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COMMITTEE ON FINANCE
United States Senate

WALTER F. GEORGE, *Chairman*

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COMPARISON OF EXISTING SOCIAL SECURITY LAW AND PRINCIPAL CHANGES
PROVIDED IN H. R. 6000

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OLD-AGE AND SURVIVORS AND PERMANENT AND TOTAL DISABILITY INSURANCE

(All changes effective January 1, 1950, unless otherwise noted.)

EXISTING LAW

CHANGES IN H. R. 6000

I. COVERAGE

All employment covered except that specifically excluded. The principal employments excluded are:

- (1) self-employment,
- (2) domestic service in a private home or college club,
- (3) agricultural labor (including borderline agricultural labor such as packing and processing of agricultural and horticultural commodities, maintenance of irrigation ditches, etc.)
- (4) governmental service, domestic (Federal, State and local), or foreign,
- (5) employment by nonprofit institutions organized for religious, charitable, scientific, literary, or educational purposes,
- (6) services by newsboys under 18 years of age and by certain vendors of newspapers and magazines,
- (7) employment of an individual by his son, daughter, or spouse, or of a child under 21 by his parent,
- (8) fishing and fish culture, except commercial salmon and halibut fishing or work on or in connection with a vessel of more than 10 net tons,
- (9) railroad employment.

Employment covered only in the 48 States, District of Columbia, Alaska and Hawaii and on American ships outside the United States.

Coverage extended to:

- (1) nonfarm self-employment (other than services performed by an individual as a physician, lawyer, dentist, osteopath, veterinarian, chiropractor, optometrist, Christian Science practitioner, publisher, and aeronautical, chemical, civil, electrical, mechanical, metallurgical or mining engineer),
- (2) domestic service in a private home (but not on a farm operated for profit) if individual works 26 days or more in a calendar quarter for one employer and receives cash wages of at least \$25 per quarter, and domestic service in college clubs performed by nonstudent workers if remuneration is at least \$100 in a calendar quarter,
- (3) borderline agricultural labor (including packing and processing of commodities off the farm, maintenance of irrigation ditches, etc.),
- (4) certain governmental service—Federal civilian service not covered by a retirement system (except temporary workers, elective officials, etc.) and State and local employment at the election of the State (except where a retirement system exists, employees and beneficiaries must elect by two-thirds majority to be covered),
- (5) employment by nonprofit institutions,
- (6) employment of Americans outside United States by an American employer and employment on American aircraft outside United States,
- (7) employment and self-employment in Virgin Islands and, if requested by the legislature, in Puerto Rico.

Certain salesmen, mining lessees, taxicab drivers and other individuals who are not employees under common law rules for determining employer-employee relationship are covered as employees.

II. WAGE CREDITS FOR WORLD WAR II SERVICE

Veteran who dies within 3 years after separation from service is considered to have died fully insured with an average monthly wage of not less than \$160. No benefits payable under this provision, however, if Veterans' Administration pays a pension or compensation by reason of death of the veteran.

Wage credits of \$160 for each month of military service provided for veterans, including those who died in service, without regard to whether or not a pension or compensation is payable by the Veterans' Administration.

III. BENEFICIARIES OF OLD-AGE AND SURVIVORS INSURANCE

Monthly benefits payable to:

- (1) insured worker, age 65 and over,
- (2) wife, age 65 and over, of insured worker,
- (3) children under 18 of retired worker and children of deceased worker and in latter case, widows regardless of age,
- (4) dependent parents, age 65 and over, of deceased worker if no surviving widow or child who could have received benefits.

Lump sum death payment made to widow or widower of deceased insured worker or person paying funeral expenses if no monthly benefits immediately payable.

Monthly benefits payable to same groups of beneficiaries as under existing law and in addition wife of retired worker receives benefits regardless of age if she has in her care a child entitled to a child's insurance benefit on the basis of her husband's wage record. Also certain dependency and relationship requirements are liberalized, such as permitting the payment of benefits to a child on the basis of the mother's wage record if she was currently and fully insured at the time of death even though the father was supporting the child, a divorced wife qualifies for survivor benefits if she has entitled children of her former husband in her care, has not remarried, and was dependent upon him, etc.

