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Continuation of Existing Temporary
Increase in the Public Debt Limit

Brief Description of Senate Amendments

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CONTENTS

	Page
Social security:	
Social security benefit increase (sec. 201)-----	1
Retirement test (sec. 215)-----	1
Social security benefits for an adopted child (sec. 260)-----	1
Supplemental security income program:	
Increase in payment level (sec. 210)-----	1
Covering "essential persons" (sec. 211)-----	2
State supplementation required (sec. 212)-----	2
Exemption to required State supplementation of SSI (sec. 212(f))-----	2
Preference for present State and local employees (sec. 213)-----	2
Determination of blindness (sec. 214)-----	2
Aid to families with dependent children:	
Pass-along of benefit increase to AFDC recipients (sec. 220)-----	3
Social services:	
Social services regulations postponed (sec. 230)-----	3
Services to aged, blind, and disabled (sec. 504)-----	3
Medicaid amendments:	
Protecting medicaid recipients from loss of eligibility-----	3
"Essential persons" (sec. 240)-----	3
Persons in medical institutions (sec. 241)-----	4
Blind and disabled medically needy persons (sec. 242)-----	4
Extension of 1972 savings clause (sec. 243)-----	4
Repeal of the section 225 of Public Law 92-603 (sec. 244)-----	4
Extension of project grant authority under the maternal and child health program-----	4
Impoundment control procedures (title III)-----	5
Ceiling on fiscal year 1974 expenditures (title IV)-----	6
Other provisions in title V:	
Prohibition against use of appropriated funds for combat activities in Cambodia and Laos (sec. 501)-----	6
Campaign check-off (sec. 502)-----	6
Medicare legislation (sec. 503)-----	6
Extended unemployment compensation (sec. 505)-----	7

BRIEF DESCRIPTION OF SENATE AMENDMENTS

SOCIAL SECURITY

Section 201—Social Security Benefit Increase

Cost of living increase moved up to January, 1974.—Under present law, Social Security benefits rise automatically as the cost of living rises. However, the first cost of living increase would not become effective until January 1975. The Senate amendment would provide for a cost-of-living social security benefit increase effective January, 1974. The across-the-board increase, geared to the increase in the cost of living between June, 1972 (when the cost-of-living increase was voted into law) and June, 1973, will be an estimated 5.6 percent. Under the Senate amendment, nearly 30 million social security beneficiaries will receive an estimated additional \$3.2 billion in benefits. (Part A, title II; adopted by rollcall vote of 86 yeas, 7 nays.)

Section 215—Retirement Test

Increases the social security retirement test exempt amount from \$2,100 a year (\$175 a month) to \$3,000 a year (\$250 a month). (Hartke floor amendment adopted by voice vote.)

Section 260—Social Security Benefits for an Adopted Child

Eliminates the provision of present law which requires that a child adopted by a person who is entitled to Social Security benefits must be living with and dependent on the beneficiary for the year before the beneficiary became disabled, in the case of a disability beneficiary, or before the beneficiary reached the age of entitlement, in the case of a retired beneficiary. (Byrd, West Virginia, floor amendment adopted by voice vote.)

SUPPLEMENTAL SECURITY INCOME PROGRAM

Section 210*

Increase in payment level.—The Social Security Amendments of 1972 established a new Federal Supplemental Security Income program under which the Federal Government will guarantee aged, blind and disabled persons a monthly income of \$130 for an individual and \$195 for a couple. The Senate bill would increase these amounts to \$140 for an individual and \$210 for a couple.

*Parts B, C, E, and F of title II adopted by rollcall vote of 84 yeas, 10 nays.

Section 211*

Covering "essential persons".—The SSI program bases the amount of assistance only on eligible persons and eligible spouses (who must also be over 65, blind, or disabled). Current state programs for the aged, blind, and disabled may also take into account the needs of "essential persons," primarily the spouses (themselves under age 65) of aged assistance recipients. The Senate amendment would extend eligibility for Supplemental Security Income payments to persons currently considered "essential persons" under State programs of aid to aged, blind, and disabled. Thus an aged person whose spouse under 65 is currently on public assistance would be guaranteed a monthly income of \$210 under the Federal Supplemental Security Income program beginning January 1974.

Section 212*

State supplementation required.—Under another Senate provision States would be required, in order to receive Federal Medicaid matching funds in calendar year 1974, to supplement Federal SSI payments in 1974 to current recipients of aid to the aged, blind and disabled to assure that their entitlement to payments will not be reduced.

