94th Congress
1st Session
COMMITTEE PRINT

ACTION ON AGING LEGISLATION IN 93D CONGRESS

PREPARED BY THE

SPECIAL COMMITTEE ON AGING UNITED STATES SENATE

FEBRUARY 1975

Printed for the use of the Special Committee on Aging

U.S. GOVERNMENT PRINTING OFFICE
44-624 WASHINGTON : 1975

For sale by the Superintendent of Documents, U.S. Government Printing Office
Washington, D.C. 20402 - Price 30 cents

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ACTION ON AGING LEGISLATION IN THE 93d CONGRESS

During its two years of existence (1973–74), the 93d Congress enacted and considered legislation of direct importance to older Americans and their families.

The U.S. Senate Special Committee on Aging presents this summary of these actions for the elderly and for those who work with them.

SOCIAL SECURITY, SSI, AND OTHER RELATED AMENDMENTS

Social Security and Welfare Amendments

(Enacted July 9, 1973)

The Congress attached several important amendments—affecting Social Security, the Supplemental Security Income program, social services, and Medicaid—as a part of legislation (Public Law 93–66) to continue the Renegotiation Act. Among the major provisions:

Social Security

Retirement Test Liberalized.—Effective January 1974 the annual earnings limitation for Social Security beneficiaries under age 72 was increased from $2,100 to $2,400. *Note:* Under an automatic escalator provision in the 1972 Social Security Amendments (Public Law 92–603), the retirement test increases to $2,520 in 1975.

Supplemental Security Income

Background on SSI.—The Supplemental Security Income program became effective in January 1974, replacing the State administered adult assistance programs. It is administered by the Social Security Administration, and is designed to build a Federal floor under the incomes of the aged, blind, and disabled.

Covering "Essential Persons".—Eligibility for SSI payments is also extended to so-called "essential persons" (effective in January 1974). Essential persons are generally wives under 65 years of age of eligible aged recipients who have themselves reached age 65. An estimated 125,000 persons will receive additional Federal payments of $100 million under this provision in the first full year. This provision applies to "essential persons" who were already on State assistance rolls prior to January 1974.

State Supplementation Required.—Assurance is also provided that aged, blind, and disabled persons on the welfare rolls in December 1973, will not lose income because of the federalized Supplemental Security Income program. State supplementation will be required up to present assistance levels, except for Texas which cannot provide supplementation under its Constitution.

Social Services

90–10 Rule Repealed.—An amendment sponsored by Senator Frank Church was adopted to repeal the 90–10 rule concerning social services for the aged, blind, and disabled under the Social Security Act. Under the Revenue Sharing Act, at least 90 percent of a State's allotment must be directed toward current welfare recipients, and only 10 percent can be targeted for past and potential beneficiaries. The Church Amendment allows greater flexibility in providing social services for former and potential adult welfare recipients.

Medicaid

Protection Against Loss of Coverage.—Three groups of persons, eligible for Medicaid in December 1973, received protection against loss of Medicaid benefits when the SSI program became effective in January 1974:

1. Disabled and blind persons who do not meet the requirements under Federal definitions and who are eligible as medically indigent persons.
2. Inpatients at medical institutions whose special needs make them eligible for assistance.
3. An eligible spouse of an adult welfare recipient who is essential for that individual's welfare.

Extension of 1972 Medicaid Protection Clause.—Public Law 92–603 contained a savings clause continuing Medicaid for persons who would otherwise lose their eligibility because the 20 percent Social Security increase (Public Law 92–336) raised their incomes above the qualifying cash assistance levels. This savings clause, formerly scheduled to expire in October 1974, is extended through June 1975.

Repeal of Limit of Payments for Nursing Services.—Section 225 of Public Law 92–603 provided that the average per diem cost for skilled nursing homes and intermediate care facilities countable for Federal financial participation will be limited to 105 percent of costs for the same quarter of the preceding year. This measure is repealed.

Social Security Amendments

(Enacted December 31, 1973)

Public Law 93–233 provides an 11-percent Social Security increase and makes other changes of direct interest to the elderly. Among the key provisions:

Two-Step, 11 Percent Increase.—The Act authorizes a two-step, 11 percent Social Security increase for more than 29 million beneficiaries, effective for checks delivered in July 1974 (7 percent of this amount became payable for checks delivered in April 1974). This action—together with three other across-the-board raises since December 1969—means that Social Security benefits were boosted by 68.5 percent in a 4½-year period.

