

## Public Assistance Goals for 1947: Recommendations for Improving State Legislation\*

WITH THE ENACTMENT of the Social Security Act Amendments of 1946, Congress made the first substantial changes in the public assistance titles of the Federal act since 1939. Extensive hearings on social security legislation were held during 1946 before congressional committees of both Houses. The House Ways and Means Committee also published a valuable and comprehensive report on "Issues in Social Security," prepared by the Committee's social security technical staff. One section of the report is devoted to public assistance. In the course of the hearings, a large number of representatives of State public assistance agencies and national organizations presented testimony before the Committee for improving Federal public assistance legislation. All these activities, culminating in the Social Security Act Amendments of 1946, point to an increased public interest in the assistance programs under the Social Security Act.

The 1946 public assistance amendments are temporary, extending only to the end of 1947. Both Houses of Congress have indicated the desire and the need for further consideration of social security legislation. In public assistance, many important proposals were considered, but no action was taken pending further study during the next session of Congress. The amendments that were enacted, however, are directed at the fundamental problem of financing the public assistance program.

Living costs have increased. In many States the rise in living costs has been met, to a greater or less extent, by increases in assistance payments. Some States, however, have found it difficult even to maintain their existing level of assistance payments. Insufficient funds have forced some States to delay providing assistance to new applicants and to reduce payments to those already receiving assistance. For these rea-

\*Recommendations for improving State public assistance provisions in the 1947 State legislative sessions, sent by the Social Security Administration to State public assistance agencies.

sons the Federal Government provided for an increase in grants to States for assistance to the needy aged, the needy blind, and dependent children.

Most of the State legislatures will meet in 1947. In some of these States, public assistance laws will have to be revised to obtain the full benefit of the Federal amendments; in all, public assistance legislation will be considered. The Federal amendments offer a challenge to the States to work toward realization of the objective of public assistance, enabling needy persons to maintain a minimum standard of economic security—a standard below which no person should be expected to live.

The Social Security Act specifies certain requirements States must meet as a condition for receiving Federal grants-in-aid. In the last analysis, however, the responsibility rests with the State to determine the standard of living which it believes should be available to all eligible persons through the assistance payment and their other resources. Similarly, it is the State's responsibility to provide the necessary funds that, with the Federal grant, will enable the State to maintain that standard. With the increased funds made available by the 1946 Federal amendments, each State now has an opportunity and an obligation to strengthen its

public assistance laws to carry out that responsibility.

Every governmental program that provides a service to individuals has a responsibility for ensuring that all who are eligible will receive the benefits of the program equitably. A number of requirements for State public assistance plans in the Social Security Act specifically support the principle of equal treatment. In considering the use to be made of the increased Federal funds, it is essential that States examine the factors necessary for assuring equitable treatment to all eligible persons wherever they may live in the State, as well as take whatever action is necessary to assure adequacy of payments.

Public assistance programs complement other programs for economic security by supplying basic maintenance to needy persons for whom benefits are not available or are insufficient. The relative place of public assistance in a system of social security depends on the scope and adequacy of other measures designed to keep people from becoming needy. Whether the remaining volume of need is large or small, public assistance should meet effectively whatever need exists.

To assist State public assistance agencies in meeting need effectively, the Social Security Board, now the Social Security Administration, has made recommendations to Congress for improving the public assistance titles of the Social Security Act, which authorize Federal financial participation in old-age assistance, aid to dependent children, and aid to

The accompanying statement, outlining the major changes the Social Security Administration believes would help the States to strengthen public assistance legislation and administration, was sent to all State Governors for their attention. In his letter to the Governors the Commissioner for Social Security stressed, as most important, the following public assistance recommendations:

Changes in State law to take full advantage of increased Federal grants to the States under the Social Security Act Amendments of 1946;

Increasing or removing the maximum amount of assistance payable, particularly for aid to dependent children;

Providing for meeting the medical needs of recipients;

Eliminating restrictive provisions which prevent States from taking full advantage of the provisions of the Social Security Act;

Simplifying administration;

Assuring similar treatment of persons in similar circumstances; and

Assuring the adequacy of State appropriations.

the blind, and for making Federal grants available to the States for general assistance. Although we believe that further Federal financial participation is necessary if States—particularly the poorer States—are to provide adequate assistance to all persons who are needy, many steps to improve assistance programs can be taken by States without additional Federal legislation.

The Social Security Administration is presenting this statement of legislative recommendations for the earnest consideration of the States. In their 1947 legislative sessions the States have an opportunity to strengthen their own public assistance provisions and thereby strengthen the national social security system.

## Social Security Act Amendments of 1946

### *Public Assistance Amendments*

The amendments to the titles of the Social Security Act for old-age assistance, aid to dependent children, and aid to the blind are effective for the period October 1, 1946, through December 31, 1947. The new law:

1. Increases the maximums on individual assistance payments in which there may be Federal financial participation. For old-age assistance and aid to the blind the maximum is raised from \$40 to \$45 per month; for aid to dependent children, from \$18 for the first child and \$12 for each additional child in the home to \$24 and \$15, respectively, per month.

