid abuses of welfare programs—in fairness to taxpayers and recipients alike.

In recent years, the Arden House Conference, which I convened in 1967, has pointed the way to major welfare reforms. We have more than doubled State welfare expenditures. We have substantially expanded our support for the operation and construction of day care centers. We have improved the quality of the programs for institutionalized children. We have also moved to broaden the legal rights of public assistance recipients.

In continuing to meet these responsibilities, I propose the following measures:

1. Welfare Cost-of-Living Increase

The State Board of Social Welfare has recommended a 10 percent cost-of-living increase in public assistance to assure that assistance payments continue to provide an adequate basis of support for individuals and families in need. The Board has also recommended the establishment of statewide standards of public assistance.

I support these recommendations and will submit budgetary and legislative proposals to carry them out.

2. Aid to the Aged, Blind and Disabled

I shall also submit legislation to:

—Continue the project begun early last fall to provide an extra allowance of up to \$8.00 per month for the special and exceptional needs of the aged, blind and disabled; and

—Implement Federal legislation to permit the aged, blind and disabled to keep up to \$7.50 per month of outside income without having their public assistance grants reduced by that amount.

3. *Expansion of Day Care Facilities*

I shall submit legislation to expand the State's day care program. These measures would:

—Create a revolving seed-money fund to assist day care center sponsors in defraying expenses prior to the time of the mortgage loan closing, and provide technical assistance to potential sponsors.

—Increase from 80 percent to 90 percent the special guarantee of the principal amount of mortgage loans made by private lending institutions for day care centers.

—Increase from \$50 million to \$100 million the authorization for State Housing Finance Agency mortgage loans for day care centers.

—Provide technical assistance and encouragement to business and industry to sponsor day care centers located at or near the places of employment of mothers of children enrolled in the centers.

E. *Helping Elderly Citizens*

New York State has long recognized its responsibility to its aging citizens. The Office for the Aging, which I established, has provided a major stimulus to State and local action.

We have substantially expanded housing opportunities for the elderly through programs such as that of the Empire State aid for nursing home construction. We have also increased To further improve opportunities for our senior citizens, who have contributed so much to the economic and social life of the State, I will recommend action to:

1. *Provide Added Real Property Tax Relief for the Aged*

A few years ago, I was pleased to sign into law a bill enabling real property tax relief for certain older homeowners with annual incomes of less than \$3,000. I will recommend legislation increasing the income qualification to a more realistic level so the program will afford genuine relief to this deserving group of citizens.

2. *Senior Volunteers Program*

I am taking action to expand volunteer service opportunities for senior citizens. Such opportunities offer an enriching experience, not only for the older volunteer, but also for those persons receiving the services.

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Federal funds are available to cover the cost of transportation, meals and necessary "out-of-pocket" expenses incurred by the older volunteer in the performance of his assignment.

Volunteer service rendered in either public or non-profit agencies would not be permitted under Federal law to displace employed workers or impair existing contracts for services.

F. *Human Rights*

In legislation to prohibit discrimination, New York State has led the nation for a quarter of a century—and particularly as a result of the many enactments of the past decade. The Debevoise Committee made some significant additional recommendations in its 1968 report. I am again offering these proposals to:

—Extend the application of the Human Rights Law to all employers, regardless of size, and to all types of employment in the State;

—Require that qualifications for hiring, training or promoting employees have a direct relation to performing the job; and,

—Extend coverage of the Human Rights Law to all houses and apartments and all commercial boarding houses.

G. *Hunger*

Good nutrition is an important prerequisite to good health and to a good education.

I am recommending extension and strengthening of the 1969 "Food on the Table" Program, overwhelmingly approved by this Legislature to help eliminate hunger and malnutrition in New York State.

As a result of the legislation, all the State's 64 social service districts for the first time are providing either the Food Stamp Program or Commodity Distribution Program to public assistance recipients and eligible low-income families. Nutrition education programs are also being provided to these families.

An additional human tragedy of hunger is that the hungry or undernourished child cannot focus his attention on classroom activities and is slower to comprehend. A nutritious breakfast or lunch can help overcome these problems and raise the level of achievement and social development of children.

For many years, the State has maintained an adequate school lunch program. Now it is essential that we initiate the first major State Breakfast Program in the Nation.

I will, therefore, submit to your Honorable Bodies, for urgent consideration, a major \$2.5 million State Breakfast Program. This program will assure that about 35,000 inner city

school children will receive a balanced, nutritious meal to start each school day.

H. Consumer Protection

Another dimension of the quality of life is the presence of an honest market place where trust prevails between buyer and seller. New York State has continually led the nation in the enactment and enforcement of laws to protect and benefit the consumer and the responsible businessman and to maintain such a market place.

A major factor in this crusade has been the special dedication of Attorney General Lefkowitz in protecting the consumer's interests through the Law Department's Bureau of Consumer Frauds and Protection.

Consumer protection is a principal objective of many other State agencies. These agencies play an effective role in enforcing standards, in promoting consumer education, in helping people to become better shoppers and in helping to assure value in a variety of goods and services for every hard-earned dollar. They include agencies such as the Woman's Program unit of the State Commerce Department, the Banking and Insurance Departments, the Department of State and the Department of Agriculture and Markets.

1. Consumer Protection Board

Though we have achieved a high level of consumer protection in this State, I believe we can be even more effective by having the numerous consumer programs of our State agencies more closely coordinated.

I will therefore establish a State Consumer Protection Board in the Executive Department, comprised of the heads of all State agencies having a primary role in protecting the consumer or providing consumer educational services. An advisory group will insure broad consumer representation.

This Board will supplement but not duplicate the existing consumer protection activities of the Attorney General.

Heading the Board will be a full-time director supported by a full-time staff. The director will coordinate the consumer activities of the various State agencies, stimulate consumer education and research, suggest areas for new consumer legislation, channel consumer complaints to appropriate agencies for action and give the consumer a direct voice throughout the councils of State government.

2. New Consumer Protection Powers

Matters requiring legal proceedings will continue to be referred to the Attorney General's office, which has the staff, experience and expertise in this field. In this connection, I urge your approval at this Session of the Attorney General's proposed legislation to give him added powers to protect the consumer. These would include:

a. The right to obtain restitution for consumers for losses they have suffered;

b. The power to initiate "class actions" so that the Attorney General can act for all consumers victimized by the same fraud;

c. Expansion of the Attorney General's power to obtain injunctions against all deceptive and fraudulent practices affecting consumers; and,

d. Operation of mobile consumer protection units to extend the services of the Law Department's Bureau of Consumer Frauds and Protection throughout the State.

3. Automobile Insurance Reform

Automobile insurance is one of the most rapidly rising costs in the family budget. Two years ago, I noted that our present legal and insurance system for compensating the victims of automobile accidents was slow, expensive and unfair. I appointed a committee to review the evidence and recommend necessary reforms. Lack of funds, however, prevented the committee from completing its work.

