

# Notes and Brief Reports

## Amendments to the Public Assistance Provisions of the Social Security Act, 1961\*

On May 8, 1961, President Kennedy signed Public Law 87-31—"an act to amend title IV of the Social Security Act to authorize Federal financial participation in aid to dependent children of unemployed parents, and for other purposes." The new law incorporates the President's recommendation that the program of aid to dependent children be temporarily broadened to include the children of needy unemployed persons. It also makes other significant changes in the public assistance titles of the Social Security Act.

### AID TO CHILDREN OF UNEMPLOYED PARENTS

Families in need because the breadwinner is unemployed have not been eligible for public assistance under programs in which the Federal Government participates. To help relieve the hardships resulting from unemployment, Public Law 87-31 makes available, for a 14-month period beginning May 1, 1961, Federal grants to States wishing to extend their programs of aid to dependent children to those children (and the relatives caring for them) who have been deprived of parental support or care because of a parent's unemployment.

The Federal funds thus made available will enable the States to provide aid or additional assistance to needy families of unemployed workers not now eligible for public assistance or eligible for aid only in amounts insufficient to meet their needs. Federal grants have been available only for assistance to children deprived of support or care because of a parent's death, continued absence, or incapacity.

Extension of a State's program of aid to dependent children to include the children of unemployed parents is optional with the State, and the definition of "unemployment" as a condition of eligibility is left to the State. The State also

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has the option of providing for the denial of all or any part of the assistance payment to which a child is otherwise entitled for any month in which the parent receives an unemployment insurance benefit under State or Federal law.

In those States that choose to extend the program of aid to dependent children to include the needy families of the unemployed, the State plan must include a provision for entering into cooperative arrangements with the State public employment service to ensure that the unemployed parent will be returned to work as quickly as possible. These arrangements must include provisions for registration and periodic re-registration for employment and for otherwise making maximum use of the placement services and other services and facilities of the employment offices.

The State assistance plan must also include provisions to ensure that aid is not provided if, and for as long as, the unemployed parent refuses, without good cause, to accept a job offered either through the public employment office or by an employer whose offer has been determined to be bona fide. The State also determines whether the parent had good cause for refusing an offer of employment. It may take into account such factors as the ability and physical capacity of the unemployed parent to do the job, the nature of the employment—whether it is dangerous or hazardous, the rate of pay—whether it is less than going wage rates, and the distance from the home.

The State assistance agency must also make cooperative arrangements with the State vocational education agency for retraining unemployed workers who will benefit from such retraining.

### FOSTER CARE FOR DEPENDENT CHILDREN

Among the children receiving public assistance, as among all children, there are some living in homes where they are not receiving proper care and protection. Under the new law, from May 1, 1961, to June 30, 1962, these children may continue to receive aid to dependent children, with the Federal Government sharing in the cost, even though they are removed from their homes by court order and placed in foster-family homes.

Under the new law the Federal Government

will participate in payments for foster-family care for a dependent child under the following conditions: (1) He would otherwise meet the existing definition of dependent child except for his removal after April 30, 1961, from his home by a court that has found that it is contrary to the child's welfare to continue living there; (2) the assistance agency is responsible for his placement and care; (3) he is placed in a foster-family home as a result of the judicial determination; and (4) he received aid to dependent children in or for the month in which the court action was initiated.

When a State wishes to provide for such children through its program of aid to dependent children, the State plan must be amended to include provisions for developing a plan for each child (including periodic review of the necessity for the child continuing in foster care) to ensure his proper care while he remains in foster care, and for providing services to improve the conditions in the home from which the child was removed or make possible his placement in the home of another, specified relative. The services of public child welfare services staff must be used to the maximum extent practicable in the placement of the child, and the foster-family home must be one licensed by the State or approved by the State licensing agency.

#### **DENIAL OF AID TO DEPENDENT CHILDREN**

Certain States have been denying assistance to needy children living in homes considered by the State to be contrary to their well-being. In January 1961 the Department of Health, Education, and Welfare advised the State assistance agencies that Federal funds would be withheld after June 30, 1961, if they continued to follow this procedure while the children remain in the home. Under Public Law 87-31, Federal funds will not be withheld for any period before September 1, 1962, because of action taken by States as the result of a statutory requirement that denies aid

to a child because of the conditions in the home in which the child is living.

#### **TRAINING GRANTS FOR PUBLIC WELFARE PERSONNEL**

Two changes are made in the provision for training grants for public welfare personnel, first authorized in 1956. (Thus far Congress has made no appropriation for this purpose.) The new law extends the authorization for such grants through June 30, 1963, and increases the Federal share of State expenditures for the purpose from 80 percent to 100 percent, effective for allotments for the fiscal years 1961-62 and 1962-63.

#### **MEDICAL CARE FOR RECIPIENTS OF OLD-AGE ASSISTANCE**

Concern over the rising costs of medical care and recognition of the seriousness of the problem led Congress to include in the 1961 legislation a provision increasing the Federal share of such costs for recipients of old-age assistance. In 1960 Congress had authorized Federal sharing in expenditures for medical care in behalf of aged recipients, within an average expenditure of \$12 per recipient per month (over and above the general formula for Federal participation). The 1961 law, effective for expenditures made after June 30, 1961, increases the amount to an average monthly expenditure of \$15 per recipient.

#### **PUERTO RICO, THE VIRGIN ISLANDS, AND GUAM**

To enable Puerto Rico, the Virgin Islands, and Guam to take advantage of the liberalizing amendments, the new law makes proportionate increases in the ceilings on the annual Federal grants that may be made to these jurisdictions for public assistance.