2. Increases the Federal share of assistance payments under a formula which permits the Federal Government, subject to the maximums on individual payments stated in paragraph (1), to pay two-thirds of the first \$15 of the average State monthly assistance payment for the aged and the blind, and of the first \$9 of such average payment for dependent children, plus one-half the remainder of such average payments. Formerly the Federal Government paid one-half of all individual assistance payments within the maximums of \$40 for the aged and the blind and of \$18 for the first child aided and \$12 for each additional child.

3. Makes the Federal share of the costs of administration for old-age assistance uniform with the programs

for aid to dependent children and aid to the blind. As a result, the Federal Government will contribute one-half the administrative costs in all three programs.

### *General Recommendations*

Some States already have specific statutory provisions for taking advantage of any amendment to the Social Security Act. Most States have general legislative provisions for cooperating with the Federal Government in relation to the public assistance programs. These and other State statutes relating to the State's authority to receive Federal funds should be reviewed, in consultation with the attorney general if necessary, to determine whether legislative action will be needed.

As the Federal amendments are effective only to the end of 1947, we do not recommend that States relate their State legislation specifically to those amendments. If amendments in State laws are necessary, we suggest that they be considered in relation to the recommendations set forth in this statement, most of which will be appropriate regardless of any probable changes in the Federal act.

Some States have enacted legislation enabling the State to make immediate adjustment to Federal legislation enacted when the State legislature is not in session. If this type of law is considered, we recommend that it not be used as a substitute for specific legislative action when that is possible and feasible, and action under it should remain effective only temporarily and until the legislature has opportunity to take appropriate action.

The State law constitutes the legal base for the State's program. It should indicate clearly the scope of the program and the area of State responsibility. The law should not depend on the Federal act or on the decisions of a Federal agency for its interpretation. Emergency action under the type of enabling law mentioned above, followed subsequently by specific legislative action where appropriate, would keep intact the nature of the State law as the authority for the State assistance programs.

### *More Adequate Assistance Payments*

The higher maximums and the

larger Federal share resulting from the Federal amendments will enable States to improve and expand their assistance programs. This development was clearly the intent of Congress, and it places on the State a responsibility for exerting an effort to make possible the maintenance of at least a minimum standard of living for assistance recipients. To use the increased Federal funds merely as a substitute for State and local funds would be incompatible with the purpose of the amendments. When this practice results, even in part, because of State law, it is incumbent on the State to make necessary legislative changes.

### *Maximums on Assistance Payments*

The increased Federal maximums will make it possible for States to receive more Federal funds than previously. However, even the increased maximums in the Federal act do not represent a recommended standard of living; rather, they merely constitute the limits on assistance payments in which the Federal Government can participate. It has been recognized generally that maximums prescribed by State law have often made it impossible to provide adequate assistance. Therefore we have long recommended that no maximums on assistance payments be specified in State law.

About half the State plans have no statutory maximums for the three types of public assistance. With increased Federal funds available under the 1946 amendments, there is added reason for their repeal in the rest of the States. In some States the statutory maximum is less than that provided in the Federal act. In determining the legislative action to be taken, the State should consider the possibility of additional revisions by Congress in the near future. States without statutory maximums are in the most advantageous position to accept changes in the Federal act without having to amend their laws. This fact strengthens the case for eliminating maximums from the State laws.

### *Federal-State-Local Shares for Assistance*

The 1946 amendments provide for an increase in the Federal share of expenditures for assistance. Some

State laws establish fixed percentages of assistance costs to come from Federal, State, and sometimes local funds. Such provisions may interfere with a State's procuring the maximum Federal aid under the amendments. In States whose laws specify fixed local percentages of total costs, uniform for all localities, the amount needed for assistance is sometimes subordinated to the locality's fiscal ability and efforts. Such States may be able to handle the immediate temporary situation by a law which would give the State public assistance agency authority to use some of the increased funds resulting from the Federal amendment as an "equalization fund," to be allocated to localities, in addition to the usual proportion, on the basis of their needs for assistance and costs of administration. This method would enable States to supplement the resources of localities which cannot raise the local funds required to maintain the State-wide standard of assistance. Major changes in public assistance financing should be made only after thorough study of the many technical and legal aspects of the problem. A fuller discussion of financing public assistance and administration is included below in the section on "Allocation of Funds for Assistance and Administration."

### *Costs of Administration*

By changing the provision for Federal financial participation in the costs of administration in old-age assistance, the 1946 amendments make the matching of administrative costs uniform for the three programs.

In most States the amendments will result in an increase in Federal funds for administration. All States should examine the scope of their activities in which costs of administration are involved, both State and local and for all three programs, to determine whether maximum Federal participation is being obtained. In some instances, State legislation may be required, either to give the State agency authority to carry on activities or to eliminate or amend provisions unduly restricting the agency.