Lump sum death payments made upon the death of all insured workers irrespective of the payment of monthly benefits.

IV. BENEFICIARIES OF PERMANENT AND TOTAL DISABILITY INSURANCE

None.

A worker who meets the insured status requirements (See VI below) and who is permanently disabled so that he cannot engage in any substantially gainful activity is eligible for disability benefits following an initial waiting period of six consecutive months of total disability. An individual who is blind (as defined in the bill) is considered to be totally and permanently disabled even though he may be able to engage in substantially gainful activity. Amount of monthly benefit for permanently and totally disabled worker computed as for retired worker (see VII below) but no benefits are payable to dependents. Benefit payments begin in January 1951.

V. INSURED STATUS FOR OLD-AGE AND SURVIVOR BENEFITS

To be fully insured (eligible for all old-age, dependents, and survivor benefits), a worker must have one quarter of coverage for each two calendar quarters elapsing after 1936 (or after attainment of age 21, if later) and before death or attainment of age 65, but in no case are more than 40 quarters of coverage required.

A worker may acquire fully insured status by meeting the requirements of existing law or by obtaining 20 quarters of coverage within the 40-quarter period ending with the quarter in which he attained the age of 65, any subsequent quarter or the quarter in which he died. Quarters included in a period of disability under the permanent and total disability insurance program are excluded from the count of quarters in the elapsed period used for determining insured status unless they are quarters of coverage.

To be currently insured (eligible for child, widowed mother, and lump sum death benefits) a worker must have 6 quarters of coverage out of the 13-quarter period ending with the quarter in which he died.

A worker must have 6 quarters of coverage out of the 13-quarter period ending with the quarter in which he died, excluding from such period any quarter any part of which is included in a period of disability unless such quarter is a quarter of coverage.

A worker is credited with a quarter of coverage toward insured status if he is paid \$50 or more in wages during a calendar quarter.

After 1949, \$100 in wages or \$200 in self-employment income is required for a quarter of coverage.

VI. INSURED STATUS FOR PERMANENT AND TOTAL DISABILITY BENEFITS

None.

A worker must have 20 quarters of coverage out of the 40-calendar-quarter period ending with the quarter of disablement, and 6 quarters of coverage out of the 13-quarter period ending with the quarter of disablement.

VII. COMPUTATION OF WORKER'S PRIMARY (OLD-AGE) AND DISABILITY BENEFIT AMOUNTS

The average monthly wage for computing the monthly old-age benefit amounts is determined by dividing the total taxable wages paid to the worker by the total number of months elapsing after 1936 (or after the worker attained age 22, if that was later) up to the quarter he attained age 65 or died. (Thus, the average monthly wage is reduced for periods in which the worker is not in covered employment.)

The average monthly wage for computing the monthly old-age and disability benefit amounts is based on the taxable wages, including self-employment income after 1936, 1949, or the year in which the worker attained age 21, whichever produces the higher amount. The average monthly wage is the quotient obtained by dividing the total of the aforementioned wages of self-employment income of the worker during the years of coverage by 12 times the number of such years or by the number 60, whichever is greater. (Thus, the average monthly wage is not reduced for periods in which the worker is out of covered employment unless he has less than 5 years of coverage.) For a year of coverage, earnings from covered employment of at least \$200 a year are required for the period 1937-1949, and \$400 for 1950 and thereafter.

Monthly amount of primary benefit is 40 percent of the first \$50 of the average monthly wage plus 10 percent of next \$200, plus 1 percent of the sum thus obtained for each year of coverage.

Minimum primary benefit is \$10, and maximum family benefit is \$85 or 80 percent of average monthly wage or twice the primary benefit, whichever is less.

