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THE PROPOSED FISCAL 1977 BUDGET:
WHAT IT MEANS FOR OLDER AMERICANS

A STAFF REPORT

PREPARED FOR THE
SPECIAL COMMITTEE ON AGING
UNITED STATES SENATE



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(II)

THE PROPOSED FISCAL 1976 BUDGET: WHAT IT MEANS FOR OLDER AMERICANS

A STAFF REPORT

President Ford sent the Congress on January 21 a budget calling for \$394.2 billion in Federal outlays, up 5.5 percent from the projected level for fiscal 1976.

The Administration's budget forecasts a \$43 billion deficit, \$33 billion below the \$76 billion deficit now estimated for this year.

The Committee staff has prepared the following analysis to summarize the impact of the fiscal 1977 budget on older Americans—including trust fund outlays and discretionary spending.

\$52 MILLION CUTBACK PROPOSED FOR AOA

A \$52 million cutback in funding (compared with the fiscal 1975 appropriation) is proposed in the fiscal 1977 budget for programs under the Older Americans Act. The Administration on Aging is now operating under a continuing resolution (Public Law 94-159) through the end of March. A budget request of \$192 million is recommended for the Older Americans Act programs compared with a \$245 funding level for fiscal 1975.

For fiscal 1977, the Administration recommends \$97 million for the title III State and community programs on aging: \$82 million for area planning and social services, \$15 million for State agency operations, and no funding for model projects. Title III now supports 462 area agencies on aging. The same number would be funded in fiscal 1977. The model projects program would be phased out in fiscal 1977 under the Administration's budget. Now the model projects program is operating under a continuing resolution at a \$5 million level. This funding supports six continuation projects and eight new ones.

Title IV research is funded at a \$7 million level under a continuing resolution for fiscal 1976. Four broad categories of research are supported: the social process of aging (\$2 million); the demography of aging (\$1 million); the impact of aging concerning social, environmental, and economic changes in our society (\$1.5 million); and intervention systems, such as making service delivery systems both cost and service effective (\$2.5 million). The \$7 million request for fiscal 1977 would support 9 contracts, 38 continuation grants; and 25 to 30 new projects.

No funding is requested for the title IV training program for 1977. The program is now sustained at an \$8 million level under a continuing resolution. Slightly more than one-half of title IV funding is for in-service training by State and area agencies on aging. Title IV also provides funding for 58 colleges or universities.

Only \$88 million is requested for the title VII nutrition program for fiscal 1977, \$37 million below the 1975 appropriation. However, the

availability of carryover funds would enable title VII to be continued at a \$150 million spending level. The fiscal 1976 Labor-HEW Appropriation Act provides \$125 million for title VII. However, the conference report directs that the level of operations should be \$187.5 million because of the availability of carryover funds. Nearly 245,000 elderly persons now participate in the program. Participation is projected to reach 290,000 in fiscal 1977.

The budget also recommends \$22 million in USDA-donated commodities for title VII projects in fiscal 1977. This is an \$11.5 million increase over the fiscal 1976 appropriation of \$10.5 million. The \$22 million is the USDA estimate of the cost to provide the title VII program with 25 cents in commodities for each meal served in fiscal year 1977 (as authorized by the Older American Amendments of 1975).

No funding is again requested for multidisciplinary centers of gerontology and multipurpose senior centers.

A budget request of \$575,000 is recommended for the Federal Council on the Aging.

PROPOSED FUNDING FOR OLDER AMERICANS ACT

[In millions of dollars]

	Fiscal 1977 authorization	Fiscal 1977 budget request	Fiscal 1976 continuing resolution	Fiscal 1975 appropriation
Title II: Federal Council on the Aging.....	(1)	0.575	0.5	0.5
Title III:				
State and community programs on aging.....	\$231	97	96.0	105.0
Area planning and social services.....	(2)	(82)	(76.0)	(82.0)
State agency operations.....	(2)	(15)	(15.0)	(15.0)
Model projects.....	(1)	(0)	(5.0)	(8.0)
Title IV:				
Training.....	(1)	0	8.0	8.0
Research.....	(1)	7	7.0	7.0
Multidisciplinary centers of gerontology.....	(1)	0	0	0
Title V: Multipurpose senior center.....	(1)	0	0	0
Title VII: Nutrition program.....	250	88	\$125.0	125.0

¹ Open-ended.

² The \$231,000,000 authorization applies to area planning and social services and State agency operations.