We have long recommended against laws which limit the amount of money for costs of administration to some specified percentage of assistance costs. Such provisions have cre-

ated serious problems for agencies, usually resulting in inadequate funds to maintain efficient administration. There is now additional reason to repeal any statutory limitations on administrative costs that would prevent a State from furnishing services which may be included in costs of administration in which the Federal Government can participate.

### *Recovery Provisions*

A few State laws relating to recoveries for assistance include provisions for reimbursing the Federal Government for its share in the proceeds of such recoveries. Where the law prescribes a fixed percentage to go to the Federal Government, questions may arise as to the authority of the State to reimburse the Federal Government for its appropriate share under the new Federal amendments. We recommend that there be no provision in State law regarding payment to the Federal Government in such cases, as this problem is handled through adjustments in the Federal grants to States and such a provision is unnecessary.

## Equitable Treatment of Individuals in Similar Circumstances

### *Equality and the Right to Assistance*

"... nor shall any State deprive any person of life, liberty, or property, without due process of law; nor deny to any person within its jurisdiction the equal protection of the laws." (U. S. Constitution, Fourteenth Amendment.)

Public assistance is becoming legally mature. Traditionally, aid to needy persons was provided under early poor laws as a gratuity from the government, to be granted or withheld in the discretion of the administrative agency. The broad discretionary powers vested in those administering poor relief have furnished only a slight basis for reliance on the law and even less for reliance on court action to enforce any claim to public aid. Little opportunity was provided through the courts to invoke the principles of due process and equal treatment in the field of public relief. Such decisions as there were generally held these guarantees to be inapplicable.

With the enactment of the Social Security Act, public assistance entered upon a new era. The provisions of the Federal act called for a reevaluation of the rights of needy persons. The act established a new base for State public assistance programs in setting forth requirements which gave meaning to the purpose of the constitutional provisions as applied to the programs for the needy aged, the needy blind, and dependent children.

The first requirement for a State plan—that it must be in effect in all political subdivisions of the State—establishes the basis for applying to the assistance programs the principle of equal protection of the law for all persons, wherever they may live in the State. The requirement for State financial participation is premised on the financial responsibility of the State to maintain the program throughout the State. The requirement that a single State agency administer, or supervise the administration of, the program again emphasizes the singleness of the plan as a State program, not a group of local programs; and the requirement that any individual whose claim for assistance is denied must be granted an opportunity for a fair hearing before such State agency gives meaning to the principle of due process of law in public assistance.

For those provisions to carry out their intent, it necessarily follows that not only must the plan be in effect in all parts of the State, but it must be in effect in the same way for applicants and recipients of assistance in all parts of the State. The principle of equal treatment does not mean identical treatment. It does not mean that all recipients should receive the same amount of assistance. Nor does it mean that varying costs of living in different parts of the State may not be taken into consideration. On the contrary, it means that differences that have an objective basis must be reflected in variations in treatment. It means that people in similar circumstances shall receive similar treatment, wherever they may live in the State. To make it effective, moreover, the principle of equal treatment carries with it the right of enforcement.

For the States, the source of authority for operating the public as-

assistance programs is found in the State law. Applicants and recipients of assistance must look to the State law for their legal, enforceable right to assistance. The State agency administering the program must look to the State law for the authority to make the principle of equal treatment effective. Thus, the State law should constitute a sufficiently strong legal base to provide not merely authority but a mandate to the State agency to administer the public assistance program to assure equal treatment and support the right to assistance for all eligible persons.

A strong legal base gives the State agency the support of a legislative mandate in (1) requiring compliance by local agencies, (2) requesting appropriations adequate in amount to enforce and maintain the legislative mandate, (3) making determinations after appeals and fair hearings, (4) providing the court, in the case of judicial review, with the legal basis of agency decisions in individual cases, and (5) interpreting the program to individuals and the community.

In the 11 years since the Social Security Act became law, the States have made tremendous progress in the development of their assistance programs. Yet there is much to be done before we can say that our objectives have been reached. The recommendations which follow are directed toward strengthening the State law to support the principles of equal treatment and the right to assistance.

#### *Statement of Legislative Intent*

While some States may be considering a comprehensive legislative program for 1947, others may be planning to consider only selected subjects. In either case, we recommend that the State public assistance law include a statement to the effect that it is the intent of the legislature that the assistance program be administered uniformly throughout the State so as to assure equitable treatment to individuals in similar circumstances, wherever they may live in the State. The State law would be further strengthened by a provision to the effect that assistance is to be provided as a matter of right to eligible persons.

Such a statement would be particularly valuable in relation to provisions of the law which are subject to more than one interpretation, or in instances in which unduly restrictive interpretations have previously been made. Moreover, it would give general support to the objectives of the program even before all the necessary detailed legislative changes are made.

