

States to eliminate the paradox of poverty in the midst of plenty in this Nation by opening to everyone the opportunity for education and training, the opportunity to work, and the opportunity to live in decency and dignity. It is the purpose of this Act to strengthen, supplement, and coordinate efforts in furtherance of that policy."

The statute outlines various programs as the mechanism to eliminate "the paradox of poverty". One program is under Title II of the law, the community action section. The purpose of the community action section was described by Congress, as follows:

"The purpose of this part is to provide stimulation and incentive for urban and rural communities to mobilize their resources to combat poverty through community action programs."

Title II, sec. 202(a), sec. 204, and sec. 205(a) envisions that community action programs may be "conducted, administered or coordinated by a public or private non-profit agency". Pursuant thereto UCC was organized as a private non-profit corporation under Title 15 of the New Jersey Revised Statutes. (Exhibit No. 1). UCC was conceived for the purpose of serving the City of Newark as the CAP agency through which Title II programs would proceed. Among its original incorporators were Mayor Hugh Addonizio and other officials of the City of Newark. Similarly, members of the City Council were included on the Board of Trustees of the corporation. (Exhibits No. 2, 3 and 6).

Thus, on November 4, 1964, as revised on December 2, 1964, the City Council adopted an emergency resolution appropriating \$15,000 "to provide funds to enable the United Community Corporation to initiate local anti-poverty programs." On a subsequent occasion a similar resolution was adopted in a different amount. These monies were appropriated for the precise purpose contemplated by the federal statute referred to and to enable mobilization of resources of the City of Newark to combat poverty through community action programs. By such action the City Council recognized that UCC was performing a public service, function, or purpose—working towards the elimination of poverty.

It is respectfully submitted that the constitutional issue posed by the committee report was considered and answered by our New Jersey Supreme Court in 1964 in *Roe v. Kervick* 42 N.J. 191, 207, 212, 214, 217 (S. Ct. April 20, 1964). The issue there involved the right of the State to contribute money to area redevelopment agencies to assist in financing of redevelopment projects. This involved contributions from the Federal and State governments under the Area Redevelopment Assistance Act. It was contended that State contributions were barred by Article VIII, section III, pars. 2 and 3 of the New Jersey Constitution.

Speaking for the Court in rejecting this contention Mr. Justice Francis reviewed the historical development of the constitutional provisions and concluded:

"The strictures of Article VIII, which were adopted in 1875, were simply the retreat to a fundamental doctrine of government, i.e., that public money should be raised and used only for public purposes."

The Court then described what was meant by a public purpose.

"The concept of a public purpose is a broad one. Generally speaking, it connotes an activity which serves as a benefit to the community as a whole, and which at the same time is related to the functions of government. Moreover, it cannot be static in its implications. To be serviceable it must expand when necessary to encompass changing public needs of a modern dynamic society. Thus it is incapable of exact or perduring definition. In each instance where the test is to be applied the decision must be reached with reference to the object sought to be accomplished and the manner in which the object affects the public welfare."

With respect to the specific objectives under consideration herein, Mr. Justice Francis, speaking for the Court, said:

"Relief of the poor has been considered an obligation of government since the organization of our State. Such relief has been regarded as a direct charge on the body politic for its own preservation and protection, standing very much in the same position as the preservation of law and order. Expenditure of money for that purpose by the State or a sub-division of local government pursuant to legislative authority is looked upon as the performance of a governmental function . . . (citations omitted) . . . No one suggests use of public funds to sustain the impoverished constitutes a donation or gift transgressive of Article VIII of the Constitution."