³ Fiscal 1976 appropriation.

1976 SOCIAL SECURITY INCREASE PROJECTED AT 6.7 PERCENT

The new budget projects a 6.7 percent cost-of-living increase for Social Security beneficiaries in July 1976. A 5.9 percent benefit rise is assumed for July 1977. No ceiling is proposed for either cost-of-living adjustment. Last year, the Administration recommended that the 8-percent cost-of-living increase authorized by law be limited to 5 percent. Senator Church won approval of an amendment to S. 409 (Council of Wage and Price Stability Extension) to oppose any ceiling for the July 1975 Social Security adjustment.

Social Security benefits and payments.—Nearly 28.6 million persons are projected to receive \$71.4 billion in retirement and survivor benefits in fiscal 1977, compared with an estimated \$62.2 billion in payments for 27.7 million beneficiaries this year. Disability benefit payments are projected to rise from \$9.1 billion in 1976 to \$10.8 billion in 1977. A 300,000 increase in the number of beneficiaries is expected, from 4.4 million in 1976 to 4.4 million in 1977.

	1975 actual	1976 estimate	1977 estimate
RETIREMENT AND SURVIVOR BENEFITS			
Beneficiaries (millions):			
Retired workers.....	16.2	16.8	17.4
Dependents of retired workers.....	3.5	3.5	3.7
Survivors.....	7.3	7.4	7.5
Total beneficiaries.....	26.9	27.7	28.6
Benefit payments (billions):			
Retired workers.....	\$35.8	\$40.8	\$47.0
Dependents of retired workers.....	4.1	4.6	5.3
Survivors.....	15.0	16.8	19.1
Total benefit payments.....	54.8	62.2	71.4
DISABILITY BENEFITS			
Beneficiaries (millions):			
Disabled workers.....	2.2	2.5	2.7
Dependents of disabled workers.....	1.7	1.9	2.0
Total beneficiaries.....	3.9	4.4	4.7
Benefit payments (billions):			
Disabled workers.....	\$6.3	\$7.5	\$8.9
Dependents of disabled workers.....	1.4	1.6	1.9
Total benefit payments.....	7.6	9.1	10.8

Note: Total figures may vary from the sum of the individual components because of rounding.

Legislative recommendations.—Several recommendations have been incorporated in the budget to reduce Social Security outlays. The major proposals include:

1. Eliminate the retroactive payment of actuarially reduced benefits when it would require a permanent reduction in the beneficiary's future monthly benefits. A person now entitled to Social Security may receive up to 12 months retroactive payments, provided all factors of entitlement are fulfilled during the retroactive period. Benefits are actuarially reduced when an individual receives a payment for any month before age 65. (Projected outlay reduction: \$388 million in fiscal 1977.)

2. Remove the monthly test of the Social Security earnings limitation, except for the first year an individual receives a cash benefit. A beneficiary under age 72 now may earn \$2,760 a year before \$1 in benefits is withheld for each \$2 of earnings above this earnings ceiling. However, a person may receive benefits during any month earnings do not exceed the \$230 monthly exempt amount. (Projected outlay reduction: \$155 million in fiscal 1977.)

3. Phase out over 4 years benefits for students 18 to 22. (Projected outlay reduction: \$283 million in fiscal 1977.)

4. Increase the Social Security cash benefits contribution rate by 0.3 percent (from 4.95 percent to 5.25 percent) for employers and employees each, for calendar 1977.

5. Stabilize the relationship between a Social Security beneficiary's preretirement earnings and benefit level at retirement through a wage index system. This proposal would eliminate approximately one-half of the long-range financing deficit (now 5.32 percent of taxable payroll).

MEDICARE OUTLAYS PROJECTED AT \$21 BILLION

Outlays for hospital and medical services for Medicare beneficiaries are projected at \$21 billion in fiscal 1977—\$15.1 billion for hospital, skilled nursing, and home health services under Part A (Hospital Insurance) and \$5.9 billion for medical services under Part B (Supplementary Medical Insurance). Nearly 24 million persons are now protected under the Part A and Part B programs. Participation is expected to reach 25 million under both programs during fiscal 1977. Nearly 5.9 million beneficiaries are expected to receive reimbursable services under Part A, and 14.2 million under Part B.