Monthly amount of primary and disability benefits is 50 percent of first \$100 of average monthly wage, plus 10 percent of next \$200, plus 1/2 percent of the sum thus obtained for each year of coverage. For the worker who dies, becomes disabled, or attains the age of 65 years after 1955, the benefit amounts are reduced by the percentage of time the worker is out of covered employment since 1936, 1949, or the year worker attained age 21, whichever results in smaller reduction.

Minimum primary benefit is \$25, and maximum family benefit is \$150 or 80 percent of average monthly wage, if less.

The new benefit formula and method of computing average monthly wage are not used for present beneficiaries but the benefits they are now receiving are increased by means of a conversion table. (See Table 1.)

TABLE 1. Comparison of monthly primary (old-age) benefit amounts for present beneficiaries under existing law with benefit amounts under H. R. 6000.

Present primary benefit	Primary benefit under H. R. 6000
\$10	\$25
15	31
20	36
25	44
30	51
35	55
40	60
45	64

VIII. PRIMARY BENEFIT AMOUNTS UNDER EXISTING LAW AND UNDER H. R. 6000 FOR FUTURE BENEFICIARIES.

TABLE 2. Worker with 10 years of coverage, no period of noncoverage.

Level monthly wage	Monthly Benefit	
	Existing Law	H. R. 6000
\$100	\$27.50	\$52.50
150	33.00	57.80
200	38.50	62.00
250	44.00	68.30
300	44.00	73.50

TABLE 3. Worker with 40 years of coverage, no period of noncoverage.

Level monthly wage	Monthly Benefit	
	Existing Law	H. R. 6000
\$100	\$35.00	\$60.00
150	42.00	66.00
200	49.00	72.00
250	56.00	78.00
300	56.00	84.00

TABLE 4. Worker with 6 years of coverage, 5 years of noncoverage, all after 1936 (or alternatively for H. R. 6000, all after 1949).

Level monthly wage	Monthly Benefit	
	Existing Law	H. R. 6000
\$100	\$21.00	\$26.30
150	23.63	28.90
200	26.25	31.50
250	28.88	34.20
300	31.50	36.80

TABLE 5. Worker with 20 years of coverage, 20 years of noncoverage, all after 1949 (or alternatively all after 1936).

Level monthly wage	Monthly Benefit	
	Existing Law	H. R. 6000
\$100	\$24.00	\$30.00
150	27.00	33.00
200	30.00	36.00
250	33.00	39.00
300	33.00	42.00

TABLE 6. Worker with 10 years of coverage, 30 years of noncoverage, all after 1949 (or alternatively all after 1936).

Level monthly wage	Monthly Benefit	
	Existing Law	H. R. 6000
\$100	\$11.00	\$25.00
150	16.50	25.00
200	22.00	25.00
250	23.38	25.00
300	23.38	25.00

IX. BENEFIT AMOUNTS FOR DEPENDENTS AND SURVIVORS OF INSURED WORKERS

- | | |
|---|--|
| (1) Wife, one-half of primary insurance benefit. | (1) No change. |
| (2) Widow, three-fourths of primary insurance benefit. | (2) No change. |
| (3) Child, one-half of primary insurance benefit. | (3) No change, except for deceased worker's family, the first child gets three-fourths of the primary insurance benefit. |
| (4) Parent, one-half of primary insurance benefit. | (4) Three-fourths of primary insurance benefit. |
| (5) Lump-sum death payments, 6 times primary insurance benefit. | (5) Three times primary insurance benefit. |

TABLE 7. Monthly benefit amounts for survivors of insured workers under existing law and under H. R. 6000.

