League of Women Voters of Minnesota Records

How to apply

People who are getting State welfare payments because they are 65 or older, blind, or disabled don't have to do anything now because of the new Federal program. The Social Security Administration and the States are working together to get ready for the new program; and these people will hear later what, if anything, they need to do.

Social security offices are now taking applications from people who *aren't* getting State assistance but who think they may be eligible for Federal payments.

Remember, no Federal payments can start before January 1974. States make payments until then under their programs of public assistance. So people who need cash help before the end of this year should go to their State or local welfare office.

For more information

If you want more information about the new Federal assistance program, contact any social security office.

If you have questions about your State's present welfare program, call your State welfare department.

U. S. Department of
Health, Education, and Welfare
Social Security Administration
DHEW Publication No. (SSA) 73–11000
April 1973
☆ U.S. Government Printing Office 1973: 734-094/56

Supplemental security income for the aged, blind, and disabled

Supplemental security income for the aged, blind, and disabled

The Federal Government will make monthly cash payments starting in January 1974 to people in financial need who are 65 or older or who are blind or disabled.

The new program will take the place of the present Federal-State programs of public assistance payments to people who are 65 or older or blind or disabled. But States will continue to provide other services to these people and may add to the Federal payment under certain circumstances. Until Federal supplemental security payments start in January 1974, State and local public assistance offices will continue to make payments in the usual way.

Who can qualify?

People who have little or no regular cash income and who do not own much in the way of property or other things that can be turned into cash, such as stocks, bonds, jewelry, or other valuables, may get Federal supplemental security income payments.

The aim of the program is to provide supplemental payments, when they are needed, so that anyone who's 65 or older or blind or disabled can have a basic cash income—at least $130 a month for one person and $195 a month for a married couple. This doesn't mean that every eligible person will get that much from the Federal Government every month. The amount will depend on how much other income he has.

Things people own

A person who is single (or married but not living with his spouse) can have assets—things he owns—worth up to $1,500 and still get Federal payments. The amount for a couple is $2,250. Not everything owned counts as an asset. For example, a home generally doesn't count. And the Federal Government will not put liens on the homes of people getting supplemental payments.

Personal effects or household goods also will not count in most cases. Insurance policies or a car may not affect eligibility either, but this will depend on their value.

DHEW Publication No. (SSA) 73-11000

Income people have

People also can have some money coming in and still get supplemental security income. (The income limits are based on the amount of money coming in during each calendar quarter—3-month periods which begin January 1, April 1, July 1, and October 1. The figures in this leaflet, however, are for monthly amounts to make it simpler.)

The first $20 a month in income generally won't affect the Federal payment. And people may be eligible for a supplemental payment even though they work part time. The first $65 in earnings in a month won't count against the supplemental security income payment, and only half of the rest of any additional earnings will count.

Apart from earnings, any other income above the first $20 a month generally will reduce the amount of the Federal payment. This includes social security checks, veterans payments, workmen's compensation, pensions, annuities, gifts, and other income.

Also, for eligible people who live in someone else's household—a son's or daughter's home, for example—the basic Federal payment is reduced by one-third before the other income that may affect the amount payable is deducted.

Not social security

Even though the Social Security Administration will run the new Federal program, supplemental security income is not the same as social security. The money to make supplemental security income payments will come from general funds of the U.S. Treasury—personal income taxes, corporation taxes, and other taxes.

Social security benefits are paid from contributions of workers, employers, and self-employed people. Social security funds will not be used to make the supplemental security income payments.

League of Women Voters of Minnesota, 555 Wabasha, St. Paul, Minnesota 55102
April, 1973

TIME FOR ACTION

TO: Local League Presidents, Legislative Action Chairmen, Human Resource Chairmen
FROM: Gloria Phillips, Human Resource and Equality of Opportunity Chairman
April 25, 1973

This TIME FOR ACTION covers several of our major Human Resource concerns in Welfare and Day Care legislation. Prompt action is needed.

WELFARE LEGISLATION

LEAGUE BACKGROUND INFORMATION:

The League is supporting increased payment standards for all categorical aid programs. We have joined the Coalition for Increasing Public Assistance and hearings have been held before the Senate Finance and the House Appropriations subcommittees to document the need for increasing payments. The estimated cost for a 15% increase is $15 million with the state and counties' share at $3,350,000 each. This increase had been proposed by the Department of Public Welfare, but eliminated in the Governor's budget request. Until 1969 the federal government has required automatic increases in payment standards to reflect the cost of living. The Liberal legislators in the 1969 session supported a cost of living increase.

It has been reported that the Senate Omnibus Appropriations Bill provides for an 18% increase in budget standards for food. When the flat grant system, proposed by the Welfare Department goes into effect, this will probably amount to an 8-9% across the board increase. The newspapers have reported agreement between the majority leaders for a 12-15% increase in budget standards. The House Appropriation Bill passed out of committee with provisions for a 12% increase in budget standards.

The second area of concern is supplementing the adult categories AB, AD, OAA that will be federalized January 1, 1974. Under our national HR position participants should not receive lesser benefits under a revised program than they are now receiving. Both the Governor and the legislature seem to agree that programs should be supplemented; the question seems to be: To what extent and who should receive the supplements?

The present legislative proposals for supplement are:
H.F. 1866, Resner, Flakne, Samuelson, Rice and Hanson
This bill provides for supplemental aid to recipients as of December 31, 1973 to assure that such recipients will receive as much aid after Dec. 31 as before January 1, 1974. The cost of the supplemental payments to be shared equally between the state and counties. The major drawback in this bill is the limitation of supplements to those receiving assistance prior to January '74.
S.F. 628, Tennessen, Spear and S. Keefe
H.F. 1774, Casserly, Kahn, McCarron, Berglin
Increased AD, AB, OAA payments by 20% for all recipients over 62. This would affect approximately 12 1/2 thousand older people. If there is need for an increase, it should apply to all recipients.
Again it has been reported that the Senate Omnibus Appropriation Bill will have a rider appropriating approximately $4 million in state monies to be used to supplement the adult categories. The $4 million seems like

a large appropriation considering the proposed cost of supplementing those eligible before December 31, 1974 was $2,200,000 as estimated by the Governor's office; perhaps they anticipate supplementing recipients who become eligible after January 1, 1974.

The third area of League concern is abolishing the township system of relief. We support abolishing the township system with the establishment of adequate statewide standards and less reliance on the property tax to finance welfare.

Several bills have been introduced. S.F. 410 has already passed the Senate. It abolished the township system and called for standards to be established by the Commissioner of Public Welfare. The companion H.F. 1142 will be heard this week.
S.F. 1457, Coleman
H.F. 1913, D. Johnson, Fugina, Ojala, Munger.
The bill provides for:
1) property tax relief coupled with a sound aministrative structure for public assistance programs
2) general assistance means cash outlay for shelter, fuel, food, clothing, household supplies and personal needs (p. 3)
3) Public Welfare Commissioner to report annually to the Governor
4) applicant may be presumptively eligible with a sworn application before the local agency has acted
5) cancellation only with prior notice, procedures for appeal to county attorney if denied and redress in district court (p. 13-16)
6) commissioner to establish minimum standards after hearings
7) G.A. recipients must register with state employment service and accept any suitable employment (p. 10)

It is possible that general assistance would reach more eligible people if S.F. 1457 passes - caseloads might increase as well as costs. It is estimated that this would cost the state $10.7 million during the next biennium. At present it is not favored by the Governor.

There are significant drawbacks to this bill of which the League is aware:
1) Cash payments are 100% of shelter but only 50% of federal categorical aid standards as to other items.
2) Certain cash payments are ruled out of general assistance: foster care, child welfare services, medical dental, hospitalization, nursing care, and drugs and medical supplies. With regard to foster care and child welfare services, the state is saying it doesn't want to help with general relief for children. In addition, medical services, etc. may take a significant amount of a person's resources.
3) Work incentive and registration provision may be too restrictive--"accept any suitable employment offered him." Local agency shall provide a general assistance work program for persons unable to gain employment through state employment service. This is a "creating work" type situation. There are exceptions to people who must register and work. (i.e. ill, aged, incapacitated, children in school, person needed in home if others ill or incapacitated, persons in work training programs, etc. adults with children if another adult in home is employed.)
4) Lack of a provision for counsel for recipients in cases of appeal.

S.F. 1170 provides for the Department of Public Welfare to reimburse counties for 50% of administering all public assistance programs which would reduce mill levy. The carrot which is being offered to the counties to accept the abolishment of the township system is S.F. 1170, Coleman and H.F. 1847, D. Johnson, which provides for state payment of 50% of costs incurred by counties and not paid by the United States in administing welfare programs.

WHAT TO DO:

1. Contact your legislators NOW expressing our concern for:
   A. raising payment standards for categorical aid recipients at least by 15%
   B. supplementing payments for the adult categories, not only for those now receiving assistance but for those eligible after Jan. 1, '74
   C. abolishing the township system of relief and the development of statewide standards based on need
   D. state assuming a greater share of local welfare cost

   See Study and Action 1972-74 National Program for further details.

2. Contact other organizations for support. Members of the Coalition for Increasing Public Assistance are Joint Religious Legislative Committee (JRLC), Minnesota Social Services Association (formerly Minnesota Welfare Association), National Association of Social Workers, Minnesota Association of Voluntary Social Services Agencies. Remind DFL legislators that in the 1969 session they supported increased payment standards. Support from local welfare directors and county commissioners would be very helpful.

3. Write to Governor Anderson stating the need for additional funds for welfare.

DAY CARE LEGISLATION

LEAGUE BACKGROUND INFORMATION:

The League of Women Voters believes that child care is an important supportive service that should be available - but not compulsory - for families in income assistance programs. Fees for supportive services should be based on ability to pay, free where necessary. Child care programs should be responsive to the needs of the people being served. LWV also favors citizen input into the administration of these programs.

LEGISLATIVE ACTION 1973 SESSION:

1. H.F. 1413 (Authors-Berglin, Forsythe, Eckstein, Rice) is a bill similar to the 1971-72 Child Care Facilities Act. That bill allocated state money for the planning, establishing, maintaining, or operating of a child care service. No grant exceeded 50% of the total cost of the establishment and operation of a child care service or program. $250,000 was distributed among 32 different localities; the money was especially important for the 14 distressed counties which have had little means for providing quality child care centers from their own resources.

   The three major changes #1413 seeks to make in the previous bill are:
   a) at least 10% of any state money allocated for day care shall be spent on "interim financing" for start-up costs for smaller child care facilities (family day care homes, group day care homes, and cooperative child care centers).
      EVALUATION: While large day care centers can provide quality care for large numbers of children, they are not the whole answer to the child care problem. Small centers, family day care homes, and cooperative centers can also be excellent

facilities. There are towns and neighborhoods which would best be served by one or two family day care mothers caring for four or five children in the home. There are parents who wish to participate in the programs directly by teaching one or two days a week or by building equipment or by planning program. Many of these cooperative centers are operated totally by parents. Furthermore, there are children who are happier in a smaller group setting. Thus, an important element to this bill is an allocation for interim financing for start-up costs for these smaller facilities. These funds are necessary in securing equipment, and in readying the facility to meet licensing standards. (Under the previous bill money was allocated for "interim financing" - this provision was inserted as a safeguard to insure funds for smaller facilities.)

b) the Commissioner of Public Welfare must appoint an advisory committee on child care to advise the commissioner on distribution of and priorities for child care funds. One-third of the representatives on this committee must be parents of children in day care.
EVALUATION: An advisory committee composed of representatives from each region of the state was appointed to help administer the 1971-72 bill. The necessity of a committee is now being written into the bill. LWV feels that representation of this committee should include persons from all regions of the state, parents of children involved in child care programs, and minority group members. Through this committee each region is able to communicate its own child care needs, existing programs and future plans to representatives of other regions. A spirit of cooperation and concern among regions is possible along with each region's feeling that it must spend the allotted money where the need really lies.

c) in the 1971-72 bill the money was divided - 70% to rural areas, 30% to urban areas containing cities of the first class. #1413 would change that split to 50% for the seven county metro area and 50% for the outstate area. This formula divides the funds on a population percentage basis. Within those two major areas, funds must be divided on the basis of population and need.
EVALUATION: LWV favors an equitable system of allocating money based on need.
PROGRESS OF BILL: H.F. 1413 has passed the Health, Welfare and Corrections Committee and will now proceed to the full House. Its Senate companion bill has yet to be introduced.

2. Change in Minnesota Department of Public Welfare's budget line item from $250,000 to $4.4 million.
EVALUATION: Why is this increase requested? Much of the state money used for day care in the past two years has been matched with federal money in a 3:1 ratio. However, new federal regulations restrict eligibility so that 2,000 children in Minnesota will be ineligible for federally-funded child care. It is hoped that the state funds will provide 45% of the funds needed for child care in the next biennium. A formula derived by the Minnesota Children's Lobby strives for funding based on the following percentages (assuming no federal funds): 45% - state funds, 15% - parents' fees on sliding scale, 15% - county funds, 25% - private sector. Under this formula $4.4 million would be needed from the state. Furthermore, the argument on a cost basis alone proceeds to the fact that over half of the families declared ineligible for federal day care would go back on welfare at a cost to the taxpayer of 3 times what day care costs. This is not to disregard the benefits to the child - social, emotional, intellectual - a quality child care program can offer and the benefits to

the mother attempting to raise herself out of the poverty cycle knowing her children are stimulated and well cared for.

This proposed budget change is now in the Health, Welfare and Corrections Subcommittee of the Appropriations Committee (House). The committee is waiting for more information on the federal regulations and new federal eligibility requirements.

3. H.F. 1584 (Authors Swanson, Berglin, Forsythe, Rice)
   S.F. 1321 (Authors Milton, Moe, Tennessen)
   would appropriate money for day care only to the extent that federal funds available for day care under Title IV-A of the Social Security Act are cut back to a rate below that in effect February 1973.

WHAT TO DO:

1. Write to Governor Wendell Anderson urging his support in directing child care as a state priority for legislative action.

2. Write to your own legislators.

Hum

LEAGUE OF WOMEN VOTERS OF MINNESOTA

555 WABASHA, ST. PAUL, MINNESOTA 55102

To: Action chairmen of Worthington, Rock County, Hibbing and Mid Mesabi Leagues

From: Gloria Phillips, State Human Resources Chairman

Re: S.F. 3188 - Welfare bloc grants

Dear

Would you please contact Senator stating League's support of S.F. 3188, chief author Keefe. This bill would provide supplemental payments for major home repairs, repair of major appliances, utility recaps, supplemental dietary needs not covered by medical assistance and replacement of household furnishings for welfare recipients on the bloc grant system.

The original bill would also provide for an urban/rural differential for housing in computing bloc grants. However, because of the cost of this provision it will be dropped from the bill and the appropriation needed to cover the cost of the special supplements is $330,000.

Senator is on the Finance Subcommittee on Welfare and Corrections which will be hearing this bill very soon and it would be very helpful for him to hear from his constituents urging support of the bill.

League support for the bill comes under our national human resources welfare position.

TELEPHONE 224-5445

League of Women Voters of Minnesota, 555 Wabasha, St. Paul, Minnesota 55102

Testimony before the Health and Welfare Subcommittee
of the House of Representatives
by Gloria Phillips, Chairman
Human Resources/Equality of Opportunity
League of Women Voters of Minnesota
September 20, 1973

As a result of a study on welfare undertaken by the League of Women Voters in 1970, members throughout the country agreed that benefit levels should be sufficient to provide decent standards for food, clothing and shelter. Minimum income standards should be adjusted for regional differences in the cost of living and should be revised periodically to take into account changes in the purchasing value of the dollar.

During the last legislative session we lobbied for increased payment standards for welfare recipients. The 12% increase granted by the Legislature, although not meeting the increased cost of living, did provide some relief. However, since that time, the cost of living has been steadily rising. In August alone, wholesale prices have increased 6.2% and consumers have not yet seen this increase reflected in retail prices.

We understand that the flat grant system proposed by the Department of Public Welfare, which is to be initiated October 1, could result in a decrease in payments to welfare recipients, especially those living in the metropolitan area. We realize that the flat grant system is a response to regulations placed upon the Department by the federal government, but we oppose a system that would cut grants to clients. We request that the Department of Public Welfare reassess the proposed flat grant system and formulate an urban/rural differential that would not result in a loss of benefits. Just as we recognize the need to allow regional differences in setting minimum national income standards, so should we also recognize differences on the state level. The primary function of our state agency should be to serve the clients and recipients for which the agency exists. Somehow we must find ways to provide a system that meets the clients needs. Flexibility is essential.

Any system devised should not result in a loss of benefits or a lowering in the standard of living now provided.

League of Women Voters of Minnesota, 555 Wabasha, St. Paul, Minnesota 55102

TIME FOR ACTION

To: Local League Presidents (3 copies enclosed: Please keep one and send one each to Action Chairman and Human Resources Chairman
FROM: Gloria Phillips, State Human Resources Chairman

RE: State Supplement Payments for All Supplement Security Income (SSI) Recipients

January 16, 1974

Background: On January 1, 1974 the SSI program went into effect and replaced the state Aid to the Blind, Aid to the Disabled and Old Age Assistance programs. The federal payments are less than recipients were receiving in Minnesota prior to federalization of the plan. During the 1973 legislative session, the League lobbied for state supplementation of the federal payment based on our National Human Resource position that participants should not receive less under a revised program than they are now receiving. When the Legislature adjourned in May, 1973, the federal government had not required the states to supplement SSI recipients, but realizing this would probably be required, the Legislature appropriated $3 million with the understanding the enabling legislation to spend the monies would be passed early in the 1974 session. Supplemental payments are now mandatory for those recipients eligible for SSI payments as of Dec. 31, 1973. The League believes that all SSI recipients should receive the same benefits. Many conflicting figures have been given as to the cost of supplementing those eligible after Jan. 1, 1974 but $3.3 millions appears most favored. Not only does League support supplemental payments based on the need of the recipient, but any differential in payments seems to be a denial of equal protection under the law.

If you encounter questions not covered here from community groups/legislators/county officials, contact Gloria Phillips (612-436-8888), 543 Quixote Ave. N., Lakeland 55043, for additional information.

WHAT TO DO: Contact the Governor and legislators restating our concern for the necessity of supplementing the payments for ALL SSI recipients. (It would be helpful to know what your county has been spending on the programs and perhaps the County Welfare Director might be willing to estimate the future costs to the county.)

Local letters to the Editor are effective in building community support. A local senior citizens organization may be interested in taking action. The Minnesota Social Service Association is also supporting supplemental payments.

On January 23 at 12 noon, the House Health and Welfare Committee will be discussing supplemental payments. A special effort should be made to contact the Legislators on this committee.

House Health and Welfare Committee members:

Swanson, Ch.	Falkne	Moe	Ulland
Rice	Forsythe	Niehaus	Wigley
Becklin	Heinitz	Ohnstad	
Berg	Jacobs	Ojala	
Berglin	Kvam	Prahl	
Braun	Laidig	St. Onge	
Carlson, L.	Lemke	Salchert	
Clifford	McArthur	Smith	
Dahl	McMillan	Spanish	

1730 M STREET, N.W., WASHINGTON, D.C. 20036 TEL. (202) 659-2685

memorandum

League of Women Voters Education Fund

THIS IS GOING ON DPM

February 22, 1974

TO: State and Local League Presidents

FROM: Martha Greenawalt
National Chairman, Human Resources

RE: Two Opportunities for Local Action: School Lunch and Food Stamps

Feeling tired? Discouraged? Out-of-sorts? Need a project with concrete results? Here's food for thought--two opportunities for Leagues, League members, and/or others in your community to learn more and do something about food programs.

1. NATIONAL SCHOOL LUNCH PROGRAM

New federal legislation (P.L. 93-150 passed on November 7, 1973) has increased families eligible for reduced price meals under the national school lunch program. Now children in a family of four making $7440 a year may get a school breakfast costing no more than 10¢ and a school lunch costing no more than 20¢ - if schools in their community participate in the program. A large number of communities have no such program at all and in those that do, there are eligible families not participating. Do you know the situation in your schools?

The Children's Foundation, a Washington, D.C.-based organization is sponsoring a national campaign to increase participation in the school lunch program for eligible families. The Foundation has prepared a flyer and handbook on the program and how schools in your community can participate. For information, write:

Linda Regele-Sinclair
The Children's Foundation
1028 Connecticut Avenue, N.W.
Room 614
Washington, D.C. 20036
(202) 296-4451

2. NATIONAL FOOD STAMP CAMPAIGN

A National Food Stamp Campaign has been launched by a coalition of national organizations including anti-hunger groups, church groups, labor unions, organizations for the elderly, and other public interest groups including the League of Women Voters Education Fund.

The purpose of the campaign is to supply low-income consumers with information and assistance that would help them to take full advantage of bonus food money available to them through the food stamp program.

Why a food stamp campaign now?

The food stamp program has been in existence for ten years. Why is NOW considered a good time for a national campaign?

