Irene Gomez-Bethke Papers.

INFORMATION ON THE ST. PAUL, MINNESOTA

HUMAN SERVICES INFORMATION SEMINAR

(For Residents of Minnesota, Iowa, North Dakota, and South Dakota)

CONVENERS

- Minneapolis Urban League
- Minnesota State Council for the Handicapped

DATE: July 27, 1981

LOCATION: St. Paul Technical Vocational Institute-Auditorium
235 Marshall Avenue
St. Paul, Minnesota

TIME: 8:45am - 4:30pm

To Assure Seating, Please Call:

Gleason Glover or Sylvia Payne
Minneapolis Urban League
(612)377-0011

REGISTRATION will be handled at the door. The registration/materials fee of $8.00 should be made payable to the Human Services Information Consortium.

For additional information about hotel accommodations, accessibility or any special needs, please call the above number. A cafeteria is located in the building and there are other nearby restaurants for the lunch break.

- Important Information on Reverse Side -

AGENDA

-Coffee Hour/Registration	8:45- 9:30
-Welcome Conveners of Seminar	9:30- 9:45
-What's Happening: Highlights of the White Paper by Jule Sugarman	9:45-10:30
-Commentary on National Perspectives	10:30-11:00
-Questions and Answers	11:00-12:00
-Lunch	12:00- 1:30
-Commentary on Local and State Impact	1:30- 2:30
-Small Group Discussions	2:30- 3:45
-Reports on Small Group Discussions	4:00- 4:30

DIRECTIONS: To reach the St. Paul Technical Vocational Institute take I-94 to Marion Street (South) - you can see the building from the exit.

Day Care Council of America
Epilepsy Foundation of America
Family Service Association of America
Handicapped Unlimited of Virginia
Helen Keller National Center for Deaf-Blind Youth and Adults
Hispanic Housing Coalition
John Milton Society for the Blind
League of Women Voters
Mental Health Law Project
National Association of Developmental Disabilities Councils
National Association of Social Workers
National Coalition of Hispanic Mental Health and Human Services Organization (COSSMHO)
National Community Action Agencies' Executive Directors' Association
National Community Action Foundation
National Conference of Catholic Charities
National Conference on Social Welfare
National Council on La Raza
National Education Association
National Governors' Association
National Low Income Housing Coalition
National Mental Health Association
National Multiple Sclerosis Society
National Parent Teacher Association
National Rural Housing Coalition
National Society for Autistic Children and Adults
National Urban Coalition
National Urban League
National Youth Work Alliance
Paralyzed Veterans of America
Planned Parenthood Federation of America
Rural America
Salvation Army
Sister Kenny Institute
Spina Bifida Association of America
Tourette Syndrome Association
United Cerebral Palsy Associations, Inc.
United Way of America
U.S. Conference of Mayors
World Rehabilitation Association for the Psycho-Socially Disabled

THE FUTURE OF HUMAN SERVICES

Changes in Legislation, Block Grants, and Budget Reductions

A Nationwide Series of Emergency Information Seminars

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- Housing and Community Development

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c/o National Conference On Social Welfare
1730 M Street NW, Suite 911
Washington, D.C. 20036 (202) 785-0353

If you are involved...

in health care, education, social services, disability programs, community development, housing, income maintenance programs, or academic research and training in these areas you need to know about the dramatic changes in Federal funding which are taking place this fall. Much legislation is proposed for repeal; states may be given additional authority and flexibility; Federal dollars may be sharply reduced; and some block grants could replace categorical funding. The exact nature of what Congress will approve is not yet certain. However, it is clear that many important decisions must be made within a few weeks at Federal, state and local levels.

The Human Services Information Consortium consists of public and private organizations with differing views on the proposed changes. They are united, however, in believing that regardless of where people may stand on the issues it is important that (1) accurate and current information be more widely available and (2) serious efforts be made **now** at the state and community level to prepare for whatever changes may eventually be approved.

The Consortium has asked Jule M. Sugarman to present a series of public briefings throughout the nation this summer. Mr. Sugarman is known for his work in establishing the Head Start Program; in directing the U.S. Office of Child Development; and in serving as Human Resources Administrator for New York City. As Executive Vice President of the private U.S. Council for the International Year of Disabled Persons he developed a White Paper explaining the consequences of and actions required if legislative changes should be made. That paper will form the core of the public briefings.

Seminar Format

Registration will be at 8:45 am and the day will conclude at 4:30 pm. Other commentaries will be made by individuals working for and opposing the block grants. Individuals familiar with the potential impact on your state will also make remarks. The afternoon has been arranged to permit small group discussions and formulation of recommendations by the participants.

A local registration fee of approximately $7.50 includes several documents: the White Paper, a fact sheet on the impact in your state; suggestions for action at the state level; and, the latest information on Congressional action.

Seminar Locations

Information seminars are tentatively planned for St. Louis (July 6), Columbus (July 8), Ann Arbor (July 9), Madison (July 13), Atlanta (July 14), Jackson (July 16), Chicago (July 17), Philadelphia (July 20), New York (July 21), Boston (July 22), San Antonio (July 23), Houston (July 24), Minneapolis (July 27), Seattle (July 28), San Francisco (July 29), Los Angeles (July 30), Denver (July 31), Orlando and Miami (early August), Pittsburgh (August 17), Maryland, and Virginia (August).

See the enclosed sheet for greater detail.

Participating Organizations

(as of July 1, 1981)

American Association of Workers for the Blind
Virginia Chapter
American Coalition of Citizens
With Disabilities
American Friends Service Committee
American Lung Association
American Orthopsychiatric Association, Inc.
American Red Cross
American Society of Allied Health Professions
ASPIRA of America, Inc.
Association for Children and Adults With
Learning Disabilities
Barrier Free Environments - North Carolina
Center for Community Change
Child Welfare League of America
Children's Defense Fund
Community Nutrition Institute
Consumer Coalition for Health

Federal Budget Information Sheet: HOUSING

Contact: Steve Cramer
Luanne Nyberg
(348-8550)

The national commitment first made in 1949 to provide a decent home and living environment for all Americans has never gone so unattended. Federal efforts to house low-income people have been dramatically scaled back despite economic conditions which make provision of affordable housing through the private market a rarity today.

CONTEXT

Production of new housing units is at its lowest level in two decades. Partly as a result, housing availability is a major problem, particularly in the rental market (vacancy rates are at critically low levels in many cities).

Housing costs have accelerated rapidly. Housing is increasingly unaffordable, especially for the poor.

- Low-income families are effectively excluded from homeownership. By 1981, less than 8 percent of all households in Minneapolis could afford to buy the average priced home. (Purchasing the average priced home at prevailing interest rates requires an income well in excess of $30,000).
- Nationwide, six million poor households earning $7,000 or less spend over one-half of their income on rent. 10,000 households in Minneapolis, roughly one in sixteen, are in this situation.

Four million Americans families still live in substandard housing which seriously threatens their health and safety.

Subsidized housing programs benefit only a small percentage of those eligible. Only 12 percent of households making $5,000 or less received federal housing assistance last year. In Minneapolis, over 35,000 households (22 percent of the total) are eligible for the nation's major housing subsidy program, Section 8 rent assistance. There are a total of 13,000 subsidized units in Minneapolis, including Public Housing projects.

Tax deductions for various housing-related items constitute the nation's major housing program. Housing-related deductions cost the federal government $40 billion last year and are expected to cost more than $80 billion by 1986. Eighty-five percent of all households making $50,000 or more benefitted from tax deductions last year which averaged $300 per month.