Section 212(f)

Exemption to required State supplementation of SSI.—Under this provision, any State whose Constitution contains provisions which make it impossible for such State to enter into or commence carrying out the agreement to supplement SSI would be exempted from the requirement for State supplementation, provided the Attorney General (or other appropriate State official) has, prior to July 1, 1973, made a finding that the State Constitution of such State contains limitations which prevent such State from making supplemental payments of the type described in Section 1616 of the Social Security Act. (Bentsen floor amendment adopted by voice vote.)

Section 213*

Preference for present State and local employees.—The Senate bill contains a provision under which the Secretary of HEW, in hiring Federal employees for the new SSI program, would provide a preference in employment to qualified present State and local employees who will be displaced when the new SSI Program goes into effect.

Section 214*

Determination of blindness.—The Senate bill contains a provision permitting optometrists to determine blindness under the SSI program. The recipient may select either a physician skilled in the diseases of the eye or an optometrist for such an examination.

* Parts B, C, E, and F of title II adopted by rollcall vote of 84 yeas, 10 nays.

AID TO FAMILIES WITH DEPENDENT CHILDREN

Section 220—Pass-Along of Benefit Increase to AFDC Recipients*

The Senate amendment would require States, in determining need for AFDC, to disregard 5 percent of social security income when the beneficiaries begin receiving the cost-of-living benefit increase.

SOCIAL SERVICES

Section 230—Social Services Regulations Postponed

On May 1, 1973, the Department of Health, Education, and Welfare issued regulations on social service programs funded under the Social Security Act, with the regulations scheduled to become effective July 1, 1973. The Senate amendment would delay the effective date of the regulations until January 1, 1974 except those regulations which specifically carry out the statutory provisions passed last Congress putting fiscal limits on social services. (Part D, Title II; adopted by rollcall vote of 84 yeas, 11 nays.)

Section 504—Services to Aged, Blind and Disabled

Present law (section 1130 of the Social Security Act) requires that at least 90 percent of funds spent on social services be for services to persons receiving public assistance; an exception is made for five high priority services (child care, family planning, services to mentally retarded persons, services to drug addicts and alcoholics, and services related to foster care for children). The amendment would exempt any and all services to aged, blind and disabled persons from the requirement that at least 90 percent of the funds be spent on services to persons receiving public assistance. (Church amendment No. 283 adopted by a division vote.)

MEDICAID AMENDMENTS

Protecting Medicaid recipients from loss of eligibility.—The Senate amendment would protect certain cases from loss of Medicaid eligibility and would extend the savings clause related to the 20 percent benefit increase. The types of cases are described below.

Section 240*

“Essential persons”.—In order for the spouse of an SSI recipient to be eligible for SSI, he or she must also be aged, blind, or disabled. Current State programs for the aged, blind, and disabled may also take into account the needs of “essential persons”, primarily the spouses (themselves under age 65) of aged assistance recipients, making the spouses eligible for Medicaid also. A provision included in the Senate bill would provide that any individual eligible for Medicaid as an essential person in December, 1973 would continue to be eligible for Medicaid as long as he continues to meet the requirements under which he was eligible for Medicaid under the State plan in December, 1973.

*Parts B, C, E, and F of title II adopted by rollcall vote of 81 yeas, 10 nays.

Section 241*

Persons in medical institutions.—In some States, persons are not eligible for a cash assistance payment or do not receive a cash assistance payment because they are inpatients in institutions. A “grandfather clause” in the Senate amendment would provide that individuals in medical institutions in December, 1973 who would have been eligible for assistance except for the fact that they were inpatients (or whose special needs as inpatients make them eligible for assistance) be permitted to retain their Medicaid eligibility to the extent of a continuing need for care for the condition or conditions for which they were institutionalized.

Section 242*

Blind and disabled medically needy persons.—Under present law, blind and disabled persons who receive cash assistance in December, 1973 will continue to be eligible to receive assistance regardless of whether or not they meet the new Federal definition of blindness or disability. However, the law does not provide continued Medicaid eligibility for those blind and disabled persons who do not meet the new definitions and who are currently eligible for medical assistance but not cash assistance (the medically indigent). An amendment to the Medicaid program included in the Senate bill would cover this group of blind and disabled persons.

Section 243*

Extension of 1972 savings clause.—Last year’s social security bill contained a saving clause continuing Medicaid eligibility for persons going off assistance because of the 20 percent social security benefit increase. This savings clause, presently scheduled to expire October, 1974 would, under a provision in the Senate bill, be extended to June 30, 1975.

Section 244*

Repeal of section 225 of P.L. 92-603.—Under section 225 of P.L. 92-603, Federal financial participation in reimbursement for skilled nursing home care would not be available to the extent that the cost exceeded 105 percent of the prior year’s level of payment. The Senate bill would repeal this section.