Increase in the Special Minimum Benefit.—Under prior law, the special minimum monthly benefit was computed by multiplying $8.50

by the number of years of covered employment after 10 but not greater than 30 years. Public Law 93–233 increases this multiple from $8.50 to $9.00. Thus, the highest special minimum is increased from $170 to $180 a month for workers with 30 or more years of coverage.

Cost-of-Living Adjustment Improvements.—The automatic escalator provision is improved by measuring the increase on the basis of the change in the Consumer Price Index from the first quarter of one year to the first quarter of the following year (rather than from the second quarter in one year to the second quarter in the following year). An exception is made for the first automatic increase (effective for June 1975), which will be based upon the rise in the CPI between the second quarter in 1974 and the first quarter in 1975. Additionally, the effective date of the cost-of-living adjustment is in June, instead of January. These two changes will reduce from seven months to three months the lag between the end of the calendar quarter used to measure the rise in the cost-of-living and the payment of the resulting Social Security increase.

Supplemental Security Income Standards.—Monthly income standards for the new Supplemental Security Income program were increased in two stages from $130 to $146 for individuals and from $195 to $219 for couples.

Restoration of Food Stamp Eligibility for SSI Recipients.—The 1973 Amendments also restored food stamp eligibility for SSI recipients (through June 1974) on the basis of income and asset requirements of the program. The 1972 Social Security Amendments had prohibited participation by SSI recipients.

Extension of Food Stamp Eligibility for SSI Recipients

(Enacted July 8, 1974)

Public Law 93–335 amends Public Law 93–233 (Social Security Amendments) to extend food stamp eligibility for SSI recipients for an additional 12 months—through June 30, 1975.

Cost-of-Living Adjustments for SSI Recipients

(Enacted August 7, 1974)

Public Law 93–368 provides an automatic cost-of-living increase for SSI recipients whenever there is a cost-of-living raise in Social Security payments. This provision becomes operative in July 1975. Additionally, the Act authorizes Federal reimbursement to States for interim assistance to SSI beneficiaries. Public Law 93–368 also permits—instead of requires (as under Public Law 92–603)—States to impose premium charges for the medically indigent under Medicaid.

SSI Improvement for Persons in Nonprofit, Retirement Homes

(Enacted October 26, 1974)

Public Law 93–484 includes an amendment sponsored by Senator Church to exempt the value of maintenance and support furnished by private, nonprofit retirement homes in determining eligiblity for Supplemental Security Income benefits. Thus, the subsidized portion of an

SSI recipient's maintenance in a nonprofit home for the aged or similar facility will no longer be considered as unearned income and will not reduce or eliminate the individual's SSI payment.

1974 Social Services Amendments

(Enacted January 4, 1975)

The Social Services Amendments of 1974 (Public Law 93–647) make far-reaching changes in restructuring and reestablishing the social services provisions as a new Title XX under the Social Security Act. Key provisions in the new law include: (1) The prior limitation of $2.5 billion on annual Federal funding is retained. Funds not used by a State within its share of this national ceiling may not be reallotted among the States. (2) The 75 percent Federal matching for most services is retained. (3) The requirement that 90 percent of Federal funding for social services (except for certain specified services, such as services for the aged, blind, and disabled) must be used for actual welfare recipients is repealed. Public Law 93–647 provides that 37.5 percent of total funds must be used for aid for families with dependent children, Supplemental Security Income and Medicaid recipients or eligibles. (4) States are allowed to determine eligibility requirements for services to nonrecipients, except no Federally matched services will be available to individuals or families with incomes exceeding 115 percent of the State median income (adjusted for family size). (5) Fees are required for services to individuals or families with incomes exceeding 80 percent of the State median income (or if lower 100 percent of the national median income). (6) States are required to provide at least three types of services (to be specified by each State) for the aged, blind, and disabled. (7) The effective date of the new program will be October 1, 1975, with the existing moratorium on the Administration's proposed regulations continuing until that time.