1) Changes in the food stamp program

a. Food stamp "coupon allotments"--the amount of stamps families receive--have increased over 20%. Instead of a family of four receiving the pre-January $116 worth of food stamps each month, they will now receive $142.

b. Eligibility levels have also increased by over 20%. This means a family of four will now be eligible if they have an income of $473 a month, instead of $387, the maximum before January 1. "Income" means income after all taxes and many deductions.

c. As of June 30, 1974, all states must have a food stamp program in every county. Between now and June 30, many counties will be switching from surplus commodity programs to food stamps. INFORMATION ABOUT THE PROGRAMS, CORRECTING MISCONCEPTIONS, INFORMING PEOPLE OF THEIR RIGHTS, AND MAKING SURE THE PROGRAMS ARE PROPERLY IMPLEMENTED ARE NATURALS FOR THE LEAGUE OF WOMEN VOTERS.

2) Rising food prices

Inflation hits hardest against those on limited incomes. Many people who did not need or want food stamps may now find the increased purchasing power they provide essential.

3) The "energy crisis"

This "crisis" hits the poor and the marginally employed first. With lay-offs and jobs even more scarce, food stamps will play a huge part in helping many families cope. They must know what's available, and they must know their rights.

4) The failure of federal and state governments to inform those eligible

The law requires states and the U.S. Department of Agriculture (USDA) to do effective "outreach" to inform people of the availability of food stamps. They have not fulfilled--nor have even started to fulfill--this legal obligation.

In order to maximize the outreach, non-governmental organizations need to make sure that people know of their right to food stamps and to a better diet for their family.

HOW THE NATIONAL FOOD STAMP CAMPAIGN WILL WORK

National

A national resource group (LWVEF member) will prepare and print materials, offer training and technical assistance to local workers, provide backup, legal help, and conduct a national publicity effort.

Local

All participation is optional. Conditions in each community will of course determine the timing and strategy most appropriate. Nationally prepared handbills will contain basic information on the program and include a space for the address of the local food stamp office and of the local group offering assistance to potential participants. Local campaigns will be encouraged to set up a temporary office, perhaps in a local church, where people wanting assistance may come.

How can local groups participate?

As a member of the national resource group, the LWVEF has offered to inform Leagues about the campaign and pass along names of interested Leagues and volunteers. We have also offered to help identify persons willing to serve as local campaign coordinators. If possible, those volunteering to serve as a coordinator should be somewhat knowledgeable about food programs in their community, but where needed, workshops will be arranged by the national resource group. Will you please fill in the reverse side of this page and return no later than March 15 to:

LEAGUE OF WOMEN VOTERS EDUCATION FUND
1730 "M" Street, N.W.
Washington, D.C. 20036
Attn: Judy Morris

The LWV of ____________________________ has ___________ members who will participate in the National Food Stamp Campaign.

_________________________________ has been designated as the contact person.

Address: ______________________________
____

Telephone: Area Code ( ) Number ____________

_________________________________ is willing to serve as local coordinator.

Address: ______________________________
____

Telephone: Area Code ( ) Number ____________

Experience (if any) ____
____
____

Although it is not essential for participation, please mention prior experience your League or these members have had and additional talents or resources your League can bring to this effort.

Are there other groups in your area that might also wish to participate?

Name(s) and Address(es)

____
____
____
____
____
____
____
____

League of Women Voters of Minnesota, 555 Wabasha, St. Paul, Minnesota 55102

Testimony before Senate Health, Welfare and Corrections Committee
8 a.m. - Room 118 - State Capitol
Thursday, March 14, 1974

I am Gloria Phillips, Human Resources Chairman for the League of Women Voters of Minnesota.

The League of Women Voters wishes to express its concern that provisions of H.F. 2335 discriminate against those citizens in need of public assistance. The League believes administrative procedures should be conducted with respect for the rights and dignity of the individual, and the protection provided against the availability of federal income tax returns should be applicable at the state level as well.

In 1970 League undertook in Minnesota and throughout the nation a study of the federal welfare system. As a result of this study, members agreed that eligibility should be established through simplified procedure such as declaration of need, spot checking of applicants in a manner similar to that used in checking the validity of income tax returns. We believe that this bill discriminates against public assistance recipients and the possibility of loss of confidentiality of information is increased with allowing such information to be distributed among the various levels of government.

LEAGUE OF WOMEN VOTERS OF MINNESOTA

555 WABASHA, ST. PAUL, MINNESOTA 55102

December 13, 1974

Mr. Jack Nichols
United States Department of Agriculture
Food and Nutrition Service
Washington, DC 20250

Dear Mr. Nichols:

We have received incomplete information about proposed regulations for purchase of food stamps which may become effective March 1, 1975. We are concerned that poor people may be treated harshly and unfairly at a time of great economic emergency in order to effect dollar savings for the U. S. government.

Please send us complete information about this matter so that we may answer the requests for information which we are receiving from the general public and from our membership. Specifically, we need to know:

1. Details of current regulations affecting eligibility for purchase of food stamps.

2. Details of the proposed regulations, including the date when they were published in the Federal Register and the date by which the public must respond with comments in order to effectively express opinions.

Sincerely,

Mary Ann McCoy
State President
League of Women Voters of Minnesota

MM/jm

Copy to: Betty Vinson, LWVUS, Helene ✓ Borg, Mary Ann McCoy, office HR file

TELEPHONE 224-5445

C-O-P-Y -- SENT ON LEAGUE LETTERHEAD, AIR MAIL SPECIAL DELIVERY, RETURN RECEIPT REQUESTED; indicated receipt before 12/27/74 deadline for public response.

- - - - - - - - -

December 23, 1974

P. Royal Shipp, Director
Food Stamp Division
Food and Nutrition Service
U.S. Department of Agriculture
Washington, DC 20250

Dear Mr. Shipp:

The League of Women Voters of Minnesota expresses deep concern about the proposed amendment to the Food Stamp Act announced in the Federal Register of December 6, 1974.

We oppose attempts to shift the burden of economizing in government to those least able to assume this disproportionate share of our economy: those already impoverished. We believe that food stamps are one way of enabling people to increase their ability to cope in today's world through careful management of resources. We further feel that at a time when concern for good nutrition is paramount, to curtail food buying power among those already in need is ill-advised and dangerous to conservation of the human resources on which our nation's true wealth depends.

We urge that the Program be amended to enable greater purchasing power for those with low incomes. We urge that the proposed amendment announced in the Federal Register December 6, 1974 not be enacted.

Very sincerely,

Mary Ann McCoy
State President
League of Women Voters of Minnesota

LEAGUE OF WOMEN VOTERS OF MINNESOTA
555 WABASHA
ST. PAUL, MINNESOTA 55102
PHONE: 224-5445

MEMO

TO: Irene Janski,
Lesley Gerould, Action Department, LWVUS

FROM: Mary Ann McCoy, President

SUBJECT Action letter on Food Stamps

DATE January 20, 1975

Here is a copy of the League of Women Voters of Minnesota action letter on food stamps. Please advise us of what action LWVUS plans to take in the matter; we have had questions from local Leagues about apparent disregard by national League.

Copy to: Mary Ann McCoy
√Helene Borg
Lois DeSantis

League of Women Voters of Minnesota, 555 Wabasha, St. Paul, Minnesota 55102 - January 1975

C-O-P-Y -- SENT ON LEAGUE LETTERHEAD, AIR MAIL SPECIAL DELIVERY, RETURN RECEIPT REQUESTED; indicated receipt before 12/27/74 deadline for public response.

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Mary Ann McCoy
State President
League of Women Voters of Minnesota

LEAGUE OF WOMEN VOTERS OF MINNESOTA

555 WABASHA, ST. PAUL, MINNESOTA 55102

May 2, 1975

James S. Dwight, Jr., Administrator
Social and Rehabilitation Service
Department of Health, Education and Welfare
P.O. Box 2332
Washington, DC 20013

Dear Mr. Dwight:

The League of Women Voters of Minnesota has had representation on a statewide committee studying the proposed regulations for Title XX of the Social Security Act - the Social Service Program for Individuals and Families. In general we agree with the proposals and feel HEW is to be commended for trying to give greater flexibility to the various states.

We would like, however, to express concern about Section 228.61, Determination of eligibility. We would prefer that determination be made on the basis of the applicant's declaratory statement. We fear that, if verification is demanded, this process might act as a deterrent to some persons who need and would otherwise use social services. At the least, we would like a declaratory method to be a state option, rather than one prohibited by federal regulation.

Another concern arises out of Section 228.41, Room or board. It seems to us that the 30% limitation on room and board is too arbitrary. In Minnesota, we are trying to move more of our treatment programs out into the community, and many halfway houses are being established. The limitation could preclude the use of such houses by persons who still need treatment but who are growing increasingly able to live independently in the community. Persons who have been chemically dependent and have been released from primary treatment institutions but who still need help would be particularly disadvantaged by the 30% limitation.

We hope that these concerns will be taken under consideration during the review period.

Sincerely yours,

Mary Ann McCoy, President
League of Women Voters of Minnesota

Copy to: Senators Mondale and Humphrey, Representatives Quie, Hagedorn, Frenzel, Karth, Fraser, Nolan, Bergland, Oberstar

TELEPHONE 224-5445

Copy to: Jenkins, Borg, Janski, DeSantis, McCoy, Office

6/25/75

spring hill conference center

Lawson - What didn't happen?
- enactment of the Community Services Act (27 specific authorities)
now - no local structure, poorly developed health care services
1- shift authorities for setting fees, licensing
2- transfer mobile units to local agencies
3- ability to accept gifts

— Certificate of need
— Nutritional progs. for high risk mothers + children - for use throughout state
— Dental Health education for children ($142,000) - wk c̄ sch. dists.
— Cystic Fibrosis treatment (like crippled children's prog.)
— Para medic
— Vendor definition - now includes home services
— Where people can smoke

Hiniker (Vera Likkens couldn't come)
1— St. pick up 90% of Med. Asst. + counties 10% (now 50-50)
- also 90% of non eligibles med. bills (now counties 100%) Counties will no longer be able to set eligibility standards or fee schedules
St. admin. of income maintenance prog. + st. payment of bills

2- Appropriations
1- Fed. 4A money ($46,500,000) is all unless loc. funds are available (affects day care + detox)
2- Family subsidies for mentally retarded to keep children in home (part of

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deinstitutionalization
- st. pays bill in st. hosp., counties in community facilities. New bill - st. will pay for 400 to move out of hospitals
Funds for start ups + construction
Expanded licensing staff
- 14 more to monitor community facilities
3 - Expanded paymt of med. bills
- go after ins. co.
- welfare fraud - find parents etc.
- outreach efforts in food stamps (not successful so far)
4 - Nursing homes - 4 more auditors
4 - Eliminate office of consumer + concerns Public Educ. off. (incl. People mag.)

Child Abuse
MR protection act
Zoning on MR (6 or less = single family dwelling)

Licensing
Alcohol
Parent - child responsibilities
- variations btwn programs
didn't pass

Schoen
possible legis. to eliminate or question indeterminate sentences
Provide contract btwn crook + corrections commissioner

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Unify corrections efforts in locality. Calls for comprehensive planning. Need comm. of police, courts, citizens

Cty gets subsidy + reimburses St for use of facilities

Increased appropriations for Community Corrections Act - will cover 75% of state
+
(negative term)

Pearman

Housing - didn't pass
Econ. conditions - Omnibus tax bill

Broeker

NATIONAL ASSOCIATION OF SOCIAL WORKERS **MINNESOTA CHAPTER**

22 North Dale Street, St. Paul, Minnesota 55102 (612) 226-8835

CHAPTER MEETING on 1975 Legislative Session - HUMAN SERVICES LEGISLATION

LEGISLATION PASSED, (STILL) PRESENT, & FUTURE

Sponsored by Minnesota Chapter of the National Association of Social Workers

WEDNESDAY JUNE 25, 1975 UNIVERSITY CLUB OF ST. PAUL 420 Summit Avenue
St. Paul, MN 55102

Registration: 9:15 A.M.

Introduction: 9:30 A.M. T. Williams, President NASW
Greeting by Governor Wendell R. Anderson

Panel Discussion: Legislation Passed
9:45 A.M.-11:00 A.M.

Chairperson: Robert Boyer - Welfare Depart.

Panelists:
Health - Dr. Warren Lawson
Welfare - Deputy Commissioner James Hiniker
Corrections - Commissioner Kenneth Schoen
Community Development - Lu Pearman, Hennepin County Health Coalition
Human Services - Richard Broeker
Human Rights - Commissioner William Wilson

Questions & Answers 11:00 - 11:15 A.M.

Coffee Break 11:15 - 11:30 A.M.

Panel Discussion: Legislation Present & Future
11:30 A.M.-12:15 P.M.

Chairperson: Rita G. Kaplan

Panelists:
Senator Howard Knutson
Senator B. Robert Lewis
Representative Arne Carlson
Representative Shirley A. Hokanson

Questions & Answers 12:15 - 12:30 P.M.

Lunch: 12:30 P.M.

Speaker: Duane Scribner, Staff Assistant to the Governor
1:15 P.M.

Adjourn: 2:00 P.M.

1975 Legislative Summary

The 1975 regular legislative session concluded at midnight on Monday, May 19th. Several major bills did not receive final consideration on the Senate floor prior to adjournment. The Department's Community Health Services Act was among this group. Bills on which there is a formal conference committee report will remain on the floor of both houses. Those that have not had a formal report will be returned to the house of origin.

In the Senate, the bills that were left on General Orders or Special Orders will be sent back to the last substantive committee. In the House, bills left on Special Orders will be placed first on General Orders, with those caught on General Orders immediately following.

Whereas several bills were introduced relating to the organization and composition of the State Board of Health, none were enacted during the 1975 Session.

The following is a list of bills of public health significance that were passed during the Session:

*1. S.F. 578-Department "housekeeping bill"

1) Updates fee setting authority of the Board of Health;
2) Authorizes Board to contract with agencies to operate mobile health clinics;
3) Authorizes the Board to promulgate regulations regarding non-ionizing sources of radiation;
4) Authorizes the Board to receive and accept money, property or services from any person, agency or other source;
5) Authorizes Board to delegate certain licensing, inspection, and enforcement duties;
6) Changes hearing procedures for health facility penalty assessments; and,
7) Amends the hotel, restaurant and resort statutes.

*2. S.F. 177-Certificate of Need Amendments

1) Changes the definition of "construction or modification" by requiring that all capital expenditures in excess of $100,000 are included;
2) Eliminates "governor's appeal board process" and provides for judicial review; and
3) Provides that the Board must decide when physicians are attempting to evade the law by purchasing equipment.

*3. S.F. 80-Mass Gatherings

Amends Minn. Stat. § 144.12 (1974) defining and authorizing regulation of mass gatherings by the Board of Health.

4. H.F. 210-Maternal and Child Nutrition Act of 1975

1) Establishes a program to provide nutritional supplements to needy pregnant and lactating women;

2) Minnesota Department of Health is responsible for developing a comprehensive state nutrition plan and administering funds; and,
3) Appropriates $1,000,000 to the Health Department for biennium ending June 30, 1977.

5. H.F. 1743 (Section 25)-Dental Health Education Program

1) The Health Department is to assist in developing an oral health program in the elementary school community;
2) The Board is to develop guidelines to implement the program as well as standards of performance; and,
3) $142,500 is appropriated to the Health Department for the biennium ending June 30, 1977.

6. H.F. 1140-Treatment of Cystic Fibrosis

1) The Health Department is to assist in the development of treatment programs for cystic fibrosis;
2) Make payments for treatment of persons age 21 and over; and,
3) $40,000 is appropriated to the Health Department for biennium ending June 30, 1977.

7. H.F. 79-Smoking in Public Places

1) Prohibits smoking in public places except in designated areas; and,
2) The Health Department is to adopt rules and regulations to carry out the purpose of the act.

9. H.F. 49-Duluth Paramedics

Authorizes Duluth to maintain a staff of physician trained mobile intensive care paramedics.

10. H.F. 715-Definition of Vendor of Medical Assistance

Expands the definition of a vendor of medical services to include home health care services.

11. S.F. 524-Health Review Organizations

Amends Minn. Stat. § 145.61 subd. 5 to include as a "professional standard review organization" a group organized to "determine whether a professional shall be granted staff privileges in a medical institution or whether the privileges should be limited, suspended, or revoked.

12. H.F. 648-Licensing Fees for Veterans Home

Exempts Veterans Home from renewal of licensing fees of the State Board of Health.

13. H.F. 702-Administrative Procedures Act Amendment.

1) Amends APA relating to rulemaking activities of state agencies; and
2) Establishes an office of hearing officers.

14. H.F. 118-substituted by S.F. 103.

Relates to the Gillette Hospital Authority. (*Chapt. 14).

15. H.F. 119

Relates to the practice of medicine; license suspension.

16. H.F. 121-substituted by S.F. 157

Authorizes medical examiners to require basic sciences exam. (*Chapt. 93).

17. H.F. 123-substituted by S.F. 146

Relates to the licensing of physicians licensed in other states. (*Chapt. 92).

18. H.F. 197

Provides review for mental patients in federal hospitals. (*Chapt. 174).

19. H.F. 306

Requires reports of maltreatment of minors to be filed by certain individuals.

20. H.F. 357-substituted by S.F. 307

Allows the board of podiatry to create certain registration by rule and regulation. (*Chapt. 132).

21. H.F. 532

Provides for registering, licensing and disciplining registered and practical nurses.

22. H.F. 403-substituted by S.F. 409

Requires coverage of emotionally disturbed children in health benefit plans. (*Chapt. 40).

23. H.F. 513-substituted by S.F. 690

Requires group insurance plans to provide benefits for out-patient mental health treatment. (*Chapt. 89).

24. H.F. 534

Further defines the term "chiropractic."

25. H.F. 599

Relates to health; practice of healing; increasing registration fee.

26. H.F. 646-substituted by S.F. 524

Amends the definition of health review organizations. (*Chapt. 73).

27. H.F. 837

Authorizes an individual to make an anatomical gift by a statement on his driver's license.

28. H.F. 1262

Requires a written release prior to performing an eye enucleation procedure.

29. H.F. 1009

Provides maintenance of service levels under the nutrition for the elderly program.

*Department of Health Sponsored Bills

TO: State and Local League Presidents April 15, 1977

FROM: Nan Waterman, Human Resources Chairman This is going on DPM

RE: Guide to Analyzing State and Local Welfare Programs

Because income assistance/employment is the number-one human resources priority this year, we hope that the issue will be considered by each League as a whole, not just by the human resources committee. We think you will find To Promote the General Welfare a solid basis for study on income assistance. We suggest that you pass this material on to your League's human resources chairman. She should discuss with the units chairman the possibility of holding a unit meeting on income assistance in the fall after the human resources committee has had time to study the issue.

League testimony given at state and regional HEW hearings on welfare reform, recent state and local League studies and your annual reports make it abundantly clear that many of you are off and running on this issue. Leagues that have not been as actively involved will find To Promote the General Welfare an especially helpful catch-up tool. For those who are anxious to become part of the action, we are enclosing, to use along with it, this survey guide. This outline offers a quick, efficient work plan for getting the facts about income assistance in your community--and this kind of research effort is essential, since programs vary so drastically from locality to locality. As you analyze the data, we urge that you also examine the interactions between the various programs, to get a picture of the total impact of income assistance programs on the people who must rely on them.

This kind of updating of members and the community on the facts--via the income assistance publication and the survey--will enable you to educate the public about the inadequacies of programs on a level that really hits home and to critique new national welfare reform proposals on the basis of how they would affect current welfare recipients and other low-income individuals in your community.

As you collect information on welfare in your locality, you'll want to review methods for disseminating your findings to the public and the media. Making an Issue of It: The Campaign Handbook (Publication #613) 75¢ prepaid from LWVUS, Getting Into Print (Publication #484) 25¢, Breaking Into Broadcasting (Publication #586) 25¢, and Reaching the Public (Publication #491) 30¢, are excellent tools for this purpose.

Some of the basic information on welfare programs in the various states is readily available from the publications listed below. Footnotes indicate in which publication data for a specific item can be found. But much of the information is available from local agencies administering a given program. If the local agency has not compiled certain data, they may refer you to the state welfare department. Some of the data may not be compiled in your state or community. The income assistance publication should serve to define the technical items used in the guide and give background on the relevance of certain questions.

Useful Sources

1. AFDC--Standards for Basic Needs, State Maximums, Federal Matching Provisions--July 1976--DHEW Pub. No. (SRS) 77-03200. Can be obtained from HEW Office of Information Systems, National Center for Social Statistics, HEW, 300 Independence Avenue, SW, Washington, D.C. 20201. Free.

2. Public Assistance Statistics--July 1976--DHEW Pub. No. (SRS) 77-03100. Available from above address. Free.

3. Disposition of Public Assistance Cases Involving Questions of Fraud, FY1975--DHEW Pub. No. (SRS) 16-03256. Same address. Free.

4. Quality Control in AFDC--National Findings--January, June 1974, (SRS) Office of Special Initiatives. Same address. Free.