Despite all this, major cuts in subsidized housing programs were approved by Congress in the fiscal year (FY) 1982 budget, including:

- a reduction to 153,000 in the number of additional low-income housing units assisted by the federal government this year (from 220,000 units in FY 1981, a 30 percent decrease);

- rent increases averaging 20 percent over 5 years as a result of changing the definition of tenant income and raising the required percent of income paid for rent from 25 to 30 percent; and

- elimination of the Neighborhood Self-Help Grant program, rehabilitation loans and planning assistance, and reduced funding for the Community Development Block Grant and Urban Development Action Grant programs (all of which helped in the provision of affordable housing).

1983 BUDGET PROPOSALS

Subsidized housing is one of the hardest hit areas in the proposed federal budget.

Federal Expenditures
for Subsidized Housing

($ billions)

	FY 1981	FY 1982	Proposed FY 1983	% Reduction FY '82 to '83
BUDGET AUTHORITY	$33.3	$24.2	$5.9	-75%
PROPOSED RESCISSIONS (cancelled spending)	NA	-12.2	-5.2	--
OUTLAYS ($ actually spent)	14	14.6	13.1	-10%

Measured in budget authority (money appropriated which can be spent over a number of years) assisted housing programs would sustain a 75 percent cut from the current level of funding. More importantly, the administration proposes to cancel $17 billion of the $30 billion in Budget Authority approved in fiscal years '82 and '83, meaning those dollars would never be spent for assisted housing. Dollars actually spent (outlays) in FY 1983 on low-income housing would decline by $1.5 billion in the Reagan budget. Specific proposals include:

- canceling the entire FY '82 appropriation for new or rehabilitated low-income housing, amounting to $9.4 billion that will never be spent producing low-income units (this proposal places 600 planned units in Minnesota at risk of not being constructed);

- providing no funds in FY '83 for the construction or rehabilitation of low-income housing except for 10,000 new elderly units and 150 units of Indian housing (compared to 44,000 units this year and 74,000 in FY 1981);

- creating a housing "voucher" program that covers the difference between 30 percent of tenant income and allowable rents set 15-20 percent below market levels;

- counting food stamps as income when calculating rent paid by participants in assisted housing programs and requiring residents to pay their entire utility bill; and

- reducing operating subsidies for Public Housing by $100 million to $1.1 billion, a level that is two-thirds the amount necessary for adequate maintenance and upkeep of Public Housing projects around the country.

EFFECTS

With almost no prospect that the private housing market will recover soon, the FY '83 federal budget would prove devastating for low-income people.

- Hundreds of thousands of low-income units already approved for subsidy (300,000 of the 700,000 currently approved) would be lost because the subsidy commitments would be withdrawn.

- Rents for the 3 million families living in assisted housing would be sharply increased. Rents would go up to at least 26 perent of the value of food stamps received by subsidized housing residents. Since the poorest households receive the most food stamps, this change would hit very low-income people the hardest. Also, in older, poorly insulated projects in cold climates (like Minnesota), tenants would be required to pay utility bills which can exceed $100 per month.

- 106,000 housing vouchers would be provided when the recognized number of eligible families nationwide approaches 10 million. The households selected (by lottery) to receive vouchers would almost certainly be forced to pay more than 30 percent of income for rent (closer to 40 to 50 percent according to Senator Durenberger) unless rents could be "negotiated" to the below market level upon which the amount of the voucher is based.

- Some public housing projects would have to close. Services and maintenance would have to be curtailed in those remaining open. Several thousand low-income families living in public housing would be displaced because their homes would be demolished or sold. Mayor Latimer, for instance, testified before Congress recently that St. Paul would likely be forced to sell some of its public housing units if the proposed cuts in operating subsidies were enacted.

Of all the destructive proposals contained in the Reagan budget, the housing cuts are perhaps the worst. Decent shelter is basic to a productive life in our society. Between the impact of "Reaganomics" on the private housing market and the proposed FY '83 cuts in subsidized housing, decent shelter will be increasingly difficult for low-income people to secure. The Reagan proposals must be rejected. Please write Congress.

Honorable James Jones, Chairman
House Budget Committee
203 Cannon House Office Building
Washington, D. C. 20515

Honorable Pete Domenici, Chairman
Senate Budget Committee
2317 Dirksen Senate Office Bldg.
Washington, D. C. 20510

Honorable Henry Gonzalez, Chairman
Housing Subcommittee
Housing Banking, Finance &
Urban Affairs Committee
2252 Rayburn House Office Bldg.
Washington, D. C. 20515

Honorable Richard Lugar, Chairman
Housing Subcommittee
Senate Banking, Housing &
Urban Affairs Committee
5107 Dirksen Senate Office Bldg.
Washington, D. C. 20510

Honorable Edward Boland, Chairman
HUD Subcommittee
House Appropriations Committee
2426 Rayburn House Office Bldg.
Washington, D. C. 20515

Honorable Jake Garn, Chairman
HUD Subcommittee
Senate Appropriations Committee
5121 Dirksen Senate Office Bldg.
Washington, D. C. 20510

URBAN COALITION OF MINNEAPOLIS

EARL D. CRAIG, JR.
President

April 19, 1982

Dear Friend of the Coalition,

This is the second in a series of five Federal Budget Information sheets. I hope you're finding the material you've received so far informative and helpful in understanding the severity of the Reagan proposals in the context of significant cuts last year and a recession-ridden economy.

I want to let you know that one of the first critical votes on next year's budget is scheduled to occur no later than May 15. By that date, the House and Senate will approve or reject the spending targets established by their respective Budget Committees. Letters before that date would let Congress know there are people who favor a fair federal budget.

Sincerely,

Earl

Earl D. Craig, Jr.
President

/cda

Enclosure

89 South 10th Street, Minneapolis, Minnesota 55403 • Telephone (612) 348-8550

Federal Budget Information Sheet: INCOME MAINTENANCE

Contact: Luanne Nyberg
Steve Cramer
(348-8550)

The major income maintenance programs serving poor people are Aid to Families With Dependent Children (AFDC), Food Stamps and Medicaid. When most people think of welfare, they think of these programs. These programs have been the focus of much of the administration's budget cutting activity.

CONTEXT

Twenty-nine million or 13 percent of all Americans are officially poor, the highest poverty rate since 1968. The poor are disproportionately minority. Two-fifths of the poor are children. Fifty percent of poor families are headed by women.

Roughly 5.4 percent of federal spending in fiscal year (FY) 1981 was devoted to health care (Medicaid) and food (Food Stamps) for the poor, and income support for dependent children of low-income parents (AFDC). In the proposed 1983 budget, that percentage would decline to 4.2 percent. Assuming the Reagan budget is approved, expenditures next year in these three programs, adjusted for inflation, would decline by more than 25 percent since FY '81.

In the budget adopted by Congress for the current fiscal year, AFDC, Food Stamps, and Medicaid sustained significant reductions:

- Nationwide, $700 million less (12 percent of the funds needed to maintain last year's level of service) is available to poor children and their parent(s) because of reductions in the AFDC program. The major impact is on working poor families. In Minnesota, 6,200 working poor families earning roughly the minimum wage have been removed from AFDC, and another 5,500 receive reduced benefits despite their low earnings. Of the working families removed from the program, an estimated 5,000 will eventually quit work to regain eligibility for AFDC and the medical care for children that goes along.