#### *Standards for Assistance Payments*

To meet the test of equal treatment, it is essential that differences in treatment of applicants and recipients with regard to assistance payments shall not result solely because they live in one locality rather than another, or because they are interviewed by one worker rather than another. The very nature of the public assistance program calls for individualized consideration of applicants' and recipients' circumstances as affecting their eligibility and amount of assistance. This fact places on the State agency the responsibility for taking all necessary steps to assure a uniform approach in considering the circumstances of all applicants and recipients of assistance. It therefore becomes important that the State agency establish the standards necessary to achieve this result. As has already been pointed out, this approach does not mean identical treatment, but rather that all persons similarly situated will be given similar treatment. The standards therefore must be State-wide in their application and should operate as the basis for measurement in establishing the amount of assistance needed to supplement any income and resources available to the individual applying for or receiving assistance.

In order that the State law shall establish the basic rights of applicants and recipients, we recommend that the law be strengthened to include the following three requirements:

1. Either (a) directing the State agency to establish standard living costs in money amounts, or (b) setting forth a minimum money amount representing the State's established minimum standard of living, and directing the State agency to establish standards for determining additional amounts for persons in specific circumstances; and

2. Directing the State agency to establish standards for consideration of the income and resources of applicants and recipients in determining the amount of assistance to be paid, and providing that only income and resources actually available and on hand for the individual's use be measured in determining the amount of the payment; and

3. Requiring that these standards (in 1 and 2) be in effect in all parts of the State, and, in locally administered programs, that the standards be mandatory on the locality.

#### *Maximums on Assistance Payments*

In the discussion of the 1946 Federal amendments earlier in this statement, we recommended the elimination of statutory maximums on assistance. With regard to improving State legislation to strengthen the principle of equal treatment, this recommendation is particularly pertinent, as the limit on assistance payments necessarily results in inequities whenever the maximum prevents some recipients from receiving sufficient assistance to meet the standard of living established by the State for its assistance recipients.

#### *Delays in Accepting Applications and Granting Assistance*

Because of insufficient funds, some States have denied eligible persons the opportunity to apply for assistance. In other States, for various reasons, long delays occur in granting assistance to eligible applicants. These practices obviously deny to some needy persons the assistance to which they are entitled.

In some States the wording of their laws regarding eligibility can be strengthened so as to assure all eligible applicants of their right to assistance. For example, a provision that "A person may be eligible for old-age assistance if . . ." is weak in comparison with a provision that all eligible applicants "shall receive" assistance.

We recommend that the State law specifically provide that the public assistance agency shall (1) accept applications from all persons who believe themselves eligible, (2) determine eligibility promptly, and (3) provide assistance without delay to all persons found eligible.

### *Appropriations for Assistance and Administration*

The purpose of the public assistance program can be achieved only if sufficient funds are made available to provide adequate assistance to all eligible persons and to administer the program efficiently. We recommend that States make every effort to secure appropriations that will make this objective possible.

To provide maximum flexibility in a State's use of its available funds as indicated above, we recommend that the public assistance programs of an agency be financed by a single lump-sum appropriation, for all categories and covering both assistance and administration, to be paid from the general fund of the State rather than from earmarked taxes. States will need to consider particularly the State constitution and other State legislation of general applicability to all State agencies, in determining whether this recommendation can be adopted. Where such adoption is not possible, we recommend that the law be amended, if necessary, to permit transfers between funds and accounts. Such an authorization would avoid the anomalous situation in which a surplus of funds accumulates for one category while there is a deficit for another. These recommendations for lump-sum appropriations and transfer of funds are applicable for localities as well as for the State.

### *Allocation of Funds for Assistance and Administration*

The additional funds available to the States under the Federal amendments provide an opportunity for all States, and particularly for those with local financial participation, to review and improve, if necessary, their present systems of financing and of allocating funds to localities. The corollary to the establishment of State-wide standards of assistance is the appropriation of adequate State funds and the allocation of the available funds among localities to make these standards effective.

To achieve equitable treatment for recipients of assistance, there must be a qualified staff adequate in number in all parts of the State to administer the programs. This requires the appropriation of adequate State funds

for the costs of administration and their equitable allocation.

It is essential that any method of allocation of funds be such as to carry out effectively the principle of equal treatment. Whether or not there is local financial participation, it is important that the State agency allocate the available funds from State and Federal sources so that there will be substantially the same relationship between the total funds available (including local funds, if any) and the total amount needed for assistance and administration in each political subdivision of the State.