5. "The Welfare 'Mess'--Where the Money Goes," National Journal, January 8, 1977. Available at some libraries, or send $3.00 prepaid to National Journal, Suite 1100, 1730 M Street, N.W., Washington, D.C. 20036, Attention: Joan Willingham.

6. 1976 Report of the National Governors' Conference Welfare Reform Task Force. Available for $3.00 a copy from the National Governors' Conference, 444 North Capitol Street, Second Floor, Washington, D.C. 20001.

7. Number of Recipients and Amounts of Payments under Medicaid--FY1974--DHEW Pub. No. (SRS) 77-03153. Available from address listed in No. 1. Free.

8. Medicaid Statistics--August 1976. Available from address listed in No. 1. Free.

9. "Medicaid Management Reports," Third Quarter, FY1976, Medical Services Administration. Available from HCSA, Medical Services Administration, HEW, 330 C Street, S.W., Washington, D.C. 20024. Free.

10. Census tract data and census reports--available at public libraries. Unfortunately, the most current data is from 1970.

AFDC

1. What is the needs standard, payment standard and highest benefit paid for a family of four with no outside income in your community? (1) What is the average benefit per recipient? (2) Does it vary greatly with the state average? How does your state rank compared to other states in regard to available benefits? (1) How does this compare to your state's rank in per capita income?

2. How much does food stamp bonus add to the basic grant? How many AFDC households also receive food stamps?

3. How does the average benefit level for a family of four compare with the poverty level for a family of four? With the BLS lower budget?

4. Draw up a hypothetical budget for an AFDC family of four.

5. What are the eligibility criteria in your community? Does your state have an AFDC program for unemployed fathers? What types of families are excluded? What other programs, if any, are these families eligible for? What provision, if any, is made for families with special needs? How much in assets is a family allowed to retain and still be eligible for benefits?

6. What is the average waiting period for eligibility determination?

7. When was the last time benefit levels were increased to allow for inflation? How did the increase compare with recent Consumer Price Index increases, especially for food, shelter and fuel?

8. Has the AFDC benefit been reduced in recent years?

9. What is the fraud rate? (3) Error rate? (4) in your state? What percent of error is due to client error? to caseworker error?

10. What are the administrative costs of the program? (This information may be available from the state budget or the local agency administering the AFDC program.)

11. How severe are the "notches," and work disincentives in your state's program?

12. How much does the basic AFDC grant increase per additional child?

13. Compare the benefits paid to an AFDC child remaining in his or her home with benefits paid to foster families and those available for institutional care. (2)

14. Characteristics of AFDC recipients in your community or state:

Percent of all families receiving AFDC.
Percent of all poor families receiving AFDC.
Percent of recipients who are: children
over 65 (SSI recipients)
blind, disabled (SSI recipients)
able-bodied males

Percent of AFDC families headed by women:

percent caring for preschool children
percent working
percent seeking work
percent incapacitated
average education level

Percent of AFDC families headed by men:
percent working
percent seeking work
percent incapacitated
percent caring for preschool children
average education level

Average length of time in AFDC
Average size of AFDC family
Racial/ethnic composition of AFDC recipients compared to toal state population.

15. Impact on state budget--total state expenditures for AFDC (1)--compare to other state expenditures for education, highways, corrections, etc. What percentage of total AFDC costs does the state pay? What costs, if any, are borne by local government?

Medicaid*

1. What are the eligibility criteria for the program? Are "medically needy" as well as "categorically needy" eligible? What types of families and individuals are excluded? Are low-income women who are pregnant for the first time eligible for prenatal care?

2. Are any recipients required to pay premiums? or payments? What types of services are covered? Which are not?

3. How effective has the early and periodic screening, diagnosis and treatment program (EPSDT) been in screening and treating low-income children for chronic medical problems? (8) How many of the eligible children have been screened? What percentage of those were referred for treatment? Actually received treatment? (This information should be available from the state agency administering Medicaid.)

4. What percentage of the state's low-income population is covered? (9)

5. What percentage of the total social services budget is spent on medical care?

6. What percentage of total program costs are paid by the state?

7. What is the cost and percentage of total program costs estimated to involve vendor fraud and abuse?

8. Are all SSI recipients automatically eligible for Medicaid?

9. Has your state cut back in covered services or eligibility over the last five years?

10. What is the average payment per recipient in your state? How does your state rank compared to others? Expenditures per inhabitant? (7) Percent of total state population covered? (7)

Other Assistance Programs

SSI--Supplemental Security Income

1. Does your state supplement the basic federal payment? If so, for which categories of recipients? How much is the state supplement?

2. Compare the total benefit available (including food stamps) to:
that available in other states
the poverty line for an elderly person
the BLS lower budget

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* The survey includes questions on Medicaid because it is a major in-kind income assistance program, both in terms of benefits to recipients and costs to the state and federal governments.

Food Stamps

1. What percentage of eligible individuals receive food stamps?

2. What are the characteristics of food stamp households?

3. What is the waiting time for eligibility determination in your community?

General Assistance

1. Does your community have a general assistance program?

2. What are the eligibility criteria in your community?

3. What is the average payment per recipient? (2) Is assistance available for long-term and/or only on a short-term basis?

4. How is the program funded--state funds? County funds? both?

5. Is the program supervised by the state? county? township?

6. Does the program have written guidelines governing eligibility? Is the size of the benefit determined by a writtten schedule of benefits? Based on individual circumstances? Totally dependent on discretion of caseworker?

Emergency Assistance

1. Does your state provide this type of aid? (2)

2. What are the eligibility criteria?

3. What is average payment per family? (2)

Overview

1. Compare the number of poor people in your state (from National Journal estimate) with the number receiving benefits from the major cash assistance programs--AFDC, SSI, general assistance, emergency assistance, food stamps. (Note: be sure not to count those receiving both AFDC and food stamps twice--you should be able to get the number of non-AFDC households receiving food stamps.)

2. What is the total welfare spending per poor resident in your state? How does it compare to other states? What is total state welfare spending per poor resident? What is total spending per recipient--for Medicaid, AFDC, SSI, food stamps and general assistance? (5) What is your state's total welfare spending per residnet? (6)

3. How many female-headed households are there in your community? How many have incomes below the poverty level? (10) Compare this figure to the number receiving AFDC benefits and/or food stamps. How many poor female-headed households do not receive AFDC (and may therefore be ineligible for Medicaid)?

Income Assistance/Employment

1. What is the unemployment rate in your state? How many new jobs were created last year? Compare the number of unemployed to the number of welfare recipients. How has the AFDC caseload fluctuated as compared to changes in the unemployment rate since 1970?

2. How many unemployed persons have exhausted all unemployment benefits in the last year? How many of these have become welfare recipients?

3. Does the minimum wage (or prevailing wage in your state) raise a family of four above the poverty line?

4. How many WIN participants have been placed in jobs in your area? What was the average starting wage for men/women placed by WIN? How many of those placed continued in permanent jobs after their WIN jobs ended? (May be available from state employment service or regional Labor Department office.)

5. What percentage of CETA slots went to welfare recipients in your community? to low-income individuals? (May be available from state employment service, governor's office, mayor's office or county executive.)

6. How many working mothers in your community have children under six? (10) Compare this figure to the numbe of available day care slots. How many AFDC mothers have children under six?

League of Women Voters of the United States 1730 M Street, N.W., Washington, D. C. 20036 Tel. (202) 296-1770

memorandum

THIS IS GOING ON DPM

April 15, 1977

TO: State and Local League Presidents
FROM: Nan Waterman, Human Resources Chairman
RE: Income Assistance Publication--To Promote the General Welfare: Unfinished Agenda

It has been five years since the LWVUS completed its study of alternatives to welfare. Since then, a major new income assistance program has been enacted and the issues and proposed solutions have shifted--although many of the myths concerning welfare are as entrenched as ever.

The enclosed new LWVEF CURRENT FOCUS, To Promote the General Welfare: Unfinished Agenda, has been written to bring you up to date on current income assistance programs:

--It examines the adequacy, equity and costs of major programs
--It looks at the nation's poor--who they are and why they are in poverty
--It reviews briefly the main proposals for reform of the system.

To Promote the General Welfare is for every interested citizen, not just for experts and specialists--for League members and for the many others in your community who need to understand the problems of poverty and the way government is now dealing with them. We intend to use it as a backgrounder on the Hill and we hope you put it to work, similarly, with your legislators and other officials.

Background on League Position on Income Assistance (over)

Background on League Position on Income Assistance

In 1970, the national convention voted to study alternatives to the nation's welfare system. After the study was completed, League members voted to support a system of federalized income assistance. The position adopted calls for:

- federal financing of basic income assistance programs;
- federal income and eligibility standards for these programs;
- eligibility for assistance based on need;
- benefit levels sufficient to provide decent, adequate standards for food, clothing and shelter; and
- work incentives--not work requirements--as the link between jobs programs and income assistance.

In 1970-72, the League played a lead role in a coalition of public interest organizations seeking enactment of a federalized income assistance program. Legislation passed the House twice, but failed to reach the Senate floor for a vote.

The impetus for welfare reform remained dissipated until Jimmy Carter made it an issue in the 1976 Presidential campaign. Within days after his inauguration, Carter requested Secretary of HEW Joseph Califano to appoint a welfare reform consulting group. The group, composed of representatives of executive agencies, relevant congressional staffs and representatives of welfare rights organizations and county, city and state governments, met biweekly for two months to consider a variety of welfare reform proposals.

If you want more up-to-date information on the welfare reform proposals considered by the task force, you can obtain a copy of "Leading Welfare Reform Options--Revised Draft Two" from: Bob Heim, Executive Director, Welfare Reform Consulting Group, Room 410-E, South Portal Building, 200 Independence Avenue, S.W., Washington, D.C. 20201. The truly dedicated may want to obtain the four other task force staff papers, which are lengthy and rather technical. For background on recent developments on welfare reform, refer to the February and March issues of "Report from the Hill," as well as the upcoming May isse.

Because Secretary Califano is to make his recommendations to President Carter by May 2, and the Administration is planning to submit legislation by this fall, we anticipate increased activity on the issue soon. It is important to begin educating ourselves and the public now on the issue, so we can play an active role when the real debate begins. You will be receiving additional information on action you can take concerning income assistance in the coming months.

[July 1977]

food stamp facts

WHAT ARE FOOD STAMPS?

Food Stamps are coupons which are used to buy food, and seeds or plants to grow food at most grocery stores. Participants receive bonus coupons along with those they purchase and can buy an average of 25% to 50% more groceries. (Food Stamps can not be used to buy non-food items such as soap, pet food, tobacco and alcoholic beverages.)

The United States Department of Agriculture regulates the Food Stamp Program and pays most of the costs. In Minnesota, the program is administered by the Department of Public Welfare through the local county welfare or social service departments.

WHO CAN GET FOOD STAMPS?

Anyone has a right to apply for Food Stamps. Any household that meets the eligibility requirements has a right to receive Food Stamps. A "household" is a group of people who live together, buy and cook food together, and share incomes and expenses. A household is not necessarily a family. Unrelated individuals living together may comprise a household, or there may be more than one household in the same residence.

A person is not eligible if a roomer, boarder, or a resident of an institution or group home. A student living away from home is not eligible if counted as a tax dependent by a household whose income and resources are too high to get Food Stamps.

A household where all members receive Aid to Families with Dependent Children (AFDC), Supplemental Security Income (SSI), General Assistance (GA), or Minnesota Supplemental Aid (MSA) has already met the income and resource standards. Other households can get Food Stamps if their income and resources are within the U.S. Department of Agriculture limits.

WHAT IS INCOME?

Income is money you receive or expect to receive on a regular basis. For Food Stamp purposes, net income is determined by taking all monthly income and deducting the following: 10% of your wages or $30 (whichever is less); all payroll taxes and union dues; paid medical bills; child care you must pay in order to work; court ordered child support or alimony that you pay; tuition and mandatory fees; unusual expenses such as fire, theft, funeral; and shelter costs (mortgage or rent plus utilities and telephone) that add up to more than 30% of your income after all other deductions have been taken.

Money earned by a child under 18 who is a student and money from loans (except educational loans or advances on income) will not be counted.

HOW MUCH INCOME IS ALLOWED?

The amount allowed depends on your household size. The chart below shows the maximum monthly income after deductions for each household size.

HOUSEHOLD SIZE	1	2	3	4	5	6	7	8	9	10	11	12
MONTHLY INCOME	262	344	447	567	673	807	893	1020	1147	1274	1401	1528

WHAT ARE RESOURCES? WHAT IS ALLOWED?

A resource is any money or property that you have including checking and savings accounts. A household may have resources up to $1500.00. If a household has two or more members, and at least one member is 60 years or older, the household may have resources up to $3000.00. Your house, one licensed vehicle (and other cars if needed for work), personal belongings, household goods, life insurance policies and pension funds are not counted as resources. Other resources will be counted at their fair market value, less what is owed on them.

WHAT ARE OTHER REQUIREMENTS?

All able bodied adults between 18 and 65 will have to register for work. Excluded are those caring for dependent children under 18 years of age or incapacitated adults, students enrolled at least half time, persons working at least 30 hours a week, the disabled, those over 65 years of age, any resident or nonresident participating in a drug or alcoholic treatment and rehabilitation program, and others.

HOW MANY STAMPS WILL A HOUSEHOLD RECEIVE?

The amount of Food Stamps received each month is called the coupon allotment, and is based upon household size. All households of the same size get the same amount of stamps. The chart listed below shows the coupon allotment for each household size.

HOUSEHOLD SIZE	1	2	3	4	5	6	7	8	9	10	11	12
COUPON ALLOTMENT	50	94	134	170	202	242	268	306	344	382	420	458

The coupon allotment and monthly income levels change every July and January to reflect changes in the cost of food.

HOW MUCH DO FOOD STAMPS COST?

The amount you pay for Food Stamps depends on monthly income, after deductions. A household whose income after deductions is $30 or less is eligible for free Food Stamps. The cost of the stamps increases as income increases, however, the stamps are always worth more than the purchase price.

WHAT IS THE APPLICATION PROCESS?

An application must be given to you upon request, and you must be allowed to submit it when you choose. In order to determine eligibility, an application must be completed and a personal interview held. An application may be obtained by calling or going to your local Food Stamp Office. To determine the location of your nearest office, contact your county welfare/social service department.

Federal law states that the Food Stamp office must determine eligibility within 30 days once a signed application is submitted containing a legible name and address.

In some counties it may be necessary to make an appointment for the interview. In order to complete the application process the following verification is necessary: income, expenses, savings accounts, shelter costs, utility bills, current paid medical bills, and most recent checking account statements.

WHAT IF YOU DISAGREE WITH THE FOOD STAMP OFFICE?

Any Food Stamp applicant may request a fair hearing if it is felt that an error was made, if a decision on eligibility took longer than 30 days, or if the application was denied unfairly.

A fair hearing is a process by which an applicant or recipient may have any decision made by the Food Stamp office reviewed. At the time of the appeal, all case facts are re-examined and a determination is made based upon the information presented. If a decision is made in favor of the applicant, all lost Food Stamp benefits are restored. A request for a fair hearing may be made at any Food Stamp office.

The standards for participation in the Food Stamp Program are the same for everyone without regard to race, color, religious creed, national origin, sex, or political beliefs.

FOR MORE INFORMATION CONTACT: (For County Welfare/Social Service Department Stamp)

DPW-1936
(7-77)

League of Women Voters of the United States • 1730 M Street, N.W., Washington, D. C. 20036 Tel. (202) 296-1770

TESTIMONY BEFORE

SENATE COMMITTEE ON

BANKING, HOUSING, AND URBAN AFFAIRS

HEARING ON

WELFARE REFORM AND HOUSING PROGRAMS

AUGUST 8, 1977

I am Dot Ridings, Human Resources Coordinator for the League of Women Voters of the United States. The League is a volunteer citizen education and political action organization of 1,350 Leagues with approximately 136,000 members in 50 states, the District of Columbia, Puerto Rico and the Virgin Islands. We are pleased to have this opportunity to present our views on the relationship between welfare reform and housing programs. Both have been areas of League concern since the 1960s when we focused our attention on means of combatting poverty and discrimination. Our studies have led us to support both a system of federalized income assistance <u>and</u> a system of federally subsidized housing programs.

What has brought us here today is a proposal generated by the Office of Management and Budget that housing subsidies for low and moderate income people be included in those programs to be "cashed-out" in the welfare reform package. We are also here to reaffirm our support for federally subsidized housing for low and moderate income people. Of course, one of the most distressing aspects of the welfare reform proposal being developed by the executive branch is the administration's emphasis on holding ıne on welfare costs. The effect of this directive is to negate the purposes ɔelieve welfare reform must serve: a more equitable and adequate system of bene-ts for all people needing assistance, and fiscal relief for the nation's states and cities.

The rationale for the proposal to "cash-out" housing subsidies, or alternatively, to tax welfare recipients for the value of federally provided housing, is the same as that given by the Nixon Administration when it imposed the 1970 moratorium on federal housing programs. This reasoning was detailed in the HUD report Housing in the Seventies.

I will outline our response to the main arguments of this rationale in a moment. However, I must point out our serious concern. The effects of the 1970-73 moratorium are well known: housing production for all markets plummeted, with drastic side-effects. (Whether or not there was a cause or effect relationship with the economic recession we are just now pulling out of is open to speculation, but surely there was a linkage.) We submit that "cashing-out" housing subsidies would have a similar negative impact on housing production, with a multiplier effect making itself felt throughout the rest of the economy. Further, we submit that ending federal housing programs would have the disastrous effect of permanently locking poor people into the economic and racial ghettoes in which most now reside.

There are three main thrusts to the "cash-out" proposal. First, it posits that housing deprivation is simply a product of income deprivation; therefore, adequate income will buy adequate housing. Second, it claims that current housing programs are inequitable because they only serve a fraction of the eligible population. Third, it claims that a single all-cash grant would be less costly on the grounds that there

, be fewer administrative costs and, further, that recipients could obtain decent ,sing for less money than if the government obtained housing on their behalf. We ill address each of these points in turn, although all are interconnected.

1) Housing deprivation can be seen as a product of inadequate income only if considered in the simplistic and narrow way. True, if one poor family suddenly starts receiving an adequate income, they would probably be able to move from a substandard to a standard dwelling unit, or stop paying an unreasonable portion of their income for housing expenses.

However, it is an entirely different situation if many poor people, and not just a few, start receiving an income adequate enough to obtain standard housing units. The necessary supply of units simply does not exist. There are still 3.5 million housing units in the U.S. that lack some or all plumbing facilities; there are still cold water flats in use in Northern cities; and, there are untold millions of units that require exorbitant energy expenditures because of inadequate design and insulation.

The impact of a sudden influx of new competitors for a limited supply of housing would be to drive up all prices, leaving only a few people in an improved housing situation. Although the market may eventually respond by producing more units, in the meantime increased numbers of dwellings will fall into disrepair, again leaving few people better off.

Of course, superseding the arguments I have just posited against why giving people more money to seek adequate housing will not guarantee that they can obtain such housing, is the simple fact that the current welfare reform proposal, given the cost ceiling imposed by President Carter, cannot provide a level of income sufficient to purchase adequate housing, even if there were sufficient supply on the market.

MB's second argument for cashing-out housing subsidies is that such subsidies inequitable because they serve only a portion of those families who are eligible. r question is, is it any improvement to spread this money out to all those eligible and thus render nearly everyone unable to afford adequate housing? We further ask, would it be equitable to continue to subsidize middle and upper income families through tax deductions for mortgage interest, etc., yet require welfare recipients to pay the full cost and value of housing that was originally built to be publicly supported? Again, we find this reasoning to be incomprehensible.

3) OMB's third major point in the "cash-out" argument is that poor people can obtain standard housing at less cost than what the government can obtain on their behalf. OMB cites the preliminary results of the Experimental Housing Allowance program of HUD to show that it actually costs little to bring existing housing up to code standards. OMB also cites the high costs of the administrative structure necessary for running a government subsidy program. While these two factors may be true in isolation, they do not demonstrate that the private sector can or will provide the necessary housing for our nation's poor.

Certainly, government standards and administrative personnel are a part of the cost of federally subsidized housing. They are necessary to insure that housing provided is safe, sanitary and accessible, and that it continues to be that way. Without this support, what leverage would poor people have to get standards, if they exist, enforced? Adequately enforced housing maintenance codes are a rarity, and all too often complaints lead only to eviction. And, barriers to mobility in the housing market can only be unlocked with governmental assistance. Discrimination on the basis of income is perfectly legal -- even if a family wants to spend a large portion of their income for a certain unit, the management may still refuse to rent to them.

.mination against families with children is also legal in all but a few jurisdic- .s. All of these forms of discrimination can be insurmountable barriers to low-come families wishing to upgrade their housing standards.