- One million Americans have been removed from Food Stamps (a program widely recognized as one of the social policy success stories of the last two decades) as a result of $2 billion cut (16 percent of the funds needed to maintain last year's level of service). Another 20 million now receive reduced benefits. 3,100 families have been terminated in Minnesota and the average monthly grant for the remaining 77,000 recipients decreased this year from $101 to $81, an amount that won't be adjusted upward until mid-1983. These reductions occurred despite the fact that 90 percent of food stamp recipients have incomes below the poverty line and 80 percent are elderly, disabled, children or single parents. (These recipients receive an average food stamp benefit of 43 cents per person per meal).

- Roughly $1 billion (5 percent of the funds needed to maintain last year's level of service) has been cut from the Medicaid program. In Minnesota, that translates to an $8 million loss, reduced reimbursement rates to medical providers and therefore reduced services to recipients.

These reductions in the major income maintenance programs were enacted despite the fact that benefits are already low. In no state do combined AFDC and Food Stamp benefits, on average, exceed the official poverty line. Moreover, the "buying power" of AFDC payments to families has declined by 25 percent since 1968.

1983 BUDGET PROPOSALS

AFDC: The 1983 Reagan budget calls for an additional $1.2 billion dollar reduction (18 percent of the spending necessary to provide the same level of service next year as this year) in AFDC. Specific proposals include:

- denying AFDC benefits to families of unemployed workers unless the parent is working for no pay in a work relief assignment, thereby decreasing that parent's ability to gain marketable skills, look for regular work and properly care for their children;

- requiring disabled children in AFDC families to contribute part of their Supplemental Security Income (SSI) check meant to help pay for disability related expenses to the support of the other family members;

- eliminating the AFDC emergency assistance program and folding responsibility for life-threatening emergency situations into the energy assistance program, but with a reduced funding level; and

- counting energy assistance as income when determining eligibility for AFDC (resulting in a "dollar for dollar" tradeoff between energy assistance and AFDC benefits).

FOOD STAMPS: Here, the administration has proposed a $2.2 billion cut (19 percent of the "maintenance of services" spending level). The proposals would:

- reduce food stamp benefits for all recipients no matter how low their disposable income;

- eliminate deductions for work expenses when determining food stamp eligibility (as with this year's AFDC changes, the major impact of this proposal would be on working poor families); and

- count energy assistance as money available to support the family when determining food stamp benefits (as a result, $3.50 to $5.25 worth of food stamps would be lost for every $10 of energy assistance received).

MEDICAID: Though Medicaid survived the 1982 budget process with only a 5 percent reduction, the 1983 Reagan budget doubles that percentage cut. The administration proposals would:

- require recipients to pay $1.50 per office visit, and $1 to $2 per day of inpatient hospital care;

- reduce the federal share of administrative and other costs, forcing state and local governments to increase their share or cut coverage; and

- set overall funding below the projected cost of medical care (this will force cuts in eligibility and/or services).

EFFECTS

AFDC: If the 1983 budget were enacted as proposed:

- roughly 50,000 Minnesota children would lose some or all benefits (this constitutes about half the children now on the program).

FOOD STAMPS: If the Reagan proposals pass:

- ninety-two percent of all elderly and disabled recipients (2 million households nationwide) would be terminated or receive fewer food stamps;

- twenty-three percent of working poor families in the country would be eliminated from the program; another 71 percent would have their benefits cut; overall, 17 million Americans would lose benefits; and

- an additional 3,500-4,000 households in Minnesota would be removed from the program, and the average benefit for remaining recipients would be reduced further.

MEDICAID: If Congress adopts the Reagan budget:

- eligible services for all recipients would be curtailed as states cope with reduced financing; and

- three million poor people would lose eligibility altogether.

The following Congressional representatives will consider in committee hearings the AFDC, Food Stamps and Medicaid programs. Please write them, along with our Representatives and Senators, and say the cuts proposed in the major income maintenance programs are simply unacceptable.

Honorable James Jones, Chairman
House Budget Committee
203 Cannon House Office Bldg.
Washington, D. C. 20515

Honorable Fred Richmond, Chairman
Domestic Marketing, Consumer
Relations & Nutrition Subcom.
House Agriculture Committee
1707 Longworth House Office Bldg.
Washington, D. C. 20515

Honorable Harold Ford, Chairman
Subcommittee on Public Assistance
House Ways & Means Committee
2445 Rayburn House Office Bldg.
Washington, D. C. 20515

Honorable Jamie Whitten, Chairman
House Appropriations Committee
2314 Rayburn House Office Bldg.
Washington, D. C. 20515

Honorable Pete Domenici, Chairman
Senate Budget Committee
2317 Dirksen Senate Office Bldg.
Washington, D. C. 20510

Honorable Robert Dole, Chairman
Nutrition Subcommittee
Senate Agriculture Committee
2213 Dirksen Senate Office Bldg.
Washington, D. C. 20510

Honorable William Armstrong, Chairman
Social Security & Income
Maintenance Subcommittee
Senate Finance Committee
140 Russell Senate Office Bldg.
Washington, D. C. 20510

Honorable Mark Hatfield, Chairman
Senate Appropriations Committee
463 Russell Senate Office Bldg.
Washington, D. C. 20510

URBAN
COALITION
OF MINNEAPOLIS

EARL D. CRAIG, JR.
President

April 8, 1982

Dear Friend of the Coalition,

This is the first in a series of five Federal Budget Information Sheets. My request is that you use this information to write Congress to say the Reagan proposals (in this case in Employment and Training programs) cut too deeply into essential services and should be rejected in favor of more humane alternatives.

The Congressional budget process is in its early stages. Alternatives are being considered, but the Reagan proposal is still center stage. It's essential that Congress hear from people who believe the priorities reflected in the administration's budget are untenable.

As specific budget options emerge and key votes are taken in the coming months, you'll hear from the Coalition again. For now, letting our Representatives know there is a constituency for a <u>fair</u> federal budget is an important first step.

Many thanks for your commitment.

Sincerely,

Earl

Earl D. Craig, Jr.
President

/ca

Enclosure

89 South 10th Street, Minneapolis, Minnesota 55403 • Telephone (612) 348-8550

Federal Budget Information Sheet: EMPLOYMENT AND TRAINING

Contact: Luanne Nyberg
Steve Cramer
(348-8550)

The Reagan administration holds out economic recovery as the primary means of providing jobs for poor people. Budget cuts are an integral part of the plan for economic recovery. Consequently, programs for the employment and training of disadvantaged workers have been substantially reduced. To date, the plan has not worked,* leaving poor people few options in terms of jobs and training opportunities.

CONTEXT

Unemployment is "officially" 9.0 percent of the workforce. Ten million Americans are without jobs. One million more "discouraged workers" who have stopped searching for a job aren't even counted in the officials statistics. Minority youth unemployment, officially 46 percent, is a continuing tragedy.

In Minnesota, unemployment is 7.7 percent, a 12 year high. The desperate employment situation confronting low-income people locally is reflected by the response to the McKnight Foundation emergency jobs program. Three thousand workers, half with household incomes below $240 a month, applied for 400 low-paying, temporary public service jobs in Minneapolis and St. Paul.