In States where the public assistance program is financed entirely from State and Federal funds, there is usually no legislative obstacle to an allocation of funds that can make equitable treatment possible of achievement. In most States that require local financial participation, the amount required is usually in terms of a uniform percentage of the total assistance payments in each locality. In these circumstances, the availability of local funds determines the amount of State and Federal funds which may be allocated to the political subdivision, and that factor may therefore preclude a satisfactory State-wide allocation of funds. We recommend that when there is to be local financial participation, it shall not take the form of a requirement that each local unit must pay a fixed and uniform proportion of the total amount of assistance or administrative costs to be expended within its boundaries. Whatever method of local financial participation is used, we recommend that the State law specifically authorize and direct the State public assistance agency to allocate funds from both State and Federal sources for assistance and administration so that there will be substantially the same relationship between the total funds available (including local funds) and the total amount needed in each political subdivision of the State.

In States that now have local financial participation, many factors will have to be considered, and the fiscal and legal aspects of the problem studied, before a satisfactory solution can be achieved. If local financial participation were eliminated, allocation of funds (from State and Federal

sources) could be related directly to the needs of the various localities. With local financial participation retained, the same result could be achieved; however, it would then be necessary to formulate a basis for determining the local share that takes into consideration the fiscal ability as well as the assistance needs of the various localities.

### *Conditions of Eligibility*

The recommendations included in this section are directed toward restrictive eligibility conditions which are neither required by the Federal act nor desirable. The elimination of these restrictions in State laws will enable States to make fuller use of available Federal funds, thereby permitting a State to increase the coverage of its existing programs and to make maximum use of the State's own resources. Moreover, some conditions of eligibility are difficult to administer and require subjective judgment which precludes uniformity in their application. Their elimination would facilitate the achievement of the principle of equal treatment.

These recommendations, with one or two exceptions, are not new. Many States have made substantial progress in liberalizing their assistance programs. A considerable volume of constructive public assistance legislation was enacted in the 1945 State legislative sessions.<sup>1</sup> Some States have extended coverage even beyond the limits of Federal financial participation. No State, however, has eliminated all conditions of eligibility not required under the public assistance titles of the Social Security Act.

### *Residence Requirements for Public Assistance*

*We recommend that States eliminate all eligibility requirements that relate to length of residence in the State.*

Residence requirements are not mandatory under the Social Security Act. Such requirements in State laws keep some otherwise eligible persons from receiving assistance in which the Federal Government can participate. Considerable progress has been made

<sup>1</sup> See Berman, Jules, and Jacobs, Haskell, "Legislative Changes in Public Assistance, 1945," *Social Security Bulletin*, April 1946, pp. 8-15.

in repealing or reducing residence requirements. In 1945 the legislatures of six States made substantial reductions in their residence requirements for public assistance, and in 1946, two States abolished residence requirements.

As of June 1, 1946, there were no statutory residence requirements in 4 States for old-age assistance, 8 States for aid to dependent children, and 5 States for aid to the blind. Furthermore, for old-age assistance, 17 additional States had lower residence requirements than the maximum permitted in the Social Security Act. For aid to the blind, 18 States had residence requirements below the maximum permitted. For aid to dependent children, States with residence requirements generally had the maximum of 1 year permitted under the Federal act.

Since the end of the war, there appears to have been little diminution in the extent to which people move from one State to another, as compared with the war period when the movement of families and individuals reached an all-time high. People are moving for new job opportunities, and they are moving as a part of their individual adjustment to peacetime conditions. The motives that impel families to move are strong. There is no evidence that the availability of public assistance in other States is a significant factor in their determination to move. The imposition of residence requirements does not affect the flow of interstate movement and only makes the individuals who move and who are in need suffer if assistance is denied. The right to mobility of the American population demands that assistance be available to a needy person regardless of how long he has lived in the community.<sup>2</sup>

### Citizenship Requirements

*We recommend that States eliminate all citizenship requirements as a condition of eligibility for public assistance.*

Citizenship is not a requirement under the Social Security Act. In 1945, 2 States repealed their citizenship requirements and a third waived such requirements for long-time resi-

dents of the United States. As of June 1946, 20 States still required citizenship for old-age assistance, and 4 additional States required either citizenship or long residence in the United States. For aid to the blind, 7 States specified a citizenship requirement for eligibility.

The imposition of a citizenship requirement for old-age assistance or aid to the blind results in the State's foregoing Federal financial participation in caring for some needy people. These individuals must either be cared for by general assistance programs or remain without assistance.

### Age Requirements

*We recommend that age requirements be deleted in aid to the blind; in aid to dependent children, we recommend that the age limit be raised to 18 years. (Federal financial participation in aid to dependent children between 16 and 18 years is limited to those who are regularly attending school.)*

All States provide old-age assistance to persons 65 years of age and older. One State includes persons aged 60-65 but receives no Federal funds for this group. In aid to the blind, many States have a minimum age requirement ranging from 16 to 21 years. The effect of these requirements may be to deprive needy blind children of assistance in their own homes, since these children are not necessarily eligible for aid to dependent children and general assistance may not be available. One reason for the age requirement may be the thought that blind children would be taken care of in schools for the blind. It may not be necessary to place the children in such schools when, for example, appropriate educational facilities are available locally.