The League of Women Voters agrees with the analysis put forth by the Harvard-MIT Joint Center for Urban Studies in their recent book The Nation's Housing: 1975 to 1985 (Bernard J. Frieder, Arthur P. Solomon, et.al.). It defined four dimensions to housing deprivation: physical inadequacy, overcrowding, excessive costs and neighborhood inadequacy. They concluded that these four dimensions can only be addressed by a multi-faceted program of not just carefully structured housing subsidies, not just income assistance, not just community development, but all of these programs operating simultaneously. The complex problem of housing deprivation cannot and will not be solved by simplistic, narrow and short-sighted pronouncements.

The LWVUS has long supported the national housing goal of " a decent home in a suitable living environment for every American." In an April letter to members of Congress we voiced our belief that federal housing subsidies should be increased to at least the level set forth in the 1968 Housing Act -- 600,000 additional units per year using both new and existing units. We voiced our support for continuation of housing counselling programs. We made clear the need for an adequately funded Community Development Block Grant program. And, of course, there is the continuing need for agressive enforcement of the Fair Housing Act.

Elimination of federal housing subsidy programs would be a retreat from the long-standing federal housing goal and from our national commitment to an open society. The League of Women Voters believes this would be a tragic mistake. It must not be allowed to occur.

LEAGUE OF WOMEN VOTERS
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UPDATE:

PUBLIC WELFARE IN MINNESOTA

PM -T

TO: Local League Human Resources Chairs

FROM: Lois DeSantis, LWVMN Human Resources Chair

October 14, 1977

This update on welfare in Minnesota is being written as a companion piece to the publication of the League of Women Voters of the United States (LWVUS) entitled "To Promote the General Welfare." The National Board of LWVUS has stated that it hopes that local Leagues will attempt to review our welfare position during this program year. Also there has been considerable membership turnover since 1970. In view of the fact that welfare reform legislation will be debated in Congress during the coming session, it is important that League members understand the issues involved and keep abreast of lobbying efforts being taken by our League lobbyists in Washington.

ADMINISTRATION:

Public welfare programs in Minnesota are supervised by the state and administered by counties. The Department of Public Welfare of the State of Minnesota is charged with supervising the programs of the county welfare departments. Each county welfare department is administered by a county welfare board or by a human services board. In 73 of the 87 counties the county welfare board is made up of the five elected county commissioners plus two lay board members, one of whom must be a woman, and who are appointed by the state Commissioner of Welfare.

In eight counties, welfare is administered by human services boards (HSBs). Scott, Otter Tail, and Blue Earth Counties have single county HSBs. Brown and Nicollet Counties have a joint HSB, while Faribault-Martin-Wantonwan Counties have a tri-county BSB. Three counties in what is called Region 8, North - Lincoln, Lyon, and Murray - have joined together to form a combined welfare board made up only of county commissioners. Also in Hennepin and Ramsey Counties the seven county commissioners alone serve as the county welfare boards. St. Louis County has a seven member public welfare board - three citizens and four county commissioners - all appointed by the county commissioners.

DELIVERY OF SERVICES:

Public welfare services of Minnesota are of two kinds - financial assistance and social services. Each of the 87 counties has a separate welfare office (called Social Service Centers in the multi-county human services areas.) These are usually located in the court house in the smaller population areas. Staff complements vary from less than 10 in a sparsely populated area to around 1400 in Hennepin County.

Eligibility for financial aid or social services is determined at the county level. However, all programs are not delivered at the county level. Supplemental Security Income payments come directly from the federal government. The state pays Medical Assistance grants directly to the recipients. Minnesota Supplemental Assistance, Aid to Families with Dependent Children, and General Assistance payments are made from the counties. (Please note that the way the payments are delivered are not related to who is responsible for funding them - e.g. Medical Assistance is funded by a combination of federal, state, and local monies, Minnesota Supplemental Assistance by state and county only, etc. See Appendices for each program.) Several bills have been introduced in recent legislative sessions for the state to take over the payment of all income maintenance grants, but to date none of these has passed.

As for social services, the programs may be delivered by the county welfare departments, or clients may be referred to multi-county mental health centers or to private agencies with whom the county has purchased contracts.

INCOME MAINTENANCE PROGRAMS:

The major income maintenance programs supervised by the Welfare Departments* - Supplemental Security Income (SSI), Aid to Families with Dependent Children (AFDC), General Assistance (GA), and Medicaid or Medical Assistance (MA) are described in "To Promote the General Welfare," pgs. 4 and 5. An additional grant, Minnesota Supplemental Aid (MSA), is one which the Minnesota Legislature voted to give recipients of the SSI program. At the time that the former categorical programs of Old Age Assistance, Aid to the Blind, and Aid to the Disabled were merged into one federal SSI program, the benefit levels were such that Minnesotans in those programs would have suffered cutbacks. Thus the state voted to supplement the federal SSI programs.

In the accompanying Appendix details of these five programs are spelled out as to eligibility, payment standards, funding, and numbers of recipients statewide. These fact sheets were supplied through the courtesy of the Citizens League, whose staff prepared them in connection with the recent Income Maintenance Study undertaken by that organization.**

Also in the Appendix are county statistics relating to these programs. These were furnished by the statistical division of the state Department of Public Welfare. A perusal of the statistics will show that by far the most costly program is Medical Assistance.

A catastrophic health bill was passed by the state Legislature in 1976, and money was appropriated in the Department of Welfare budget for catastrophic health insurance beginning in July 1977. The program is designed to help persons confronted by medical or nursing home bills which exceed $2500 and which are not covered by insurance or welfare. Eligibility for the program is determined by county welfare departments, but the payments are made directly from the state. To qualify, a family must owe or have paid debts for health services which amount to 40% of the family's first $15,000 plus 50% of income from $15,000 to $25,000 and 60% of income over $25,000.

FOOD STAMPS:

The food stamp program which provides food coupons for low income families and individuals is not one of the income maintenance programs of the U.S. Health, Education and Welfare Department. It is sponsored by the U.S. Department of Agriculture, yet it is included as one of the welfare programs which in Minnesota is supervised

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* Included under the term "income maintenance programs" at the federal level are a variety of insurances, including Social Security, unemployment compensation, veterans' pensions, Medicare, and others.

** Individual copies of the Citizens League report are available free from the Citizens League, 84 South 6th St., Minneapolis 55402. 612-338-0791.

by the Department of Welfare and administered by the counties. A general description of the Food Stamp program can be found in "To Promote the General Welfare," pg. 5, and a detailed description of the program in Minnesota can be found in the Appendix of this Update.

WORK EQUITY:

As a prelude to national welfare reform, the U.S. Department of Labor decided to conduct a demonstration project in an attempt to move people off the welfare rolls and into the work force. In July 1977 Minnesota was chosen as the pilot state for this so-called Work Equity Program. It is hoped that the project will provide training and community service jobs to about 13,000 people now receiving AFDC, GA, and food stamps. The hope is that eventually all participants will be placed in jobs in the private sector.

It is anticipated that the project will be conducted in St. Paul and a number of central and southern Minnesota communities. It will be administered by the new Minnesota Department of Economic Security. If the demonstration proves successful, work equity will undoubtedly become a major part of the Carter administration's welfare reform program.

SOCIAL SERVICES:

A variety of social service programs are delivered as part of the social welfare system. (See "To Promote the General Welfare," pg. 6). Title XX of the Social Security Act, enacted in 1975, shifted the reponsibility for determining what social services a state should provide from the federal government to the citizens of each state. Under Title XX a state's proposed social services plan is subject to open hearings and public review for a comment period of at least 45 days. In Minnesota each county of human services area submits its priorities for social services, and these are incorporated into an overall state plan. Citizen input has been encouraged at hearings held all around the state.

Since 1972 Congress has placed a ceiling of 2.5 billion a year for social services, to be divided among the 50 states on the basis of the percent of its population of the nationwide population. Minnesota's share, which has decreased slightly each year, will be $46 million for the fiscal year ending September 30, 1078. Fifty percent of these funds must be expended for services to current recipients of AFDC, SSI, and MA. In Minnesota the services are available at no cost to AFDC and SSI recipients and to persons whose gross income is less than 65% of the median income of the state. Services for persons with gross incomes of 65% to 115% of the median income can be provided on a fee basis at the option of county welfare departments. In the final Title XX plan proposed by the Minnesota Department of Public Welfare for the year October 1977 through September 1978 the state median income for a family of four was considered to be $16,871. In addition to the federal share of $46 million expected for 1977-78, it is anticipated that the state will supply $17,285,976, and local governments an additional $71,551,305.

Twenty-two social services are included in the Minnesota plan. These are:

1. Adoption Service
2. Chore Service
3. Counseling Service for Families and Individuals
4. Developmental Achievement Service, Adults and Children
5. Day Care Service, Adults and Children
6. Educational Assistance Service
7. Employability Service
8. Family Planning Service
9. Foster Care Service (Adults)

10. Foster Care Service (Children)
11. Health Service
12. Home Delivered and Congregate Meals Service
13. Homemaking Service
14. Housing Service
15. Information and Referral Service
16. Legal Service
17. Money Management Service
18. Protection Service (Adults)
19. Protection Service (Children)
20. Residential Treatment Service
21. Social and Recreational Service
22. Transportation Service

Each service must be directed at one of the five goals outlined in Title XX. These goals are:

1. Achieving or maintaining economic self-support
2. Achieving or maintaining self-sufficiency
3. Preventing or remedying neglect, abuse, exploitation or adults and children; preserving, rehabilitating or reuniting families
4. Preventing or reducing inappropriate institutional care
5. Securing referral or admission for institutional care.

MINNESOTA AND WELFARE REFORM:

President Carter announced his proposals for welfare reform in August of this year. He would do away with the existing welfare system, and in its place create a Program for Better Jobs and Income. His approach has been referred to as a "multi-track" or "two-tiered" approach. There would be two major programs - a jobs program for those deemed able to work, and an income program of a single system of cash assistance for those not able to work. It is expected that the plan will be hotly debated in Congress during the forthcoming year. It is hoped that local Leagues will keep on top of the action by relaying to the membership information in "Report from the Hill," responding to "Action Alerts" and making use of the Spotmaster service, all parts of the LWVUS' lobbying efforts.

In Minnesota the League of Women Voters of Minnesota has been part of the organizational activities of a group which is to be called the Minnesota Coalition for Welfare Reform. It is the intent of this group to analyze how various reform proposals will affect Minnesotans. Since our state already has relatively high benefit levels in relation to other states, Minnesotans could end up being hurt rather than helped by reform proposals. The Coalition will feed information back to its constituent groups, attempt to keep the public informed of the issues, and lobby at all levels. Local League Human Resources chairs will be kept informed of developments through the Human Resources/Equality of Opportunity sections of the monthly LWVMN Board Memo.

Prepared by
the Citizens League
April 4, 1977

AFDC Program Outline

ELIGIBILITY

Age: Must have dependent children up to age 18; 19 if in school full-time; unborn children in last 3 months of pregnancy.

Work Status: Single parent with youngest aged 6 years must join WIN program or go to work; unemployed father must sign up for work. If he works full-time, he's ineligible.

Income: Net income (after taxes and work expenses) must be less than payment standard.

Personal Property: Household goods, income producing tools & materials, and auto for work are disregarded.
Maximum $300 for two people; $500 for three or more.
$7,500 equity in home (county may disregard).

Income Disregard: 30 and 1/3 of gross earnings, after have become eligible. When first applying to program, only taxes and work expenses are disregarded.

Automatic Eligibility for Other Programs: Medicaid, Food Stamps, Title XX Social Services.

Private Responsibility to Pay Support: Absent parent.

PAYMENT STANDARD, MINNESOTA

AFDC Grant: $136/month for one person; $272/month for two; $330/month for three; $385/month for 4. (In July 1975, Minnesota AFDC payment standards were 11th from the top in the United States.)

Average Net Income from Assistance: Family of three (single parent, two children)
$330/month AFDC
$133/month Medicaid
$ 42/month Food Stamps
$ 40/month School Lunch
$112/month Rent Subsidy
$657/month or $7,884/year
(524/month or $6,288/year without Medicaid)

ERRORS: In 1975 an average of 4% of recipient cases were ineligible. An additional 12% of cases received over-payments, and an average of 5% of the cases were under-paid. Minnesota Department of Welfare staff estimate that 2-3% of the cases involve fraud.

TYPE OF PAYMENT -- FLAT CASH GRANT

ADMINISTRATION : County

REGULATIONS : Federal (HEW), State

FUNDING (FY 1976)

Payments to recipients: 56.8% federal; 21.6% state; 21.6% county.

Administration: 50% federal; 23% state; 27% county.

FY 1976 Minnesota payments to recipients $142,765,972 (91% of total)
administration $13,551,086 (9% of total)

Total expenditures $156,317,058

RECIPIENTS (1975)

Minnesota average number of recipients 127,000

Average length of stay: Minnesota 25.2 months, United States 32 months.

RECIPIENT PROFILE: (May 1975)

	Minnesota	United States
Children	71%	71%
Adults (able-bodied)	28%	27%
Disabled	3.6% of adults	11% of adults
Employed	32% of able-bodied adults	41% of able-bodied adults
Average Earnings	$4,800/year	?
Women	95% of adults	92% of adults
Divorced	41% of women	17% of women
Unwed	38% of women	45% of women
Married	18% of women	16% of women
Deserted or Separated	3% of women	22% of women
With Children Under 6 Years Old	56% of women	47% of women

Persons Receiving Other Assistance: 12% of AFDC families resided in public housing in 1975.

Prepared by
the Citizens League
April 19, 1977

General Assistance
Program Outline

ELIGIBILITY

Age: 19-64 years of age; no dependent children.

Work Status: State requires recipients to register with state employment service, and participate in county work relief program. Work relief earnings are not to exceed the value of the recipient's grant. 1975 wages for county work relief programs ranged from $1.75/hr. to $4.62/hr. Eight counties paid the same wages they would pay a regular employee; 41 counties paid the minimum wage ($2.10/hr.) for work relief participants.

Income: Net income must be less than the payment standard. Counties, at their option, may disregard work expenses when calculating income.

Personal Property: $50 cash on hand; $300 value in personal property for 1-2 persons, $500 value for 3 or more persons; an automobile, if trade-in value does not exceed $1,500; $7,500 equity in home.

Income Disregard: None, other than taxes and work expenses.

Automatic Eligibility: General Relief (Medicaid for General Assistance recipients), Food Stamps, Title XX social services.

Private Responsibility to Pay Support: Spouse

PAYMENT STANDARD

Minnesota minimum payment for one person, per month: $138.00. (Maximum shelter allowance of $94, + $44 (½ the Old Age Assistance standard for food, clothing and utilities.)
62% of Minnesota Counties pay $182 (maximum shelter allowance, + the full Old Age standard)
26% of Minnesota Counties pay $138
11% of Minnesota Counties pay between $139 and $181
Ramsey County pays $170
Hennepin County pays $144

United States average payment: ?

Average Net Income from Assistance: Single person, living alone
$182/month GA grant (62% of Minnesota Counties)
$ 80/month Medicaid
$ 23/month Food Stamps
$ 59/month rent subsidy
$344/month or $4,128/yr.
($264/month or $3,168/yr. without Medicaid)

TYPE OF PAYMENT: Flat grant for food, clothing, utilities, etc.; shelter allowance based on actual shelter costs.

ERRORS: No data on error rates.

FRAUD: Roughly 2.5% of the General Assistance caseload in FY 1976 was investigated for fraud. No data is available on what percent were found to actually contain fraud. The approximation is very rough because:

-- The actual number of cases investigated for fraud was divided into the *average* General Assistance caseload. The actual number of cases would be quite a bit higher than the average caseload.

-- The number of cases investigated for fraud is most likely an underestimate of the real fraud problem. The state does not require counties to actively pursue fraud cases in General Assistance; there is no guarantee that all cases are reported to the state. Counties have no way of knowing whether General Assistance recipients are also collecting Unemployment Compensation benefits, (which would be illegal), because the Unemployment files are not legally open to the General Assistance office (though they are to the AFDC office).

ADMINISTRATION: County

REGULATIONS: State, County

FUNDING (FY 1976)

Payments to recipients: 31.9% state, 68.1% county.

Administration: Approximately 40% state, 60% county.

FY 1976 payments to recipients \$19.7 million (85% of total)
administration \$3.4 million (15% of total)

Total expenditures \$23.1 million (33% state, 67% county)

RECIPIENTS (1975)

Minnesota average number of recipients 18,382

Average length of stay, Minnesota employables: 3 months

RECIPIENT PROFILE (1975)

Employables -- 26% of 1975 General Assistance cases in Minnesota had a responsible employable person present (those not 'employable' would include alcoholics, and older persons under age 62).

Single Persons -- 82% of October 1975 cases

Families with Children -- 11% of October 1975 cases

Families without Children -- 7% of October 1975 cases

Of the General Assistance cases with a responsible person employable in 1975:
- -- 68% were single person cases;
- -- 23% were families with children under age 18; and
- -- 9% were families with adults only

Prepared by
the Citizens League
May 16, 1977

Supplemental Security Income (SSI)
Program Outline

ELIGIBILITY

Age: 65 years+ or blind or disabled.

Work Status: No work requirement.

Income: Gross income must be less than payment standard.

Personal Property: $1,500 maximum for one person; $2,250 maximum for two persons. The value of a home is disregarded. An automobile worth $1,200 or less is disregarded--any value over $1,200 is considered available income. Up to $1,500 cash surrender value of life insurance is disregarded. The value of any jewelry, art or valuable stamp collections, etc. is considered available income.

Income Disregard: The first $20/month/household of unearned income is disregarded. Pensions and Social Security are considered unearned income. Payments from AFDC or General Assistance are disregarded.

The first $65/month/household of earned income is disregarded. Any gross earnings above that are counted 50¢ on the dollar as available income. (This is different than the AFDC disregard: in AFDC the net earnings after taxes and work expenses are counted as available income, and the "30 & 1/3" disregard is only applied after a person is enrolled in the program, not at the time of application.)

Automatic Eligibility: None.

Private Responsibility to Pay Support: None.

PAYMENT STANDARD (U.S.)

Maximum payment for one person living alone, $167.80/month.
Maximum payment for a couple living alone, $251.80/month.

Shared Household Rule: If a person applying for SSI shares a household with other persons not applying for assistance, and he is paying less than his share of household costs, the "shared household" rule applies.

Maximum payment for one person in a shared household $111.87/month.
Maximum payment for a couple in a shared household $167.87/month.

Average Net Income from Assistance: Single person, living alone.

$167.80/month	SSI grant
80.00/month	Medicaid
23.00/month	food stamps
59.00/month	rent subsidy
$329.80/month or $3,957.60/year	
($249.80/month or $2,997.60/year without Medicaid)	

TYPE OF PAYMENT: Flat cash grant for persons living alone; cash grants to persons in shared household have some relation to actual living expenses.

ERRORS: Minnesota 5.8%, U.S. 8.2%

FRAUD:

ADMINISTRATION: Federal; Social Security Administration.

REGULATIONS: Federal.

FUNDING (FY 1976)

Minnesota Payments to recipients -- $36.8 million. (100% federal)

Administration -- U.S. 8.1% of total expenditures. (100% federal)

RECIPIENTS (MN, FY 1976)

Minnesota average number of recipients 38,169.

Of the total number of SSI recipients, 51.8% received no Social Security check. Of those receiving no Social Security check, approximately 30% were over age 65.

Of the total, 47.6% were elderly; 1.7% were blind; and 50.6% were disabled; 6.7% had earned income (2.7% of these were aged). 3% of U.S. recipients had earned income.

Average length of stay -- ?

Prepared by
the Citizens League
May 16, 1977

Minnesota Supplemental Aid (MSA)
Program Outline

ELIGIBILITY

Age: 65 years+ or blind or disabled.

Work Status: No work requirement.

Income: Net income must be less than the payment standard.

Personal Property: Aged & Disabled: $300 maximum for one person; $450 for two persons (includes cash, savings and car) + $1,000 cash surrender value of life insurance for aged; $500 for disabled.

Blind: $2,000 maximum for one person; $4,000 maximum for two (includes cash, savings, car, life insurance)

All: $15,000 home equity (mobile home is diregarded entirely)

Income Disregard: $8/person/month of Social Security check is disregarded.

Aged & Disabled: First $20 and ½ of the next $60 of earned income is disregarded. Net take-home pay (wages less taxes and transportation expenses) is counted as available income. All unearned income, except for the $8 social security is counted as available income.

Blind: The first $7.50/person/month of any income is disregarded (above the $8 social security); in addition, the next $85 of earned income and ½ of any earned income above $85 is disregarded.

Automatic Eligibility: Medicaid and Title XX social services.

Private Responsibility to Pay Support: Spouse.

PAYMENT STANDARD: Maximum payment, one person, living alone $196/month.
Maximum payment, two persons, living together $289/month.

Maximum payment, one person, sharing a household with others $223/month.
Maximum payment, two persons, sharing a household with others $446/month.

Average Net Income from Assistance: Single person, living alone.