Despite this situation, the fiscal year (FY) 1982 budget adopted by Congress cut the Comprehensive Employment and Training Act (CETA) by over 50 percent -- a $4.3 billion reduction. As a result:

- the Public Service Employment program, which in 1981 funded about 310,000 jobs (7,300 in Minnesota) has been terminated;

- eighty percent of the funds for the Youth Employment Deomonstration program have been eliminated, the Young Adult Conservation Corps has been scrapped, and Summer Youth Employment funding is down by 20 percent; and

- CETA programs providing training for special groups, including displaced homemakers, the elderly, migrants and welfare recipients, have been reduced by 64 percent.

In addition, Unemployment Compensation and Trade Adjustment Assistance benefits for workers who find themselves without a job have been reduced by $3 billion in the current budget.

1983 BUDGET PROPOSALS

The Reagan budget proposes to eliminate the federal CETA program entirely. Instead, state governors would control reduced federal dollars for employment and training. Specifically:

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*In fact, since July of last year, the economy has experienced a net loss of 1.3 million jobs, worsening the employment outlook for disadvantaged workers.

- employment and training funding would be cut to $1.8 billion in FY '83, a 42 percent cut on top of last year's 50 percent reduction;

- the use of stipends, allowances or any other form of payment for participants in training programs would be banned; and

- Employment Services would be cut by $60 million, forcing office closings and staff reductions in the program that assists unemployed workers find new jobs (in addition to helping administer unemployment compensation).

In addition to the CETA cuts:

- the Work Incentive (WIN) program for AFDC participants would be eliminated in favor of a mandatory program in which recipients must "work off" their grants with no additional compensation.

EFFECTS

This year's cuts reduced the number of adults in various CETA programs in Minneapolis from 4,200 to 1,525, leaving 2,675 disadvantaged people with one less bridge out of poverty and dependence. Summer employment for youth will drop from 2,900 to 2,100 participants this year, putting 800 young adults on the streets with no job. (This could be particularly telling in the months to come in Minneapolis, since summer school programs are also being severely curtailed).

If the administration's FY '83 proposals are adopted, the implications for poor people are serious.

- There would be no national commitment to training and employment of low-income people.

- Many fewer hard-to-employ people would be trained because of greatly reduced funding.

- Those that do qualify for limited programs would receive no support during the course of their training.

- Tens of thousands of single parents would have to leave training, active job seeking, or even paid employment to "work off" their AFDC checks.

If you have concerns about what has and what will happen to federal employment and training programs, please write; let our Congressional representatives and the following committee chairmen know that there is an important place for the employment and training of disadvantaged Americans.

Honorable James Jones, Chairman
House Budget Committee
203 Cannon House Office Bldg.
Washington, D. C. 20515

Honorable Augustus Hawkins, Chairman
Employment Opportunities Subcommittee
House Education & Labor Committee
2371 Rayburn House Office Bldg.
Washington, D. C. 20515

Honorable William Natcher, Chairman
Labor, Health & Human
Services Subcommittee
House Appropriations Committee
2333 Rayburn House Office Bldg.
Washington D. C. 20515

Honorable Pete Domenici, Chairman
Senate Budget Committee
2317 Dirksen Senate Office Bldg.
Washington, D. C. 20510

Honorable Dan Quayle, Chairman
Employment & Productivity
Subcommittee
Senate Finance Committee
363A Russell Senate Office Bldg.
Washington, D. C. 20510

Honorable Harrison Schmitt, Chairman
Labor, Health & Human
Services Subcommittee
Senate Appropriations Committee
248 Russell Senate Office Bldg.
Washington, D. C. 20510

URBAN
COALITION
OF MINNEAPOLIS

EARL D. CRAIG, JR.
President

July 20, 1981

Dear Friend of the Coalition,

As you know, Federal budget cuts and block grants are upon us. What these changes will mean in our state and communities is the subject of the day-long seminar announced in the enclosed flier. The seminar is to be held on July 27th at the St. Paul Vocational-Technical Institute beginning at 8:30 a.m.

The seminar in the Twin Cities is one of some two dozen sessions nation-wide sponsored by the National Conference on Social Welfare. Local conveners include the Minneapolis Urban League, the Minnesota State Council for the Handicapped, the National Association of Social Workers and the Urban Coalition of Minneapolis.

I hope you will join us on the 27th for what I believe will prove to be an informative and valuable session.

Sincerely,

Earl Craig Jr.

Earl D. Craig, Jr.
President

89 South 10th Street, Minneapolis, Minnesota 55403 • Telephone (612) 348-8550

Federal Budget Information Sheet: EDUCATION

Contact: Steve Cramer
Luanne Nyberg
(348-8550)

Education is an important avenue of mobility in American society. But from reduced compensatory education programs for disadvantaged elementary students to eliminating loans and fellowships for minority graduate students, the proposed fiscal year (FY) 1983 federal budget discourages educational attainment by low-income students at all levels.

CONTEXT

Public schools opened last September -- but with fewer federal aid dollars, particularly those schools educating low-income students.

- Title 1 of the Elementary and Secondary Education Act (compensatory education) funds special programs geared to the needs of poor children, including equipment and instructional materials, counselors and guidance personnel, specially trained teachers, and teacher aids. Funding has been cut from $3.4 to $2.9 billion, a 15 percent reduction.

- Before this reduction, compensatory education programs reached only 5 to 6 million of the estimated 11 million disadvantaged children in need of assistance. Even fewer are reached today as a result of the funding cut. (It's also important to note that many non-poor children are helped by programs funded through Title I. These children will be equally effected by the funding reduction).

- Nationwide, 82,000 fewer limited English proficiency students (15 percent fewer program participants than proposed by the previous administration) will be served as a consequence of a $21 million cut (from $160 million last year) in bilingual education. Children denied the benefits of bilingual education have a drop-out rate <u>double</u> that of English proficiency students.

In terms of higher education, $500 million (16 percent of the spending needed to maintain last year's level of service this year) has been cut from the Pell Grant (formerly Basic Education Opportunity Grant -- BEOG) program which provides assistance to lower-income college students. This reduction comes despite a 30 percent increase in the total cost of higher education over the past three year period. (Individual students in Minnesota eligible for grants received up to $200 less than expected in federal aid this year).

1983 BUDGET PROPOSALS

In terms of compensatory education, the administration has proposed:

- <u>cancelling</u> $640 million or 22 percent of the $2.9 billion approved for this year (a funding level which already represents a significant cut from the previous year); and

- reducing total funding in FY '83 to $1.9 billion.

In terms of higher education, the programs serving low-income college students would be reduced by $2 billion, or over 50 percent of this year's spending. Specifically:

- the Pell grant (BEOG) program would be reduced by $934 million to $1.4 billion nationally, a 40 percent cut;
- the Supplemental Education Opportunity Grant (SEOG) program, aimed at students with exceptional need who would most likely otherwise be forced out of school, would be eliminated;
- College Work Study funding would be reduced from $550 to $398 million, a 38 percent cut; and
- new spending for low-interest federal student loans would be ended.

EFFECTS

The 5 to 6 million disadvantaged elementary and secondary students nation-wide who receive help from compensatory education programs would be reduced by 40 percent. At most, 2.4 of the 11 million eligible students (22 percent of the total) would be given needed special assistance with federal funds.