Thereafter, I turned the project over to the State Insurance Department and asked for a prompt recommendation as to the best way to compensate victims of automobile accidents.

The Insurance Department will report its recommendations to your Honorable Bodies for legislation at this Session.

4. Reorganization of the Public Service Commission

I will submit proposals to carry out the reorganization of the Public Service Commission, which I have commenced by my recent appointment of Joseph Swidler as Chairman of the Commission. The measures I will offer will allow the Public Service Commission to focus solely on electric power and utility service and will expand and strengthen the capacity of the Commission:

—To assure adequate, dependable utility service at the lowest possible cost to the consumer; and,

—To protect and conserve our natural resources and environment.

My recommendations will include:

—Requiring bipartisan membership of the Commission;

—Strengthening the executive power of the Chairman to carry out the responsibilities of the Commission;

—Establishing a procedure for resolving questions relating to the location of major utility facilities without undue delay. This procedure will guarantee, for the first time, the rights of citizens, localities and conservation groups to participate in

decisions concerning the location of such facilities, while at the same time promoting the timely development of needed facilities by avoiding multiple or serial suits in the courts; and,

—Transferring the Commission's responsibilities in the field of transportation to the Department of Transportation, to complete the consolidation of the State's transportation responsibilities in a single Department of Transportation.

5. *Regulation of Credit Bureaus*

I will again submit a bill to prevent abuses in the use of credit information. This bill will give individuals certain rights to inspect their credit files and to correct and to prevent the circulation of false or inaccurate information. The bill will also limit the uses to which information compiled by credit bureaus may be put and afford an opportunity for an individual to ascertain the identity of those investigating his credit.

6. *Other Measures*

During this session I will also submit to your Honorable Bodies a number of individual measures designed to benefit the consumer. These will deal with such items as credit property insurance, wage garnishees, abuses in door-to-door selling, revolving credit, security deposits, and installment contract abuses.

II. "TO MAKE ALL OUR COMMUNITIES SAFE, HEALTHY AND ATTRACTIVE PLACES IN WHICH TO LIVE, WORK AND BRING UP OUR CHILDREN."

Next to the forces which are essential to developing the whole man, the forces contributing to the development of the whole community must be dealt with in this age of urban living. Without a proper community environment, our other efforts will be for naught. Therefore, in this section, I will deal with crime control in all its forms, control of narcotics and dangerous drugs, the physical aspects of community development including housing, and all forms of transportation, as well as recreational and cultural opportunities.

A. *Crime Control*

We cannot tolerate the growing wave of crime which threatens the Nation and destroys the quality of life for our citizens. I know this concern is shared by your Honorable Bodies, by all decent citizens. For the quality of life can have little meaning without freedom from fear.

We must continue to work to make all our communities places in which families are secure in their homes, women and

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children are safe on the streets, and a merchant can operate his business without fear for his life or property.

The control of crime is a shared responsibility of the Federal, State and local governments.

The effectiveness of the entire criminal justice system depends on the close working cooperation of all levels of government.

The federal role in fighting crime has been strengthened in recent years by:

—The passage of the Safe Streets Act of 1968 to provide seed money for State and local crime control activities;

—The creation of special Task Forces to coordinate intensive organized crime investigations; and,

—The recent announcement that a large number of additional narcotic inspectors would be added to control smuggling in the Port of New York.

Each year during this Administration, we have taken additional steps to fight crime. For example we have:

—More than doubled the State Police force, providing highway patrols, criminal and narcotic investigations, and police protection to rural areas;

—Initiated and strengthened the Nation's first basic and advanced training requirements for municipal police officers;

—Strengthened our State correctional and rehabilitation efforts and improved parole and probation services to cut down on the number of criminal offenders returning to a life of crime;

—Established a State Crime Control Planning Board to provide long-range planning and to administer Federal grants — expected to total \$16 million this year — for State and local crime control programs;

—Established the New York State Identification and Intelligence System to apply computer technology to crime control; and,

—Undertaken the most comprehensive narcotic addiction control effort in the Nation to strike at the cause of a major share of the crimes in New York City.

Local government has the primary responsibility to protect the individual from the intrusions of crime, and to protect his immediate personal safety on the street, at home, at work and at play. Our first line of defense, our most visible protection, is the policeman on the beat or in the patrol car. We can stamp out crime only if these dedicated men in blue receive the full support of us all. I shall continue to use the full powers of my office to see that this local responsibility is carried out.

I now make the following additional crime control proposals:

1. State Prosecution of Organized Crime

I recommend establishment of a Statewide Criminal Task Force within the office of the Attorney General to make more basis the prosecution of organized crime on a statewide

gambling, loan sharking and prostitution. It extends its tentacles into legitimate enterprises, turning lawful gains to unlawful purposes. At times, organized crime involves the corruption of public officials. And in all events, organized crime does not observe artificial jurisdictional limitations or local boundaries.

Under my proposal, the Task Force will be equipped by statute with the power and authority to work with police agencies and prosecutors. It will be authorized to assemble evidence dealing with organized crime relating to more than one county, and it will be empowered to prosecute criminal cases based on that evidence.

The Task Force can be especially helpful in combatting organized crime in counties where the staffs of District Attorneys are small and consequently not equipped to handle complex investigations.

The Task Force will be headed by a Special State Prosecutor of Organized Crime who will derive his authority and receive his appointment jointly from the Governor and the Attorney General.

The Special State Prosecutor will have authority and responsibility to investigate and prosecute organized crime anywhere in the State. The State Police will serve as his principal investigative arm.

Among the weapons in the Task Force arsenal will be:

—Broad subpoena power for investigations;

—The power to grant immunity in such investigations, subject to the approval of the Attorney General;

—The ability to employ existing authority possessed by the Attorney General; and,

—The power to appear before any Grand Jury in the State.

The State Commission of Investigation has admirably performed the task of investigating and exposing the nature and extent of organized crime and racketeering and I will recommend the extension of the term of the Commission until 1973. Unlike the proposed Special State Prosecutor, the Commission is not authorized to prosecute cases.

With the Task Force I have proposed, the State would be in a position for the first time to supplement the activities of

the State's 62 District Attorneys by providing direct assistance in organized crime task force activities and by the prosecution of organized crime cases crossing county lines.

The State will work closely with the State's District Attorneys in the implementation of this program.

2. Training Institute for Prosecutors

As another measure to make the war against crime more effective, in cooperation with the State's District Attorneys, I am recommending the establishment of training institutes for professional staffs of local District Attorneys. These institutes will be similar in nature to the sentencing institutes which we established for the judiciary. They will provide up-to-date information and training to assist prosecutors in carrying out their responsibilities.

3. Strengthening the State Police

The people of New York can take great pride in having one of the most modern and effective state police organizations in the country. I will request additional funds in my Executive Budget to expand again the criminal investigation and narcotic control efforts of the State Police.

