

situation was similar in other Western States.

Total grants per capita are also significantly high in States that spend relatively large sums from State and local funds for their public assistance programs, because of the Federal matching requirement in the Social Security Act. Oklahoma, for example, with total per capita grants of \$43.29, received 53.9 percent of its total grants for public assistance. More than 63 percent of total grants to Louisiana went for public assistance; total grants per capita were \$36.71. In 1954-55, however, grants for public assistance were 57.7 percent and 68.5 percent of total grants in these two States, and grants per capita were \$39.91 and \$32.66, respectively.

In 1955-56, total grants per capita were slightly higher for the Territories and possessions, taken as a group, than in 1954-55 (\$16.55 compared with \$14.24). The average for the group, however, continued to be less than per capita total grants for the continental United States, mainly because of the significantly low per capita grants to Puerto Rico—the most populous of the Territories and possessions. These low per capita grants are occasioned, in turn, by the fact that the maximums on individual assistance payments in which the Federal Government will share and the Federal share of the payments are lower for Puerto Rico and the Virgin Islands than for the States; in addition there is an overall dollar maximum on the Federal payment to these possessions.

*Relation to personal income.*—Total grants to State and local governments as a percent of personal income received and of total State general revenues tend to be higher, on the average, in States with low per capita income (table 3). These percentages are also high in the sparsely populated public land States and the States that make relatively heavy expenditures for public assistance. Federal grants represented 1.1 percent of personal income for the continental United States and 18.0 percent of State general revenues. Grants to State and local governments are presented here as percentages of total State general revenues,

but they would be more meaningfully related to combined State and local general revenues. There is available, however, no complete and consistent series for recent years on total local government revenues, by State.

Grants administered by the Social Security Administration totaled \$1,489 million in 1955-56—\$33 million or 2.3 percent more than the \$1,456 million of 1954-55 and \$22 million or 1.5 percent more than the sums granted in 1953-54. They represented 43.7 percent of all Federal grants, compared with 47.1 percent in the fiscal year 1954-55 and exactly half the total in 1953-54. These grants, on the average, equaled 0.5 percent of personal income in the continental United States and 8.0 percent of State general revenues. Here, too, the proportion tended to be larger in States with low per capita income. The percentage that Social Security Administration grants were of total grants varied only slightly among the three income groups of States, although State-by-State variation was considerably wider—ranging from 11 percent for Nevada in the high-income group to 64 percent for Louisiana in the low-income group. For the Territories and possessions, Social Security Administration grants constituted 23 percent of all grants and amounted to \$3.77 per capita, compared with \$8.99 for the continental United States.

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### Expenditures for Assistance Payments from State-Local Funds, 1955-56\*

For the country as a whole, State and local fiscal effort to support public assistance in the fiscal year 1955-56 was about the same as it was a year earlier. The concept of fiscal effort used in the following analysis is a measure of the relationship between the expenditures for public assistance payments from State and local funds and personal income. Nationally, the State and local share

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of assistance payments for 1955-56 amounted to 46 cents per \$100 of personal income, compared with 47 cents per \$100 of personal income in the preceding year (table 1).<sup>1</sup> This insignificant shift in fiscal effort for the United States resulted from a slightly higher percentage increase in personal income than in assistance payments from State-local funds.

Expenditures for assistance payments from State and local funds rose moderately in the fiscal year 1955-56, mainly as a result of higher assistance standards in each of the five public assistance programs. The increase of 3.8 percent in the non-Federal share of assistance payments for the United States represented an increase of \$52.3 million. Underlying the total change in expenditures from State and local funds, however, was a rise of \$68.7 million for the four federally aided categories and a decline of \$16.4 million for general assistance, which is financed entirely from State and local funds. Despite higher average payments to recipients of general assistance, annual expenditures for that program dropped because of a 14-percent decline in the number of individuals receiving assistance.

Personal income for the year also rose moderately, but the percentage increase was slightly greater than that in assistance expenditures from State and local funds. The 6.5-percent rise pushed the total personal income for the United States to a new high of \$304.3 billion in 1955.

All but four States shared in the increase in total personal income that occurred between 1954 and 1955 (table 2). Percentage changes in income were much greater for the States with increases, moreover, than for those with declines. Shifts amounted to 5 percent or more in only two of the States with decreases but in 40 of the States with increases. North Dakota experienced the largest rise in personal income (16.1 per-

<sup>1</sup> In this note, assistance expenditures for the fiscal years 1954-55 and 1955-56 are related to personal income for the calendar years 1954 and 1955, respectively. Since income data for Alaska, Puerto Rico, and the Virgin Islands are not available, totals represent data for the continental United States and Hawaii.

cent) and was one of nine States with a gain of at least 10 percent.