[All figures rounded to nearest dollar]

Average Monthly wage	Aged widow ¹		Aged parent ¹ or 1 child alone		Widow and 1 child		Widow and 2 children		Widow and 3 children	
	Present law	H. R. 6000	Present law	H. R. 6000	Present law	H. R. 6000	Present law	H. R. 6000	Present law	H. R. 6000
Insured worker covered for 5 years										
\$50.....	\$16	\$19	\$10	\$19	\$26	\$38	\$37	\$40	\$40	\$40
\$100.....	20	38	13	38	33	77	46	80	52	80
\$150.....	24	42	16	42	39	85	55	113	63	120
\$200.....	28	46	18	46	46	92	64	123	74	150
\$250.....	32	50	21	50	52	100	74	133	84	150
\$300.....	(²)	54	(²)	54	(²)	108	(²)	144	(²)	150
Insured worker covered for 10 years										
\$50.....	\$16	\$20	\$11	\$20	\$28	\$39	\$38	\$40	\$40	\$40
\$100.....	21	39	14	39	34	79	48	80	55	80
\$150.....	25	43	16	43	41	87	58	116	66	120
\$200.....	29	47	19	47	48	94	67	126	77	150
\$250.....	33	51	22	51	55	102	77	137	85	150
\$300.....	(²)	55	(²)	55	(²)	110	(²)	147	(²)	150
Insured worker covered for 20 years										
\$50.....	\$18	\$21	\$12	\$21	\$30	\$40	\$40	\$40	\$40	\$40
\$100.....	22	41	15	41	38	80	52	80	60	80
\$150.....	27	45	18	45	45	91	63	120	72	120
\$200.....	32	50	21	50	52	99	74	132	84	150
\$250.....	36	54	24	54	60	107	84	143	85	150
\$300.....	(²)	58	(²)	58	(²)	116	(²)	150	(²)	150
Insured worker covered for 40 years										
\$50.....	\$21	\$22	\$14	\$22	\$35	\$40	\$40	\$40	\$40	\$40
\$100.....	26	45	18	45	44	80	61	80	70	80
\$150.....	32	50	21	50	52	99	74	120	84	120
\$200.....	37	54	24	54	61	108	85	144	85	150
\$250.....	42	58	28	58	70	117	85	150	85	150
\$300.....	(²)	63	(²)	63	(²)	126	(²)	150	(²)	150

¹ Age 65 or over.

² Present law includes wages only up to \$250 per month.

NOTE.—“Average wage” is computed differently under the two plans. (See VII, above.) These figures are based on the assumption that the insured worker was in covered employment steadily each year after 1949 (or after 1936 as the case may be).

X. EMPLOYMENT INCOME LIMITATION FOR BENEFICIARIES

No benefits are payable for month in which earnings in covered employment exceed \$14.99.

For old-age and survivors benefits the \$14.99 limitation is increased to \$50, and no limitation is imposed for beneficiaries age 75 and over. Special provision for earnings from self-employment so that benefits may be paid for all months in a taxable year if the net earnings from self-employment are \$600 or less for the year. If the net earnings exceed \$600, the beneficiary would be deprived of a monthly benefit for each \$50 or fraction of \$50 of income in excess of \$600. Beneficiaries under the permanent and total disability insurance program are subject to the employment income limitation of \$50 per month (\$600 per year from self-employment) but the limitation applies to earnings from noncovered as well as covered employment or self-employment.

XI. MAXIMUM ANNUAL WAGE AND SELF-EMPLOYMENT INCOME FOR TAX AND BENEFIT PURPOSES

\$3,000.

\$3,600 after 1949.

XII. TAX (OR CONTRIBUTION) RATES

One percent on employer and 1 percent on employee through 1949, 1½ percent for 1950-51, and 2 percent thereafter.

One and one-half percent on employer and 1½ percent on employee for 1950, 2 percent for 1951-59, 2½ percent for 1960-64, 3 percent for 1965-69, and 3½ percent thereafter, except—

- (1) for self-employed, one and one-half times rates for employees. Self-employment income would be, in general, income from trade or business; and
- (2) for nonprofit employment, no tax is imposed on employer, but employer may elect to pay employer's tax by waiving the tax exemption. If employer does not pay tax, employee receives credit for only 50 percent of his taxed wages.

XIII. AUTHORIZATION FOR APPROPRIATIONS BY CONGRESS FROM GENERAL REVENUES

Congress is authorized to appropriate such sums from general revenues to the Old-Age and Survivors Trust Fund that may be required to finance the program.