4. Reducing Criminal Repeaters

An alarming number of the serious crimes are committed by persons with prior criminal records. Efforts to reduce the rate of crime cannot be truly successful unless the entire criminal justice system, from arrest through the courts and correctional services, can be made into a more effective instrument for reducing the number of criminal repeaters. Imaginative approaches are needed to combat this critical problem.

I recommend legislation to establish a new Department of Correctional Services. Its purpose will be to provide greater coordination and continuity in institutional and field supervisory services for these convicted criminals who require imprisonment. This Department, incorporating concepts expressed in the pioneering report of the Governor's Special Committee on Criminal Offenders, will assume responsibilities of the present State Department of Correction and the Division of Parole.

In addition, I am recommending steps to strengthen probation services. The probation functions of intake, reporting to the courts and field supervisory services are critical aids to the entire criminal justice system.

Further, I shall submit to your Honorable Bodies additional measures regarding rehabilitation and the treatment of criminal offenders, including:

—More flexibility in adapting the serving of sentences to rehabilitation efforts;

—Promoting stricter physical and administrative standards for county jails and penitentiaries;

—Revised and strengthened procedures for the handling of all children in need of supervision; and,

—Establishment of a system of State-operated regional correctional facilities and juvenile detention centers.

The regional facilities would receive short-term prisoners from counties unable to meet State standards for county institutions or too small to justify construction and operation of a modern, efficient correctional institution. These facilities would increase opportunities for effective education and training programs and relieve space pressures in many local correctional facilities. The regional facilities would also provide an opportunity for placement of longer-term State prisoners in settings closer to the community before final release, thereby increasing the opportunities for work release, half-way and other community orientation programs. The State would share in the capital costs, and expenses for operating these facilities would be apportioned among the counties served.

5. *New Code of Criminal Procedure*

The Temporary Commission on Revision of the Penal Law and Criminal Code has recommended a new Criminal Procedure Law embodying significant improvements in our system of criminal justice. I urge your careful consideration of these recommendations at this Session.

6. *Gun Safety*

To strike a balance between the right of society to be protected from criminals, deranged or unqualified users of guns and the desire of those law-abiding citizens who wish to possess firearms for lawful purposes, I am again recommending a comprehensive firearms bill. My proposal will include:

—Strengthening and improving the State's handgun licensing and registration law;

—Licensing the owners of rifles and shotguns; and,

—Creation of a seven-member Firearms Control Board to administer the program.

7. *Holding Child Abuse*

One of the most senseless and tragic offenses against society is the physical and mental abuse of children.

Last year, your Honorable Bodies adopted and I approved legislation to strengthen the State's child abuse laws and to improve Family Court procedures in dealing with these cases. This year, I will recommend a number of measures to still further improve the protection of children.

B. *Narcotics and Dangerous Drugs*

One of the most pernicious and destructive forces undermining the quality of life, particularly for our young people, is the alarming increase in the use of drugs.

1. *Narcotics Addict Program*

Less than four years ago, we launched the Nation's first comprehensive statewide approach to the menace of narcotics addiction.

Our program, handling some 10,000 addicts, is the largest and most comprehensive in the Nation today. We are employing every treatment method now known. Over 5,000 addicts are in State rehabilitation facilities or after-care programs. Another 5,000 addicts are in public and private programs funded or accredited by the State.

A tragically high number of drug addicts may be found in New York City and throughout the State, despite the dedicated efforts of thousands of skilled men and women in the fight against addiction. Half the crimes against property that occur in the City are attributed to addicts.

We still have not solved the problem of addiction. There is no proven cure. Thousands of addicts still lack treatment and supervision. For the first time, however, a direct attack has been initiated on the problem of addiction and related crimes which has gone unmet for too many decades. We must continue to reach out, to experiment with new methods of treatment and rehabilitation.

a. *Methodone Treatment*

Methodone maintenance is one of the programs funded and supervised by the State. In fact, this State is the major supporter of methodone research and maintenance in the country. While it is not a cure for addiction, it has aided almost 80 percent of the 2,000 hard-core addicts who have qualified for the program to return to socially-accepted ways of life. This is an unparalleled record of accomplishment.

I am convinced that, for many addicts, methodone offers an immediate, large-scale alternative to heroin addiction and the associated crime and terror. I therefore will recommend that a total of \$15,000,000 be made available to provide treatment for up to 20,000 addicts in methodone programs by the end of the fiscal year.

Our goal will be to have outpatient methodone facilities available in professionally staffed store front centers in every community with a substantial addiction problem. To do this, we will create and expand methodone programs in existing State facilities. We will also substantially expand the contract programs with public and voluntary hospitals.

We will also carefully explore the use of methodone for the

growing number of young addicts. It is vital to intervene in the life of the young addict before the ravages of heroin have become irreversible. Methadone may help prepare the young addict for other forms of rehabilitation. Its use will be explored only under carefully-controlled experimental conditions.

These approaches should allow us to bring thousands of additional addicts under supervision at a cost substantially less than that of full institutionalization. These programs will be combined with the continuation of the existing range of services.

2. *Youthful Addicts and Drug Abusers*

We will provide for expansion of specialized services to the young addict and drug abuser by the Department of Social Services and the Division for Youth. Special emphasis will be placed on improving the educational aspects of the program to bring home to every family and young person the tragedy of addiction and drug use.

3. *Other Dangerous Drugs*

The widespread use of dangerous drugs, especially among our youth, is a matter of the greatest concern. While not always addictive in nature like heroin, these drugs are dangerous to health and in some instances fatal.

Present State laws dealing with the use, possession and sale of such drugs as amphetamines, barbiturates, LSD and marijuana are badly in need of complete reevaluation. Public and professional opinion is sharply divided over what penalties will be effective, capable of enforcement and yet realistically related to the offense involved.

Accordingly, I propose creation of a Temporary State Commission to Evaluate the Drug Laws, to make recommendations for improving the effectiveness of present State laws dealing with drugs.

4. *Toxicology and Drug Center*

I will again submit legislation to establish a Toxicology and Drug Center in the State Department of Health to regulate the manufacture and sale of drugs and toxic substances. An important function of the proposed center will be to prevent the diversion of drugs from legitimate channels into the hands of pushers and drug abusers.

C. *Community Development*

The quality of life in the next decade will be heavily influenced by the intelligence with which we plan for the massive growth that will take place in New York State. With our rapidly growing population, more effective planning becomes a must.

The State Office of Planning Coordination is working with

the Regional Planning Boards and local officials in developing plans jointly for the decade ahead. The challenge is to work out a legislative framework through which the various levels of government can help to liberate the creative forces of free enterprise and individual initiative to do the job.

Together, step by step, over the past ten years, we have brought the State into a more active supporting role in this field.

—First, by the creation of the State's Housing Finance Agency, which has already financed more than \$1,000,000,000 worth of privately sponsored middle income housing;

—Second, by legislation permitting the State to lease back up to 50 percent of the apartments in middle income projects and to rent them to low-income families with a subsidy that declines as the family's income goes up.