	1975 actual	1976 estimate	1977 estimate
HOSPITAL INSURANCE			
Beneficiaries (millions):			
Persons with protection (average):			
Aged	21.6	22.0	22.4
Disabled	2.1	2.3	2.5
Beneficiaries receiving reimbursed services:			
Aged	4.9	5.0	5.1
Disabled6	.7	.8
Benefit payments (billions):			
Inpatient hospital services:			
Aged	\$9,033	\$10,482	\$12,829
Disabled	921	1,213	1,628
Skilled nursing facility services:			
Aged	259	292	356
Disabled	8	8	12
Home health services:			
Aged	123	177	248
Disabled	9	12	17
Total benefit payments:			
Aged	9,415	10,951	13,433
Disabled	938	1,233	1,657
Total	10,353	12,184	15,090

	1975 actual	1976 estimate	1977 estimate
SUPPLEMENTARY MEDICAL INSURANCE			
Beneficiaries (millions):			
Persons enrolled (average):			
Aged	21.5	21.9	22.4
Disabled	1.8	2.0	2.2
Beneficiaries receiving reimbursed services:			
Aged	11.2	11.7	12.5
Disabled	1.4	1.5	1.7
Benefit payments (billions):			
Physicians' services:			
Aged	\$2,805	\$3,289	\$3,976
Disabled	221	337	444
Home health services:			
Aged	46	67	98
Disabled	5	8	13
Outpatient services:			
Aged	402	583	822
Disabled	198	299	434
Other medical and health services:			
Aged	82	95	112
Disabled	6	9	11
Total benefit payments:			
Aged	3,335	4,034	5,008
Disabled	430	653	902
Total	3,765	4,687	5,910

Modify Medicare's cost-sharing structure.—The fiscal 1977 budget includes a legislative recommendation—based upon an earlier Nixon Administration proposal—to modify Medicare's cost-sharing structure by:

1. Requiring Medicare beneficiaries to pay a coinsurance charge equal to 10 percent of all hospital charges above the inpatient deductible payment of \$104. Now, Medicare patients pay the first \$104 of their qualifying hospital bill, and nothing thereafter until the 61st day.

2. Raising the Part B Supplementary Medical Insurance deductible from \$60 to \$77 in 1977. Thereafter, the deductible would rise proportionately with percentage increases in Social Security benefits.

3. Imposing a new 10-percent coinsurance charge on hospital-based physician and home health services under Part B.

4. Limiting a patient's liability to \$500 per benefit period for qualifying hospital services. This ceiling, though, would rise proportionately with Social Security benefit increases.

5. Placing a \$250 limitation per calendar year on Part B covered services. This limitation would also rise proportionately with Social Security increases. (Projected outlay reduction: \$1.3 billion in fiscal 1977.)

Senators Church, Kennedy, Humphrey, Clark, Williams, Ribicoff, Pell, Schweicker, and Cannon sponsored legislation (S. Con. Res. 86) to express congressional opposition to proposals to increase out-of-pocket payments by Medicare beneficiaries.*

Other Medicare proposals: The fiscal 1977 budget includes other legislative recommendations to control Medicare cost increases because of inflation by:

1. Limiting providers' (e.g., hospitals and skilled nursing facilities) average per diem reimbursement for 1977 to 7 percent more than the recognized 1976 level. In addition, the Secretary of HEW would be given authority to set reimbursement limits by regulation in future years. (Projected outlay reduction: \$730 million in fiscal 1977.)

2. Limiting 1977 average physician charge levels recognized by Medicare to 4 percent more than their 1976 level. The Secretary of HEW would also be given authority to establish future reimbursement limits by regulation. (Projected outlay reduction: \$179 million in fiscal 1977.)

NURSING HOME CARE

The total expenditures for the nursing home industry are projected at \$9 billion in fiscal 1977. This amount is a modest increase over projected 1976 spending. Federal contributions are expected to increase from \$3.525 billion this year to \$3.683 billion next year. State contributions will approximate \$1.9 billion and private contributions about \$4.4 billion.

The combined State and Federal contributions (\$5.583 billion) largely reflect payments for the Medicaid program. Medicare contributions will increase some \$100 million over 1976 estimates but the 1977 total of \$353 million still accounts for only about 6 percent of the \$5.583 billion in combined Federal-State payments.

*Other sponsors of S. Con. Res. 86 include Senators Bayh, Abourezk, McGee, McGovern, Randolph, Pastore, Hart (Mich.), Brooke, Stevenson, Hartke, Tunney, Chiles, Mondale, Mansfield, Stone, Stafford, Metcalf, Culver, Inouye, Durkin, and Jackson.