In the fiscal year 1955-56, 36 States—7 out of every 10—raised their outlay from State and local funds to meet the cost of assistance payments. These increases from the preceding year were usually smaller percentagewise, however, than those in personal income; almost two-

thirds of the 36 jurisdictions with increases from 1954-55 in the non-Federal share of assistance payments raised expenditures from State-local funds less than 5 percent. Relatively large increases occurred, however, in Alabama and the State of Washington. Expenditures from State-local funds went up 50 percent in Alabama, where program liberalizations—insti-

**Table 1.—Expenditures for public assistance payments from State and local funds in relation to personal income and amount expended per inhabitant, by State, 1955-56<sup>1</sup>**

State	Percentage change in—		Expenditures from State and local funds for assistance			
	Personal income, 1955 from 1954	Expenditures from State and local funds for assistance, 1955-56 from 1954-55	Per \$100 of personal income			Per inhabitant, 1955-56
			1954-55	1955-56	Percentage change, 1955-56 from 1954-55	
United States <sup>2</sup> .....	+6.5	+3.8	\$0.47	\$0.46	-2.1	\$8.53
Alabama.....	+13.4	+49.6	.28	.37	+32.1	4.50
Arizona.....	+6.9	+3.0	.44	.42	-4.5	6.89
Arkansas.....	+7.4	-4	.46	.42	-8.7	4.54
California.....	+8.4	+2.3	.69	.65	-5.8	14.78
Colorado.....	+8.3	+13.2	1.55	1.62	+4.5	28.57
Connecticut.....	+6.6	+7.7	.40	.40	0	9.92
Delaware.....	+10.0	+2.7	.17	.16	-5.9	3.94
District of Columbia.....	+6.5	+7	.17	.16	-5.9	3.72
Florida.....	+10.9	+3.4	.34	.31	-8.8	5.40
Georgia.....	+10.5	+4.9	.44	.41	-6.8	5.58
Hawaii.....	+6.8	+1.6	.40	.38	-5.0	7.09
Idaho <sup>4</sup> .....	+3.9	+2	.51	.49	-3.9	7.19
Illinois.....	+6.1	+3.9	.47	.46	-2.1	10.27
Indiana.....	+7.6	-1.9	.25	.22	-12.0	4.25
Iowa.....	-5.3	+1.7	.49	.53	+8.2	8.22
Kansas.....	-5	+3.2	.58	.61	+5.2	9.98
Kentucky.....	+3.7	+1.3	.32	.31	-3.1	3.89
Louisiana.....	+4.5	+13.8	.96	1.05	+9.4	13.98
Maine.....	+10.7	-8	.57	.51	-10.5	8.11
Maryland.....	+7.6	-2.3	.15	.14	-6.7	2.78
Massachusetts.....	+5.9	+2.0	.83	.80	-3.6	16.04
Michigan.....	+10.3	-1.1	.43	.39	-9.3	8.41
Minnesota.....	+4.4	+6.0	.71	.72	+1.4	12.20
Mississippi.....	+11.4	+6.9	.37	.36	-2.7	3.43
Missouri.....	+7.0	+1	.56	.52	-7.1	9.57
Montana.....	+8.0	-3.6	.68	.60	-11.8	11.06
Nebraska.....	-4.0	+8.4	.36	.40	+11.1	6.27
Nevada.....	+13.0	+9.6	.34	.33	-2.9	8.40
New Hampshire.....	+7.2	+3.4	.45	.43	-4.4	7.46
New Jersey.....	+5.9	+4.1	.20	.19	-5.0	4.36
New Mexico.....	+5.3	-10.1	.41	.35	-14.6	4.95
New York.....	+6.1	+2.3	.47	.46	-2.1	10.27
North Carolina.....	+8.3	+5.7	.26	.25	-3.8	3.18
North Dakota.....	+16.1	+17.5	.67	.67	0	9.27
Ohio.....	+7.1	-3.7	.43	.38	-11.6	7.89
Oklahoma.....	+5.3	+16.7	1.20	1.33	+10.8	20.40
Oregon.....	+6.4	-3.7	.62	.56	-9.7	10.32
Pennsylvania.....	+5.5	-5.4	.32	.29	-9.4	5.35
Rhode Island.....	+5.1	+3	.63	.60	-4.8	11.38
South Carolina.....	+6.9	+2.0	.29	.28	-3.4	3.11
South Dakota.....	-5.7	+3.0	.49	.54	+10.2	6.77
Tennessee.....	+6.2	-7.6	.33	.28	-15.2	3.56
Texas.....	+8.1	+8.9	.29	.30	+3.4	4.88
Utah.....	+8.0	-3.8	.64	.57	-10.9	9.02
Vermont.....	+6.0	+2	.43	.41	-4.7	6.14
Virginia.....	+5.8	+1.3	.10	.10	0	1.51
Washington.....	+4.4	+36.5	.78	1.02	+30.8	20.54
West Virginia.....	+5.6	-7.1	.41	.36	-12.2	4.56
Wisconsin.....	+5.7	-6	.67	.53	-7.0	9.47
Wyoming.....	+2.1	+1.8	.45	.45	0	7.96