—Third, as it became increasingly harder to find private housing sponsors, because of the difficulty of assembling land and the delays in getting necessary zoning changes and variations, we created the State Urban Development Corporation in 1968. The Urban Development Corporation has the authority and funds to acquire land and sponsor projects itself or in cooperation with private groups or to sell its projects to private groups at any stage of development. In less than two years of operation, this unique organization has entered into agreements with 20 cities and other communities for 25,000 units of housing, 1,500,000 square feet of commercial space, several hundred thousand square feet of industrial space and related parking garages, parks, schools and civic facilities.

Other large-scale State development efforts include;

—Construction of Battery Park City at the tip of Manhattan for 14,000 families;

—Construction of Co-op City for 15,000 families;

—And proposals to obtain Floyd Bennett Field for a new town that could house over 50,000 families.

But despite these efforts, New York State is facing an annual deficit in its housing production in excess of 100,000 dwelling units, including units needed to accommodate population growth and to replace substandard units.

Private enterprise currently builds most of the housing in New York State. But the private sector faces certain obstacles which prevent it from meeting more of the State's huge housing needs:

—Difficulty and cost of land assembly.

—Unwillingness or inability to make the heavy investment required for such basic items as roads and sewers.

- High interest rates and a shortage of mortgage funds.
- Restrictions of local zoning and land use controls and building codes.

—Archaic construction methods.

While the impact of these factors may ease through time, the private sector on its own cannot cure the problems of land assembly or infrastructure investment. The private sector does not have the power of eminent domain, nor is a private developer willing to make heavy "front end" investment which will not pay a return for 7 to 10 years.

If New York is to continue to prosper, we will need employment for the millions of citizens to be added by population increase. This will require huge investments for industrial and commercial facilities needed to replace obsolete plants and to expand capacity.

Such investment is being hindered by the same factors adversely affecting housing construction, such as land assembly and infrastructure. Also, since industry requires housing for its workers, a lag in housing production necessarily slows industrial investment.

A significant portion of industry's facilities in New York State are obsolete and often overcrowded. In recent years, many firms using such space have left the State because no alternatives appeared to exist. A Commerce Department study shows that up to 1/3 of the firms in some upstate areas have these problems.

Often these companies cannot provide new facilities for themselves because of unavailability of properly serviced sites, to lack of financing and a general inability of local communities to serve their needs.

Through the provision of housing, transportation, community facilities, recruiting assistance and job training, a comprehensive State program could facilitate the flow of workers to jobs as well as jobs to workers, and thus strengthen the economy and cut unemployment.

In our suburban localities, rapid population increases have caused severe strains on the communities' capacity to provide adequate community facilities such as schools, sewer and water lines, public safety facilities, park and recreation resources, libraries and other needed items. Moreover, most suburban localities have tax bases which are extremely hard-pressed.

Obviously, comprehensive community development calls for public action on the State level to assist the private sector and our communities.

Accordingly I will:

1. Propose a Constitutional amendment to replace the antiquated Housing Article in our Constitution with a new Community Development Article; and,

2. Appoint a Citizens' Commission to make recommendations as to how we deal with the above mentioned problems.

I am also recommending these specific measures to make immediate improvement in our housing and development program:

1. Legislation to provide incentives for banks and insurance companies to invest in housing mortgages and rehabilitation loans within New York State.

2. Legislation authorizing Saving Banks and Savings and Loan Associations to lend money in New York State on mobile homes and for the purchase of cooperative housing.

3. Legislation to expand the HOPE Program, which extends low-interest loans to tenants for financing the purchase of apartments in certain State and locally-aided cooperative housing, to include additional types of regulated cooperative housing companies. I will request the allocation of \$50 million of present Housing Finance Agency bond authorization for this purpose.

4. To assist sponsors and tenants in low and middle-income rental housing to convert to cooperative ownership, I am requesting the State Division of Housing to make available the necessary assistance and will request the allocation of \$100 million of present Housing Finance Agency bond authorization for this purpose.

5. I will also direct the Division of Housing to expand efforts toward making rehabilitation loans to non-profit and limited-profit housing companies, cooperatives, and for housing for the aged. I will request the Housing Finance Agency to allocate \$100,000,000 for that purpose.

I will further propose a constitutional amendment to authorize housing rehabilitation loans to individual home and apartment owners. These loans would be available through the Housing Finance Agency to rehabilitate housing for people whose housing needs cannot be met by the private housing market without some form of help.

D. Transportation

We have led the Nation in creating a total transportation concept for the State, geared to utilizing all modes of travel on a coordinated regional basis. A new State Department of Transportation has been created and regional action agencies were established to implement the total transportation plan.

The people resoundingly approved a \$2.5 billion bond issue to provide funds to develop the components of a total transportation system — highway, rail and air. Progress has been substantial.

Highways

We will continue our unexcelled highway construction program.

Aviation

We will continue to improve and expand general aviation facilities throughout the State.

We are working on the problem of locating the fourth jet-port for the New York Metropolitan Area through appropriate State and Federal agencies.

Mass Transportation

The approval of the bond issue made it possible for the State to adopt a policy of State subsidy of local and regional mass transportation capital facilities. As a result we have:

—Commenced, for the first time in 40 years, construction on a sweeping program of expansion of the New York City subway system;

—Instituted modernization of the Long Island Railroad;

—Taken the necessary first steps towards streamlining the New Haven Railroad;

—Begun the development of modernization programs for the Harlem Division of the Penn Central and the Staten Island Rapid Transit;

—Replaced obsolete buses to preserve bus service in upstate communities.

The State in 1968 took another major step in this field and authorized local governments for the first time to contract for services with local mass transportation facilities and to subsidize their fares.

But we are still a long way from fully meeting the people's needs. Therefore, I will ask the governors of New Jersey and Connecticut to join me in appointing a Commission to study the possibility of a regional approach to the subsidy of mass transportation fares to keep the cost within the reach of all people.

New York's record in transportation improvement has been phenomenal. As we seek to improve the quality of life in the 70's, however, we must make even greater efforts to integrate transportation planning and development with overall community development and the total needs of the people. Accordingly, I will propose measures in the following areas:

1. Joint Planning

I again recommend legislation to authorize the use of transportation planning funds, including Federal aid funds, to facilitate joint planning. This program, which will be imple-

mented in close cooperation with the Office of Planning Coordination and the Regional Planning Boards and local government officials, will provide for a balance between transportation needs and other community services, and can lead the way to more innovative use of air space adjacent areas and multiple use of rights of way.

2. Relocation Assistance

Virtually every new public facility displaces someone from his home or business. I will submit legislation to strengthen the State's relocation assistance program to provide quicker and more effective financial and other assistance to those who must move.

3. Public Parking Facilities

Automobiles are an indispensable part of modern life, but in our urban areas, more cars mean more congestion, and a less attractive urban environment. To help reduce traffic congestion and to ease the burden of people getting to and from work, shopping, and other activities, I will recommend legislation to authorize the use of State transportation funds to develop public parking facilities on the edges of urban centers in conjunction with convenient bus service.