OLDER AMERICANS ACT

Older Americans Comprehensive Services Amendments

(Enacted May 3, 1973)

The Older Americans Comprehensive Services Amendments of 1973 (Public Law 93–29) made important changes and innovations in the Older Americans Act and other legislation affecting the elderly. Among the key provisions:

Federal Council on Aging.—A 15-member Federal Council on Aging replaced the Advisory Committee on Older Americans. The new Council advises and assists the President on matters relating to the special needs of older Americans.

It also acts as a spokesman on behalf of the elderly in making recommendations to the President and Congress concerning Federal policies in the field of aging. The Council is responsible for undertaking a study of the (a) interrelationship of programs for the elderly and (b) the combined impact of all taxes affecting the aged.

Strengthening of the Administration on Aging.—Two fundamental changes were adopted to strengthen the Administration on Aging: (1) AoA was transferred out of the Social and Rehabilitation Service to the Office of the Secretary of HEW; and (2) the Secretary was precluded from approving any delegation of functions of the Commissioner of AoA to any other officer not directly responsible to the Commissioner unless the Secretary first submits a delegation plan to the Congress for approval.

Model Projects.—A new Model Projects program is established to develop innovative solutions for some of the everyday problems confronting the elderly, including housing, preretirement counseling, continuing education, and social services for handicapped elderly Americans.

Title III Grants for State and Area Programs.—The Title III program is remodeled to provide comprehensive and coordinated social services delivery systems through the establishment of planning and service areas.

Training.—The Commissioner is authorized to make funds available for attracting qualified persons to the field of aging by (a) publicizing available opportunities for careers in aging; (b) encouraging qualified persons to enter or reenter the field; (c) encouraging artists, craftsmen, scientists, and homemakers to undertake assignments on a part-time basis or for temporary periods in the fiield of aging; and (d) preparing and disseminating materials for recruitment and training of individuals.

Research.—The Act authorizes the Commissioner to make grants or enter into contracts for the purpose of (a) studying current living conditions of older persons and identifying factors which are beneficial or detrimental to the wholesome and meaningful living of the elderly; (b) developing approaches for improving conditions of community services for older Americans; and (c) evaluating various methods to assist the elderly enjoy wholesome and meaningful lives, as well as continuing to contribute to the strength and welfare of our Nation.

Multidisciplinary Centers of Gerontology.—Funding is authorized for multidisciplinary centers of gerontology to conduct basic and applied research on (a) work, leisure, and education of older Americans; (b) living arrangements; (c) the economics of aging; and (d) other related areas.

Multipurpose Senior Centers.—Federal funding is also authorized for acquiring, altering, or renovating facilities to be used for multipurpose senior centers.

Foster Grandparents.—The concept of the Foster Grandparent program is expanded to include supportive services to children and adults in community settings, as well as services for institutionalized children.

Community Service Employment.—An Older American Community Service Employment Act is also incorporated (as Title IX) into the Older Americans Comprehensive Services Amendments. Title IX establishes a national senior service corps to provide new job opportunities in a wide range of community service activities for low-income persons 55 or older.

Nutrition Program Extended

(Enacted July 12, 1974)

Public Law 93–351 extends the Title VII nutrition program for the elderly for 3 years at a $600 million funding level: $150 million for fiscal 1975, $200 million for fiscal 1976, and $250 million for fiscal 1977. An additional $35 million is also authorized for Title III (State and Community Programs on Aging) for fiscal 1975 for paying up to 75 percent of the costs of transportation, with special emphasis on providing supportive transportation in connection with nutrition projects. In donating surplus commodities to Title VII nutrition projects, the Secretary of Agriculture is directed to maintain an annually programed level of assistance of not less than 10 cents per meal. This amount will be adjusted annually to reflect changes in the Consumer Price Index on food. The 1974 Amendments prohibit the Commissioner on Aging from delegating any of his functions to the Department of Health, Education, and Welfare regional directors. The formula for local contribution for RSVP programs is also changed. Under prior law the local share was 10 percent for the first year, 20 percent for the second year, 35 percent for the third year, 50 percent for the fourth year, 65 percent for the fifth year, and then 100 percent after 6 years. Under the new formula the local share cannot exceed 10 percent of the first year, increasing in 10 percent increments on an annual basis until it reaches a 50-percent ceiling after the fifth and all subsequent years.