10-PERCENT INCREASE PROJECTED FOR FEDERAL SSI PARTICIPATION

A 10-percent increase in the number of aged, blind, and disabled persons receiving Federal Supplemental Security Income payments is projected for fiscal 1977, from 4.2 million at the end of fiscal 1976 to 4.635 million at the end of fiscal 1977. In addition, the budget estimates that 535,000 persons will receive State supplemental payments under programs administered by the Social Security Administration, for a total of 5.17 million recipients of federally administered payments at the end of fiscal 1977 (2.565 million aged persons and 2.605 blind or disabled individuals). Benefit payments totaling \$5.2 billion in Federal funds and \$1.2 billion in State funds are forecasted for fiscal 1977, compared to \$4.5 billion and \$1.3 billion, respectively, in fiscal 1976. The budget request assumes a 6.7 percent cost-of-living increase in SSI benefit payments, effective July 1976. A 5.9 percent increase is assumed in July 1977. Now, the SSI program provides a minimum monthly income of \$157.70 for eligible individuals and \$236.60 for an eligible couple.

RECIPIENTS OF FEDERALLY ADMINISTERED PAYMENTS

(In thousands)

	End of fiscal year		
	1975 actual	1976 estimate	1977 estimate
Federal benefits.....	3,717	4,200	4,635
State supplements only.....	380	465	535
Total.....	4,097	4,665	5,170

HOUSING

Section 202.—The Administration plans to release \$375 million for section 202 loans in 1976. This borrowing level will finance approximately 16,000 units. Nearly 1,500 applications have already been received. HUD is expected to approve applications shortly. An additional \$375 million will be released for section 202 loans in fiscal 1977. This lending authority will finance another 16,000 units. The Housing and Community Development Act of 1974, which revitalized the section 202 program, authorizes a borrowing level of \$800 million for housing for the elderly.

Public housing.—HUD will not request any new authority for the conventional public housing program. However, HUD will honor over 21,000 prior commitments during fiscal year 1976. For fiscal 1977, the Administration requests \$463.6 million in operating subsidies for public housing.

Section 8 (housing assistance payments program).—HUD anticipates that 290,000 units of rental assistance will be obligated during fiscal year 1976, falling short of the fiscal year 1976 goal of 400,000 units. Another 400,000 units will be obligated in fiscal 1977. It is estimated that fewer than 1,000 households were assisted under section 8 at the beginning of 1976.

Community development block grant program.—In the second year of the community development block grant program (which replaced

such programs as model cities and urban renewal), HUD is requesting substantially more funding. Outlays are projected at \$750 million for 1976, \$400 million for the transition quarter, and \$1.6 billion for fiscal 1977. It is expected that these funds will provide assistance to over 4,500 communities.

NO FUNDING REQUESTED FOR OLDER AMERICAN COMMUNITY SERVICE EMPLOYMENT ACT

No funding is requested—for the fourth consecutive year—for the title IX Older American Community Service Employment Act. Title IX is now operating under a continuing resolution at a funding level of \$42 million, through March 31, 1976. More than 12,000 low-income persons aged 55 or older are enrolled in the senior community service employment program. The authorized funding level for fiscal 1977 is \$150 million.

Project	Enrollment	States
Green Thumb (National Farmers Union).....	5,070	25
Senior Aides (National Council of Senior Citizens).....	2,809	25
Senior Community Service Aides (National Retired Teachers Association-American Association of Retired Persons).....	2,047	19
Senior Community Service Program (National Council on the Aging).....	1,340	11
Forest Service.....	1,043	24
State and Territorial Governments (Alabama, Hawaii, Delaware, Guam, Samoa, Trust Territory of the Pacific Islands, and Virgin Islands).....	90	7
Total enrollment.....	12,399	

ADEA REQUEST TO SUPPORT 81 POSITIONS

A funding level of \$2.540 million is sought for enforcement and overhead operations for the Age Discrimination in Employment Act—up slightly from the projected figure of \$2.427 million for fiscal 1976. This request would support 81 positions, the same number as this year.

PROPOSED FUNDING FOR CETA TITLES I AND II UNCHANGED

A \$1.98 billion appropriation is proposed for title I State and local manpower revenue sharing (\$1.58 billion) and the title II public service jobs program (\$400 million) of the Comprehensive Employment and Training Act. Titles I and II are operating under a continuing resolution at these same funding levels.