Provision is repealed.

PUBLIC ASSISTANCE AND CHILD WELFARE SERVICES

(NOTE.—All changes effective October 1, 1949, unless otherwise noted)

EXISTING LAW

CHANGES IN H. R. 6000

I. GROUPS ELIGIBLE FOR AID

Three categories defined for assistance purposes as needy persons—(1) 65 years of age and over, (2) blind, and (3) children under 16 years of age and children 16 to 18 years of age, if they are regularly attending school.

Fourth category provided for permanently and totally disabled individuals who are in need. In aid to dependent children the mother or other relative with whom a dependent child is living is included as a recipient for Federal matching purposes.

II. FEDERAL SHARE OF PUBLIC ASSISTANCE EXPENDITURES

Federal share for old-age assistance and aid to blind is three-fourths of first \$20 of a State's average monthly payment plus one-half of the remainder within individual maximums of \$50; for aid to dependent children, three-fourths of the first \$12 of the average monthly payment per child, plus one-half the remainder within individual maximums of \$27 for the first child and \$18 for each additional child in a family. Administrative costs shared 50 percent by Federal Government and 50 percent by States.

Federal share for old-age assistance, aid to the blind, and aid to the permanently and totally disabled is four-fifths of the first \$25 of a State's average monthly payment, plus one-half of the next \$10, plus one-third of the remainder within individual maximums of \$50; for aid to dependent children, four-fifths of the first \$15 of the average monthly payment per recipient, plus one-half of the next \$6, plus one-third of the next \$6 within individual maximums of \$27 for the relative with whom the children are living, \$27 for the first child, and \$18 for each additional child in a family. (See tables below for illustrations of the effect of these changes.) Administrative costs shared 50 percent by Federal Government and 50 percent by States for all categories.

TABLE 1. *Old-age assistance and aid to the blind: Amount and percent of Federal funds in average monthly payments of specified size under present law and under H. R. 6000*

Average monthly payment ¹	Present law		H. R. 6000 ²	
	Federal funds	Percent of total	Federal funds	Percent of total
\$20.....	\$15.00	75	\$16.00	80
25.....	17.50	70	20.00	80
30.....	20.00	67	22.50	75
35.....	22.50	64	25.00	71
40.....	25.00	62	26.67	67
45.....	27.50	61	28.33	63
50.....	30.00	60	30.00	60
60.....	30.00	50	30.00	50
70.....	30.00	43	30.00	43

¹ Average for Federal matching purposes includes all payments of \$50 or less, and in the case of larger payments only the first \$50.
² Also applies to permanently and totally disabled.

TABLE 2.—Old-age assistance and aid to the blind: Amount to which average monthly payments of specified size under present provisions could be increased under H. R. 6000, assuming the same average expenditure per recipient from State and local funds

Present law			H. R. 6000 ¹			
Average monthly payments ¹	Federal funds	State and local funds	Average monthly payments ¹	Federal funds	State and local funds	Increase in Federal funds
\$20.....	\$15.00	\$5.00	\$25.00	\$20.00	\$5.00	\$5.00
25.....	17.50	7.50	30.00	22.50	7.50	5.00
30.....	20.00	10.00	35.00	25.00	10.00	5.00
35.....	22.50	12.50	38.75	26.25	12.50	3.75
40.....	25.00	15.00	42.50	27.50	15.00	2.50
45.....	27.50	17.50	46.25	28.75	17.50	1.25
50.....	30.00	20.00	50.00	30.00	20.00
60.....	30.00	50.00	60.00	30.00	30.00
70.....	30.00	40.00	70.00	30.00	40.00

¹ Average for Federal matching purposes includes all payments of \$50 or less, and in the case of larger payments only the first \$50.

² Also applies to permanently and totally disabled.