PENSIONS

Employee Retirement Income Security Act

(Enacted September 2, 1974)

One of the most important measures enacted into law for aged and aging Americans during the 93d Congress is the Employees Retirement Income Security Act (Public Law 93–406). Among the major provisions:

Vesting.—A plan must have minimum vesting provisions which satisfy the requirements of one of three alternatives: (1) Full vesting for employees by the end of the 10th year of participation under the plan; (2) 25 percent vesting after 5 years of participation—increasing by 5 percent for the next 5 years and then by 10 percent per year until full vesting is reached at 15 years; (3) A "rule of 45" under which employees with at least 5 years of service will have their pensions 50 percent vested when their age and years of service equal 45. However, all employees regardless of age must be 50 percent vested after 10 years of service with 10 percent vesting for each year thereafter.

Plan Termination Insurance.—A Pension Benefit Guaranty Corporation is established within the Department of Labor to insure pension benefits if a plan is terminated. Employer premiums will be the main source of financing. The maximum limit on insurance benefits is the lesser of 100 percent of wages during the highest-paid 5 consecutive years of $750 monthly.

Survivor Benefits.—Plans are required to have a joint and survivor annuity provision. The survivor annuity must not be less than half of the annuity payable to the participant. The joint and survivor provision is to apply unless the employee elects otherwise.

Individual Retirement Accounts.—Individuals who are not covered under a qualified or government plan may establish their own pension and claim a tax deduction up to $1,500 or 15 percent of wages, whichever is less. The account may not be drawn upon without penalty before age 59½ and benefits must begin by age 70½. Pension rights that are cashed out upon termination of a fund or upon separation from service may be placed in the account on a tax-free basis. This is the only portability feature incorporated in the legislation.

Keogh Plans.—Maximum tax deductions for retirement purposes for self-employed persons are increased from 10 percent of net earnings with a $2,500 maximum to 15 percent with a $7,500 limit.

Social Security Recordkeeping.—After December 31, 1975, employers must file information on an employee's vested pension right with the Social Security Administration whenever an employee is separated. SSA will then provide this information to participants and beneficiaries on their request and on their application for Social Security benefits.

NURSING HOMES

Loans for Nursing Home Fire Safety Equipment

(Enacted December 28, 1973)

Public Law 93-204 authorizes insured loans under the National Housing Act for the purchase of fire safety equipment for nursing homes. The Secretary of Housing and Urban Development is vested with authority to establish the mortgage limit, interest rate, and terms of the loans.

See also: p. 2 (Social Security and Welfare Amendments) for discussion of "repeal of limit of payments for nursing services."

HOUSING

Housing and Community Development Act of 1974

(Enacted August 22, 1974)

Efforts to stimulate new construction of housing units for older Americans came to fruition with the signing of the omnibus Housing and Community Development Act (Public Law 93-383) a 3-year, $11.3-billion measure which makes major changes in Federal housing programs and renews the popular and successful 202 Housing for the Elderly program.

Substantial revisions in the original 202 program were necessary. Among the principal changes:

(1) The Secretary of HUD is authorized to *borrow* from the Treasury up to $800 million to make direct loans to eligible spon-

sors. In the past, all funding required an appropriation. Now, the Appropriations Committees need only approve a borrowing level.

(2) All receipts and disbursements under this program will be excluded from the Federal Budget. Formerly, all appropriations were limited because of the direct budgetary impact.

(3) Loans will be made at the prevailing Government interest rate (estimated today at 8.5 percent) plus an amount to cover administrative costs. Formerly, loans were made at 3 percent.

(4) However, all units built under the revised 202 program will be eligible for assistance under Section 8 which guarantees that eligible tenants will not pay more than 25 percent of their incomes for rent (see below for more discussion of Section 8).

Of the $800 million authorized, Congress approved for Fiscal Year 1975 a borrowing level of $100 million. In addition, the Congress approved another $115 million from moneys that had accumulated in the "revolving" fund of the original 202 program, thus establishing a total lending capability of $215 million through June 30, 1975.

Several other provisions in the new bill have a direct impact on housing and supportive service programs for older persons.