$196/month	MSA grant
80/month	Medicaid
23/month	food stamps
59/month	rent subsidy
$358/month	or $4,296/year

($278/month or $3,336/year without Medicaid)

TYPE OF PAYMENT : Categorical cash grant. Counties determine payment levels for shelter, food, telephone, transportation, etc.

ERRORS : ?

FRAUD : ?

ADMINISTRATION : County.

REGULATIONS : Federal ("mandatory pass-along"); state; county.

FUNDING : (FY 1976)

Payments to recipients: $5,222,438 (50% state, 50% county) (77.6% of total).

Administration: $1.5 million (50% state, 50% county) (22.3% of total).

Total expenditures $6,722,438.

RECIPIENTS (FY 1976)

Minnesota average number of recipients 6,962 (now down to approximately 5,600)

Average length of stay: no current figures, but average stay on Old Age Assistance in the early 1970's was 7 years.

Of total MSA recipients in FY 1976, 3.1% were blind; 59% were disabled; and 37.7% were aged.

Of total recipients, 29.4% had additional income only from social security; 43.6% had additional income only from Supplemental Security Income (SSI); 23.4% had additional income from SSI & Social Security only; and 3.3% had either no additional income, or additional income from other sources.

Citizens League
530 Syndicate Building
Minneapolis, MN 55402
338-0791

June 28, 1977

Medical Assistance (Medicaid)
Program Outline

ELIGIBILITY

Automatic eligibility: Recipients of General Assistance, Minnesota Supplemental Aid (MSA) or Aid to Families with Dependent Children (AFDC).

Income tested eligibility: Over 65, under 21, blind or disabled.

Work history: None.

Income: Maximum income allowed:

Individual	$2,600/year
Two persons	$3,250/year--plus $625 for each additional dependent

Personal property: Maximum allowed in liquid assets:

Individual	$ 750
Two persons	$1,000
Three persons	$1,500--plus $150 for each additional dependent

Real property: Maximum equity of $25,000. (As of July 1, 1977)

A person with income above this amount may be eligible for part payment of his medical expenses using the "spend down" rule:

Spend down: Persons with income over the maximum permitted must incur medical expenses equal to at least half the portion of their income which is in excess of the maximum, for the three months preceeding application to the program.

Example: A person with income of $2,800/year is $200 over the maximum income level. The person's medical expenses in the three months preceeding application to MA must equal $100 or more if the person is to qualify for Medical Assistance.

Automatic eligibility for other programs: None.

PAYMENT STANDARD: Average recipient receives $225/month value in medical services.

35% of Medicaid recipients are blind, disabled or over 65 and they receive 62% of Medicaid dollars.

62% of Medicaid recipients are AFDC adults or children and they receive 38% of Medicaid dollars.

Monthly payments in Minnesota $27 million.

Type of payment: Payment is made directly to the vendor for services.

Services covered: Minimum services federally required: Inpatient hospital, outpatient hospital, laboratory and X-ray services, skilled nursing care and physician care.

State Options: Home health services, private duty nursing services, clinic services, dential services, physical therapy and related services, (drugs, eyeglasses, dentures and prosthetic devices, if prescribed by a licensed practioner), hospital care for patients 65 or older in institutions for tuberculosis or mental illness and transportation costs incurred solely for obtaining medical care.

Minnesota offers all of the state options although prior authorization by Public Welfare Department and/or physician is needed for certain services.

FRAUD AND ERRORS: Minnesota recipient fraud (estimated) 3% of cases.

January 1975-October 1976
Recovered: $50,000 overpayments

Fraudulent activity:	
Indictments	22
Convictions	11
Acquittals	1
Dismissals	4
Pending cases	6

ADMINISTRATION: County.

REGULATIONS: Federal and state.

FUNDING: Medicaid-AFDC, MSA and income-tested recipients.
Payments to recipients FY 76 $332 million (97% of total)
(56.8% federal, 38% state, 4.3% county)
Administrative expenses FY 76 $11.4 million (3% of total)
(50% federal, 50% state)
Total expenditures $332.4 million

Medicaid-General Assistance Recipients
Federal law requires that AFDC recipients be automatically eligible for Medicaid. Federal law does not require that General Assistance recipients be automatically eligible, but the Minnesota Legislature has established this policy. Medicaid services are identical for these two groups.

Payments to recipients FY 1976 $9.04 million (90% state, 10% county)
Administrative expenses FY 1976 $4.6 million (61% county, 39% state)
(All General Assistance administrative expenses are included.)

Recipients: Average number of eligible persons 271,000/month.
44% of these actually receive benefits each month.
½ recipients receive assistance from Medicaid only.*
½ recipients in nursing homes.*

*Due to overlap in these two groups, this does not represent the total Medicaid population.

Citizens League
530 Syndicate Building
Minneapolis, MN 55402
338-0791

May 9, 1977

Food Stamp Program Outline

ELIGIBILITY

Age: 18 years+

Work Status: Persons aged 18-65 must register for work unless they are at least ½ time students or are caring for a dependent. Strikers and persons affected by lock-outs must register for work. If any person in a household required to register for work refuses to register, the entire household is ineligible for food stamps for one year or until the member complies with the law.

Persons employed at least 30 hours per week or participating in a drug or alcohol rehabilitation program are not required to register for work.

Persons required to register for work must accept suitable employment.

Definition, suitable employment: A job must pay at least $1.30/hour, or the state or federal minimum wage that applies, if it is higher.

Definition, unsuitable employment: A job is considered unsuitable if:

- the registrant is required to join, resign from, or refrain from joining any legitimate labor organization;
- the work offered is at the site of a strike or lockout at the time of the offer;
- there is an unreasonable degree of risk to the registrant's health and safety;
- the registrant is not physically or mentally fit to do the work offered;
- the work offered is not in the registrant's major field of experience, unless, after a period of 30 days from registration, job opportunities in his major field have not been offered; or
- commuting time per day represents more than 25% of the registrant's total work time, based upon estimates of the time required for going to and from work by transportation that is available or expected to be used.

Income: Gross income less taxes; retirement payments; union dues; medical costs over $10/month; child or invalid care necessary to allow a household member to be employed or participate in job training or school; tuition and required fees; court-ordered support & alimony payments; and shelter costs over 30% of household income after all other deductions must be no more than:

one person - $245/month
two persons - $322/month
three persons - $433/month ($447/month as of July 1, 1977)
four persons - $553/month ($567/month as of July 1, 1977)

Personal Property: $1,500 maximum cash on hand, personal property for two or more persons; $3,000 maximum for two or more persons if one is age 60+. The value of one home and lot; one licensed vehicle and any other vehicles needed for employment; life insurance; real estate that produces income with its fair market value; and tools of a tradesman are disregarded.

Income Disregard: 10% of earnings not to exceed $30 per household per month.

Automatic Eligibility: Households where all members are recipients of SSI, AFDC or GA are automatically eligible for Food Stamps.

Private Responsibility to Pay Support: None. If students are taken as tax deductions by their parents, then the students will not be eligible for food stamps unless the parents are also eligible.

PAYMENT STANDARD: A single person is allotted $50 of food stamps; a family of four, $170 of food stamps, as of July 1, 1977. Purchase prices for the stamps vary with net income, which is derived by an elaborate formula. The difference between the allotment and the purchase price is the "bonus value" of the stamps. IN FY 1976 the average bonus per person per month was $21. Secretary of Agriculture Bergland has recommended that the purchase requirement be eliminated, and that instead persons be given the bonus value of stamps.

TYPE OF PAYMENT: Categorical stamp which may be used to purchase only food items, as defined by the United States Department of Agriculture.

ERRORS: Approximately 18.5% of payments in Minnesota in 1975 went to ineligible households; approximately 6% of participating households were over-charged for their stamps, and approximately 20% of households were under-charged.

FRAUD: Approximately 8.5% of all errors in Minnesota in 1975 were attributed to misrepresentation of facts by clients.

ADMINISTRATION -- COUNTY

REGULATIONS -- FEDERAL

FUNDING (FY 1976)

Payments to recipients: 100% federal

Administration: 50% federal, 2% state, 47% county (does not = 100% due to rounding)

FY 1976 payments to recipients (bonus value of stamps): $46 million (94% of total) administration $3.1 million ($3 million county administration, $.1 million state administration) (6% of total)

Total expenditures $49.1 million (96% federal, 1% state, 3% county)
NOTE: Part of the county expenditures for administration are reimbursed by the state. In FY 1976, Minnesota recipients paid $38 million for food stamps.

RECIPIENTS (FY 1976)

Minnesota average number of recipients per month 183,036

Minnesota estimated number of eligibles 500,000+ (based on census data)

Average length of stay -- ?

CHARACTERISTICS OF FOOD STAMP RECIPIENTS IN UNITED STATES, USDA SURVEY (1976)

64% of the households were headed by women

6% of all participants were age 65+

Household size averaged 3.2 persons; 46% of all households had one or two persons

Average gross income \$298/month/household

Average net income \$223/month/household

5% of all households received their food stamps free

Sources of income: AFDC, 42% of all households; salaries and wages 42%; student aid .8%

Employment status: 77% of all household heads were unemployed with no reported income; 15% of all heads worked full-time; 4.5% worked less than 30 hrs./wk.

MINNESOTA
Supplemental Aid
(Aged, Blind, Disabled)
Fiscal Year 1976

County	Average Number* of Recipients	Average* Monthly Payments	Total Payments	Average Maintenance Grant
TOTAL STATE	5,639	$ 376,815.10	$ 4,521,781.22	$ 66.82
TOTAL SMSA	3,673	$ 243,412.80	$ 2,920,953.57	$ 66.26
Anoka	88	5,224.57	62,694.89	59.65
Benton	21	1,403.91	16,846.90	68.48
Carver	42	3,577.92	42,934.98	86.04
Chisago	28	1,062.81	12,753.68	37.40
Clay	59	4,301.13	51,613.60	72.59
Dakota	80	5,097.30	61,167.57	63.45
Hennepin	1,699	93,997.84	1,127,974.02	55.33
Olmsted	116	7,106.46	85,277.54	61.39
Ramsey	734	55,792.23	669,506.81	76.02
St. Louis	530	49,562.29	594,747.53	93.56
Scott	33	1,459.88	17,518.50	44.13
Sherburne	23	2,061.85	24,742.20	88.68
Stearns	95	5,887.03	70,644.40	61.86
Washington	79	4,239.25	50,870.95	53.83
Wright	47	2,638.33	31,660.00	55.94
TOTAL RURAL	1,966	$ 133,402.30	$ 1,600,827.65	$ 67.87
Aitkin	41	2,534.75	30,416.94	57.83
Becker	44	3,099.33	37,192.01	70.71
Beltrami	39	2,282.86	27,394.30	58.53
Big Stone	19	1,254.49	15,053.86	66.91
Blue Earth	61	2,932.69	35,192.25	48.27
Brown	24	1,936.33	23,236.00	80.68
Carlton	53	4,772.61	57,271.33	90.62
Cass	47	3,602.54	43,230.44	76.65
Chippewa	18	988.17	11,858.00	56.20
Clearwater	30	2,074.92	24,899.00	68.40
Cook	7	670.34	8,044.08	99.31
Cottonwood	10	568.12	6,817.40	57.77
Crow Wing	47	2,237.37	23,848.45	41.99
Dodge	18	1,231.52	14,778.28	67.17
Douglas	54	2,794.35	33,532.20	52.07
Faribault	26	2,339.70	28,076.45	89.70
Fillmore	22	1,054.00	12,648.00	47.02
Freeborn	51	5,634.98	67,619.78	109.77
Goodhue	24	1,191.69	14,300.30	49.14
Grant	9	519.90	6,238.81	55.21
Houston	28	1,318.00	15,816.00	46.52
Hubbard	14	1,132.04	13,584.48	78.98
Isanti	24	1,451.48	17,417.81	59.45
Itasca	84	6,346.82	76,161.85	75.56
Jackson	18	1,124.62	13,495.45	64.26

County	Average Number* of Recipients	Average* Monthly Payments	Total Payments	Average Maintenance Grant
Kanabec	21	$ 1,231.03	$ 14,772.39	$ 59.56
Kandiyohi	61	3,267.23	39,206.76	53.49
Kittson	11	965.62	11,587.48	90.53
Koochiching	36	1,864.44	22,373.22	51.20
Lac Qui Parle	15	648.75	7,785.00	44.74
Lake	30	3,674.58	44,094.90	124.21
Lake O' Woods	1	51.25	615.00	55.91
Le Sueur	18	1,017.25	12,207.00	57.04
Lincoln	-	-	-	-
Lyon **	37	1,984.63	23,815.60	54.25
McLeod	30	1,895.01	22,740.12	64.06
Mahnomen	13	712.39	8,548.68	54.45
Marshall	23	1,471.08	17,653.00	64.66
Martin	21	1,341.42	16,097.07	62.88
Meeker	40	2,640.00	31,680.00	65.73
Mille Lacs	27	1,457.15	17,485.76	53.64
Morrison	60	2,656.27	31,875.27	44.27
Mower	46	2,861.21	34,334.46	62.31
Murray	-	-	-	-
Nicollet	18	743.33	8,920.00	42.48
Nobles	45	3,909.57	46,914.79	87.04
Norman	10	823.25	9,879.00	83.72
Otter Tail	43	2,392.32	28,707.82	55.85
Pennington	42	3,163.89	37,966.72	75.18
Pine	41	3,172.83	38,073.93	77.54
Pipestone	5	230.63	2,767.54	51.25
Polk	53	4,613.39	55,360.65	86.37
Pope	25	1,713.08	20,556.99	68.07
Red Lake	8	878.00	10,536.00	112.09
Redwood	10	482.42	5,789.00	49.91
Renville	36	2,768.25	33,219.00	76.72
Rice	58	5,307.97	63,695.66	91.52
Rock	6	479.81	5,757.74	81.09
Roseau	28	2,033.53	24,402.33	73.06
Sibley	16	1,047.42	12,569.00	66.86
Steele	37	3,693.70	44,324.40	101.20
Stevens	22	1,329.68	15,956.10	61.37
Swift	15	806.98	9,683.85	53.50
Todd	47	2,206.11	26,473.33	46.69
Traverse	5	366.92	4,403.00	78.63
Wabasha	10	549.58	6,595.00	54.06
Wadena	12	618.17	7,418.00	52.24
Waseca	23	1,405.89	16,870.70	60.47
Watonwan	4	277.58	3,331.00	65.31
Wilkin	6	630.89	7,570.65	98.32
Winona	31	2,711.79	32,541.47	88.91
Yellow Medicine	10	462.40	5,548.80	45.48

* May not add due to rounding.
** Includes Lincoln, Lyon and Murray Counties.

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Minnesota Medical Assistance
For Recipients Receiving Medical Assistance Only
Fiscal Year 1976

County	Average Monthly Adult Cases	Average Monthly CT and Children	Total Cases	Total MA Payments	AFDC – MA Payments	Average Monthly Payment AFDC Person	Average Monthly Payment Adult Case
TOTAL STATE	39,739	5,586	44,563	$192,979,521.88	$17,892,638.13	$ 266.93	$ 367.16
TOTAL URBAN	17,765	2,457	20,009	$ 89,955,260.79	$ 8,867,463.43	$ 300.76	$ 380.37
Hennepin	9,068	1,295	10,271	47,421,852.97	4,967,070.48	319.63	390.15
Ramsey	5,366	699	5,991	26,580,805.42	2,309,460.86	275.33	376.93
St. Louis	3,331	463	3,747	15,952,602.40	1,590,932.09	286.35	359.29
TOTAL RURAL	21,974	3,129	24,554	$103,024,261.09	$ 9,025,174.70	$ 240.36	$ 356.48
Aitkin	238	33	265	1,135,165.00	92,467.84	233.51	365.09
Anoka	600	174	742	3,315,103.48	567,315.31	271.70	381.64
Becker	437	80	502	1,612,723.67	193,626.57	201.69	270.61
Beltrami	433	86	504	1,905,989.59	338,991.54	328.48	301.58
Benton	207	38	235	1,098,279.23	112,223.32	246.10	396.96
Big Stone	121	16	137	538,357.95	88,024.30	458.46	310.15
Blue Earth	325	49	366	1,686,257.01	126,897.94	215.81	399.84
Brown	249	25	271	1,249,951.68	98,163.99	327.21	385.47
Carlton	325	61	380	1,660,223.38	141,202.92	192.90	389.49
Carver	205	24	226	1,049,237.75	98,936.49	343.53	386.30
Cass	281	62	332	1,249,550.50	169,891.86	228.35	320.18
Chippewa	164	18	178	752,811.29	58,292.36	269.87	352.91
Chisago	206	40	241	1,000,152.89	160,937.65	335.29	339.49
Clay	284	25	306	1,370,372.73	76,722.72	255.74	379.59
Clearwater	236	43	270	717,240.19	61,951.43	120.06	231.39
Cook	53	3	56	219,779.65	3,739.51	103.88	339.69
Cottonwood	187	22	206	852.713.33	84,121.01	318.64	342.51
Crow Wing	497	95	575	2,264,395.77	339,452.16	297.77	322.76
Dakota	614	111	709	3,673,468.68	325,232.88	244.17	454.43
Dodge	125	9	133	730,673.74	37,593.27	348.09	462.05
Douglas	357	39	387	1,387,766.24	70,851.34	151.39	307.40
Faribault	299	34	326	1,643,302.70	124,575.49	305.33	423.28
Fillmore	396	32	419	1,404,962.28	36,661.36	95.47	287.94
Freeborn	348	53	394	1,892,177.16	184,629.40	290.30	408.90
Goodhue	386	33	415	2,003,679.90	130,821.55	330.36	404.33
Grant	118	7	124	501,735.23	10,295.46	122.57	347.06
Houston	190	23	208	828,313.75	60,768.59	220.18	336.64
Hubbard	213	39	246	683,449.72	94,211.68	201.31	230.53
Isanti	156	23	173	854,855.26	86,347.94	312.86	410.53
Itasca	585	99	669	2,660,409.46	267,623.01	225.27	340.85
Jackson	162	25	178	761,474.76	68,284.42	227.62	356.58
Kanabec	156	26	182	655,979.61	68,482.78	219.50	313.83
Kandiyohi	342	34	370	1,571,172.03	67,567.41	165.61	366.38
Kittson	127	13	138	677,715.98	48,522.17	331.04	412.86
Koochiching	242	47	283	1,174,468.48	93,082.22	165.04	372.38
Lac Q Parle	125	19	142	595,736.69	68,649.69	301.10	351.39
Lake	59	9	67	220,113.47	40,937.02	379.05	253.07
Lake O Woods	45	6	50	204,567.66	15,865.72	220.36	349.45
Le Sueur	277	38	306	1,500,737.36	151,427.77	332.08	405.93

Minnesota Medical Assistance
For Recipients Receiving Medical Assistance Only
Fiscal Year 1976

County	Average Monthly Adult Cases	Average Monthly CT and Children	Total Cases	Total MA Payments	AFDC - MA Payments	Average Monthly Paymen AFDC Person	Average Monthly Paymen Adult C
Lincoln	138	12	147	$ 588,018.08	$ 25,744.45	$ 178.78	$ 339.54
Lyon	255	42	289	1,134,775.78	72,098.68	143.05	347.23
McLeod	213	17	227	1,082,091.18	39,786.91	195.03	407.79
Mahnomen	87	14	98	368,298.39	33,079.14	196.90	321.09
Marshall	134	19	151	650,922.09	61,513.21	269.80	366.55
Martin	189	20	206	734,517.56	56,288.48	234.54	299.04
Meeker	211	27	234	941,168.86	110,547.08	341.20	328.05
Mille Lacs	306	44	342	1,224,273.88	130,837.86	247.80	297.73
Morrison	508	74	561	2,238,338.63	294,590.45	331.75	318.86
Mower	391	58	441	1,776,403.67	165,985.73	238.49	343.23
Murray	104	15	115	382,541.50	17,786.68	98.82	292.27
Nicollet	130	17	144	758,469.92	75,569.52	370.44	437.76
Nobles	209	22	228	865,586.51	53,656.22	203.24	323.74
Norman	153	17	167	703,380.56	47,651.58	233.59	357.15
Olmsted	572	59	627	2,946,850.60	197,456.45	278.89	400.55
Otter Tail	671	72	727	3,066,197.14	123,374.00	142.79	365.43
Pennington	170	22	186	673,714.17	30,209.30	114.43	315.44
Pine	341	59	386	1,581,240.50	121,568.85	171.71	356.71
Pipestone	145	15	159	648,186.91	52,812.93	293.41	342.17
Polk	523	47	561	2,486,317.33	106,641.58	189.08	379.17
Pope	162	20	180	729,550.66	61,820.26	257.58	343.48
Red Lake	124	13	134	628,146.18	25,703.33	164.77	404.87
Redwood	213	20	230	1,041,512.00	44,815.22	186.73	389.94
Renville	260	33	289	1,195,973.77	161,074.74	406.75	331.70
Rice	370	43	404	2,088,792.81	101,345.57	196.41	447.62
Rock	98	11	109	384,364.11	30,374.06	230.11	301.01
Roseau	152	21	171	818,083.55	46,878.01	186.02	422.81
Scott	221	36	251	1,496,074.92	149,197.25	345.36	507.87
Sherburne	143	26	163	754,381.95	56,948.31	182.53	406.43
Sibley	149	5	161	759,035.85	46,905.65	260.59	398.28
Stearns	1,050	191	1,191	3,886,164.39	320,147.12	139.68	283.02
Steele	158	18	175	948,590.84	93,997.08	435.17	450.74
Stevens	104	6	110	509,068.96	12,614.61	175.20	397.80
Swift	193	23	211	788,449.90	35,019.65	126.88	325.32
Todd	379	48	416	1,576,925.23	140,158.37	243.33	315.91
Traverse	110	11	120	456,301.92	62,833.98	476.02	298.03
Wabasha	198	23	219	1,023,060.92	104,088.66	377.13	386.77
Wadena	208	36	235	908,689.94	99,896.33	231.24	324.04
Waseca	162	19	178	893,982.47	67,885.82	297.75	424.95
Washington	510	98	593	2,783,774.97	301,463.23	256.35	405.61
Watonwan	109	17	123	572,501.94	78,300.01	383.82	377.83
Wilkin	109	13	120	612,210.85	33,342.49	213.73	442.56
Winona	461	47	497	1,797,666.65	67,897.63	120.39	312.63
Wright	366	45	403	1,543,145.55	137,775.23	255.14	319.98
Yellow Med.	145	21	164	671,452.25	62,102.90	246.44	350.20