In aid to dependent children, several States have an age requirement which is more restrictive than that in the Social Security Act. In 1945, six States which formerly limited assistance to children up to 16 years of age made aid available to children from 16 to 18 years if they are attending school. Another State, moreover, eliminated the school attendance clause for children 16 to 18 years old. States which have age requirements of less than 16 years for aid to dependent children should examine

their situation to see whether these limitations may not be raised in 1947 to at least 18 years. We recommend that this change be made without regard to school attendance. Experience has shown that this provision is difficult to administer and has served no constructive purpose.<sup>3</sup>

### "Suitable" Home Provisions

*We recommend that "suitable" home requirements be eliminated as a condition of eligibility for assistance, and that attention be given to strengthening, where necessary, the State's protective program for all children, whether or not they are needy.*

Several State laws specify as a condition of eligibility for aid to dependent children that a child must be living in a home that is "suitable," or "satisfactory," or beneficial to the upbringing of the child. States have found it difficult to administer this type of provision. One reason has been the difficulty of establishing objective criteria for a "suitable" home that could be applied with some degree of uniformity to all cases. Another is the realization that, since inadequacies in the home are often due to insufficient financial resources, the denial of assistance in such situations has the anomalous result of depriving the applicant of the means by which he might remedy the situation.

The purpose of these provisions is to safeguard the welfare of children receiving aid. This purpose can be achieved more effectively through the State's general laws and programs for protecting all children in the State, whether or not they are needy. If there is an adequate protective program for all children, the reason for using the public assistance program for carrying out these protective functions disappears. If the protective program is inadequate, the remedy should be found in strengthening it. Attempts through the use of public assistance to meet inadequacies in the State's protective program for all children may have undesirable results. This approach tends to ignore the children who are not in financial need, results in duplication of effort

<sup>2</sup> See Altmeyer, A. J., "People on the Move," *Social Security Bulletin*, January 1946, pp. 3-7.

<sup>3</sup> In the Social Security Act Amendments of 1946, Congress repealed the school-attendance clause in old-age and survivors insurance.

between agencies, obscures the need for strengthening the State's protective program for all children, and makes for difficulty and confusion in the administration of public assistance.

#### *Disposal of Property to Qualify for Assistance*

*We recommend that provisions be eliminated that disqualify individuals for disposal of property to qualify for assistance.*

An eligibility condition frequently found in one or more of a State's public assistance programs is to the effect that an applicant may be eligible if he has not disposed of property for the purpose of qualifying for assistance. This type of provision occurs most often in old-age assistance, though it is also found in many programs for aid to the blind and in a few for aid to dependent children. Some States specify a period, ranging from 2 to 5 years preceding application for assistance, during which a transfer of property for the purpose of qualifying for aid disqualifies the applicant from assistance. The experience of the States indicates that the number of cases affected is very small and that these provisions are difficult to administer effectively.

Such laws often result in barring applicants from assistance if they have transferred property within the specified period even though they had no intent to do so to qualify for aid. In most instances where potential recipients transfer property before application, the proceeds accruing from the sale would be available as a resource to be considered by the agency in determining whether the applicant is needy and the extent of his need. There are provisions in State laws with respect to fraud and illegal receipt of assistance. These provisions should be a sufficient safeguard against the relatively few cases in which there is an improper transfer of property to obtain assistance.

#### *Responsibility of Relatives*

*We recommend that provisions conditioning eligibility for assistance on the ability of relatives to support the applicant be eliminated from State public assistance laws.*

The assistance laws in many States provide not only that assistance re-

ceived from relatives shall be taken into account in determining an applicant's need, but also that the existence of relatives considered able to support shall make an applicant ineligible for aid. In some instances it may be known that the relative is actually not contributing to the support of the applicant, and yet, because of the State law, assistance must be denied. The enforcement of such relatives' responsibility laws is sometimes tempered in the administration of the laws, yet the very existence of such provisions in the State assistance law represents a threat to needy individuals and subjects them to the uncertainties of administrative discretion. The income and resources of an applicant that are considered in determining need should be actual and not merely potential. The general support laws of the States provide the means of enforcing support from relatives if the individual or State wishes to take such action. The public assistance laws should not be used as a means of enforcing the support laws of the States.

#### *Receipt of Two or More Types of Assistance*

*We recommend that State laws contain no provisions making recipients ineligible to receive other types of public assistance, except the provision, for compliance with the Social Security Act, that a recipient of aid to the blind may not simultaneously receive old-age assistance.*

The Social Security Act requires that a State plan for aid to the blind must provide that such assistance will not be granted to anyone who is receiving old-age assistance. Recommendations to Congress for extension of the public assistance programs would, if adopted, result in eliminating this requirement. Many States have gone beyond the Federal act in providing that the recipient of one type of assistance may not receive any other public aid. Exceptions to this general provision are sometimes made for temporary medical or surgical care. This type of restriction works a hardship on a recipient if the program under which he is receiving aid does not furnish all the assistance he requires. The problem is especially apparent in programs which have maximums on assistance payments. Flexi-

bility in administering the public assistance programs requires that the States should not be prohibited from granting more than one type of assistance whenever it is necessary or desirable.