For fiscal 1976, the Administration will seek a \$1.7 billion supplemental appropriation to continue 310,000 public service jobs under title II (in areas with at least 6.5-percent unemployment for three or more consecutive months) and title VI (emergency jobs program with funds distributed under a nationwide formula) through December 31, 1976. However, these jobs will be phased out in 1977 (by September 30).

\$10 MILLION REQUEST FOR SOS

The Administration recommends a \$10 million appropriation to continue the Senior Opportunities and Services program in fiscal 1977.

This represents the first time the Administration has requested funding for a community action categorical program within the Office of Economic Opportunity-Community Services Administration since 1973. Under an interagency agreement entered into on November 5, 1975, SOS and the Administration on Aging will conduct joint funding of service delivery, research and demonstration programs.

Nearly 300 Community Service Administration programs through 1,500 senior centers serve 1 million older persons, providing 7.9 million services or activities. These projects were funded with \$22.6 million in Federal funds, including \$10 million from SOS. SOS has funded 198 projects.

\$8 MILLION REDUCTION PROPOSED FOR LEGAL SERVICES CORPORATION

The Administration is recommending an \$80 million funding level for the National Legal Services Corporation, \$8 million below the fiscal 1976 appropriation of \$88 million. The Legal Services Corporation is requesting \$140.3 million for fiscal 1977. The fiscal 1976 appropriation now supports 258 legal services programs, staffed by 3,300 attorneys. A cutback in legal service activities would probably be necessary under the Administration's fiscal 1977 recommendation, but the extent of the reduction is not known at this time.

Major earmarked activities for the elderly now include:

1. \$366,380 for the National Senior Citizens Law Center (Los Angeles, Calif., and Washington, D.C.), which provides legal research and other services for legal services attorneys representing the aged.
2. \$134,200 for the Council of Elders' Lay Advocates Demonstration Program (Roxbury, Mass.).
3. \$160,000 for Legal Services for the Elderly Poor (New York, N.Y.), which provides legal representation concerning the legal problems of the aged.
4. \$142,000 for California Rural Legal Assistance (San Francisco, Calif.) to provide legal research and community education for legal services lawyers.

INCREASE FOR THE NATIONAL INSTITUTE ON AGING

For fiscal year 1977 the Administration is requesting a budget of \$26.22 million. This request is approximately \$8.7 million higher than the fiscal 1976 appropriation of \$17.526 million. The budget request would support about 229 grants and contracts during fiscal year 1977, compared to 139 during fiscal year 1976.

ACTION BUDGET PROPOSES INCREASE FOR AGING PROGRAMS

The Administration is recommending \$55.3 million, an increase of about \$5.9 million above the fiscal 1976 appropriation for the Older American Volunteer Programs. The fiscal year 1977 budget recommends \$17.5 million for the Retired Senior Volunteer Program (RSVP), the same amount as the fiscal year 1976 spending level. ACTION estimates that this will support approximately 200,000 volunteers, compared to 180,000 volunteers in fiscal 1976. The Foster

Grandparent and Senior Companions Programs have a budget request of \$37.8 million for fiscal year 1977, almost \$6.3 million over last year's appropriation of \$31.927 million. This amount would enable nearly 16,450 persons to participate in the program, compared to 13,150 this year. About 3,100 persons would participate in the Senior Companions Program during fiscal year 1977, compared to an estimated 1,700 this year.

ACTION'S AGING PROGRAMS

(In millions of dollars)

	Authorization fiscal 1977	Budget request fiscal 1977	Fiscal 1976 appropriation
RSVP.....	\$22.0	\$17.5	\$17.5
Foster grandparents.....	35.0	34.0	31.9
Senior companions.....	8.0	3.8	
Total.....	65.0	55.3	49.4

¹ Combined appropriation for Foster Grandparents and Senior Companions.

RAILROAD RETIREMENT ANNUITIES

Payments for retirement, disability, and survivor benefits are projected at \$3.651 billion for fiscal 1977, nearly \$200 million above the fiscal 1976 estimate of \$3.449 billion. Actual payments totaled \$3.086 billion for fiscal 1975. The number of persons receiving monthly benefit payments will decline from 1,013,000 at the end of 1975 to an estimated 1,012,000 at the end of 1977. However, the number of supplemental annuitants will increase from 141,000 at the end of 1975 to 172,000 at the end of 1977.