AUG 25 1977

Minnesota Aid to Families with Dependent Children
Fiscal Year 1976

County	Avg. No.* Cases	Avg. No.* Caretakers	Avg. No.* Children	Total Payments	Average Per Family	Avg. Maint. Per Person
TOTAL STATE	44,350	38,079	90,706	$ 139,072,735.38	$ 261.32	$ 89.99
TOTAL SMSA	34,026	29,996	68,954	109,032,803.64	267.03	91.82
Anoka	1,899	1,528	3,840	5,841,533.92	256.32	90.69
Benton	125	96	256	383,351.58	255.23	90.71
Carver	158	122	323	466,576.38	246.74	87.37
Chisago	149	106	310	414,348.91	231.35	82.85
Clay	247	209	524	717,074.86	242.17	81.55
Dakota	1,523	1,294	2,971	5,072,548.99	277.54	99.11
Hennepin	15,077	13,554	30,178	47,888,230.08	264.68	91.25
Olmsted	517	449	968	1,461,990.39	235.80	85.99
Ramsey	8,893	8,317	18,574	30,290,395.18	283.84	93.87
St. Louis	3,257	2,557	6,354	10,026,146.26	256.54	93.76
Scott	223	188	443	666,856.63	249.39	88.10
Sherburne	189	158	374	554,119.74	244.75	86.78
Stearns	447	358	964	1,272,733.03	237.23	80.22
Washington	982	838	2,069	2,979,294.78	252.93	85.41
Wright	341	222	806	997,602.91	243.91	80.83
TOTAL RURAL	10,324	8,082	21,752	30,039,931.74	242.48	83.91
Aitkin	113	89	230	282,234.87	208.75	73.65
Becker	327	254	725	979,154.86	249.66	83.37
Beltrami	608	487	1,338	1,834,865.08	251.42	83.80
Big Stone	49	30	100	143,485.82	243.61	91.57
Blue Earth	363	291	746	1,064,637.16	244.24	85.60
Brown	140	103	299	368,387.43	219.28	76.37
Carlton	324	262	701	906,726.84	233.45	78.53
Cass	338	246	694	983,596.10	242.68	87.21
Chippewa	104	71	226	285,830.62	228.48	80.02
Clearwater	126	85	270	345,648.58	228.91	81.01
Cook	29	22	52	65,479.23	189.79	73.65
Cottonwood	83	60	171	219,447.67	220.99	79.19
Crow Wing	448	392	881	1,344,307.88	249.82	88.02
Dodge	73	57	176	209,399.50	240.41	75.03
Douglas	149	130	309	418,013.96	233.27	79.46
Faribault	120	79	238	341,797.74	237.52	89.95
Fillmore	90	60	186	254,938.27	236.27	86.24
Freeborn	210	157	412	687,923.44	272.55	100.79
Goodhue	182	145	434	574,476.39	263.64	82.71
Grant	38	28	77	101,788.97	223.22	81.50
Houston	67	53	145	203,913.08	253.31	85.82
Hubbard	149	111	335	433,568.65	242.62	81.09
Isanti	143	121	295	425,380.66	247.31	85.33
Itasca	559	425	1,172	1,590,625.87	237.09	82.98
Jackson	78	60	152	200,033.88	213.71	78.48

Minnesota Aid to Families with Dependent Children
Fiscal Year 1976

County	Avg. No.* Cases	Avg. No.* Caretakers	Avg. No.* Children	Total Payments	Average Per Family	Avg. Maint. Per Person
Kanabec	113	88	259	$ 358,952.15	$ 263.55	$ 86.33
Kandiyohi	220	179	444	624,232.02	236.00	83.48
Kittson	27	17	68	65,694.07	200.29	64.41
Koochiching	271	206	543	815,894.29	250.89	90.72
Lac Qui Parle	26	19	58	70,030.00	226.63	76.04
Lake	113	86	227	342,068.55	252.08	91.00
Lake O' Woods	37	28	61	87,399.82	199.54	81.91
Le Sueur	183	136	366	539,998.16	246.35	89.61
Lincoln	—	—	—	—	—	—
Lyon**	258	195	486	749,732.95	241.93	91.82
McLeod	113	88	255	315,591.81	231.71	76.73
Mahnomen	53	35	108	142,896.13	225.39	83.18
Marshall	55	41	109	144,694.38	217.59	80.30
Martin	140	104	276	385,672.63	230.11	84.47
Meeker	86	63	155	214,824.34	207.76	81.90
Mille Lacs	196	158	414	633,779.71	270.04	92.41
Morrison	249	213	596	779,133.98	260.75	80.27
Mower	265	215	543	731,215.13	229.94	80.43
Murray	—	—	—	—	—	—
Nicollet	128	100	275	367,397.19	238.72	81.57
Nobles	163	136	314	510,595.79	261.04	94.66
Norman	31	20	66	81,513.00	218.53	78.83
Otter Tail	201	153	441	542,528.72	225.12	76.08
Pennington	119	88	241	343,572.54	241.27	86.96
Pine	218	192	463	713,801.11	272.96	90.78
Pipestone	48	40	94	174,109.05	303.86	107.94
Polk	281	246	609	846,227.38	251.18	82.45
Pope	57	44	109	146,582.01	215.56	79.79
Red Lake	32	25	68	78,958.06	208.88	70.62
Redwood	87	73	187	249,018.89	238.52	79.84
Renville	97	70	193	256,199.51	219.16	81.23
Rice	281	237	614	868,519.19	257.19	85.04
Rock	29	21	65	87,418.62	253.39	84.63
Roseau	81	51	187	208,518.06	214.97	72.96
Sibley	61	54	139	175,360.23	237.94	75.85
Steele	109	83	256	301,512.76	231.22	74.21
Stevens	44	31	97	113,612.48	213.16	73.92
Swift	81	66	192	245,023.52	251.05	79.17
Todd	155	120	306	414,245.50	222.59	80.99
Traverse	26	16	51	65,460.46	208.47	81.02
Wabasha	92	75	219	249,557.06	226.66	70.64
Wadena	95	84	217	303,281.63	266.50	83.99
Waseca	72	43	171	212,670.00	246.72	82.82
Watonwan	62	44	136	179,707.20	241.87	82.85
Wilkin	42	38	92	112,031.98	220.54	71.59
Winona	261	212	514	771,463.58	246.08	88.57
Yellow Medicine	56	31	104	153,573.55	229.56	94.80

* May not add due to rounding. ** Includes Lincoln, Lyon, and Murray Counties.

General Assistance
Fiscal Year 1976

County	Avg. Number of Cases	Avg. Number of Persons	Obligations Avg. Monthly	Total Obligations for Fiscal Year 1976	Avg. Monthly Per Case	Avg. Monthly Per Person
Aitkin	16	31	$ 1,623.00	$ 19,476.03	$ 103.60	$ 52.07
Anoka	142	204	20,292.33	243,507.96	143.07	99.27
Becker	23	25	2,251.46	27,017.50	100.06	89.76
Beltrami	35	81	3,619.65	43,435.78	102.44	44.78
Benton	8	18	1,179.62	14,155.39	142.98	67.41
Big Stone	12	14	1,211.38	14,536.59	105.34	89.18
Blue Earth	64	105	8,800.23	105,602.79	137.32	84.01
Brown	18	21	2,402.64	28,831.63	134.10	112.62
Carlton	69	96	8,321.67	99,860.01	120.60	86.38
Carver	7	9	1,114.13	13,369.50	161.08	128.55
Cass	29	90	3,996.13	47,953.51	137.01	44.24
Chippewa	8	20	1,138.58	13,663.00	151.81	57.41
Chisago	15	27	1,847.00	22,164.00	122.45	67.57
Clay	9	14	994.28	11,931.40	112.56	70.60
Clearwater	14	31	1,734.10	20,809.19	123.13	56.09
Cook	8	11	880.85	10,570.17	108.97	82.58
Cottonwood	9	18	1,285.10	15,421.25	146.87	72.74
Crow Wing	41	71	5,595.50	67,145.98	136.20	78.72
Dakota	332	576	55,051.70	660,620.34	165.65	95.58
Dodge	6	15	908.42	10,901.02	145.35	61.59
Douglas	21	34	2,392.77	28,713.25	112.60	71.43
Faribault	16	43	1,962.17	23,546.03	122.00	45.63
Fillmore	11	22	995.50	11,945.96	87.20	44.41
Freeborn	23	48	2,153.18	25,838.16	92.28	44.94
Goodhue	10	12	813.78	9,765.36	81.38	65.54
Grant	0*	0*	53.56	642.75	160.69	160.69
Hennepin	6,179	7,584	769,583.65	9,235,003.79	124.54	101.47
Houston	9	13	1,220.32	14,643.86	138.15	93.27
Hubbard	5	10	507.31	6,087.70	93.66	51.59
Isanti	18	25	2,165.98	25,991.72	123.77	85.50
Itasca	169	299	25,085.36	301,024.35	148.29	83.99
Jackson	18	41	2,847.22	34,166.60	158.18	69.02
Kanabec	12	24	1,555.89	18,670.64	125.31	65.05
Kandiyohi	55	100	6,445.18	77,342.11	117.01	64.67
Kittson	4	6	351.49	4,217.89	100.43	54.78
Koochiching	56	112	8,243.21	98,918.47	146.98	73.44
Lac Qui Parle	1	4	133.45	1,601.36	114.38	36.39
Lake	40	63	5,707.95	68,495.45	141.81	91.08
Lake of the Woods	5	10	544.19	6,530.29	102.04	53.97
Le Sueur	21	38	3,255.83	39,069.90	154.43	86.25
Region 8 North	69	166	11,269.02	135,228.20	164.31	67.92
McLeod	9	14	1,265.48	15,185.78	144.63	87.78
Mahnomen	1	5	79.51	954.13	68.15	16.17
Marshall	3	6	306.54	3,678.51	105.10	54.90
Martin	27	52	3,695.75	44,349.03	136.88	71.76
Meeker	16	41	1,774.41	21,292.86	114.48	43.02
Mille Lacs	30	67	2,921.24	35,054.86	96.84	43.33
Morrison	28	39	2,652.83	31,833.91	93.91	68.76
Mower	53	96	7,496.57	89,958.79	142.11	77.82
Nicollet	10	21	1,527.09	18,325.10	147.78	73.89

General Assistance
Fiscal Year 1976

County	Avg. Number of Cases	Avg. Number of Persons	Obligations Avg. Monthly	Total Obligations for Fiscal Year 1976	Avg. Monthly Per Case	Avg. Monthly Per Person
Nobles	28	49	$ 4,202.70	$ 50,432.42	$ 147.90	$ 86.51
Norman	7	10.	731.30	8,775.54	103.24	75.65
Olmsted	92	127	14,464.46	173,573.51	156.51	113.97
Otter Tail	20.	39	2,611.07	31,332.84	128.94	66.38
Pennington	5	9	345.99	4,151.85	70.37	38.09
Pine	21	35	3,052.91	36,634.86	145.96	87.02
Pipestone	4	5	454.68	5,456.16	113.67	99.20
Polk	32	40	3,706.60	44,479.18	116.74	92.09
Pope	4	6	444.83	5,337.91	121.32	76.26
Ramsey	3,057	3,966	528,418.34	6,341,020.07	172.88	133.24
Red Lake	1	1	12.50	150.00	25.00	25.00
Redwood	17	35	2,044.19	24,530.28	122.04	59.11
Renville	17	45	2,504.79	30,057.50	151.04	55.35
Rice	32	47	4,009.34	48,112.05	123.68	85.76
Rock	9	24	1,278.94	15,347.26	140.80	53.85
Roseau	1	2	72.72	872.58	79.33	30.09
St. Louis	1,523	2,134	215,683.05	2,588,196.60	141.66	101.05
Scott	46	68	6,811.66	81,739.86	148.35	99.80
Sherburne	12	22	1,365.62	16,387.38	115.40	61.84
Sibley	4	4	399.50	4,794.00	99.88	99.88
Stearns	19	27	1,796.08	21,552.97	96.22	66.93
Steele	11	18	953.39	11,440.69	86.67	53.46
Stevens	6	10	685.21	8,222.56	106.79	68.52
Swift	17	37	2,309.57	27,714.83	139.27	62.28
Todd	14	33	2,099.31	25,191.75	147.32	62.98
Traverse	5	10	611.42	7,336.99	118.34	58.70
Wabasha	11	24	1,361.53	16,338.40	122.85	56.53
Wadena	5	12	523.20	6,278.39	116.27	43.00
Waseca	12	30	1,339.64	16,075.69	116.49	44.16
Washington	374	671	62,673.31	752,079.76	167.58	93.39
Watonwan	10	20	925.60	11,107.23	97.43	46.67
Wilkin	4	6	720.73	8,648.80	163.18	112.32
Winona	29	35	2,325.77	27,909.19	79.06	66.77
Wright	27	57	3,632.66	43,591.87	134.13	63.73
Yellow Med.	8	13	862.90	10,354.74	105.66	65.54
Total	13,268	18,143	$1,868,689.63	$ 22,424,275.56	$ 140.85	$103.00

* Less than 0.5 persons or cases per month.

"To Promote the General Welfare" ...Unfinished Agenda

In many ways, the welfare system is a safety net that catches people whom other programs and policies have failed. When unemployment soars, food stamp and general assistance rolls swell as jobless benefits are exhausted. Sex and race discrimination in the job market consigns women and minorities to low-paying jobs or no jobs at all, forcing them to resort to welfare. Lack of adequate health care — especially preventive care — perpetuates disabilities that prohibit self-support. When schools don't equip students with the skills necessary in a technological society, they, too, end up as welfare clients.

Any comprehensive attempt to combat poverty has to address a whole range of policies and programs that are intended to enable people to be productive and self-supporting. But even in the best of all possible worlds, there will be those who cannot be expected to work. These individuals — the old, the chronically ill and disabled, those who care for young children, and the children themselves — must be provided for in some way.

The income assistance programs now in place, haphazardly evolved in the forty years since the Great Depression, do not adequately meet the needs of the poor. Only about half of all low-income Americans receive any cash aid from federal public assistance programs. For those who do receive aid, benefits are generally inadequate and vary greatly from recipient to recipient and state to state.

There is general agreement that the current system needs reform, but welfare reform means different things to different people. To some, it means federal takeover of state and local costs; to others, more adequate benefits and coverage for the poor; and to still others, cutting back on welfare rolls and costs. While the climate in Washington for reform is favorable, consensus on the extent of change needed, the timetable, or the strategy has not yet emerged. Moreover, most observers of the welfare scene agree that reform of income assistance programs alone is not enough. Improvements in other sectors — a lower unemployment rate, better education and job training programs, and reform of the health care system — are equally essential. But other observers, arguing that poverty is itself the root cause of many social problems, say that simply giving the poor enough money would minimize the need for such categorical programs as compensatory education and nutrition programs. Furthermore, they assert, no amount of services to "patch up" the lives of the poor will be effective as long as family income remains inadequate.

Any effort to improve the existing welfare system is fraught with obstacles. Current programs are exceedingly complex, public understanding of the issues is minimal, and any meaningful reform will be opposed by some as excessively costly, especially in the current climate of fiscal restraint. And, as veterans of the last welfare reform fight learned, what grassroots support there is for "reform" is generally on the side of cutting costs and weeding out the much-exaggerated "welfare chiseler."

Despite these obstacles, the impetus for welfare reform, dormant since 1972, has again surfaced. President Carter has pledged to make it a cornerstone of his domestic policy, and legislative proposals are currently being developed. While indications are that unemployment strategies and program standardization will be stressed, many Washington observers predict that welfare reform this time around will be primarily administrative and fiscal — centering on changes in program management and on relief to hard-pressed states and localities, with little improvement in benefits to recipients.

But real welfare reform must remedy the current system's most flagrant flaw — the failure to provide adequately for the nation's poor. The real question cannot be whether or not to end poverty but how best to proceed. For a nation as rich as ours can no longer tolerate a system that allows 26 million people, including 11 million children, to live in "official" poverty — suffering malnutrition and poor health, deprived of a decent start in life, and outside the mainstream of American society.

Who are the poor?

In 1975, 12 percent of the nation's population had incomes below the "official" poverty line, set at $5,500 for an urban family of four. While the *proportion* of people below the poverty line decreased fairly steadily between 1959, when this data was first collected, and 1969, the *number* of poor people has not declined since. In fact, it actually increased by over 10 percent between 1974 and 1975. Almost half of this increase was due to unemployment of the family head for a substantial period of time, over a million people having exhausted all unemployment benefits in 1975.

According to one veteran poverty analyst, "Poverty is not a random affliction." The poor are mainly blacks, the elderly, families headed by women and persons of Spanish origin. People in these groups make up only 27 percent of those living above the poverty line but 66 percent of those below it. In 1974, one of every 11 whites lived below the poverty level, but one in every three blacks — almost three and a half times as many — had poverty incomes. Almost one in every four persons of Spanish origin — 2.6 million people — lived below the poverty level in 1974.

Poverty is the overriding fact of life for an increasing number of women and their children. In 1975, females headed one household of every eight, but nearly half of all poor families were headed by wom-

current focus

League of Women Voters
Education Fund
1730 M Street, N.W.
Washington, D.C. 20036

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LEAGUE OF WOMEN VOTERS OF MINNESOTA

555 WABASHA • ST. PAUL, MINNESOTA 55102 • TELEPHONE (612) 224-5445

October 26, 1977

Mr. John M. Martin, Jr.
Chief Counsel,
Committee on Ways and Means
1102 Longworth House Office Building
Washington, D. C. 20515

Dear Mr. Martin:

The League of Women Voters of Minnesota would like to make a brief statement at the hearing of the House Welfare Reform Subcommittee in Minneapolis, Minnesota on Wednesday, November 16th. The person who would testify would be Mrs. Lois DeSantis, 6508 Newton Ave., So., Minneapolis, MN. 55423, 612-866-5171. She is the Human Resources Chairperson of the Minnesota League of Women Voters.

The portions of the President's welfare reform proposal which will be addressed will be:

1. The cash assistance level
2. The accountable period
3. The job program

Under cash assistance level, we would testify that the proposed level is not high enough. Minnesota recipients are currently receiving considerably more than what is quoted for a family of four, and we would not like to fall below our present level. Also, we would like to see the food stamp program retained, we would be in favor of increasing the federal funding of the cash assistance benefit from 90% to 100%, and we would be in favor of increased federal matching monies for state supplementation.

As to the accountable period, our organization favors the definition of accountable period as that currently used in the food stamp program - namely, a period which considers income in the previous month and anticipated income in the coming month, as the basis for eligibility.

Under the job program our main concern is for fair treatment of women. This would include creation of a significant number of part-time jobs, training programs for women in the private, as well as the public, sector job market, and jobs which are not injurious to the health of participants nor take them too far from their homes.

Sincerely yours,

Lois C. DeSantis,
Human Resrouces Chair

League of Women Voters of the United States • 1730 M Street, N.W., Washington, D.C. 20036 Tel. (202) 296-1770

NOV 4 1977

TESTIMONY BEFORE THE WELFARE REFORM SUBCOMMITTEE

U.S. HOUSE OF REPRESENTATIVES

ON

HR 9030, BETTER JOBS AND INCOME ACT

BY

RUTH C. CLUSEN

PRESIDENT, LEAGUE OF WOMEN VOTERS OF THE UNITED STATES

NOVEMBER 1, 1977

I am Ruth Clusen, President of the League of Women Voters of the United States and with me today is Regina O'Leary, chairman of the League's Income Assistance program area. The League of Women Voters is pleased to have this opportunity to present our views on HR 9030, the President's "Better Jobs and Income Act." The League is a volunteer citizen education and political organization of 1,400 Leagues with approximately 140,000 members in 50 states, the District of Columbia, Puerto Rico, and the Virgin Islands. Welfare reform has been a major concern of the League since 1970, when the organization undertook a study of alternatives to welfare as a means of combating poverty and discrimination. As a result of the study, the League agreed to support a system of federalized income assistance and lobbied extensively for welfare reform in 1971 and 1972.