Under Title I, Community Development, block grants totaling $8.6 billion over the next 3 years are authorized for communities to replace nine existing HUD-financed programs, such as Urban Renewal and Model Cities (scheduled to end on January 1, 1975). As a new type of special revenue sharing, this block grant program authorizes:

(1) Construction of senior centers, projects to remove architectural barriers, and the financing of public services if such services are not available through other forms of Federal assistance.

(2) Communities with Model Cities programs to receive full funding through the fifth action year followed by a declining percentage (80, 60, and 40) for the sixth, seventh, and eighth years as part of the total grant awarded.

Among the key provisions in Title II:

(1) *Public Housing.*—The Act authorizes construction of an estimated 45,000 traditional units for this year, and establishes minimum rents (defined as the higher of 5 percent of gross income or the specified housing portion of welfare payments).

(2) *Security.*—Specific statutory language is incorporated in the Act to permit the use of operating subsidies for security services, including the cost of security personnel.

(3) *Section 236.*—A new authorization of $75 million is provided with at least 20 percent set aside for the elderly.

(4) *Rent Supplement.*—This program is now merged with Section 236.

(5) *Section 8 Housing Assistance Payments Program.*—Section 8 is a revised version of the Section 23 Leased Housing Program. Under this approach, HUD leases the units (existing or new construction) from private owners and subsidizes the rent down to 15–25 percent of a tenant's income. Preference is given to projects with less than 20 percent of the units subsidized. The elderly can have the same preference with 100 percent of units subsidized.

EMPLOYMENT AND MANPOWER

National Employ the Older Worker Week

(Enacted March 15, 1973)

Public Law 93–10 authorized the President to designate the second full week in March 1973 as "National Employ the Older Worker Week."

Comprehensive Employment and Training Act

(Enacted December 28, 1973)

The Comprehensive Employment and Training Act (Public Law 93–203) makes financial assistance available to prime sponsors (e.g., a State or a local unit of government) to develop comprehensive manpower programs. The Act includes a number of important provisions for middle-age and older persons, such as funding for recruitment, placement, and counseling services for mature workers who are unemployed because of a plant shutdown or other permanent large-scale reduction in the work force. The Secretary of Labor is also authorized to make grants or enter into contracts with prime sponsors to help middle-aged and older persons obtain part-time or temporary employment.

Fair Labor Standards Amendments Strengthen Age Discrimination Law

(Enacted April 8, 1974)

The 1974 Fair Labor Standards Amendments (Public Law 93–259) include three major improvements for the Age Discrimination in Employment Act: (1) Extension of coverage to Federal, State, and local governmental employees; (2) A broadening of the application of the Act to include private employers with 20 or more employees (instead of 25 as under prior law); and (3) An increase in the authorized funding level (from $3 million to $5 million) to strengthen enforcement activities.

Emergency Jobs and Unemployment Assistance Act

(Enacted December 31, 1974)

An Emergency Jobs and Unemployment Assistance Act was enacted into law (Public Law 93–567) during the closing days of the 93d Congress. The new law authorizes $5.5 billion in unemployment assistance, including $2.5 billion for public service jobs. An additional $2.5 billion is authorized for emergency unemployment compensation payments for persons who are not entitled to such benefits. Moreover, there is $500 million for labor intensive public works projects and similar job activities. Of special significance for older Americans, the

Act includes a provision to authorize public service jobs for elderly and handicapped individuals who are unable to work full time because of age or a disability.

See also: p. 5 (Older Americans Comprehensive Services Amendments) for discussion of the Older American Community Service Employment Act.

POVERTY PROGRAM

Poverty Program Continued

(Enacted January 4, 1975)

Public Law 93–644 extends programs under the Economic Opportunity Act through fiscal 1977. The Act redesignates the Office of Economic Opportunity as the Community Services Administration, which has responsibility for administering Community Action programs, Senior Opportunities and Services, and Emergency Food and Medical Services. The President, however, is authorized to submit a Reorganization Plan next year to transfer the programs under the direct administration of the Community Services Administration to the Department of Health, Education, and Welfare. If the President does not submit a Reorganization Plan, or the Congress disapproves the plan and overrides any veto, the Community Services Administration will continue as an independent agency.