<sup>1</sup> Expenditures are for fiscal years 1954-55 and 1955-56 and exclude amounts spent for administration; they are related respectively to personal income for calendar years 1954 and 1955.

<sup>2</sup> Data on income for Alaska, Puerto Rico, and the

Virgin Islands not available.

<sup>3</sup> Computed from unrounded ratios.

<sup>4</sup> Reporting of general assistance expenditures incomplete.

**Table 2.—Number of States with specified change in personal income and in expenditures for public assistance from State and local funds, 1955-56 from 1954-55<sup>1</sup>**

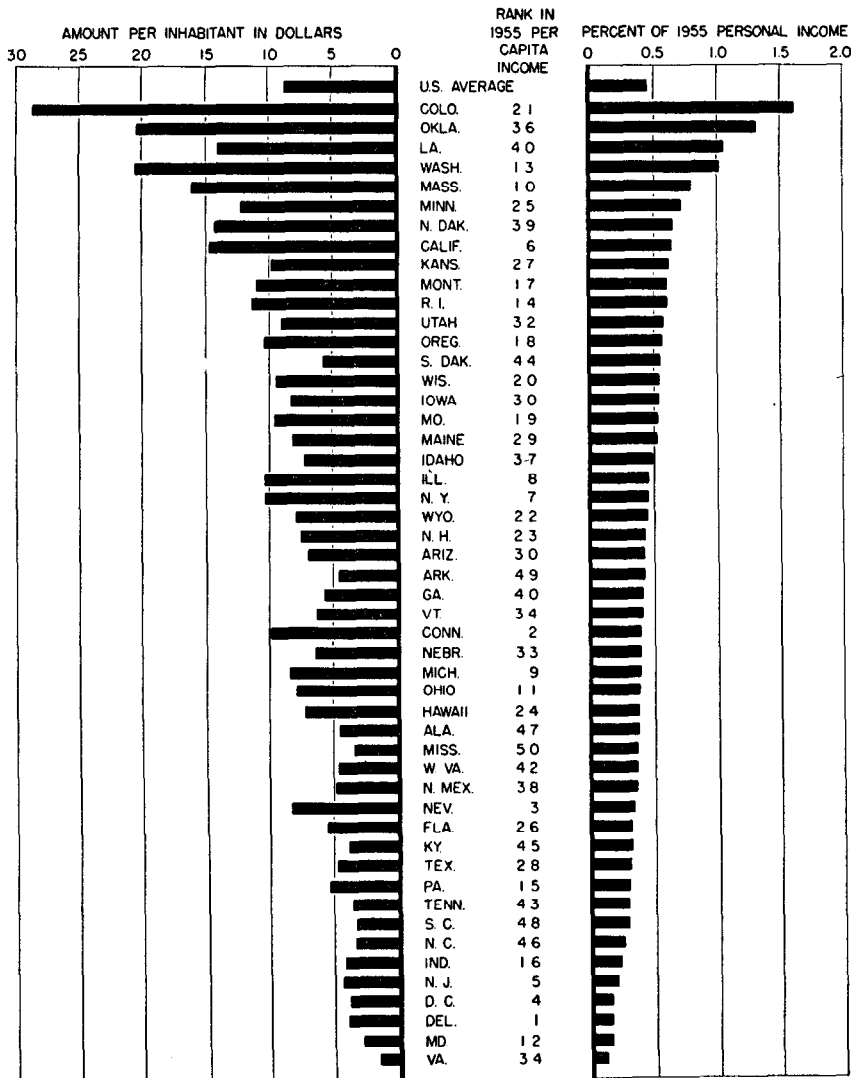
Percentage change	Personal income		Assistance expenditures from State and local funds	
	Increases	Decreases	Increases	Decreases
Total number of States.....	46	4	36	14
0-2.4.....	1	1	14	6
2.5-4.9.....	5	1	9	4
5.0-9.9.....	31	2	7	3
10.0-14.9.....	8	0	2	1
15.0-19.9.....	1	0	2	0
20.0 or more.....	0	0	2	0
Mean percentage change.....	+6.5	-----	+3.8	-----
Median percentage change.....	+6.5	-----	+2.0	-----