TABLE 3.—Aid to dependent children: Amount and percent of Federal funds in average monthly payments to families of specified size, under present law and under H. R. 6000

Average monthly payments ¹	Present law		H. R. 6000	
	Federal funds	Percent of total	Federal funds	Percent of total
1-child family				
\$25.....	\$15.50	62	\$20.00	80
35.....	16.50	47	26.50	76
45.....	16.50	37	31.00	69
55.....	16.50	30	34.00	62
75.....	16.50	22	34.00	45
90.....	16.50	18	34.00	38
3-child family				
\$25.....	\$18.75	75	\$20.00	80
35.....	26.25	75	28.00	80
45.....	31.50	70	36.00	80
55.....	36.50	66	44.00	80
75.....	40.50	54	55.50	74
90.....	40.50	45	62.00	69
110.....	40.50	37	62.00	56

¹ Average for Federal matching purposes includes all payments within the maximums for families of specified size, and in the case of larger payments, the amounts of such maximums.

TABLE 4.—Aid to dependent children: Amount to which average monthly payments to families of specified size under present provisions could be increased under H. R. 6000 assuming the same average expenditure per family from State and local funds

Average monthly payments ¹	Present law		H. R. 6000			
	Federal funds	State and local funds	Average monthly payments ¹	Federal funds	State and local funds	Increase in Federal funds
1-child family						
\$25.....	\$15. 50	\$9. 50	\$37. 00	\$27. 50	\$9. 50	\$12. 00
35.....	16. 50	18. 50	51. 75	33. 25	18. 50	16. 75
45.....	16. 50	28. 50	62. 50	34. 00	28. 50	17. 50
55.....	16. 50	38. 50	72. 50	34. 00	38. 50	17. 50
75.....	16. 50	58. 50	92. 50	34. 00	58. 50	17. 50
90.....	16. 50	73. 50	107. 50	34. 00	73. 50	17. 50
3-child family						
25.....	\$18. 75	\$6. 25	\$31. 25	\$25. 00	\$6. 25	\$6. 25
35.....	26. 25	8. 75	43. 75	35. 00	8. 75	8. 75
45.....	31. 50	13. 50	63. 00	49. 50	13. 50	18. 00
55.....	36. 50	18. 50	73. 00	54. 50	18. 50	18. 00
75.....	40. 50	34. 50	96. 50	62. 00	34. 50	21. 50
90.....	40. 50	49. 50	111. 50	62. 00	49. 50	21. 50
110.....	40. 50	69. 50	131. 50	62. 00	69. 50	21. 50

¹ Average for Federal matching purposes includes all payments within the maximums for families of specified size, and in the case of large payments, the amounts of such maximums.

EXISTING LAW

CHANGES IN H. R. 6000

III. MEDICAL CARE

Federal sharing in costs of medical care limited to amounts paid to recipients that can be included within the monthly maximums on individual payments of \$50 for aged and blind, and \$27 for first child and \$18 for each additional child in an aid-to-dependent-children family. No State-Federal assistance provided persons in public institutions unless they are receiving temporary medical care in such institutions.

Federal Government will share in cost of payments made directly to medical practitioners and other suppliers of medical services, which when added to any money paid to the individual, does not exceed the monthly maximums specified in item II above. Federal Government shares in the cost of payments to recipients of old-age assistance, aid to the blind, and aid to the permanently and totally disabled living in public medical institutions other than those for mental disease and tuberculosis.

IV. CHANGES IN REQUIREMENTS FOR STATE PUBLIC-ASSISTANCE PLANS

A. RESIDENCE

For old-age assistance and aid to the blind, a State may not require, as a condition of eligibility, residence in a State for more than 5 of the 9 years immediately preceding application and one continuous year before filing the application. For aid to dependent children, the maximum requirement for the child is 1 year of residence immediately preceding application, or if the child is less than a year old, birth in the State and continuous residence by the mother in the State for 1 year preceding the birth.

No change in requirements for old-age assistance and aid to dependent children. For aid to the blind, effective July 1, 1951, a State may not require, as a condition of eligibility, residence in the State of more than one continuous year prior to filing of the application for aid. For aid to the permanently and totally disabled no State may impose a residence requirement more restrictive than that in its plan for aid to the blind on July 1, 1949, and beginning July 1, 1951, the maximum residence requirement is 1 year immediately preceding the application for aid. (All other requirements for aid to the permanently and totally disabled are the same as for old-age assistance.)