RAILROAD RETIREMENT

Medicare Coverage for Kidney Disease Extended to Railroad Employees

(Enacted July 6, 1973)

Public Law 93–58 extends Medicare coverage for treatment (hemodialysis or renal transplantation) of kidney diseases for railroad employees, their spouses, and their dependent children. Public Law 92–603 (the Social Security Amendments of 1972) made this protection available for workers (and their families) in Social Security covered employment.

1973 Railroad Retirement Amendments

(Enacted July 10, 1973)

Public Law 93–69 extends three temporary railroad retirement increases—15 percent in 1970, 10 percent in 1971, and 20 percent in 1972—from June 30, 1973 until December 31, 1974. The Act also allows men with 30 years of railroad employment to retire on full annuities at age 60 (effective July 1974)—the same as exists for women. The 1973 Amendments further provide that Railroad Retirement annuities will be increased by the same dollar amount that Social Security benefits are raised before January 1975. Additionally, the Act established a joint labor-management committee to submit recommendations to the Congress by April 1, 1974, for the purpose of making the Railroad Retirement program actuarially sound.

1974 Railroad Retirement Amendments

(Enacted October 16, 1974)

The 1974 Railroad Retirement Amendments became law (Public Law 93–445) when the House and Senate overrode President Ford's veto. The new law restructures the Railroad Retirement benefit into two components. Tier one reflects a Social Security benefit—calculated on the basis of Social Security covered employment and railroad service. The second tier is a pension based on a formula applicable only to railroad service.

Public Law 93–445 eliminates dual benefit rights for future beneficiaries. Dual benefits have been largely responsible for the deficit in the Railroad Retirement program. However, persons with vested rights under both Social Security and Railroad Retirement will be permitted to receive benefits computed under both systems. The excess cost of paying benefits to these individuals will be met through appropriations, estimated at $285 million per year for 25 years.

Other provisions include: (1) Persons who retire at age 60 with 30 years of covered service can receive supplemental annuities at age 60, rather than at age 65; (2) The spouse of an individual who retires at age 60 with 30 years of service can qualify for a spouse's annuity at age 60, rather than 65; and (3) Survivor benefits are increased from 110 to 130 percent of the comparable Social Security benefit.

RESEARCH AND TRAINING

Research on Aging Act

(Enacted May 31, 1974)

The Research on Aging Act (Public Law 93–296) establishes a National Institute on Aging at the National Institutes of Health. The new Institute is responsible for conducting and supporting biomedical, social, and behavioral research and training relating to the aging process.

See also: p. 5 (Older Americans Comprehensive Services Amendments) for discussion of research and training provisions.

TAXATION

Equitable Treatment for Taxpayers Claiming Standard Deduction

(Enacted October 26, 1974)

Senator Church won approval of an amendment to Public Law 93–483 to treat all taxpayers equally when they incur a penalty for the premature withdrawal of funds from certificates of deposits. This measure allows taxpayers who do not itemize their deductions to deduct this penalty from gross income in calculating their adjusted gross income. In November 1973, the Internal Revenue Service issued a ruling which required financial institutions to report the gross amount of interest paid to an accountholder on time savings accounts—although the depositor may have forfeited part of the interest because he withdrew the certificate of deposit prematurely. If the taxpayer itemizes his deductions, he may subtract this penalty as a loss incurred in a transaction entered into for profit. However, the former provision provided no relief for the vast majority of taxpayers—many of whom were elderly—who claimed the standard deduction or the low-income allowance, instead of itemizing their deductions.

TRANSPORTATION

National Mass Transportation Assistance Act

(Enacted November 26, 1974)

A landmark $11.8 billion mass transit bill became law (Public Law 93–503), after a 4-year struggle. The National Mass Transportation Assistance Act provides $3.9 billion in funding for operating subsidies and $7.8 billion for capital grants over a 6-year period. In addition. the Act requires applicants to grant reduced fares (not to exceed one-half the rates during peak hours) to elderly and handicapped persons during nonpeak hours. The new law also authorizes demonstration projects to determine the feasibility of fare-free mass transportation systems.

1974 Federal-Aid Highway Amendments

(Enacted January 4, 1975)

The Federal-Aid Highway Amendments (Public Law 93–643) include a number of potentially important provisions for the elderly. First, projects receiving assistance under the Federal-aid urban system, Interstate transfer, or rural bus demonstration sections under the 1973 Amendments must be planned, designed, constructed, and operated to allow effective utilization for the elderly and handicapped. Second, the 1974 Amendments authorize an additional $45 million for the Rural Highway Public Transportation Demonstration program, raising the total to $75 million for fiscal years 1975 ($15 million) and 1976 ($60 million).