EXTENSION OF PROJECT GRANT AUTHORITY UNDER THE MATERNAL AND CHILD HEALTH PROGRAM*

Section 250

Under present law, of the funds appropriated for the Maternal and Child Health program, 50 percent is allocated to States on a formula basis, 40 percent is available for special project grants, and 10 percent is available for training and research projects. Under present law, the project grant authorization would terminate on July 1, 1973, and those funds would be available under the State formula grants—thus making 90 percent of the total money authorized available on a formula basis.

The Senate bill includes a provision extending the authorization for projects grants until June 30, 1974; after that date, 90 percent of

*Parts B, C, E, and F of title II adopted by rollcall vote of 84 yeas, 10 nays.

the Maternal and Child Health funds would be allocated on the formula basis.

The following additional changes would be made—

For fiscal year 1974 only, each State would receive (under authorization authority) the greater of the total of fiscal year 1973 project and formula grants or the sum such State would have received had the project grants not been extended for fiscal year 1974.

For fiscal year 1975 and later years, no State would be eligible for less funds than it received in fiscal year 1973 for both project grants and formula grants.

When the project grant authority lapses on June 30, 1974, the States would be required to make arrangements to provide for the continuation of appropriate services to groups previously receiving project grant funds.

IMPOUNDMENT CONTROL PROCEDURES

Title III

Under the provision added by the Committee, whenever the President (or any officer or employee of the United States) impounds any budget authority, the President is to send to the Senate and House of Representatives a special message. This message is to specify—

1. The amount of budget authority impounded,
2. The date the impoundment was ordered,
3. The date the budget authority was actually impounded,
4. The department, agency, or account affected by the impoundment,
5. The period of time in which the impoundment is to be effective,
6. The reasons for the impoundment (including any legal authority for the action), and
7. To the maximum extent practical, the estimated fiscal economic, and budgetary effect of impoundment.

This special message is to be sent to the Senate and House within ten days of the time the impoundment occurs.

In addition, a copy of each special message is to be sent to the Comptroller General. If he finds that the impoundment was in accordance with the Anti-Deficiency Act, no further action is to be taken with respect to the impoundment. In all other cases, however, the Comptroller General is to advise the Congress whether the impoundment was in accordance with existing law.

The amendment directs the President (or any officer or employee of the United States) to cease impounding any budget authority set forth in each special message within 60 days after the President's message is received, unless the Congress passes a concurrent resolution which approves of the impoundment. This does not, however, apply to those impoundments found by the Comptroller General to come within the Anti-Deficiency Act. However, Congress by concurrent resolution may disapprove of any impoundment in whole or in part before the expiration of the 60-day period.

CEILING ON FISCAL YEAR 1974 EXPENDITURES

Title IV

The Senate amendment provides a ceiling of \$268.7 billion. This is for the fiscal year 1974.

If to attain the spending ceiling provided in this bill, the President finds it necessary to make impoundments, the amendment provides for a proportional reduction in all functional (and to the extent possible subfunctional) categories with exception for certain specific categories where the outlay is clearly uncontrollable.

Title V

Section 501--Prohibition Against Use of Appropriated Funds for Combat Activities in Cambodia and Laos

The Senate adopted a provision which would prohibit funds heretofore or hereafter appropriated under any act of Congress to be expended to support directly or indirectly combat activities in, over, or from off the shores of Cambodia or in, or over Laos by United States forces. (Eagleton floor amendment adopted by roll call vote of 67 yeas, 29 nays.)

Section 502--Campaign Check-Off

This amendment changes the campaign check-off provision in three respects:

(1) provides that the campaign check-off designation is to be on the first page of the income tax return;

(2) requires the Secretary of the Treasury to provide appropriate publicity with respect to the campaign check-off each year with emphasis on the taxpayers' rights to designate a portion of their tax payments for payment into the Presidential Election Campaign Fund; and

(3) converts the campaign fund check-off to a nonpartisan check-off so the designation on the front of the return can be simple and not indicate the party preference of the taxpayer. (Humphrey modified amendment 215 adopted by roll call vote of 61 yeas, 31 nays.)

Section 503--Medicare Legislation

Expresses sense of Congress that: (a) the President prepare and submit by September 1, 1973 a proposal to cover drugs under Medicare; and (b) the President's recommendations for Medicare legislation to increase the cost to the aged and disabled should be withdrawn. (Note: No legislation to carry out the President's recommendations has been introduced in either House.) (Church amendment No. 284 adopted by voice vote.)

Section 505—Extended Unemployment Compensation

Amends the provision under which extended unemployment compensation is payable in industrial States by:

(1) eliminating the requirement that unemployment in the State must be 120% higher than it was in the comparable period 2 years earlier; and

(2) eliminates the requirement that there be a 18-week period between the end of one State extended benefit period and the start of another. (Javits floor amendment adopted by voice vote.)

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