B. INCOME AND RESOURCES

For the three categories, a State must in determining need, take into consideration the income and resources of an individual claiming assistance.

Provision in existing law is made applicable to aid to the permanently and totally disabled. For aid to the blind, effective October 1, 1949, a State may disregard such amount of earned income, up to \$50 per month, as the State vocational rehabilitation agency for the blind certifies will serve to encourage or assist the blind to prepare for, or engage in remunerative employment; effective July 1, 1951, a State must, in determining the need of any blind individual, disregard any income or resources which are not predictable or actually not available to the individual and take into consideration the special expenses arising from blindness.

C. TEMPORARY APPROVAL OF STATE PLANS FOR AID TO THE BLIND

No provision.

For the period October 1, 1949, to June 30, 1953, any State which did not have an approved plan for aid to the blind on January 1, 1949, shall have its plan approved even though it does not meet the requirements of clause (8) of section 1002 (a) of the Social Security Act (relating to consideration of income and resources in determining need). The Federal grant for such State, however, shall be based only upon expenditures made in accordance with the aforementioned income and resources requirement of the act.

D. EXAMINATION TO DETERMINE BLINDNESS

No provision.

A State aid to the blind plan must provide that, in determining blindness, there shall be an examination by a physician skilled in diseases of the eye or by an optometrist.

E. ASSISTANCE TO BE FURNISHED PROMPTLY

No specific provision relating to opportunity to apply for assistance promptly.

Opportunity must be afforded all individuals to apply for assistance, and assistance must be furnished promptly to all eligible individuals.

F. FAIR HEARING

Fair hearing must be provided individual whose claim for assistance is denied. No specific provision for individual whose claim is not acted upon within a reasonable time.

Fair hearing must be provided by State agency to individual whose claim for assistance is denied or not acted upon within reasonable time.

G. STANDARDS FOR INSTITUTIONS

No provision.

If a State plan for old-age assistance, aid to the blind, or aid to the permanently and totally disabled provides for payments to individuals in private or public institutions, the State must have a State authority to establish and maintain standards for such institutions. (Effective July 1, 1953.)

H. TRAINING PROGRAM FOR PERSONNEL

No specific provision.

States must provide a training program for the personnel necessary to the administration of the plan.

I. NOTIFICATION TO LAW ENFORCEMENT OFFICIALS

No provision.

In aid to dependent children the States must provide for prompt notice to appropriate law-enforcement officials in any case in which aid is furnished to a child who has been deserted or abandoned by a parent.

V. PUERTO RICO AND VIRGIN ISLANDS

Federal funds for public assistance are not available to Puerto Rico and the Virgin Islands.

The four categories of assistance are extended to Puerto Rico and the Virgin Islands. The Federal share, for old-age assistance, aid to the blind, and aid to the permanently and totally disabled is limited to one-half of the total sums expended under an approved plan up to a maximum payment for any individual of \$30 per month. For aid to dependent children the Federal share is limited to one-half of the expenditures under an approved plan up to individual maximums of \$27 for the first child and \$18 for each additional child in a family. Administrative costs are matched by the Federal Government on a 50-50 basis.

VI. CHILD WELFARE SERVICES

Authorizes an annual appropriation of \$3,500,000 for grants to the States for child welfare services in rural areas and areas of special need. Funds allotted to States with approved plans as follows: \$20,000 to each State and remainder on basis of rural population of the respective States.

Authorization for annual appropriation increased to \$7,000,000 and the \$20,000 now allotted to each State is increased to \$40,000 with the remainder to be allotted on the basis of rural population of the respective States. Specific provision is made for the payment of the cost of returning any runaway child under age 16 to his own community in another State if such return is in the interest of the child and the cost cannot otherwise be met. (Effective for fiscal years beginning after June 30, 1951.)