4. Interurban Service

I also propose a concerted effort to encourage the improvement of transportation service between our smaller urban areas, many of which are now linked by little or no commercial or public transportation facilities. Among other steps, communities without service or with inadequate service will be selected on a pilot basis for encouragement of bus transportation services.

* * *

Through the leadership taken by this Administration, with the wholehearted cooperation of your Honorable Bodies, we stand on the threshold of the 70's with an unparalleled highway system and the prospect of mass transportation facilities being improved on every front.

5. Highway Safety

Nearly every two hours, a New Yorker is killed in an automobile accident — and many of these accidents involve drinking.

A recent study shows that approximately 44% of the drivers involved in fatal accidents in New York had a blood alcohol content in excess of the extremely high level of .15 percent.

We cannot permit ourselves to be conditioned into accepting the human suffering caused by the reckless mixture of drinking and driving. I will, therefore, resubmit for your consideration legislation that would make it unlawful *per se* for anyone to operate a motor vehicle with a blood alcohol content in excess of .15 percent. Moreover, I will submit legislation to

strengthen existing law to safeguard against the intolerable dangers created by those who drink while driving.

In addition, I urge you once again to take favorable action on measures to:

—Authorize periodic re-examination of drivers;

—Provide for automatic suspension of an operator's license upon conviction for speeding 20 m.p.h. above the speed limit; and,

—Include bail forfeitures within New York State as convictions for purposes of the point system for persistent violators.

Finally, I await with interest the report of the Joint Legislative Committee on Environmental Management and Natural Resources for recommendations to regulate the use and safety of the growing number of snowmobiles in operation in the State.

E. Parks and Recreation

The value of recreation to physical and mental well-being is a key element of the quality of life.

We have the finest system of state parks in the country. To further strengthen State government's capacity to meet growing needs for healthful, leisure-time activities, I shall recommend the establishment of a new Department of Parks and Recreation.

This new department will assume the functions of the Division of Parks of the present Conservation Department. The present regional park commissions will retain their status and responsibilities.

The Department will place major emphasis on developing additional recreational outlets for urban residents. With a strengthened State-wide perspective, it will develop innovative and with local government agencies, thereby assuring an appropriate State role in the total effort to meet the recreation challenge.

F. Culture

The availability of cultural opportunities is vital to the quality of life in our State. It is also an important force in attracting job-producing enterprises to locate in the State.

Ten years ago, when I originally proposed the establishment of a New York State Council on the Arts to your Honorable Bodies, few could forecast the subsequent significance of this Legislature's creation—the Nation's first government agency for support of the arts.

You can indeed take pride in the fact that your lead has been followed by all the other States in the Union, by most of the United States' territorial possessions and by the Federal Government itself.

This Legislature's pioneering action has resulted in a re-awakening of community pride throughout the localities and regions of the State, where many performances, exhibitions and other cultural events have been made available by the supportive services of the Council on the Arts.

The Council has developed imaginative programs such as the Urban Arts Corps, "Summer on Wheels" and "Professionals Teach the Performing Arts," all of which have increased participation in the arts.

The Council has proved that government can support and nurture the arts without limiting their essential freedom and cultural diversity.

And just a few weeks ago, President Nixon recognized the great significance of the trend you started by requesting a \$40 million Federal appropriation for support of the arts and humanities nationwide.

1. Direct State Aid to Cultural Institutions

But the situation with respect to our cultural heritage in 1970 is very different from 1960. Many privately-sponsored and public cultural institutions in New York State, including performing arts centers, museums, symphony orchestras and opera companies, are now threatened with imminent bankruptcy. Many have been forced to curtail their services drastically in order to continue functioning.

I urge your Honorable Bodies to look upon our cultural heritage as one of the enduring and essential resources of the State. To consider a society without the arts, to think of New York without its celebrated orchestras, museums, libraries and other cultural entities, is to imagine a cultural wasteland without pride or inspiration for our citizens.

But this is more than a matter of the spirit. It is also a matter of dollars and cents, of concern to every New Yorker.

Business and industrial leaders must take the availability of cultural opportunities into consideration when selecting new sites for plant development or the expansion of existing facilities. The relationship between saving a symphony orchestra and saving a job-producing factory is by no means remote.

Therefore, I urge your Honorable Bodies to match your foresight and wisdom of ten years ago in this field by appropriating \$18,000,000 for a direct aid program to the non-profit cultural institutions in our State.

2. Visual Arts

The recent and generous donations of the Neuberger collection to the State University College at Purchase is an excellent

example of how the State University can encourage private collectors to loan or donate their art collections for the enjoyment of the public and the enhancement of the university campus.

To encourage this policy, I will recommend funds to enable the State University to provide facilities for displaying art collections loaned or donated to units of the University. In this way, the more than 60 campuses of the University system can provide an important opportunity to bring art to our communities. At the same time, the availability of these art collections will enhance the educational and cultural climate of these State campuses.

III. "TO RESTORE AND PROTECT THE QUALITY OF OUR ENVIRONMENT."

The world is just waking up to the fact that man is rapidly destroying his own environment. Providing the framework and forces to achieve the whole man and the whole community without restoring and protecting our God-given environment would be meaningless. And so, in this section, I will make my recommendations as to how we can achieve for New York our goals in this area, namely, environmental conservation, restoration of pure waters and pure air, solid waste disposal, noise control and the preservation of our historic sites and the beauties of our countryside.

Enhancing the quality of our environment is fundamental to our concern for the quality of life. Our economic, technological and social progress will mean little if it is paid for in polluted waters, contaminated skies, a ravaged natural heritage.

New Yorkers have already demonstrated their commitment to preserving our natural resources, most notably by two major measures hailed nationally as outstanding environmental events of the decade:

—Our \$1 billion Pure Waters Bond issue for building sewage treatment plants, approved overwhelmingly by the voters in 1965, and,

—Passage of the Conservation Bill of Rights, dramatically voicing a strong commitment to protecting and enhancing the quality of our environment.

But rapid population growth, urbanization, and unparalleled industrial and commercial development require an all-out effort and a sharpened focus on the restoration and protection of our environment.

A. *Department of Environmental Conservation*

Accordingly, I recommend the creation of a new Department of Environmental Conservation.

This new department will combine the present responsibilities of the Health Department for air, water and solid waste pollution control with the responsibilities of the Conservation Department for forest management, oil and gas conservation, fish and wildlife management and water resources development.

By bringing together in one department all State functions relating to environmental protection, we provide for a comprehensive approach to the management of the State's natural resources and the control of all types of pollution. As a related benefit, the Health Department will be able to concentrate on personal health and thereby strengthen its efforts to assure high quality health care and protection for all our citizens.

B. *Governor's Environmental Board*

I will call upon a board of outstanding citizens from outside government to advise me on policy matters regarding the protection and enhancement of our environment. This Board can contribute importantly in helping us balance development and environmental considerations by a careful weighing of the complex interrelationships involved.