<sup>1</sup> Expenditures are for fiscal years 1954-55 and 1955-56 and exclude amounts spent for administration; they are related respectively to personal income for calendar years 1954 and 1955.

tuted in May 1955 as a result of legislation—brought a large increase in the number of recipients, especially in old-age assistance. State-local expenditures in Washington went up 37 percent when the State's comprehensive medical care program was transferred from the health department to the Department of Public Assistance; had it not been for this transfer, assistance expenditures from State-local funds would have declined. Among the 14 States that expended less from State and local funds than in 1954-55, percentage changes were small (less than 5 percent in 10 of these States). The largest relative decline in State-local funds (10 percent) occurred in New Mexico, where earmarked revenues proved inadequate to finance the non-Federal share of assistance.

Largely as a result of greater increases in personal income than in assistance expenditures from State-local funds, three-fourths of the States made less effort to finance public assistance in 1955-56 than in the preceding year. Of the 37 States with reduced effort in 1955-56, for example, 23 States spent more and 14 States spent less from State and local revenues to make payments to assistance recipients. In contrast, 13 States made greater effort to support public assistance during the year; increases in assistance expenditures

**Expenditures per inhabitant for public assistance payments from State and local funds in relation to personal income, by State, fiscal year 1955-56**



cents for public assistance out of every \$100 of personal income. The States are grouped below according to the amount spent for assistance from State and local funds per \$100 of personal income.

Less than 30 cents	10
30-49 cents	22
50-69 cents	12
70-89 cents	2
90 cents or more	4

Per capita income is an extremely important factor in determining a State's ability to finance the non-Federal share of public assistance. A high-income State and a low-income State, each making approximately the same fiscal effort, will have vastly different amounts per inhabitant available for expenditure. Thus the low-income State of South Dakota, where fiscal effort exceeded that of New York, spent only \$6.77 per inhabitant; New York, with less fiscal effort, spent \$10.27. The accompanying chart shows the variation among the States in fiscal effort and in the per inhabitant amount spent from State and local funds. The chart also gives the relative position of the States when ranked from high to low in per capita income.

### Adoptions in 1955\*

Adoption petitions for about 93,000 children were filed in courts in the United States during 1955—about 3,000 more than the number filed in 1953. The 1955 estimate is based on reports made to the Children's Bureau by 39 State public welfare agencies, and the 1953 estimate on reports from 37.

The data in the reports were obtained by the 39 States either through the voluntary cooperation of the courts or under provisions of State law requiring reports from the courts. Thirty-one of the States reporting in 1955 submitted the detail requested about the characteristics of the adoptions, and their reports

\*Prepared by Henry C. Lajewski, Division of Research, Children's Bureau. See the report, *Adoptions in the United States and its Territories, 1955* (Children's Bureau Statistical Series, No. 39), 1957.

in these States were accompanied by a smaller rise in personal income in nine States and a decline in personal income in four States.

Shifts in fiscal effort from 1954-55 to 1955-56 left the States in much the same relative positions when they are ranked each year according to the ratio of assistance expenditures from State-local funds to personal income. Eleven of the 12 States with the highest fiscal effort and 11 of the 12 States with the lowest fiscal effort were the same in both years. Moreover, only three States changed their rank by more than four places. Ala-

bama's shift from forty-third place in 1954-55 to thirty-third in 1955-56 was the most substantial change in rank.

The individual States continued to vary widely in 1955-56 in the effort they made to finance public assistance payments. Assistance expenditures per \$100 of personal income, for example, ranged from 10 cents in Virginia to \$1.62 in Colorado. Colorado was one of four States that spent 90 cents or more from State and local funds per \$100 of personal income. Almost two-thirds of the States, however, used less than 50