The League continues to view welfare reform as one of the nation's most pressing needs. Since last spring when the Administration's advisory committee on welfare reform began exploring the issue, the League has worked to share our ideas and goals for overhaul of this nation's welfare system.

The debilitating effects of our current welfare system can be felt throughout society. Recent increases in program costs -- exacerbated by high rates of unemployment -- have severely taxed government budgets at all levels. Unrealistic benefit and eligibility requirements plus the inequitable treatment of single versus two-parent families have encouraged family breakup. And the complexity and lack of coordination among existing programs have frustrated bureaucrats and recipients alike.

But the most critical effects of the current system's failings have been on those whom these programs were designed to serve. Inadequate benefit levels and the lack of realistic work opportunities condemn too many Americans to the crippling welfare cycle.

While near unanimity exists as to the failings of the current system and the need for change, welfare reform means different things to different people. To the League, the most critical test of any welfare reform proposal will be the degree to which it provides adequately for the needs of the poor. All those in need must be eligible for assistance, and benefit levels must be sufficient to provide decent, adequate food, clothing and shelter. It is in this light that we look at HR 9030 today.

We recognize that any welfare reform proposal that provides adequate levels of support for all needy people will be expensive. But we believe that providing adequately for all Americans will be less costly in the long run, since poverty is a major cause of so many social problems. Moreover, a country as rich as ours can no longer tolerate a system that allows 26 million people, including 11 million children, to live in poverty.

We all must also recognize that welfare is increasingly a women's program and a women's problem. In 1975, females headed one household of every eight, but nearly half of all poor families were headed by women. And while only six percent of households headed by men lived below the poverty level in 1975, nearly one-third of families headed by women had incomes below the poverty line. I need not tell you the AFDC program's clientele are primarily women with children, but I will call your attention to the fact that 58 percent of food stamp households are headed by women. If welfare rolls are to be decreased, special attention must be given to the problems women who want to work face in our society. Day care must be provided for the children of all low income parents who want to work. In addition, vocational education and job training programs must be free of sex discrimination and must encourage women to pursue higher paying nontraditional jobs. Equal employment statutes must be enforced. Job creation programs should provide part-time jobs to enable women to care for their children and work as well. It is with these criteria in mind, too, that we look at HR 9030 today.

HR 9030 -- BETTER JOBS AND INCOME ACT

The League recognizes the very close interaction between employment policies and welfare programs. Not only does high unemployment spell high costs for welfare, but more jobs are, in the end, the only alternative to welfare.

A policy of full employment is the best insurance against uncontrollable welfare rolls. While the President's plan to reform welfare falls short of embodying a full employment policy, we view it as a significant step toward guaranteeing every American able and willing to work a job at a living wage.

We applaud the expanded job opportunities found under Title II of the bill. The fact that this plan does address the problems of the working poor is certainly to be commended. We are pleased to see the inclusion of part-time job slots for single-parent families with child care responsibilities. The League lobbied hard throughout the spring and summer to get day care into the plan and while the inclusion of a day care deduction for single-parent families is certainly a step in the right direction, this deduction does not answer enough day care needs. I will address this later.

The League fully supports the extension of cash assistance under Title I to two-parent families for we share the Administration's concern that the present welfare system contains incentives for family break up.

We believe one of the most significant features of the plan, a policy that the League has advocated for many years, is the introduction of a federal basic benefit level. We support federalization of welfare, and are thus pleased to see this plan take us a step further towards that goal. The fiscal relief to states and localities in HR 9030 will also help to relieve the burdens of state and local governments of what is, after all, a federal responsibility.

The League finds much in HR 9030 which is commendable. But we do not believe the plan goes far enough to rectify the shortcomings of our welfare system. It is these points that we wish to address in the remainder of our testimony.

Cash Assistance Component

Women and children last

First, let me address the inadequacies we find in the cash assistance portion of the Administration's welfare reform plan. We are especially troubled that the Carter "better jobs and income" legislation would continue to provide least adequately for our nation's most valuable resource -- its children. While the cash assistance benefit under the Carter plan for aged, blind and disabled individuals is 80 percent of the official poverty line and the benefit level for such couples equals 98 percent of the poverty line, the cash assistance benefit for families with children is 65 percent of the poverty line.

We believe that this policy of "women and children last" is not only inequitable, it is short sighted. The results of HEW funded income maintenance experiments described in hearings before this committee in October indicate the long range benefits of providing more adequate income supports to low-income families. The Gary experiment separated AFDC recipients into two groups -- one received standard AFDC benefits, the other received higher benefits. The children born to high-risk mothers in the group receiving the higher benefits weighed up to one pound more at birth than did babies born to high-risk mothers receiving the standard AFDC benefits. Low birth weight, which has been correlated with poor nutrition in pregnant women, is linked to higher rates of mortality and morbidity in children and may be associated with lower learning ability in later life. Moreover, both the rural income maintenance experiments and the North Carolina experiment showed improved school performance, including increased attendance, improved achievement in behavior and scholarship, and increased scores on standardized tests for grade school children whose parents received higher income payments. In the Gary and New Jersey experiments, higher income supports enabled high school and college students to reduce hours worked and remain in school longer.

We believe these studies support our long-standing argument that adequate income supports for poor Americans are "cost effective" to society in the long run, as well as humane public policy.

Poverty line

The cash assistance level for all groups should gradually be raised to <u>at least</u> the poverty line. While we recognize that the poverty line itself is too low to provide an adequate income, raising cash assistance payments to this level is a first step in meeting the needs of poor Americans. We strongly support inclusion of language in HR 9030 that would provide for incremental increases in cash assistance benefits until they reach the poverty line.

In addition, we support inclusion of language providing an automatic cost of living increase for cash assistance benefits. The current food stamp program and the Supplemental Security Income program both contain an automatic cost-of-living provision. To omit cost-of-living adjustments, as does HR 9030, is a step backward for millions of poor Americans, who, as you know, are the hardest hit by inflation.

Food Stamps

We advocate retention of the food stamp program as a means to supplement benefits until federal benefit levels are adequate. The benefit for a family of four under the recently enacted food stamp program -- roughly $1,100 with an income of $4,200 in 1978 -- would raise the cash assistance level to $5,300, or about 80 percent of the 1978 poverty line.

Day Care

As I mentioned earlier, the League lobbied hard for inclusion of day care in the Administration's welfare plan. We were pleased that the final Carter proposal contained a day care deduction for single parents of $150 a month for one child and $300 for two or more children. While this provision is essential to encourage women with young children to work, it does not go far enough.

First, the day care deduction must be expanded to include two-parent families. Currently, the food stamp program and AFDC permit two-parent families receiving benefits to deduct child care expenses. Because so many families require two incomes to maintain a decent standard of living, the day care deduction must be available to these families to offset some of the additional expenses of the two parent working family.

Second, HR 9030 fails to address the other side of the day care coin -- the supply issue. The day care deduction means little in those areas of the country where day care is not available -- either center care or baby sitters. In 1975, almost 6.5 million children under six had working mothers. In the same year, according to a survey commissioned by HEW's Office of Child Development, only about three million children were in licensed day care centers, nursery schools or licensed family day care homes. This left over 3.5 million children in unlicensed centers or homes, cared for by relatives or, in too many cases, left to fend for themselves while parents were at work. And, of course, we have no figures on the number of parents unable to accept work because day care is not available. Adequate, high quality day care <u>must</u> be made available for these children and their parents.

The Administration's plan to channel Public Service Employment workers into day care centers is not sufficient to meet day care needs. We strongly urge that additional funds be made available, either by increasing amounts earmarked for day care under Title XX or by authorizing funds under HR 9030, to expand the supply of licensed day care slots to meet the needs of all parents with preschool children participating in either the cash or jobs program who want to work.

Accountable Period

One of the most controversial provisions of HR 9030 is the provision which would base eligibility for cash assistance payments on income earned over the previous six months. This "six month retrospective accountable period" is a drastic departure from the current AFDC and SSI programs, which base eligibility and benefits on current and prospective income needs.

HEW estimates that the six month provision would reduce benefits to recipients by between $1.5 and $2.5 billion compared to a current needs test under the Carter proposal. The League however, cannot support a savings that would hurt many prospective recipients. The League would support a reasonable compromise between retrospective and prospective accounting such as the one contained in the recently passed food stamp bill, which averages income received in the previous month with income anticipated in the coming month to determine eligibility and benefit levels.

Under HR 9030, a family of four with an income over $8,400 annually would be ineligible for assistance from one to six months after applying for benefits. But delays would be even longer considering that under the retrospective system benefits based on a given month's income will not be processed and in the hands of recipients for up to 45 days according to HEW estimates.

For a particularly startling example of how this accountable period would work, let us look at its effect on a single person who loses his/her job, and receives $55 a week in unemployment compensation for six months. After unemployment benefits run out, the individual applies for the $1,100 cash assistance benefit -- the only aid available under HR 9030. Such an individual would be required under the Carter administration plan to wait <u>eight</u> <u>months</u> between the time unemployment benefits ran out and the time he/she began receiving the $83 ? 8 92 monthly benefit available under HR 9030. Currently, the same individual would be eligible for food stamps as soon as unemployment compensation runs out.

The Administration seems to expect that families with an income over $8,400 would be able to save for adversity. We find this expectation unrealistic when studies show and our own experience indicates that families are not able to save until their income approaches $20,000. Furthermore, if a low- or moderate-income family <u>were</u> able to save funds to tide them over in an emergency, they would be ineligible for assistance if their savings exceeded the assets limit contained in HR 9030.

The six-month retrospective accountable period would most adversely affect unemployed workers not covered by unemployment insurance. Even after the unemployment insurance amendments passed last year go into effect (PL 94-566), approximately 2.6 million workers will not be covered by unemployment insurance, according to Department of Labor estimates. (This figure omits self-employed individuals, who are not covered by unemployment insurance.)

The Administration argues that the emergency assistance program contained in HR 9030 could be used by states to provide benefits in emergency situations for families who were ineligible for benefits due to the six-month retrospective accountable period. The League does not believe that the harmful effects of the six-month retrospective accountable period will be remedied by this emergency assistance fund. In the first place, the money will be distributed to states as a block grant. There is no assurance that states will choose to spend part of their allocation to provide for families who are without income due to the six-month retrospective accountable period. Second, we question the adequacy of the total $620 million authorization. Comprehensive data on the total expenditures for emergency needs is not collected, but available statistics indicate that much more than $620 million is currently spent by all levels of government.

One final thought on retrospective accounting -- we criticize retrospective budgeting because it is unresponsive to current needs. But this factor cuts both ways -- not only does this budgeting method fail to provide cash when a family needs it, but it also maintains high benefits for a period <u>after</u> a family begins earning higher income. Thus, if a parent begins earning $100 a month in January, under the prior month budgeting system, the reduction in the cash assistance payment would not appear until March.

Again, we would support an accountable period similar to the one contained in the recently passed food stamp bill, which averages income received in the previous month with income anticipated in the coming month to determine eligibility and benefit levels.

State Supplementation/Fiscal Relief

The League has always insisted that any welfare reform plan must assure that current recipients receive benefits equal to or greater than what they currently receive. Thirty-eight states and the District of Columbia currently provide combined AFDC and food stamp benefits that exceed the $4,200 level for a family of four contained in the Carter proposal. If these states do not continue to supplement to current levels, large numbers of recipients will receive lower benefits under HR 9030 than they now receive.

Both HEW and the Congressional Budget Office have done extensive computer analyses of the "gainers and losers" under HR 9030 as compared to current programs. These analyses all assume that states will continue to supplement cash benefits up to current levels, but that states will not necessarily "hold harmless" all current recipients of public assistance.

It is impossible to predict precisely the amount of supplementation in each state, since this decision rests ultimately with state legislatures and will depend in large part on the state of the economy and of state budgets when the supplementation question is under consideration. But preliminary information from the states seems to indicate that while high benefit states by and large intend to maintain benefits to current levels, at least during the first years of operation, the same assumption cannot be made for midrange states. Moreover, even high benefit states may decide to cut back supplementation in the event of an economic downturn, since state costs will increase dramatically as more people revert to the cash assistance program.

We favor increased incentives for state supplementation and an increase in the number of public service jobs, if required, both to provide additional fiscal relief to states and to encourage more adequate cash assistance benefit levels. First, we propose increasing the federal share of the basic benefit to 100 percent. Second, we would increase the federal match for state supplementation of the $4,200 cash assistance benefit from 75 to 90 percent of the first $500 and from 25 to 50 percent from $4,700 to the poverty line. We also urge the committee to consider creating more public service jobs and expanding eligibility for these jobs as a means both of protecting states from additional costs and providing more adequately for recipients.

Grandmothering

We believe that the provisions in HR 9030 that would reimburse states for "grandmothering" AFDC must be strengthened. Under HR 9030, a state is reimbursed for 100 percent of the cost of "grandmothering" current SSI recipients. Only 75 percent of the cost of "grandmothering" current AFDC recipients will be picked up by the federal government, and this will happen only if the state spends over 90 percent of 1977 assistance expenditures in the first year of operation of the new program. The League believes states should be required to hold current AFDC and SSI recipients harmless, and that they should be reimbursed by the federal government for 100 percent of these costs.

Jobs Component

The League has been a longtime advocate of expanded employment opportunities as the best alternative to welfare. We were therefore pleased with the emphasis on job counseling and referral and direct job creation embodied in HR 9030. We believe the intent of the jobs portion of the plan is, for the most part, commendable. However, intent is not enough. Specific language to assure the intent is put into effect is necessary.

Number of Jobs

It is our view that the current Administration proposal does not go far enough in providing employment opportunities for all low income people who could benefit from them. It seems to us that the 1.4 million public service jobs to be created are not sufficient to provide a job for every eligible individual who wants to work. The Department of Labor's estimate of the number of PSE jobs required is based on the assumption that unemployment will be down to 5.6 percent by 1981. If unemployment is higher, 1.4 million PSE jobs will clearly be inadequate.

Many state officials, too, have expressed concern over whether the number of PSE jobs contained in HR 9030 is sufficient. The Massachusetts Department of Public Welfare observes that, if the number of PSE jobs created is not sufficient to provide a job for all those required to work, the states will be forced to absorb additional costs. For example, if a state supplements the cash assistance grant to $5,500, it would be required to supplement the PSE wage by 25¢ above the minimum wage. Thus, it would cost the state between $600 and $700 a year to supplement one PSE job. But if a PSE job were not available, an eligible family would revert to the higher cash assistance tier, which would cost the state between $1,100 and $1,200 annually for a family of four. The same situation would apply in states which choose not to supplement the cash assistance grant. These states would not be required to supplement the PSE wage at all. But they would be required to provide 10 percent of the basic cash grant to any family which "flipped up" from the lower job track to the higher cash assistance track.

A last minute addition to the jobs component was the inclusion of 300,000 part-time job slots out of the 1.4 million jobs figure. These slots were added to provide employment opportunity for single heads-of-households -- read "women" -- with children between the ages of 7 - 14 years. We question whether these 300,000 part-time positions will be created, since HR 9030 does not require that a specific percentage of PSE jobs created be part-time slots. We doubt that the figure of 300,000 part-time job slots will cover the pool of eligible people, which includes those who want to volunteer as well as those who are required to work. The League urges that you include language which will assure an adequate number of part-time jobs.

The assumption that PSE participants will stay in a public service job for an average of only 26 weeks is optimistic to say the least. The Labor Department is counting on private sector employment opportunities to encourage PSE participants to move out of public service employment rapidly. But, if private employment opportunities are limited -- and I would point out that nothing in the plan would stimulate private sector job creation -- PSE participants will remain in publicly funded jobs for longer periods, leaving others eligible for PSE jobs without work and forced to live on the lower cash assistance benefit.

Given the program's commitment to expanding job opportunities for the poor, we believe that the Administration should move toward making public service jobs an entitlement to all who are eligible, just as cash assistance is an entitlement to all those eligible.

Principal Wage Earner

The Carter Administration "better jobs and income" proposal currently limits eligibility for a public service job to the "principal wage earner" in two parent families with children. The principal wage earner is defined as the person who earned the most in the last six months or, alternatively, worked the most hours. This provision creates a ready-made bias toward men over women in two-parent families in the allocation of PSE jobs. In fact, the Department of Labor's own estimates project that only 14 percent of PSE participants from two parent families will be women.

The League of Women Voters strongly believes that the decision concerning which family member should take a public service job is a decision best left up to each family. The allocation of training and employment opportunities should not be based on an outmoded conception of who the family breadwinner should be, but on the needs of the individual family and their decision of who best could profit from the job experience.

In his testimony before this committee, Secretary of Labor Ray Marshall stated that if the principal wage earner provision were eliminated but PSE jobs still limited to one per family, approximately 880,000 additional PSE jobs would be required. But this estimate assumes that eligibility for PSE jobs would not be means tested. We recognize that if the decision as to who should take a PSE job is to be left up to the family, some limit must be placed on gross family income to prevent an unemployed or low paid spouse of a high income individual from being eligible for a PSE job. We think, for example, the Bureau of Labor Statistic's lower living standard ($10,040 in 1977) would be a reasonable limit on family income for eligibility for a PSE job.

Job Search

The League is opposed to the provision in the jobs program that stipulates that all families with a member who is expected to work will receive a reduced benefit during the initial eight week job search. The lower tier benefit for the "expected to work" category is $2,300 a year for a family of four, or $44 a week. An annual five week job search at the reduced benefit will be required of all individuals who remain in a PSE job for one year.

The Administration argues that this period of reduced assistance is necessary to provide "an incentive to seek and accept employment." We would point out that the lower benefit during the eight week job search creates an incentive for family breakup, since a family with a member who is expected to work must wait eight weeks before they are eligible for the upper tier cash assistance benefit. If the father deserted however, his family would immediately become eligible for the higher benefit as long as a child under seven was present.

Numerous work incentives -- including the $3,800 income disregard, the low benefit reduction rate, the wage supplement and the earned income tax credit -- already exist in HR 9030 which make work more financially rewarding than not working. We strongly believe that these financial incentives are sufficient to ensure that poor individuals will in fact seek and accept jobs. HEW Secretary Joseph Califano has stated many times that the poor want desperately to work. Numerous recent studies support his assertion. The eight week "job search" payment, however, does not.

Denying adequate benefits for the initial eight week "job search" is unnecessary as well as inhumane. The upper tier benefit ($4,200 for a family of four) should be available to families with a member who is expected to work until a job -- in either the public or private sector -- is provided.

Sex Discrimination

Prime sponsors administering the public service jobs program under Title II of HR 9030 would be required to comply with prohibitions against discrimination on the basis of race, creed, color, national origin, sex, age, political affiliation or beliefs that are contained in the current Comprehensive Employment and Training Act.

An examination of participation rates in Title II and Title VI of CETA suggest that existing prohibitions against sex discrimination are not sufficient to assure the equitable allocation of jobs. In 1975, 65.8 percent of participants under Title II were men, while only 34.2 percent were women. Under Title VI, the proportions were even more skewed -- 70.2 percent of Title VI participants were males, while only 29.8 percent were females.

We strongly endorse the Department of Labor's recent efforts to improve the sensitivity of prime sponsors to serving more equitably various categories of the unemployed. We especially commend the Department's recent action to require prime sponsors to analyze the local unemployed workforce and explain in their service plans how they plan to serve these target groups. The Department of Labor then reviews the justification for failing to serve within

15 percent of each target population and returns the plan of service if the deviation is found to be unjustified. We will be watching Labor Statistics closely to see whether these efforts are reflected in the participation rates, particularly in the improvement of female participation.

We believe that more needs to be done to assure equitable treatment of all categories of the unemployed, both under existing CETA programs, and under the Title IX, to be created by HR 9030. First, prime sponsors should be required to develop, submit and carry out affirmative action plans. Prime sponsors should be required to show not only how they plan to serve the various target populations, but also how they plan to ensure that women are given the opportunity to particpate in training and job placement on an equal footing with men. As the WIN experience shows, too often women are channeled into low paying traditional "women's work" instead of higher paying non-traditional fields.

Finally, the Department of Labor should rigorously enforce anti-discrimination provisions, and make clear to prime sponsors that funds will be cut off for persistent failure to plan and carry out effective affirmative action plans.

Singles, childless couples

Under current public assistance programs, the groups provided for least adequately are non-aged single individuals and childless couples. The only assistance available to these groups is a food stamp benefit of $625 for an individual with no income and $1,150 for a similar couple. In a few states, singles and childless couples are eligible for general assistance, but often on only a short-term basis.