#### *Institutional Status*

*We recommend that provisions be eliminated which disqualify applicants for old-age assistance or aid to the blind because they are living in private institutions or because they need continued institutional care.*

While the Social Security Act precludes Federal financial participation in assistance to inmates of public institutions, it is available for aged and blind recipients in private institutions. In a few States, however, individuals in private institutions are disqualified from receiving old-age assistance or aid to the blind. Some States disqualify aged or blind applicants if they need institutional care, even though they are not living in an institution; in some such cases, the necessary institutional care may not be available. These restrictions, which are particularly serious, since the need for shelter facilities for aged and blind people is increasing while at the same time, in many localities, satisfactory living arrangements for them are limited.

With respect to recipients in public institutions, the Federal Government may participate in the assistance payment if the recipient is in the institution for temporary care only. Recommendations have been made to Congress for amending the Social Security Act to permit Federal financial participation in assistance to recipients who are receiving care in public medical institutions (other than mental and tuberculosis hospitals), if the State has an approval or licensing authority responsible for establishing and maintaining standards for such institutions. No action has yet been taken on this proposal, however.

In developing a well-rounded program of public welfare, a State must give careful consideration to its institutional program as well as to public assistance, since it has a responsibility for caring for both groups. The State, therefore, should take leadership in studying its needs for institutional care, the adequacy of its institutions in both quality of service and capacity,

the need for licensing, supervisory, and standard-setting functions and authority, and the need for developing necessary institutional facilities under both public and private auspices.

### *Control of Recipient's Property*

*We recommend that provisions be eliminated that permit the agency to require applicants or recipients to transfer title or control of their property to the agency during their lifetime.*

The Social Security Act does not require States to recover the value of assistance granted to needy individuals, nor does the Federal Government initiate efforts to recover money granted to needy persons; the act merely provides that, if the State makes recovery, the Federal Government shall receive its pro rata share.

The various security devices used by States—liens, assignments, transfers, mortgages, trust funds, and so forth—frequently require elaborate and expensive administrative practices. These practices may result in an undue emphasis on this phase of an agency's activities at the expense of the agency's primary responsibilities. Elimination of provisions permitting agency controls would not interfere with the ability of a State to enter claims and make recoveries from the estates of deceased recipients. We also recommend that the States not enforce claims against the property of a deceased recipient which is used as a home during the life of the surviving spouse.

### **Extension of Assistance Programs**

#### *Aid to Dependent Children*

*We recommend extension of State programs for aid to dependent children to include all needy children up to 18 years of age who are living with a parent or person assuming parental responsibility for such children in a family home.*

This recommendation would extend assistance to some children for whom payments are not subject to Federal financial participation under the present provisions of title IV of the Social Security Act. The recommendation does not include children living in institutions or those in foster homes or boarding homes. The parental responsibility for children in

such homes rests with the parent or the agency, with the foster parent in a limited role and under supervision.

It is recognized that the present scope of title IV is unduly restrictive in meeting the problems of needy children. Some States have already developed more extensive programs. A few States, for example, have deleted the school attendance clause for children aged 16 and 17, and in some States with a more extensive program the Federal definition of "dependent child" is used only in determining the assistance payments for which Federal financial participation is available. The adoption of this recommendation, and of that for deleting maximums on assistance payments, would enable States to develop a more nearly adequate assistance program for needy children.

#### *General Assistance*

*We recommend further development of State public assistance programs to encompass all needy persons not covered by the special types of public assistance.*

At present there is no Federal participation in general assistance. The Social Security Administration has recommended Federal grants-in-aid for general assistance, and bills to that effect have been introduced in Congress. Such a program is needed to meet the objective of aid to all needy people. It is recognized that in many States Federal participation may be necessary before a full and adequate general assistance program can be developed. All States, however, have some form of general assistance. In some, the general assistance program is comprehensive, while in others it is in effect only to a very limited extent, both in terms of coverage (for example, only emergency relief) and in the areas covered (for example, only some parts of the State). In about one-fourth of the States, general assistance is administered entirely by the localities without State supervision.

Many States may be in a position at this time to take steps to relate their present general assistance program to the total public assistance program in the State. They may, for example, provide for vesting responsibility for general assistance in the State agency responsible for the special types of

assistance, for integrating administration at the local level with the other programs, for coordinating financing and fiscal planning more effectively, for operating a State-wide program of general assistance, and so on. The extent to which States may go forward will depend on the stage of their development and on the resources available. Many of the problems involved will not be solved easily, and it is suggested that early attention and study be given to them so that a State may determine just what it can do by its own efforts and in what areas supplementation will be necessary.