The Board would have the services of a full-time professional Executive Director and have full access to all Departments and agencies.

C. *State Agency Coordinating Council*

In order to achieve coordination of State environmental efforts and to assure an adequate exchange of information among the several agencies involved, I am also recommending the creation of a State coordinating council of State agency heads having environmental responsibilities.

D. *Water Pollution*

I will propose measures to insure that the rise in construction costs and the lag in Federal financing will not jeopardize the uninterrupted completion of the Pure Waters Program.

E. *Air Pollution*

New York State has taken numerous steps to combat air pollution, including control over fuels and motor vehicle exhausts, greatly increased abatement enforcement, and tax incentives to help our industries end air pollution.

In addition, the State's leadership role is confirmed by the establishment of air quality standards and a continuous air monitoring network which provides advance warning of conditions creating air pollution emergencies.

New York State will continue to maintain its lead in com-

bating air pollution through strict enforcement and intensified research into pollution abatement technology.

F. Solid Waste

Solid waste disposal will be a major concern of the new Department of Environmental Conservation.

Communities throughout the State are struggling to find locations for disposal areas. Overworked and antiquated incinerators cannot handle the growing volume. Research and new ideas for coping with this problem are of major importance.

Some steps can be taken now to help meet the problem. I will recommend action to provide:

—Grants-in-aid to municipalities to plan for the construction of disposal facilities;

—Training programs for the operation of landfills and incinerators; and,

—Projects to test modern techniques and encourage research in waste management and re-use. By the use of modern landfill techniques, filled waste disposal areas can be covered over and converted to recreational uses such as parks and golf courses.

G. Abandoned Cars

The rapid increase in the number of abandoned cars littering the landscape also demands action. These eyesores are a growing health hazard, a breeding ground for rodents. I am recommending a program in cooperation with private industry to eliminate the abandoned car problem. In addition, I will submit legislation to discourage the abandonment of vehicles by simplifying identification of their owners and by increasing the penalty for abandoning them.

H. Noise Control

The State's Conservation Bill of Rights directs the Legislature to make "adequate provision" for the abatement of "excessive and unnecessary noise." The Department of Environmental Conservation will undertake in conjunction with other agencies formulation of a State noise control policy, and will recommend the procedures for implementing that policy.

I. State Nature and Historical Preserve

Also in keeping with the Conservation Bill of Rights, I will recommend legislation to establish a State Preserve to safeguard the lands of New York State which by virtue of

their natural beauty or other special significance should be protected against development.

J. Citizen Councils on the Environment

A key aspect in our efforts to assure a wholesome environment for the future is an aroused and informed public.

To help our citizens give meaningful voice to their concern for a wholesome environment, and better understand the full ramifications of the challenge, I will direct the new Department of Environmental Conservation to establish local citizens councils on the environment.

IV. "TO IMPROVE THE CLIMATE FOR THE GROWTH OF FREE ENTERPRISE AND PERSONAL ECONOMIC SECURITY."

Basic to the other factors contributing to the quality of life for each individual is our unique free enterprise system. It is unique in that it gives free reign within a framework of governmental laws and regulations, to the unending initiative, creativity and imagination of the multitude of individuals whose collective efforts meet the demands of our society for goods and services on a competitive basis.

This system produces the jobs, the economic strength and the wealth of our Nation, and provides the basis for the tax revenues which support the work and services of government. The laws and actions of government not only protect the public and the individual worker but also determine whether or not a State like New York remains a good place for both free enterprise and the individual worker to prosper. Opportunity and security for all depend importantly on the continued healthy growth and expansion of free enterprise in this State. Therefore this section covers essential steps in this area.

A. Creating a Climate for Growth

New York State cannot operate as an island unto itself. We must compete with our sister states and with foreign nations. We must keep a sharp eye on our competitive position as we strive for continued economic and human progress.

And so, from the beginning, we have tried to shape our laws and actions as a State to create a climate for growth, jobs, and opportunity, through:

—A tax structure that encourages industrial growth including the recently instituted, highly successful one percent business tax credit for plant expansion;

—Laws governing business and labor that protect both and penalize neither;

—Establishment of the first statewide minimum wage and increases in the benefits and coverage of Workmen's Compensation, sickness Disability and Unemployment Insurance;

—Establishment of a special State manpower training program combined with the full utilization of Federal manpower funds;

—The use of loans by the Job Development Authority and tax incentives offered by the Urban Job Incentive Board;

—Steps to improve the economic position of farmers and the agricultural industry, including establishment of a permanent Agricultural Resources Commission;

—Fair government standards and regulations;

—Massive efforts on many fronts to insure adequate transportation in all its forms;

—Actions to encourage expanded production of power necessary to provide the energy for industrial growth and comfortable living; and,

—Public services enhancing the quality of life for all—from education to recreation, vocational training to medical care.

B. Economic Development of Cities

It is vital that we give special attention to the core areas of our cities, where unemployment often is high and the problems of manpower training, plant location and expansion are most acute.

Accordingly, I shall recommend that:

1. The Job Development Authority's powers be broadened to permit loans for multi-tenant industrial structures, thereby greatly increasing its capacity to aid in the development of our cities where industrial firms usually rent facilities;

2. A committee of outstanding leaders in government and industry, led by the Commissioner of Commerce, study the problems of plant obsolescence in a mature economy and report its findings to the Governor;

3. We expand the Urban Job Incentive Program, already a proven success in its first year with 3,500 new jobs created or existing jobs saved;

4. A new Division of Metropolitan Area Operations be created in the Commerce Department to strengthen the Department's activities in New York City and five suburban counties;

5. The highly successful "one-stop" Veterans' Job Center concept be expanded in the New York Metropolitan Area; and,

6. The Office of Planning Coordination prepare a development plan for those Federal installations which might be closed and declared surplus.

C. Rural Economy

Rural economic problems and the plight of the rural poor will become increasingly acute as the rapid growth of agricultural technology continues and marginal farm operations are eliminated.

Many of the rural poor will leave for the crowded cities, compounding an already serious problem. Therefore, to increase job opportunities in less prosperous rural areas, and to improve living conditions for poor rural families, I will propose:

—Increased State assistance for county extension services in those counties with the highest concentration of rural poor families;

—Tax incentives similar to those of the Urban Job Incentive Program to encourage business to locate or expand in eligible rural areas;

—Teams of rural extension experts who would undertake economic improvement projects and offer economic counseling to individual families in areas of rural poverty; and,

—A child development demonstration project to be established with federal funds in a rural area of the State to determine how best to provide the full range of health, education and welfare services.

D. Minimum Wage and Social Insurance Benefits

For those men and women who are daily wage earners, the State has a basic responsibility to assure that they are paid a living wage.

Likewise, the State has a responsibility to provide basic protection for its working citizens against the financial hardships of unemployment, injury or disability.