On top of projected tuition increases of 25 to 30 percent next fall in Minnesota's post-secondary schools, the Reagan budget proposals would mean:

- 20,000 fewer lower-income students in Minnesota receiving Pell (BEOG) grants (compared to 58,000 recipients in 1980), and a reduction in the size of the grant received by the poorest students of 11 percent (from $1,800 to $1,600);
- no supplemental assistance for the roughly 15,000 most disadvantaged sutdents per year in Minnesota who have participated in SEOG (for those students, financing college, already a difficult proposition, would become virtually impossible);
- 18 percent or 4,000 fewer work study students in Minnesota;
- 6,000 fewer low-interest loans in the state (from a base of 24,000 in 1980); and
- no graduate school loans or fellowships for minority students.

These federal cutbacks come at a time when the state budget crisis forces reductions in state spending for education as well. It's highly unlikely that the state can take actions to make up the loss in federal aid.

If the avenue of mobility via education for low-income students isn't gone, significant barriers are erected by the proposed FY '83 federal budget. Please write Minnesota's Congressional delegation as well as the following key committee members opposing this federal withdrawal from educating the poor.

Honorable James Jones, Chairman
House Budget Committee
203 Cannon House Office Bldg.
Washington, D. C. 20515

Honorable Carl Perkins, Chairman
House Education & Labor Committee
2328 Rayburn House Office Bldg.
Washington, D. C. 20515

Honorable Paul Simon, Chairman
Post-Secondary Education Subcom.
House Education & Labor Committee
227 Cannon House Office Bldg.
Washington, D. C. 20515

Honorable William Natcher, Chairman
Labor, Health & Human
Services Subcommittee
House Appropriations Committee
2333 Rayburn House Office Bldg.
Washington, D. C. 20515

Honorable Pete Domenici, Chairman
Senate Budget Committee
2317 Dirksen Senate Office Bldg.
Washington, D. C. 20510

Honorable Robert Stafford, Chairman
Education Subcommittee
Senate Finance Committee
5219 Dirksen Senate Office Bldg.
Washington, D. C. 20510

Honorable Harrison Schmitt, Chairman
Labor, Health & Human
Services Subcommittee
Senate Appropriations Committee
248 Russell Senate Office Bldg.
Washington, D. C. 20510

Federal Budget Information Sheet: ENERGY

Contact: Steve Cramer
Luanne Nyberg
(348-8550)

Energy prices have, and will continue to rise at a rate much faster than inflation. The two major energy programs designed to help low-income people cope with resulting energy cost hardships are energy assistance and weatherization. Energy assistance helps low-income people pay their bills. Weatherization improves the energy efficiency of dwellings occupied by low-income families, reducing bills in the first place.

CONTEXT

In Minnesota, price increases for users of fuel oil and natural gas have averaged 25-30 percent over the past 15 months,* roughly twice the rate of inflation.

High and rising energy costs have a major effect on the household budgets of low-income people. National data indicate that poor families spend, on average, over 20 percent of their income for household energy. This exceeds by four times what a typical middle-income family devotes to home energy costs.

In fiscal year (FY) 1982, the current year, energy assistance and weatherization were slated for dramatic reductions by the administration, but funds were restored by Congress.

- Energy assistance is funded at $1.86 billion, roughly the same as last year. More people are eligible for assistance, however, and increased energy costs have greatly decreased the "buying" power of the FY '82 program.

- Approximately one-half of what was spent in FY '81 has been allocated to weatherization in '82. Roughly fifty percent fewer units will be served as a result (10,000 in Minnesota this year compared to twice that many in prior years).

1983 BUDGET PROPOSALS

Energy assistance would be reduced by 32 percent, from $1.9 to $1.3 billion, in the proposed budget. Energy assistance would also be counted as income when determining eligibility for AFDC and Food Stamps.

Weatherization is eliminated in the proposed FY '83 budget, a loss of roughly $150 million nationwide ($7.5 million in Minnesota).

EFFECTS

The average energy assistance grant in Minnesota this year declined by 25 percent to $400 (compared to an average bill for program participants of $1,400). In Minneapolis, the average grant is $205, compared to $250 a year

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*If natural gas prices are immediately "decontrolled" (an administrative objective), costs will rise even more rapidly.

ago. Because of declining assistance and rising prices, customer costs, the amount of bills paid "out-of-pocket" by energy assistance recipients, have increased by as much as four-fold in Minnesota.

Partly as a result of reduced assistance, delinquent accounts at local energy suppliers (unpaid bills of 60 days or longer) have increased by 15 to 20 percent. It's likely more utility shutoffs will occur this spring than ever before.

The proposed '83 budget, if approved, would mean:

- fewer people assisted and/or additional (and substantial) reductions in energy assistance benefits;

- a "dollar for dollar" tradeoff for AFDC families ($1 AFDC lost for every $1 energy assistance received), and a loss of $3.50 to $5.25 in food stamps benefits for every $10 of energy assistance; and

- no additional weatherization, despite the fact that the program can reduce energy consumption by upwards of 25 percent (which in turn reduces energy bills), and despite the fact that only one-tenth of the eligible units nationwide have been weatherized (in Minnesota, 50,000 eligible units have not been weatherized).

Coming from a cold-weather state, our Congressional representatives should have a special concern about energy programs for the poor. Please write them, along with the key committee members listed below, asking for energy programs that don't leave poor people in the cold and dark.

Honorable James Jones, Chairman
House Budget Committee
203 Cannon House Office Bldg.
Washington, D. C. 20515

Honorable John Dingell, Chairman
House Committee on
Energy and Commerce
2221 Rayburn House Office Bldg.
Washington, D. C. 20515

Honorable Sidney Yates, Chairman
Interior Department Subcommittee
House Appropriations Committee
2234 Rayburn House Office Bldg.
Washington, D. C. 20515

Honorable Pete Domenici, Chairman
Senate Budget Committee
2317 Dirksen Senate Office Bldg.
Washington, D. C. 20510

Honorable James McClure, Chairman
Senate Committee on
Energy and Natural Resources
3121 Dirksen Senate Office Bldg.
Washington, D. C. 20510

Honorable Harrison Schmitt, Chairman
Labor, Health & Human
Services Subcommittee
Senate Appropriations Committee
248 Russell Senate Office Bldg.
Washington, D. C. 20510

URBAN FOCUS

NEW DIRECTIONS IN HUMAN SERVICES

News and Information for City Human Services Officials

Volume 3, No. 2
April, 1982

LITTLE ACTION ON FY83 BUDGET, NEW FEDERALISM

Over two months after they were proposed, the President's FY83 budget and New Federalism initiatives remain clouded in uncertainty.

The budget appears to be at a stalemate, with the Congress and the White House unable to agree on a compromise. Among the spending and revenue-raising proposals under consideration are:

- a freeze on domestic spending at FY82 levels;
- a reduction in, or delay of, cost-of-living increases in entitlement programs during FY83;
- a smaller increase in defense spending than that proposed by the President;
- a rollback of the 1983 tax cut;
- an income surtax for people above a certain level, perhaps $30,000 to $40,000;
- a $5 a barrel oil import fee; or
- a more general tax on energy usage.

The negotiations between a group of governors and the White House over the proposed "swap," in which the federal government would assume all costs for the Medicaid program in return for state and local assumption of AFDC and Food Stamps, appear to be at an impasse. The Administration has indicated it will consider removing Food Stamps from the equation, leaving it as a federal program. It is unclear whether the Administration will be able to send legislation to the Hill on the "swap" this year.

Work on the trust fund proposal, which would turn some 40 programs back to the states, is also progressing slowly. Congressional action in 1982 is considered unlikely. Among the issues yet to be resolved are those programs to be included and the local pass-through provisions.