To give full effect to the objective of general assistance, need should constitute the only condition of eligibility, and there should be no statutory maximums on the amount of assistance payments which may be provided for an individual or family. These recommendations are particularly important for States which restrict coverage and the amount of assistance payments under the programs for the aged, the blind, and dependent children.

One major subject for consideration is the elimination of residence and settlement laws. These laws have constituted one of the greatest obstacles to the development of a sound public assistance program. Hardships for needy persons and complexities and expensiveness of administration have characterized the application of residence and settlement laws in the United States.

#### *Medical Care*

*We recommend further development of programs to provide medical care to needy persons.*

Nearly all States have some provision for making medical care available to recipients of public assistance. Public assistance programs vary greatly, however, in the scope and adequacy of the medical services that are made available and in methods of administering medical care. In some States the cost of medical care is included in the assistance payments; in others, costs are paid by the public welfare agency to the medical practitioner (the doctor, dentist, nurse) or to the agency (the hospital, convalescent home, and the like); and in still other States, the public wel-



fare agency itself provides medical services through physicians, dentists, and nurses who are employees of the agency. Federal funds are available, within the maximums specified in the Federal act, only when the cost of medical care is included among the requirements considered in determining the amount of the assistance payment.

A well-rounded public welfare program should include provision for medical care for all needy persons. The high incidence of illness among low-income groups is generally recognized. Unless the public assistance agency makes medical care available to people who cannot afford it, those persons are all too frequently unable to obtain it otherwise. Evidence is cumulating that the failure to make suitable provision for medical care tends to perpetuate as dependents many persons who could be restored to full or partial self-support.

Determination of the scope, adequacy, and method to be used in providing medical care in a given State will depend on a consideration of many factors, including the State's laws; the agency's present program; the medical services available in the community under both public and private auspices; the participation of local medical associations; the amount of money available for medical care and the agencies to which the money is available; and the medical

care plans in operation, both governmental (Federal, State, and local) and private or voluntary (group hospitalization, group health, Blue Cross plans, and so on).

Provision of medical care for needy persons cannot be considered apart from the adequacy of assistance payments. Maximums on assistance payments prevent such payments from meeting the needs of sick people. Only with an adequate assistance program alongside it can a program for providing medical care to needy persons serve its purpose.

The State public assistance law should include authority for States to make provision for medical care for all needy persons, to make payments to the suppliers of medical care, to participate in insurance plans, and to determine the scope of the medical care program.

### Unification of Administration

*We recommend that, where necessary, legislation be enacted to provide for unification of administration by placing responsibility for all the public assistance programs, including general assistance, in one State agency and, at the local level, in one local agency or branch of the State agency.*

#### One State Agency

While the programs for the aged, the blind, and dependent children are

administered or supervised by one State agency in all but five States, there are many States in which general assistance is under another State agency or is purely a local responsibility with little or no State leadership.

Handling of all the public assistance programs, including general assistance, by one State agency permits coordinated administrative and financial planning, which results in better balanced provisions for meeting need. At the same time, it would also enable specialized treatment to be provided in accordance with the particular needs of individuals and groups affected.

#### One Local Agency

It is desirable, for similar reasons, that one local agency administer all the public assistance programs in the locality. All requests for aid can be received at a central local office, and the applicant, freed from the necessity of going from agency to agency, can obtain the type of aid appropriate to his particular needs and those of his family. In addition, administration can be more efficient and economical when administrative, supervisory, and technical personnel can work on all types of assistance.

Unified administration facilitates the consideration of family needs as a whole. One agency can provide all the assistance, and duplicate investigations can be avoided.

*(Continued from page 2)*

December 1, of the regional staffs of the Children's Bureau with the Administration regional offices on the same basis as the other Bureaus.

In announcing the consolidation, the Social Security Administration pointed out that the step is intended to ensure proper relationship among the various programs for which the Social Security Administration has responsibility within a region, and also adequate coordination of services, policies, and relationships within the States. As is the case with the other Bureaus and Offices, the Children's Bureau, through its headquarter

and regional staffs, will continue to have basic responsibility for the content of the programs that it administers and the development and operation of policies relating to them.

Working out the details of the consolidation was complicated by two factors, in addition to the problem of acquiring the necessary space accommodations. Existing regional arrangements for Children's Bureau staff were not identical for child welfare consultants assigned to the Social Service Division and for the medical, nursing, nutritional, and medical-social personnel who make up the health consultant staff of the Division

of Health Services; and the location of regional headquarters and the States included within the regional boundaries were in some cases different from those of the Social Security Administration regional offices.

Adjustments have been worked out, however, which, when effectuated, will bring both the regional boundaries and the headquarter cities into very close uniformity.

Wherever possible, the child welfare and health consultant staffs will be housed together in the regional office. The child welfare consultant and the medical director will serve in the capacity of regional representatives, but without change in present title.