Accordingly, I will propose legislation which would:

—Increase the State's hourly minimum wage from \$1.60 to \$1.85 effective July 1, 1970; and,

—Increase the maximum benefits for Workmen's Compensation, Disability Insurance, and Unemployment Insurance by \$10 per week over present levels.

I am proposing these increases because there has been a steady increase in the cost-of-living since adjustments were last made in 1968.

E. Manpower Training

The quality of life and personal security of an individual and his family is, in large measure, dependent upon his obtaining and maintaining a good, well-paying job.

State and Federal manpower training programs have helped thousands of our citizens to gain suitable employment. The private sector of our ever-expanding economy has provided training and employment for countless others.

I will recommend a major increase in the State appropriation for manpower training, from \$15,000,000 to \$25,000,000.

I will also centralize leadership and direction in manpower training through two new bodies:

—A Manpower Resources Commission composed of all State officials with a part to play in manpower; and,

—A Manpower Resources Planning Council that will bring the best guidance from all sectors of society to this problem.

To help increase job opportunities and the earning capacity of our citizens, I also recommend that we:

—Establish a system of incentives to encourage those on home relief to seek training for upgrading their skills;

—Broaden and expand existing institutional training programs to provide greater assurance of meaningful employment upon graduation; and,

—Promote and strengthen government-private partnership in job training and placement through establishment of a State Alliance of Businessmen that will complement and supplement the National Alliance of Businessmen.

F. Minority Employment Opportunities

This Administration is dedicated to enlarging employment opportunities for all throughout the State.

Good starts have been made in both the public and private sectors to increase opportunities for new jobs and career advancement for minority group members. Much more remains to be done.

The satisfactory solution to this problem cannot be imposed by government action alone. It requires the cooperative efforts of the entire community — business, labor, government and minority group members as well. No plan can succeed without the active support of all those directly involved.

A minority employment plan must be worked out in connection with the new State University Center at Amherst, where construction has been halted pending a solution between the unions, the industry, the University and the community.

I have followed this most difficult situation personally from the beginning and I am hopeful that the months of painstaking negotiations will result in a settlement soon.

V. "TO ASSURE CONTINUED GOVERNMENT LEADERSHIP IN RESPONSIVENESS TO THE PEOPLE AND THEIR NEEDS."

Government is the forum in a democratic society in which people express their hopes and aspirations as well as their concerns. Government is also the framework within which they assure their goals. Therefore, government must at all times be kept responsive, and preserve its capacity to adapt and to lead and to take the actions necessary to shape and to solve emerging problems. Therefore, in this last section, I will deal with needed changes in the form and structure of government.

Our Founding Fathers wisely provided a mechanism for orderly change. They did not devise a system of government incapable of adjusting to new developments. Instead, they gave us a Constitutional system which in its general flexibility and in its procedures permits even the most dramatic changes to be attained in an orderly manner.

I have already mentioned a number of organizational changes I recommend for the State Government to make it more effective in meeting the challenges of the 70's:

—Reorganizing and strengthening the Public Service Commission and transferring the staff and functions of the Department of Public Service to a new division in the Executive Department;

—Transferring PSC's transportation responsibilities and staff to the Department of Transportation;

—Creating a Department of Correctional Services;

—Creating a Department of Parks and Recreation; and,

—Creating a Department of Environmental Conservation through complete restructuring of the Conservation Department.

I also recommend the following:

4. Strengthening the Elective Franchise**1. Election Law Modernization**

The State's Election Law received its last comprehensive review in 1949. Since then, many changes have been made, with the result that it is now extremely complex and often inconsistent. These unintended conditions can make it difficult for qualified citizens to seek elective office or to vote.

I urge your Honorable Bodies to request the Joint Legisla-

tive Committee on Elections to undertake a thorough modernization of the State's Election Law.

2. New York City Board of Elections Reorganization

The present organization of the New York City Board of Elections is badly in need of overhaul. Last year's primary elections demonstrated beyond any doubt the need for greater protection of the rights of voters and a revitalization of the Board.

In close cooperation with Attorney General Lefkowitz, I will submit specific legislation to modernize the Board, to make it more responsive to the needs of the voters and those seeking political office in New York City.

3. Eighteen-Year-Old Voting

The vast majority of young people today are ready and willing to assume the responsibilities as well as the rights of full citizenship by age 18.

Over ten million young Americans between the ages of eighteen and twenty-one support themselves or families of their own. They pay taxes. They serve in the Armed Forces. These same young people, however, are deprived of an effective voice in the decisions that affect their lives and their future.

I therefore will again propose a constitutional amendment to lower the voting age in New York State to 18 years. First passage of this amendment would enable this issue to reach the people for a decision by November of 1971. In fairness to our young people, we should not postpone this opportunity for them any longer.

4. Congressional Reapportionment

As a first order of business, I urge your Honorable Bodies to adopt a fair and equitable plan for the reapportionment of the State's Congressional districts in keeping with the Federal Court deadline of January 30th.

5. Elimination of Property Requirements for Voter Eligibility

The United States Supreme Court in two recent decisions has virtually eliminated property qualifications as an acceptable test for voter eligibility.

With the cooperation of Attorney General Louis J. Lefkowitz and State Comptroller Arthur Levitt, I will recommend legislation to complete the elimination of all the remaining property requirements for voter eligibility in the State.

B. Improving the Effectiveness of Government

1. Ethics

I have recently received the final report of my Special Commission on Ethical Standards in Public Service, which was chaired by Lieutenant Governor Malcolm Wilson, and included

among its public members State Comptroller Levitt and Attorney General Lefkowitz, which I appointed in December, 1968. The Commission made a study of municipal ethics in the State and has recommended significant measures to strengthen State law in this area. I will introduce legislation this Session to implement the recommendations of this Commission.

2. Per Capita Aid

Demands from local government for increased State aid of all types continue unabated, despite unprecedented increases in State aid for every category during the past decade.

The Special Committee to Study Per Capita Aid reported to me last month. Its recommendations form the basis for legislation which I will submit for your consideration this year. The legislation will include:

—A measure extending for an extra year the State's special aid program to cities. This will provide an additional \$150,000,000 in State aid during 1971-72 above the regular per capita aid program.

—A "save harmless" provision that will protect municipalities from losing an estimated \$16,000,000 in regular per capita aid during 1971-72 because of population shifts revealed by the 1970 census.

These measures should contribute significantly to the stability of local government financing during the transitional period before us. The expected impact of the 1970 census and the scheduled expiration of the special city aid program have made these interim recommendations necessary.

3. Administrative Procedures Act

The Law Revision Commission has recommended the adoption of general standards to govern administrative rule making and adjudication and judicial review of administrative decisions.

The time has come for New York State to adopt a sound Administrative Procedures Act which will provide the public with procedures that are both fair and easy to follow in its dealings with State agencies.