United States Conference of City Human Services Officials • 1620 Eye St., N.W. • Washington, D.C. 20006 • (202) 293-7650

MAYORS TESTIFY ON HUMAN SERVICES, "NEW FEDERALISM"

Among the issues on which Mayors have testified recently are several of particular concern to city human services officials:

The FY83 Budget -- The Conference of Mayors has asked the House Budget Committee to adopt a federal budget which invests in human capital, alleviates unemployment problems of the cities, helps cities meet infrastructure, transit and housing needs, and promotes development of local economies.

In testimony March 10 in Washington, Conference of Mayors president Helen Boosalis, Mayor of Lincoln, labeled proposed FY83 cuts in urban programs "simply intolerable" and said that local governments have not been given the resources to offer much assistance to "our truly needy." Boosalis said that cities are being told to assume new responsibilities with fewer overall resources. The result, she said, will be increases in property and other local taxes, additional layoffs, and service cuts at the local level. "What makes this situation so difficult to swallow for so many Mayors," she told the Budget panel, "is that the immense cuts in city and state programs stand in sharp contrast to the treatment of other federal activities."

"New Federalism" -- Before the Senate Governmental Affairs Committee on March 11, Mayor Boosalis described concerns which Mayors and other local officials have expressed in response to the federalism proposal outlined by President Reagan in his January State of the Union address.

- There should be a much greater role for local officials in the federalism trust fund "super" grant program. Funds should be given directly to states and local government as well.
- There should be a close examination of the 44 programs proposed for consolidation and turn-back to the states. Some of these programs are inappropriate for a "super" grant that provides funds to all locales.
- Formulas for distributing funds to state and local governments should address the fiscal disparities among the 50 states and among local governments.
- The federal income tax should be the financing vehicle for any federalism initiative.
- The federal-state "swap" of Medicaid for AFDC and Food Stamp programs is likely to lead to wide differentials in welfare benefits acoss the 50 states. Steps should be taken to narrow current benefit differentials and establish minimum benefit and eligibility standards.
- The FY83 federal budget cuts proposed by the Administration threaten to undermine potential support for, and workability of, the proposed federalism initiatives.

Entitlements -- In testimony February 22 before the House Budget Committee's Task Force on Entitlements, Nashville Mayor Richard Fulton

recounted the effects of the FY82 federal budget cuts on cities and condemned the additional cuts contained in the President's FY83 budget proposal. Chairman of the Conference of Mayors Advisory Board, Mayor Fulton testified in Washington in opposition to the deep cuts in entitlement programs--Medicaid, Medicare, AFDC, Food Stamps, Low Income Home Energy Assistance and others--proposed for FY83. Fulton said that the billions of dollars in proposed cuts would mean that millions of people, primarily the working poor, "will lose that small amount of government assistance that helps them to be self-sufficient." Many, he said, would leave their jobs in order to continue to receive government aid.

Fulton finds particularly distressing the proposals that would count the benefits received in one program against eligibility in another. In the Administration's FY83 budget, low income energy payments are to be used in calculating AFDC and food stamp eligibility; food stamp benefits are to be used in calculating income to determine rent subsidies under Section 8 of the housing program. "These programs," said Fulton, "ignore the fact that this nation has a mosaic of income security programs to meet basic needs...because no one program is comprehensive enough to meet them all. Playing one against the other will compound the adverse effects of the cuts on individuals."

Employment and Training -- In testimony presented March 16 to a joint session of the House Subcommittee on Employment Opportunities and the Senate Subcommittee on Employment and Productivity, Louisville Mayor Harvey Sloane reaffirmed Conference of Mayors support for the current system to deliver targeted employment and training services in cities across the country, calling it an "effective means of addressing the training needs of the structurally unemployed," and urging that the best of the current system be retained as Congress considers the future of employment and training programs.

Four major legislative proposals designed to replace the current Comprehensive Employment and Training Act (CETA) have been presented to Congress in recent months.

- The Quayle-Kennedy bill (S.2036) would retain the current CETA prime sponsor system until an individual prime sponsor and Private Industry Council jointly petition for change. This bill would authorize $3.9 billion for employment and training, with the governor serving as the grant recipient in each state.
- The Hawkins bill (H.R.5320) would retain the current prime sponsor system and would designate local governments with populations of 100,000 or more as grant recipients. This bill would provide $5 billion for the system.
- The Jeffords bill (H.R.5461) would restructure the current system by requiring service delivery areas to have populations of 200,000 or more. An authorization of $3.6 billion for employment and training is contained in this proposal.
- The Reagan Administration bill (S.2184) would reduce the authorization

for employment and training programs to $1.8 billion. It would abolish the current system in favor of service delivery to sub-state labor market areas having populations of at least 500,000.

All of the current proposals contain an expanded role for the private sector in service delivery.

Mayor Sloane, appearing before the House-Senate panel with Minneapolis Mayor Donald Fraser and Baltimore Mayor William Donald Schaefer, pointed out that each of the bills introduced by Senators Kennedy (MA) and Quayle (IN), Rep. Hawkins (CA), and Rep. Jeffords (VT) targets services to economically disadvantaged and structurally unemployed people, and that each recognizes the importance of retaining planning responsibility and program implementation at the local level. He added, however, that the Hawkins bill appeared best able to meet the needs of program participants, local businesses, and the community at large. Support for the Hawkins proposal, the Mayor said, was based on the fact that Rep. Hawkins would rest responsibility for the employment and training program with the chief elected official who can represent all groups having an interest in targeted employment and training. "Local elected officials are in the best possible position to make the most effective and efficient use of all resources in the community," he said, referring to vocational education institutions, community-based organizations, skill centers, labor organizations, and private employers.

CONFERENCES ON BLOCK GRANTS SCHEDULED

The U.S. Conference of Mayors, in conjunction with the National Governors' Association, the National Association of Counties and the National League of Cities, is sponsoring a series of conferences on block grant implementation. Two already held, in Chicago and San Francisco, were attended by a number of city human services officials. Three additional meetings are scheduled:

Atlanta	May 10-12
Providence	May 24-26
Dallas	June 28-30

Information will be sent to city human services officials. If you did not receive information or wish additional information, or to register, please contact Jan Kary-Donlavey at the National Governors' Association at 202/624-5347.

SECTION 504

DEPARTMENT OF JUSTICE REVIEWS GOVERNMENT-WIDE REGULATIONS

The Department of Justice is proposing major changes in the HEW 1978 government-wide Section 504 regulations. The HEW government-wide regulations are the guidelines used by federal departments as they develop Section 504 rules for their recipients. Section 504, which prohibits discrimination on the basis of handicap, applies to all recipients of federal financial assistance.

Based on available information, it appears that most of the proposed changes would curtail protection under Section 504. The two exceptions include expanding coverage of employment and establishing specific determinations to be used for the Department of Transportation's mass transit rules for the disabled. Under those rules, services to disabled riders are to be "substantially as effective" as those provided to nondisabled riders, however, no criteria is given for determining what is substantially as effective. The Department of Justice lists five criteria for recipients to comply with.