HR 9030 continues this inequitable treatment of singles and childless couples. Single people with no income are eligible for only $1,100 a year, or $92 a month. Couples are eligible for $2,200 annually. Worse, they are ineligible for public service jobs. Single individuals and childless couples constitute 30 percent of the poverty population. Unemployment among single people is particularly high -- 16 percent in 1975. In the same year, 2 million childless couples experienced unemployment.

During consideration of welfare reform in 1971 and 1972, the League pressed rigorously for coverage of singles and childless couples for cash benefits. Today we urge this committee to strongly consider additional coverage of singles and childless couples. We think the best approach would be to provide part-time public service jobs. For those unable to accept regular employment, sheltered workshops would provide the opportunity for useful work and additional income.

Training

Finally, a word about training. HR 9030 requires prime sponsors to provide both jobs and training. Training is to consist of classroom instruction, skills training, on-the-job training and other types of work experience. It is left to the prime sponsor to determine the mix of job and training provided. It is also left to the prime sponsor to determine whether they will pay training slots at at least the minimum wage.

League members who have worked with training programs have concluded that too often, training programs fail to train participants for jobs that are in demand in the private sector. As part of each plan of service, the Department of Labor should require prime sponsors to analyze existing and projected labor supply demands and to design training components on the basis of these findings. In the case of women, it is particularly important that training for non-traditional jobs be available and accessible.

In summary, while we do not believe that the jobs portion of HR 9030 goes far enough in providing job opportunities for the nation's poor, we have serious doubts that it will even be able to fulfill its own modest promises.

1730 M STREET, N.W., WASHINGTON, D.C. 20036 TEL. (202) 659-2685

news release

League of Women Voters Education Fund

Going on DPM
(Nov 1977)

The following feature story is based on material in the League of Women Voters Education Fund publication To Promote the General Welfare...Unfinished Agenda. You may want to adapt it for use in your local newspaper. The material could be presented as a straight feature or combined with information based on related local and/or state League activities.

Who are this nation's 26 million poor citizens? They are parents of young children who can not make ends meet on the salaries they make working. They are disabled persons sitting on busy street corners seeking a handout from passers by. They are the unexpectedly widowed unable to fathom how to pay the next bill.

They are black and white, urban and rural, elderly and young who make up 14 per cent of this country and have a direct stake in legislative activities to reform the federal welfare system currently underway in Washington. The rest of the nation has a stake as well since an ineffective income assistance system which does not meet the needs of the poor is costly to taxpayers and will result in continued hunger, disease and crime.

Despite some 55 public assistance programs with a fiscal 1976 price tag of over $67 billion, over 10 per cent of the nation's citizens still live in "official" poverty -- suffering malnutrition and poor health, deprived of a decent start in life, according to a recent League of Women Voters Education Fund publication To Promote the General Welfare...Unfinished Agenda.

Since the economic depression of the 1930's well-meaning programs designed to meet a variety of needs have developed largely autonomously to form a haphazard system popularly known as "the welfare mess." The major federal programs -- Supplemental Security Income (SSI), Aid to Families with Dependent Children (AFDC), Medicaid and food stamps -- form the basis of the system administrators call a nightmare, recipients find inadequate and inequitable and taxpayers decry as ever burgeoning.

OVER

Attempts have been made to make the system more responsive to the needs of the poor. Recent reform strategies include the income security plan which incorporates a cash grant and a tax exemption to replace AFDC, food stamps and SSI; the incremental approach of gradually reforming current programs to bring the entire welfare system up to date; and the multi-track approach which combines expanded job opportunities for those able to work and cash grant system for others. This final design is the basis of the Carter Administration's reform proposal currently before the Congress.

There are good reasons for reforming the current system. The benefits of SSI, AFDC, food stamps and Medicaid only allow half the nation's poor to escape official poverty, To Promote the General Welfare points out. In 1975, only 61 per cent of the nation's poor qualified for cash grants under AFDC and SSI and only some of the other 39 per cent benefited from food stamps and/or state and local assistance programs.

Rather than encouraging work, the current welfare system has penalized recipients who take a job by reducing or cutting off benefits. "AFDC recipients are allowed to keep only 33 cents on every dollar of net earnings above $30 a month. If they also receive food stamps, their net income from work could drop to 20 cents for each dollar earned. In fact, for families eligible for a variety of programs, the cumulative tax rate may exceed 100 per cent, making work a money-losing venture," To Promote the General Welfare states.

Family unity is also discouraged under the present welfare system. Households with able bodied males are ineligible in half of the states for AFDC regardless of need and therefore are often shut out of programs tied to AFDC eligibility such as housing arrangements and medical care. The Brookings Institution found a female-headed household of four with small earnings in states with more generous benefits could get up to $8,000 in cash and in-kind aid under a variety of programs, yet a two-parent family of the same size whose head worked full time earning as little as $4,500 per year could only be eligible for $900 in food stamp benefits.

"Any comprehensive attempt to combat poverty has to address a whole range of policies and programs that are intended to enable people to be self productive. But even in the best of all possible worlds, there will be those who can not be expected to work. These individuals -- the old, the chronically ill and disabled, those who care for young children and the children themselves -- must be provided for in some way."

To Promote the General Welfare concludes that although welfare reform means different things to different people, the most prominent flaw in the current system is its failure to provide adequately for the nation's poor. Regardless of what approach is taken, any meaningful welfare reform package will carry a hefty price tag. "In a period of continued recession and persistent inflation, the choices are apt to be difficult ones. But this juncture is critical: a restructuring of the current welfare system, if achieved, will affect the lives and livelihoods of the poor for decades to come. In considering the dollar cost of welfare reform, we must not ignore the price of continuing the present inadequate and inequitable system -- the hidden costs of productivity lost, lives wasted and promises unkept."

To get the full story on our current welfare system, order To Promote the General Welfare...Unfinished Agenda (publication #187, 50¢ prepaid), from the League of Women Voters of the U.S., 1730 M Street, N.W., Washington, D.C. 20036.

# # #

November 1977

League of Women Voters of Minnesota, 555 Wabasha, St. Paul, MN 55102 - December 1977

COMMENTS AND SUGGESTED CHANGES FOR LWVMN "UPDATE: PUBLIC WELFARE IN MINNESOTA"
from
Claudia Jagelski, Staff Member, Anoka County Welfare Department, and
Member, League of Women Voters of Anoka-Coon Rapids

Page 1 - Under "Delivery of Services," second paragraph, add to the end of the third sentence "through the Social Security Administration." It should be made clear that SSI is a federal, not a state program.

Page 2 - Comment under "Income Maintenance Programs," fourth paragraph relating to catastrophic health insurance. "This program helps very few people. Its eligibility requirements are such that it is based on the previous year's gross income. People with moderate income cannot qualify when they most need the help during the emergency."

Page 2 - Under "Food Stamps," in the second sentence, cross out the word "welfare." This is not technically a welfare program.

APPENDIX - AFDC Program Outline

1. Change date of April to July 1, 1977, as some of the grants cited below changed as of July 1, 1977.
2. Under "Work Status" - strike out "if he works full time" and substitute "if he works more than 100 hours per month."
3. Under "Personal Property" - change "$7500 equity in home" to $15,000.
4. Under "AFDC Grants," the following should be substituted as the standards:

Eligible Person	Child Only	Family
1	$143	--
2	227	$286
3	281	347
4	347	404
5	384	454
6	418	503
7	459	552
8	495	594
9	530	637
10	560	673
Each Additional	35	35

5. Under "Average Net Income from Assistance," Comment: "This is based entirely on false premise. Only 12% of all assistance cases in Minnesota have any kind of public housing or rent subsidized help. You may not add in an average Medicaid payment for anyone, as they may be healthy or have insurance or other coverage. Less than 50% of all public assistance recipients use or are using Food Stamps, and not all use or even have access to School Lunch Programs. Very misleading!"

APPENDIX - General Assistance

1. Change April date to July 1, 1977, as equity amounts and grant amounts changed as of that date. Changes are indicated below.
2. Under "Age," strike out "no dependent children," as there are occasions when families are not eligible for AFDC and may be eligible for General Assistance.
3. Under "Personal Property," change $7500 equity in home to $15,000.
4. Under "Automatic Eligibility," strike "Medicaid for General Assistance recipients." Comment: "There is a separate medical program, General Assistance-Medical Care, of which 10% is county funded and 90% state funded. The requirements and what is paid are different for this program; it is not the same as Medicaid."
5. Under "Payment Standards" - the grant for one person as of July 1, 1977, is changed from $138 to $145 ($ Maximum shelter allowance of $99 + $46). Note that this would cause the remaining figures on this

page to be increased slightly.

6. Under "Funding: Payments to Recipients" - the state pays 50% of the state minimum, and the county pays the rest. The county may supplement with total county funds up to AFDC family standards.

APPENDIX - Minnesota Supplemental Aid

1. Change date to July 1, 1977.
2. Under "Personal Property," strike out "car." Cars are not counted.
3. Under "Income Disregard" - Add "in some cases" to statement regarding Social Security disregard.
4. Under Payment Standards, add: "Payment standards vary from county to county because of shelter expenses and amount allowed for shelter from county to county."

APPENDIX - Medical Assistance

1. Change date of June, 1977, to July 1, 1977.
2. Under "Automatic eligibility," strike out "Recipients of General Assistance."
3. Under "Income: Maximum income allowed," the correct figures as of July 1, 1977, are:

Family Size	Annual Net Income
1	$2,736
2	3,432
3	4,164
4	4,848
5	5,448
Each additional person	660

4. Under "Personal Property," strike out "Three presons $1500." It should be $150 for each additional person after two at $1,000.
5. Under "Spend down" - Comment: "Medical Assistance is set up for 6 months at a time, so a spend-down is based on 6 months income. For instance, client in family of two makes total net income of $310 per month x 6 months equals $1,860. A household of two is allowed net yearly of $3,432 divided by 2 equals $1,716. $1,860 minus $1,716 equals $144 spend-down. This must be met before assistance may be opened.
6. Under "Payment Standard" - Comment: "You cannot average payment figures for Medical Assistance. This is very misleading, as recipients may have insurance which is paid to the state. This distorts the average. Also, in most counties in Minnesota, most Medicaid payments go to nursing home cases, not AFDC cases."

APPENDIX - Food Stamp Program Outline

1. Change date to July 1, 1977.
2. Under "Age" - cross out this section. There is no age requirement.
3. Under "Definition, unsuitable employment," add "The job does not meet at least the minimum wage."
4. Under "Income" - change two persons to $344.
5. Under "Personal Property," add "for household members getting food stamps."
6. Under "Automatic Eligibility," change to read "SSI, AFDC, GA, Emergency Assistance or any public assistance are automatically eligible for Food Stamps."
7. Under "Payment Standards," change $50 to $52.
8. Under "Errors," - Comment: $18% is not correct. The error rate is much lower."

The Institute For Socioeconomic Studies

THE SOCIOECONOMIC NEWSLETTER

APR 11 1978

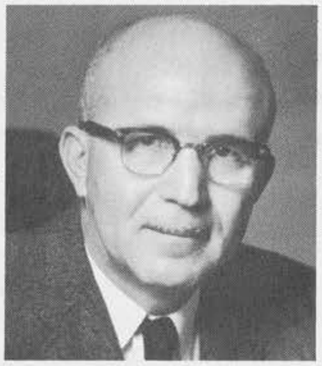
VOL. III, NO. 3 WHITE PLAINS, N.Y. MARCH—APRIL 1978

Health, Welfare Bills Seen Deferred to '79

Two of the Carter Administration's major socioeconomic initiatives, welfare reform and national health insurance, appear likely to be deferred by Congress until 1979, because their price tags are too high for an election year. Even though these programs would not take effect until 1981, Congress generally likes some breathing space between the time it votes for costly programs for the poor and the time it must face the electorate.

However, an election year is the best time to bring up programs that relate more directly to the nation's economy such as tax cuts and jobs programs. Thus Congress is considering an even larger tax cut than the $25 billion proposed by the President, approval of a new public service jobs program is expected and the Humphrey-Hawkins full-employment bill is being considered by the Senate after passage by the House.

Rep. Augustus F. Hawkins (D-Calif.), the bill's co-sponsor, led efforts to defeat amendments to the bill that would have placed as much emphasis on curtailing inflation as on reducing unemployment.



Rep. Hawkins

Private Industry Councils Proposed—As part of its jobs program, the Administration proposed creation of local Private Industry Councils made up of business and labor representatives, to provide local job training slots. The program would create 100,000 job training slots at a cost of $400 million.

Although chances of national health insurance appear dim this year, Sen. Edward M. Kennedy (D-Mass.) told a United Auto Workers meeting that he would try to get an NHI bill out of committee this year and would encourage the House to do the same. The Administration's NHI proposal is expected in April.

Key Senators have indicated that welfare reform won't be considered unless it passes the House in April. But the House Ways and Means Committee, tied up with tax proposals throughout March and expected to take a close look at the welfare bill, won't be able to meet the Senate schedule. As the likelihood grows that the Senate won't vote on welfare this year, the House is also more apt to set the bill aside until 1979.

30% of U.S. Budget Goes to Elderly

About $150 billion of the $500 billion federal budget proposed by the Carter Administration for 1979 will go to programs for the elderly, according to HEW estimates. In ten years, about 45 percent of the federal budget will go to the elderly if that same trend continues.

In 1979, the U.S. expects to spend $90 billion on Social Security payments, $35 billion for Medicare and Medicaid for the elderly, $26 billion for civil service, railroad and military pensions, and $2 billion for welfare programs for the aged.

MINNESOTA HISTORICAL SOCIETY

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Version 3
March 18, 2019

LEAGUE OF WOMEN VOTERS OF MINNESOTA
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Testimony Re: TITLE XX ALLOCATION FORMULA: RULE 162

To: Department of Public Welfare, State of Minnesota

From: Maggie Brown, Human Resources Co-Chair, League of Women Voters of Minnesota

Date: April 21, 1978

We appreciate the opportunity to testify before you and believe it is important that you are meeting to discuss rule 162, the proposed allocation formula for Title XX.

Our comments on the proposed allocation formula, which we see as the immediate problem, should not necessarily be considered as our position for long-term welfare planning. However, an equitable allocation formula must be established.

1. Such a formula should not reduce the level of service in any county in a manner which would drastically upset the system.
2. This formula must take into account the expenditure for mandated programs in each county.
3. There should also be a factor relating to special social service programs. These programs are now reaching Native American, single parents, handicapped, juveniles and many other disadvantaged groups. Many more people would be on full financial assistance were it not for these programs.
4. A formula based on population alone does not meet the basic needs of all persons who are unable to work, whose earnings are inadequate, or for whom jobs are not available.
5. We have reviewed the rules formulated by this proposal and found them to be confusing and inadequate. This may be the problem in trying to establish an acceptable formula.

We would like to address the whole problem of welfare funding. With termination of many federal programs affecting the disadvantaged, the League realizes the increasing importance of these programs' receiving priority at the local and state levels. In the case of Hennepin County, through our observations, we have sensed a trend of an increase in number and size of good programs the county has had to pick up after federal and state agencies have either dropped the funding completely or provided insufficient dollars. We believe this is typical of other counties also. This practice forces more reliance on the property tax. The League of Women Voters of Minnesota supports LESS dependence on the property tax.

It is our hope that you will be looking to some long-range, overall welfare planning at the next legislative session.

The Institute For Socioeconomic Studies

THE SOCIOECONOMIC NEWSLETTER

MAY 16 1978

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Government Ignores Underground Economy

Although this nation's subterranean economy—the cash transactions that go unreported and untaxed—might amount to 10 percent or more of the gross national product, the federal government shows little concern for the problem.

The types of activity most commonly involved in the underground economy include payments to casual labor and part-time work, retail shops, restaurants and bars, tipping and a variety of illegal activities such as bribes.

Government officials acknowledge the problem but say there is no way to gauge the extent of the problem or to halt its growth. An Internal Revenue Service spokesman said one study of taxpayer noncompliance estimates that $40 billion was lost to the Treasury. The problem is difficult, he said, since the IRS only audits three percent of tax returns. The use of more manpower and in-depth audits was suggested as a solution.

Besides involving sizable tax losses, the subterranean economy is estimated to provide substantial employment—perhaps more than a million jobs. If undocumented aliens are included, the number working in the underground economy could reach six to seven million, according to one manpower expert.

So far, except for classic illegal activities, the government has shown an unwillingness to devote its resources to slowing the subterranean economy.

According to Peter Gutmann, chairman of the economics department at Baruch College in New York City, "the subterranean economy...was created by government rules and restrictions. It is a creature of the income tax, of other taxes, of limitations on the legal employment of certain groups and of prohibitions on certain activities. It exists because it provides goods and services that are either unavailable elsewhere or obtainable only at higher prices. It also provides employment for those unemployable in the legal economy; employment for those—like the retired who draw social security, or illegal aliens without residence status—whose freedom to work is restricted; and incentive to do additional work for those who would not do it if they were taxed."

Government figures show that there is ample cash to keep the underground economy booming—$381 per capita in December 1976, or $1,523 for a family of four. Gutmann says the proportion of cash to money in checking accounts continues to grow.

To get a clear picture of the extent of the problem of the subterranean economy, Gutmann suggests a revision of labor force statistics to account for reasonable estimates of those working in unreported jobs. Because, as Gutmann says, this underground economy is the creation of government, the nation's tax structure, Social Security system and the broad variety of income-tested programs should be closely reexamined with an eye to their impact on unreported earnings.

New Poverty Line is $6,200

A non-farm family of four now has to earn more than $6,200 to stay above the poverty line, according to new federal guidelines. The cutoff line for a farm family of four is $5,270. The new poverty line for an urban single person is $3,140. A separate guideline for Alaska sets the poverty cutoff line for a family of six at $10,290.

The Institute For Socioeconomic Studies

THE SOCIOECONOMIC NEWSLETTER

VOL. III, NO. 8 WHITE PLAINS, N.Y. SEPTEMBER 1978

Review of Income Support System for Elderly Sought

Labor Secretary F. Ray Marshall called for a review of the entire U.S. income support system for the elderly in testimony presented recently before the Senate Committee on Aging.

Marshall told the committee the ratio of 80 dependent persons (children and the aged) to 100 adults (between 20 and 64) would be reduced to 70 per 100 by the year 2000 because of a sharp decline in the number of children. The ration is expected to rise again reaching 80 per 100 again around 2025.

Marshall

The prospect of an expanding older population with a stable or declining younger population has its optimistic aspects, according to Marshall. "As the current low birthrate makes itself felt in the labor markets of the future," he said, "the skills and contributions of older workers will be increasingly sought. Employers will find themselves competing for the services of older workers, possibly bidding up wages and accommodating their desires for more flexible work schedules."

The federal government should become a leader in offering flexible work schedules and wider career options for older workers, according to Marshall.

He also believes that the role of the private pension system and its relation to Social Security should be studied, with the aim of providing more adequate income support to the retired.

The Retirement Incentive of Social Security

Mounting concern with the financial strength of the Social Security system and with "ageist" discrimination against older Americans has turned the traditional retirement age of 65 into a political and social issue.

Problems with Social Security have arisen because a substantial portion of the working population now survives well past 65, while the number of younger people, whose current contributions have been expected to cover current benefits, has fallen far below earlier projections. Although Social Security is in no immediate danger, the prognosis is for either increased taxation, greater contributions from general revenues or an increase in the retirement age, thus delaying the time when benefits have to be paid out and presumably shortening their duration.

At the other end of the spectrum, there have been pressures to lower the retirement age. Not only does early retirement open job slots which can be filled by young workers, it is argued, but employers' wage costs are likely to be lower for the new workers. Partly as a result of pressure to lower the retirement age, the Social Security system allows retirement as early as 62, if a worker is willing to accept reduced benefits.

Senior citizen groups have during the last few years focused on the mandatory retirement age of 65, contending that the practice has forced many willing and able workers out of the job market. The campaign on this issue culminated earlier this year when Congress set mandatory retirement for most private sector employees at age 70 and outlawed it altogether for federal workers.

(Continued on next page)

MINNESOTA HISTORICAL SOCIETY

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LEAGUE OF WOMEN VOTERS OF MINNESOTA
555 WABASHA • ST. PAUL, MINNESOTA 55102 • TELEPHONE (612) 224-5445

May 9, 1979

The Honorable Thomas Hagedorn
325 Cannon House Office Building
Washington, D.C. 20515

Dear Mr. Hagedorn:

The League of Women Voters of Minnesota supports removal of the "cap" on the Food Stamps Program. It is not sound public policy for the Congress to carefully and deliberately legislate a program and then set an arbitrary cost limit with the hope that sizeable numbers of eligible people will not participate.

For the Food Stamps Program to be truly effective and responsive to changing food prices and employment, the "cap" should be removed. We ask your support.

Sincerely,

Helene Borg
President

Jean Tews
Human Resources Co-chair

Same letter to Rep. Nolan and Senator Boschwitz

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