4. Executive Management

As the problems of government grow in size and complexity, the State must continue its efforts to improve the efficiency and administration of State operations. Accordingly, I recommend:

1. The establishment of an Institute for Governmental Executives within the State University Graduate School of Public Affairs, to provide advanced management training for top administrators; and,

2. The funds necessary to implement my earlier proposal for an Alfred E. Smith Fellows Program.

The fellowship program would bring young men and women of exceptional and demonstrated capacity for leadership into the highest levels of State government for a one-year internship. These young men and women would be selected from business, the professions, trade unions, universities, and other levels of government.

As a second step in this program, I propose that, from among the Fellows and other exceptionally talented young men and women, we select individuals who would serve as special deputies to State administrators. These young men and women would be given specific administrative responsibilities and would bring new ideas and new insight into the daily operations of State government.

5. *State Employee Relations*

In 1967, on my request, your Honorable Bodies adopted the Taylor Law, giving public employees for the first time the right collectively to negotiate their salaries and other terms and conditions of employment. Last year, following representation elections in the State Police, we successfully negotiated a two-year contract with the representative organization. Following representation elections among other state employees in June 1969, two employee organizations were certified to represent over 135,000 State employees in five negotiation units. Intensive negotiations have been conducted with these organizations during the past few months. I am hopeful that agreements will be completed shortly with the two employee organizations which will provide fair adjustments in salaries of the dedicated employees who serve the people of New York State.

6. *Temporary Commission to Modernize the Courts*

Each branch of government should be re-examined periodically to determine its effectiveness and its capacity to meet current problems.

In this light, the time has come for a fresh look at our State's court system.

Last year, the League of Women Voters sponsored an excellent proposal, calling for the establishment of a Temporary Commission to Study the Court System. I am convinced of the need for this study, particularly in view of the problems encountered by the courts in administering criminal justice, in dealing with family matters, and in processing cases in a timely manner.

Accordingly, I will submit legislation establishing a Temporary Commission made up of leading citizens to conduct a thorough review of our judicial system. The Commission will work closely with the New York State Bar Association and

local bar associations, to make recommendations with regard to:

—The effect on the New York courts of recent developments including pre-trial procedures, civil rights legislation, narcotics and divorce laws, bail and detention procedures and measures to prevent recidivism;

—Necessary changes in the structure of the courts including new courts, and consolidation and merger of existing courts;

—The need for additional judges, facilities and supporting personnel; and,

—Methods for selection, tenure and removal of judges and justices.

7. *Improvement of Assessment Practices*

The rising cost of local government has placed a substantial tax burden on real property. These burdens are often aggravated by a tax assessment system which is badly out-of-date.

Much of the problem is caused by the fact that many assessors are underpaid, undertrained, and lack the equipment and assistance necessary to perform their duties properly.

Accordingly, I shall present specific proposals to your Honorable Bodies to provide for the first time statewide minimum standards for assessment practices and procedures, to assure fair and equitable treatment for all real property taxpayers. The basis for my recommendations will be the research conducted over the course of many years by one of the State's outstanding public-spirited citizens, former Lt. Governor Frank Moore.

8. *Modernize State Laws of Eminent Domain*

Every individual whose property is required for a public purpose is entitled to fair compensation and an equitable procedure.

Present State law dealing with eminent domain is a maze of conflicting procedures compounded by a host of authorities and local government units with separate statutory requirements.

I recommend legislation to establish a Temporary Commission to recodify and modernize the State's multitude of laws dealing with eminent domain.

9. *State Government Reorganization*

Last year, at my request your Honorable Bodies gave first passage to a Constitutional Amendment authorizing the Governor to initiate future executive reorganization subject to legislative veto.

Favorable action on this amendment at the 1971 Session of the Legislature would greatly simplify the procedures for reorganization to meet emerging requirements.

VI. CONCLUSION

This, then, completes the recommendations I will make to your Honorable Bodies in this Annual Message.

This is a time for faith, for vision and for courage — both for our own State and for the Nation.

It is a moment when our Nation is being watched by the world — watched to see whether we will master events or whether we are going to allow events to overwhelm us.

The test is whether free men can determine their own destiny.

Let us demonstrate our faith in freedom, in justice, in human dignity.

Let us show that as free men, under God, there is no worthwhile human objective that we cannot achieve.

(Signed) NELSON A. ROCKEFELLER

Message Transmitting the Executive Budget and Recommended Appropriations for 1970-1971

STATE OF NEW YORK—EXECUTIVE CHAMBER
ALBANY, January 20, 1970

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

In my Annual Message to your Honorable Bodies, I outlined the following goals for improving the quality of life for all New Yorkers during the 1970's:

1. To eliminate poverty and injustice and to make the opportunity for good education and good health a universal right.
2. To make all our communities safe, healthy and attractive places in which to live, work and bring up our children.
3. To restore and protect the quality of our environment.
4. To improve the climate for the growth of free enterprise and personal economic security.
5. To assure that government remains responsive to the people and their needs.

Our goals can be nothing less, and we must as a people chart such a course over the next 10 years and dedicate ourselves to their realization. Our capacity to achieve these goals will test the very purpose of our form of government and will affect the very survival of our society. The challenge before us is whether we will allow the forces of social and technological change we are experiencing to overwhelm us or whether we will harness the forces of change to serve the needs of mankind.

My Annual Message described the goals, the means and the mechanisms necessary to achieve the goals described. This Executive Budget outlines the State's priorities and specific actions to be taken this year as first steps toward the attainment of these objectives for the next decade.

Realistically speaking, however, no single unit or level of government today can achieve its goals without taking into consideration the activities, problems and needs of all levels of government — whether Federal, State or local.

During the past decade, the State of New York has applied its efforts and resources to a dramatic expansion of State aid to school districts and to cities, counties, towns and villages and to direct State services to the people.

The most significant testimony is the record itself.

	1958-59	1969-70	Percent Increase
All State Aid	\$940,426,000	\$3,768,000,000	+301
State Aid to Schools	546,110,000	2,040,808,000	+274
State Aid for Welfare	151,251,000	877,886,000	+480
State Aid to New York City	364,492,000	1,690,000,000	+364
State University System	67,304,000	571,385,000	+749

As a result, New York now stands first among all states in the dollar amount of State aid per capita to local governments. New York State now stands first among all states in the per cent of tax dollars going back to local government — 63 per cent of every tax dollar. And New York State and its local governments have one of the highest levels of tax effort among our competitor states.

But despite the fact we have led the nation in financial aid, services and tax effort, we still have problems relating to poverty, urban blight and quality education and health care. The State faces serious financial problems. Our great cities are in severe financial difficulty, as the plight of our greatest city, New York, makes abundantly clear, and the whole problem at all governmental levels has been made far more serious and difficult by inflation.

Increasingly in recent years, it has been obvious that we have reached a point at which the magnitude of financial support needed, not only to meet the needs of the cities and other local governments but of the states and all levels of education as well, can only be provided by greatly increased Federal support. There are two reasons for this:

First, the Federal government collects 64 per cent of all the taxes in this country and 91 per cent of the income tax.