Other proposed changes in the original HEW government-wide regulations include:

- Deleting "emotional illness," "drug addiction," and "alcoholism" from the definition of handicapped person.
- Revising program accessibility standards so recipients need only make their programs or activities accessible to "qualified" handicapped persons.
- Reserving status of "qualified" handicapped persons to members of a class who can achieve the purpose(s) of a program without causing substantial modifications to the program or to an individual with a unique handicap who can also achieve the purpose(s) of a program without imposing undue hardship or unreasonable costs to the program recipient.
- Allowing program services to be delivered at alternative accessible sites or making home visits.
- Expanding the definition of "small recipient" as appropriate to the recipient's programs or activities.
- Permitting exceptions to accessible construction criteria if a part or parts of a building are not intended for use by the public or physically handicapped persons.
- Eliminating provisions for an "appropriate" education for handicapped students.
- Changing the provision that aids and services to handicapped persons be as "effective" to be "substantially as effective" in achieving program purposes.
- Limiting coverage of Section 504 to only those programs within institutions that receive financial assistance directly from the federal government.

In addition to the changes proposed by the Department of Justice, the Office of Management and Budget (OMB) is also planning substantial changes to the government-wide regulations. OMB proposed changes include:

- Allowing federal financial recipients to weigh the potential contributions of a disabled person before deciding whether to accommodate them or not. If the costs of accommodation outweigh the disabled person's potential contribution to society, the recipient does not have to make the accommodation available to them.

- Allowing federal financial recipients to include the costs of providing auxiliary aids when determining financial aid to disabled persons.

- Permitting institutions to be in compliance with Section 504 if they listen and respond in good faith to comments and criticisms about the way they serve disabled persons.

Approximately twelve federal agencies have commented on the proposed regulations. The regulations should be available for public comment late this spring or early summer.

SECTION 504 TRAINING SESSIONS

Reservations are still being accepted for city officials to attend the Section 504 training sessions in Indianapolis, May 3-5 and Providence, May 24-26. Participants' travel to the training session and single hotel room for two nights will be reimbursed by the Section 504 Program. An earlier registration fee of $50.00 has been waived. For additional information, contact Lilia Reyes at 202/293-7650.

TDD AVAILABLE AT CONFERENCE OF MAYORS

A telecommunications device for the deaf (TDD) is now available for hearing-impaired officials to contact the Section 504 Program staff. The phone number for the TDD is the same phone number for the Section 504 Program - 202/293-7650.

HUMAN SERVICES PUBLICATIONS AVAILABLE

The National Network for Coordinating Human Services has announced the availability of four publications designed to enable human service decision-makers to respond in an effective and timely way to funding cutbacks at the state and local levels.

- A Human Service Manager's Guide to Developing Unit Costs ($4.00)

- The Contingency Planning Process of Columbus/Franklin County, Ohio ($4.00)

- Highlights Report on Developing Public/Private Partnerships in Human Services: A Conference ($6.00)

- Proceedings of the Second National Network-Building Conference for Coordinating Human Services at the Local Level ($6.00)

These publications are available from the Institute for Information Studies, 200 Little Falls Street, Suite 104, Falls Church, VA 22046, 703/533-0383. Orders must be prepaid. Checks should be made out to the Institute for Information Studies. Postage and handling is included in the price of the publications. Contact the Institute regarding discounts for bulk orders.

The Institute for Local Self Government is publishing a five part Social Policy Series. The Series is aimed at human services administrators and is intended to provide detailed guidance on welfare and health services systems and offer some practical solutions to the problems of unemployment and cutbacks. To order the Social Policy books, write ILSG, Hotel Claremont Building, Berkeley, CA 94705 or telephone 415/841-4044. Prices are as follows:

- Program Integration - The Local Approach to Welfare Reform, Cost Savings and Better Client Services ($5.95)

- Program Integration - Determining Its Cost Effectiveness ($2.95)

- The Community Action Approach to Human Services ($2.95)

- The Challenge of Block Grants: States Implement CSBG ($5.95)

- Tentative Title: Public-Private Employment Strategies (To Be Published)

ILSG offers a 10 percent discount on pre-paid orders; add 15 percent shipping/handling charge to total price. California residents add applicable sales tax.

CONGRESS CONSIDERS NEW IMMIGRATION REFORM LEGISLATION

Senator Alan K. Simpson (R-WY) and Representative Romano Mazzoli (D-KY) introduced the Immigration Reform and Control Act of 1982 (S.2222/H.R. 5872) on March 17, 1982. The new comprehensive immigration bill deals with four general areas: increased control over illegal immigration, legal immigration, and legalization of certain undocumented aliens and of Cuban and Haitian entrants. The following are some of the provisions of the Simpson/Mazzoli bill:

- Civil and criminal penalties will be imposed on employers who knowingly hire illegal immigrants. For the first three years, documents such as a social security card, drivers license or INS-issued card will be used as proof of eligibility to work. Eventually, a new permanent card will be used for this purpose.

- Aliens who entered the country illegally before January 1, 1978 will immediately be eligible for permanent resident status. Aliens who have lived in the U.S. illegally between January 1, 1978 and January 1, 1980, and Cuban and Haitian "entrants" will be allowed to adjust their status to temporary legal residence. After two years of the enactment of the Act, these temporary legal residents may be eligible to become permanent residents if they meet certain requirements. These requirements include demonstrating minimal understanding of English and not having been convicted of a felony or of three misdemeanors. During the two-year waiting period, temporary residents will not be eligible for many federally-supported assistance programs.

- An annual ceiling of 425,000 will be imposed on legal immigration, excluding refugees. This number represents a continuation of the current level of legal immigration.

The immigration subcommittees held joint-hearings this month and expect to complete action on the bill shortly.

For further information, contact Lilia M. Reyes at 202/293-7650.

AGING ISSUES

OLDER AMERICANS MONTH/SENIOR CENTER WEEK

President Reagan has proclaimed May to be Older Americans Month. The Administration on Aging (AoA) last year distributed through city aging offices a press kit which many cities found useful for plannning activities and garnering publicity locally. Funding reductions have prevented AoA from distributing a similar packet this year, however, and cities may wish to refer to last year's guide. AoA has developed a condensed version which may be available from your Area Agency on Aging or by contacting the Conference of Mayors for a copy (202/293-6814).

This year, as in the past, the Conference of Mayors is participating with the National Institute of Senior Centers (NISC) in a collaborative effort to encourage state and local governments to proclaim the second week in May, 9-15, as Senior Center Week. An increasing number of Mayors have issued local proclamations and sponsored open houses and awards programs to promote local recognition of the contribution of senior centers.

In the coming months, the Conference of Mayors will be working with NISC on an awards program to give national recognition to cities for their efforts with senior center programs. If you would like further information on either Senior Center Week or the awards program, please contact Richard D. Johnson of the Conference staff (202/293-6814).

NEW GUIDES

The Conference of Mayors is currently publishing two new supplements to the guide Administering Aging Programs, designed for Mayors and their staff involved in aging programs. Volume VI, "Serving the Urban Elderly: Issues and Programs," contains a discussion of the issues presently confronting the urban elderly in each of eight subject areas as well as a description of innovative or exemplary programs which cities have developed to address these issues. Volume VII, "Coordinating Services for the Urban Elderly," provides examples of techniques and approaches of aging services to allow Mayors and other local officials to benefit from the experiences of others when developing their own programs. For further information, contact Sandra Wilson-Young of the Conference staff at 202/293-6814.

FY82 CONTINUING APPROPRIATIONS

Because regular FY82 appropriations bills for some federal departments have not yet been passed, Congress and the President approved a continuing resolution to extend programs administered by these departments at their current funding levels through September 30, 1982. Under the new law (Public Law 97-161) the Administration on Aging is funded at an annual rate of $728 million which represents a cut of $26 million from FY81 levels. This figure does not contain funds for Title V senior jobs, which are "forward funded" through the end of the fiscal year.