CIVIL SERVICE RETIREMENT

Increased Federal Contribution for Health Insurance

(Enacted January 31, 1974)

Public Law 93–246 increases the Federal contribution for employee and retiree health insurance premiums (from 40 to 50 percent in 1974 and then to 60 percent in 1975). The Act also enables employees who retired before January 1, 1960 and received health insurance under the Retired Federal Employees Benefit Act, to elect coverage under the regular Government Employees Health Insurance program.

Civil Service Definition of "Widow" and "Widower" Liberalized

(Enacted April 9, 1974)

Public Law 93–260 liberalizes the definition of "widow" and "widower" under the Civil Service Retirement program. Under prior law, a widow or widower was defined as a surviving spouse who was married to a deceased Federal employee for at least 2 years prior to the date of death, or was the parent of a child by that marriage. Public Law 93–260 changes the 2-year marriage requirement to a 1-year requirement.

Minimum Civil Service Annuity

(Enacted April 26, 1974)

Public Law 93–273 makes three major improvements in the Civil Service Retirement program, including: (1) Establishment of a minimum annuity equal to the minimum Social Security benefit; (2) A $240 annual annuity increase ($20 per month) for Federal retirees who retired prior to October 20, 1969 (in the case of a retiree's surviving spouse, the annual annuity increase is $132); (3) Establishment of a minimum annuity equal to the minimum Social Security payment for a surviving child of a deceased Federal retiree.

Annuity Reduction for Surviving Spouse Eliminated in Certain Cases

(Enacted October 26, 1974)

Public Law 93–474 eliminates the civil service annuity reduction for surviving spouse benefits during months which the annuitant is not married. The reduction for an annuitant who elects survivor benefits is equal to 2½ percent of the first $3,600 of his annuity plus 10 percent above this amount. This reduction formerly applied, whether or not the retiree was survived by a spouse. The surviving spouse's benefit is equal to 55 percent of the retired worker's annuity.

EDUCATION

Church Community Education Proposal Becomes Law

(Enacted August 21, 1974)

The 1974 Elementary and Secondary Education Act Amendments (Public Law 93–380) include measures of special significance for aged and aging Americans. A provision—originally sponsored by Senator Church—will create a nationwide community education program. The Community Schools Act (Section 405) authorizes the Commissioner of Education to make grants to local and State educational agencies to plan, establish, expand, and operate community education programs. Funding for community education will be divided on a 50–50 basis between State and local agencies. The legislation also authorizes grants to higher educational institutions to establish, expand, or develop programs to train persons to plan and operate community education programs.

VETERANS

1974 VA Pension Increase

(Enacted December 6, 1973)

Public Law 93–177 provides for a cost-of-living increase of not less than 10 percent for non-service-connected disability pension rates; a 10-percent raise for dependent parents receiving Dependency and Indemnity Compensation; and an increase from $30 to $50 in the monthly pensions payable to veterans (without a wife or children) who are furnished hospital treatment, institutional, or domiciliary care by the Veterans' Administration. The effective date of the Act is January 1, 1974.

Veterans Disability Compensation and Survivor Benefits Act

(Enacted May 31, 1974)

The Veterans Disability Compensation and Survivor Benefits Act (Public Law 93–295) provides (1) Cost-of-living increases (ranging from 15 to 18 percent) in the rates of compensation for service-connected disabled veterans; (2) A 15-percent raise in the rates of additional compensation for dependents of veterans whose disability is rated 50 percent or more; and (3) A 17-percent increase in the rates payable for dependency and indemnity compensation, widows and children, and additional allowances for persons receiving DIC and death compensation who need aid and attendance.

1975 VA Pension Increase

(Enacted December 21, 1974)

Public Law 93–527 provides (1) A 12-percent increase, on the average, for non-service-connected disability pensions, dependency and compensation payments, and allowances for housebound veterans; (2) A $400 increase in the annual income limitations for these benefits; and (3) Authorization of a study concerning the economic needs of older veterans. The effective date of the Act is January 1, 1975.