PROPOSED FUNDING FOR NIMH SHARPLY REDUCED

A \$264.214 million funding level is requested for the National Institute of Mental Health for fiscal 1977, nearly \$86 million below the \$350.196 million provided under the continuing resolution for fiscal 1976. In fiscal 1975, NIMH received a \$420.451 million appropriation. The Administration budgets \$83 million for research for NIMH activities for fiscal 1977. Of this total, approximately \$4.2 million is projected for aging research, or 5 percent of the total research budget.

VETERANS BENEFITS FOR OLDER AMERICANS

Nearly \$8 billion is projected to be expended in fiscal 1977 for Veterans Administration nonservice-connected disability pensions (\$2.8 billion) and service-connected disability compensation payments (\$5.2 billion). Of this total, veterans and survivors from World War I and prior conflicts are expected to receive \$875 million in pension payments and \$218 million in compensation payments for fiscal 1977.

The VA also operates the largest medical care delivery system in the Nation, with 172 hospitals, 18 domiciliary care units, 89 nursing homes, and 229 outpatient clinics in 1977. This system will treat over 1.3 million patients in 1977, and fund over 15.7 million outpatient medical

and dental visits to VA and community facilities. Nearly \$4.2 billion is projected to be expended. Among the services available for elderly veterans:

Type of care	1975 actual	1976 estimate	1977 estimate
1. Nursing home care:			
Patients treated.....	10,532	10,528	10,612
Average daily nursing patient census.....	6,739	7,000	7,000
2. Domiciliary care:			
Members treated.....	18,488	16,814	16,814
Average daily member census.....	9,181	9,198	9,198
3. Community nursing home (contract care):			
Average daily nursing census.....	6,239	7,000	8,000
Patients treated.....	21,749	24,640	28,160
4. State home care (domiciliary):			
Average daily member census.....	5,849	6,352	6,700
Members treated.....	12,062	13,974	14,740
5. State nursing home care:			
Average daily nursing census.....	4,123	5,230	6,200
Patients treated.....	7,832	10,251	12,152
6. State hospital care:			
Average daily patient census.....	1,013	900	900
Patients treated.....	6,967	6,214	6,235

ADMINISTRATION PROPOSES CUTBACK IN FOOD STAMP PROGRAM

The Administration proposes nearly a \$1 billion decrease in the operating level of the food stamp program, from \$5.6 billion in fiscal year 1976 to \$4.7 billion in fiscal year 1977.

This would reduce the number of participants from 18.4 million to 13.1 million. Approximately 10 percent of the participants are elderly.

\$1.8 MILLION CUTBACK REQUESTED FOR COMMUNITY EDUCATION FUNDING

The Administration is recommending a budget of \$1.7 million for community education programs for fiscal year 1977. This amount is a \$1.853 million cutbacks from the fiscal year 1976 appropriations level of \$3.553 million. The budget request of \$1.7 million would be divided into \$750,000 allotments each for grants for State and local educational agencies and \$200,000 for training.

SOCIAL SERVICES—TITLE XX

The Federal share for title XX social services for fiscal year 1977 is estimated at \$2.4 billion, compared to \$2.3 billion for fiscal year 1976. Title XX is projected to serve approximately 1.9 million aged, blind, and disabled participants in fiscal year 1977.

The Administration proposes to introduce legislation which would consolidate social services under a new "Federal Assistance for Community Service." Under this proposal, \$2.5 billion would be provided in block grants for social services to the States with no State matching required.

SCORE AND ACE

The Administration is recommending an increase of \$815,000 for the Service Corps of Retired Executives (SCORE) and Active Corps of Executives (ACE) programs for fiscal year 1977.¹ The programs, now

¹ SCORE and ACE support retired executives participation as advisors and consultants for businesses and corporations.

administered by the Small Business Administration, had an operating level of \$485,000 for fiscal 1976, and the Administration is requesting \$1.3 million for the programs for fiscal 1977. It is estimated that approximately 10,000 participants will be supported in fiscal 1977, compared to nearly 6,000 in fiscal 1976.

NO FUNDING FOR SPECIAL EDUCATIONAL PROGRAMS

The fiscal 1977 budget makes no request for three educational programs for the elderly (as extended by the Older Americans Amendments of 1975). The programs include: (1) An Older Reader Services program (including training of librarians to work with the aged and providing in-home visits by librarians); (2) assistance for utilizing the resources of higher education for developing programs concerning transportation and housing problems of the elderly in rural and isolated areas; and (3) special programs for persons with limited English-speaking ability.