Concurrently, the House and Senate have begun work on the federal budget for fiscal year 1983, which begins October 1 of this year. Because the Congressional Budget Office projects deficits of up to $157 billion, social programs, including those benefiting the elderly, are being considered for possible cuts (see related articles on Older Workers and Social Security).

OLDER WORKERS

The $277 million Senior Community Service Employment Program (SCSEP--Title V of the Older Americans Act) has been targeted for phase-out at the end of this fiscal year by the Administration. In the Administration's FY83 budget released last February, the Title V program would be merged with other programs targeted to special population groups disadvantaged in the labor market, such as migrants and seasonal farm workers, displaced homemakers, veterans and ex-offenders. This proposed action would eliminate the present 54,200 slots reserved exclusively for low-income elderly which were reauthorized for three years as part of the 1981 Amendments to the Older Americans Act. The Administration has proposed a $200 million level for this new program, of which up to 10 percent could be utilized for older workers by states and local job training councils.

Opposition to these funding cuts and restructuring has resulted in the introduction of a resolution (HConRes 278) in the House by Representatives Leon Panetta (D-CA) and Silvio Conte (R-MA) and over 180 co-sponsors which calls for the continuation of the Title V program with full funding. In hearings before the House Education and Labor Committee March 10, Department of Labor Secretary Ray Donovan indicated the Administration is looking for options to continue the program at or near its present $277 million level. At a Senate Special Committee on Aging hearing held April 1, however, Undersecretary Malcolm Lovell stated the program is still slated for "zero funding" for FY83.

If you would like to express your views on the local impact of this program, you may wish to write your Senators, your Representative, as well as members of the Senate Committee on Labor and Human Resources. The House Committee on Education and Labor has reported its version of the budget bill requesting full funding of Title V through FY85.

HEARINGS SCHEDULED ON LOCAL IMPACT OF FEDERAL CUTS ON ELDERLY

Congressional hearings have been placed for June 21 at the Annual Conference of Mayors in Minneapolis. The hearings are currently scheduled to focus on the impact of federal budget cuts and block granting on the elderly at the local level. Though only a limited number of Mayors will be able to testify at the hearings, written testimony or information concerning the impact on your city may be included for the record. Please contact Larry McNickle (202/293-6814) or Laura DeKoven Waxman (202/293-7330) for further information.

SOCIAL SECURITY

The Social Security Trustees reported on April 1 as part of their annual report to Congress that the short-range outlook was significantly worse than the previous year. The report indicated that in 1981, both the Old-Age Survivors Insurance (OASI) and Disability Insurance (DI) trust funds paid out more than they received for the seventh consecutive year. Based on current projections, the Trustees reported that unless Congress alters the program substantially the retirement fund will run out of money by July 1983.

This projected shortfall in funds and the size of the FY83 budget deficit has caused many members of Congress to consider a freeze on the cost-of-living adjustments (COLAs) for social security and other entitlement programs. The savings to the federal budget from a freeze in the social security COLA could equal as much as $12.4 billion. The "savings" would be on paper only, though, as money from the trust fund cannot be used for any function except those of the Social Security Administration. Under present law the social security COLA is based on the inflation rate for the first three calendar months of the year to be paid annually on July 1st--estimated to be 7.6 percent for 1982.

In addition to a freeze on the social security COLA, Congress is considering several other options involving the COLA including delaying the July adjustments until October 1; cutting future adjustments to three percentage points less than the Consumer Price Index (CPI); placing the COLA at a given percentage of the CPI; and redefining the CPI.

LOCAL POLICY OPTIONS

As part of a 17-month collaborative project with the National Association of Counties (NACo) and Stanford Research Institute (SRI) funded by the Administration on Aging (AoA), the Conference of Mayors is developing a guidebook, "Public Policy Options to Complement Services for the Urban Elderly," which is intended to increase the awareness and capacity of Mayors and local officials on the use of city governance tools to serve elderly citizens. As the guide is now in the development phase, we would apprecite receiving examples of governance techniques (zoning, taxation, administrative reform, regulation, advocacy by the public sector) or public-private collaboration techniques which have proven successful in cities.

As part of the project, the Conference will be participating with NACo and SRI in a number of regional training workshops on public policy options. For instance, one such workshop will be held in Denver in August in conjunction with the National Association of State Units on Aging/National Association of Area Agencies on Aging Annual Meeting. Interested persons should contact Larry McNickle for further information.

OLDER AMERICANS ACT REGULATIONS

There has been a delay in the April 1 effective date of Older Americans Act regulations proposed last February by the Office of Human Development Services, Department of Health and Human Services (HHS). Published in the February 5 issue of the Federal Register, the proposed regulations were intended to minimize cuts in Title III program funds by requiring that funds spent on program development or coordination activities be absorbed as part of administrative costs. Opposition to these proposed regulations contributed to postponement of the effective date, now pending review by HHS Secretary Schweiker.

Regulations implementing changes in the Act made by the 1981 Amendments have not yet been published by the Administration on Aging. As of press time, there was no tentative date set for their promulgation.

Larry McNickle
Director, Aging Programs

Dear Reader:

The time has come, unfortunately, for us to separate the USCCHSO members from the non-members. For the past two years USCCHSO has distributed Urban Focus free to anyone who wished to receive it. Our mailing list has grown substantially, however, and we can no longer afford to do this.

Beginning with the next issue, we will move to a subscription basis. A subscription will automatically be entered for all USCCHSO members. If you are not a member, we hope that you will consider joining our dynamic and growing organization. Among the benefits of membership, in addition to receipt of Urban Focus, are technical assistance and referral services, meetings and training sessions on topical issues, information on federal legislation, regulations, and policies, and receipt of many Conference of Mayors publications.

All municipalities are eligible for membership in USCCHSO. Annual dues are based upon the population of the city:

Population	Dues
2,000,000 and over	$ 1,500
1,000,000 to 2,000,000	1,000
650,000 to 1,000,000	800
500,000 to 650,000	600
250,000 to 500,000	500
100,000 to 250,000	250
Below 100,000	100

Associate membership is available to cities for one year on a trial basis. Organizations and individuals who are not a part of city government may also join as associate members and may renew their associate membership annually. Associate members have all benefits of membership except voting and holding office. The fee for associate membership is $75.

If you wish to join USCCHSO, please complete the form below and send it to USCCHSO, 1620 Eye Street, NW, Washington, DC 20006. If you are unable to join USCCHSO, but wish to continue to receive Urban Focus, please indicate so on the form below and send it with a check made payable to USCCHSO. The subscription rate is $18 per year.

Laura DeKoven Waxman
Assistant Executive
Director

Name ______________________________

Title ______________________________

Agency ______________________________

Address ______________________________

City ____________________ State __________ Zip __________

Telephone (   ) ______________________________

/__/ I wish to join the U.S. Conference of City Human Services Officials as a regular member /__/ as an associate member /__/.

Based on the dues schedule my dues are $ ________

/__/ A check for my dues is enclosed.
/__/ A check for my dues will follow.
/__/ Please send me an invoice for the amount of my dues.

/__/ I am unable to join the U.S. Conference of City Human Services Officials, but wish to subscribe to Urban Focus. My check for $18 is enclosed.

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