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Staff Data and Materials on  
**Public Welfare Programs**

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COMMITTEE ON FINANCE  
UNITED STATES SENATE

RUSSELL B. LONG, *Chairman*

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Data and Materials Prepared by the Staff of the  
Committee on Finance for the Use of the

**SUBCOMMITTEE ON PUBLIC ASSISTANCE**

DANIEL PATRICK MOYNIHAN, *Chairman*



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# CONTENTS

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	Page
Introduction.....	1
I. General information on welfare programs.....	1
II. Aid to families with dependent children.....	11
III. Child support.....	31
IV. Work incentive (WIN) program.....	42
V. Supplemental security income.....	47
VI. Social services.....	56
VII. Food stamp and general assistance programs.....	63
VIII. Summary of H.R. 7200 provisions.....	68
IX. Comparison of welfare reform bills.....	75

## TABLES

1--Number of recipients--Selected welfare programs, December 1973--October 1977.....	2
2--Expenditures for selected social welfare programs, 1973-78.....	3
3--The poverty level in 1977 by type and size of family.....	4
4--Persons below the poverty level, 1959 to 1976.....	5
5--Families by type below the poverty level under alternative income definitions: Fiscal year 1976.....	8
6--Living arrangements and presence of parents for persons under 18 yrs-old, by race, Spanish origin, and age: March 1976.....	9
7--Aid to families with dependent children: Recipients of cash payments and amount of payments, by State, September 1977.....	13
8--Aid to families with dependent children, unemployed father segment: Recipients of cash payments and amount of payments, by State, September 1977.....	16
9--Aid to families with dependent children (AFDC) total maintenance assistance payments, fiscal year 1976.....	18
10--Aid to families with dependent children (AFDC) expenditures for State and local administration, fiscal year 1976.....	20
11--AFDC--January to June 1977 payment error rates compared with payment error rates in July to December 1976 and April to September 1973.....	22
12--AFDC--January to June 1977 case error rates compared with case error rates in July to December 1976 and April to September 1973.....	24
13--AFDC characteristics, 1969-75.....	26
14--AFDC children by reason for eligibility, 1975.....	27
15--Length of time on AFDC rolls since most recent case opening.....	27
16--Maximum potential combined cash and food stamp benefits (annual)--AFDC family of four persons, July 1977.....	28
17--Growth in AFDC payments in constant dollars.....	30
18--Child support program collections and expenditures, fiscal years 1976 and 1977.....	32
19--Child support collections: Number and percent of AFDC families served.....	34

IV

20—Child support enforcement, fiscal year 1977 ranking of States by amount of support collected (AFDC) and by ratio of collections to expenditures.....	Page 34
21—Child support program—Total number of parents located, by State, fiscal years 1976 and 1977.....	36
22—Child support enforcement—Total number of cases in which a support obligation was established, by State, fiscal years 1976 and 1977.....	38
23—Child support program—Total number of cases in which paternity was established, by State, fiscal years 1976 and 1977.....	40
24—Work incentive program, costs and workload.....	43
25—Work incentive program: Amounts for training and incentives activities and WIN social services.....	44
26—Comparison of WIN characteristics, fiscal years 1975-77.....	46
27—Supplemental security income for the aged, blind, and disabled: Number of persons receiving federally administered payments and total amount, 1974-78.....	48
28—Supplemental security income for the aged, blind, and disabled: Amount of total payments, Federal SSI payments, and State supplementary payments, 1974-78.....	49
29—Supplemental security income for the aged, blind, and disabled: Number of persons receiving federally administered payments, by reason for eligibility and State, January 1978.....	50
30—Supplemental security income for the aged, blind, and disabled: Number of persons initially awarded federally administered payments, by reason for eligibility 1974-77.....	51
31—Maximum potential cash and food stamp benefits per SSI recipient.....	52
32—Maximum potential cash and food stamp benefits per SSI couple.....	54
33—Supplemental security income—Summary of error rates.....	56
34—Ceiling on Federal funding of title XX social services expenditures, fiscal year 1978.....	58
35—Title XX services: Estimated distribution of Federal funding by type of services and number of recipients, fiscal 1979.....	60
36—Number of States using less than full available title XX funding under \$2.5 billion ceiling, 1975-79.....	60
37—Federal income limits on eligibility for social services (fiscal 1979—family of 4).....	61
38—General assistance: Recipients of cash payments and amount of payments, by State, September 1977.....	64
39—Food stamp program data, October 1977.....	65
40—Number of food stamp participants, by State, October 1977.....	66
41—Distribution of fiscal relief for welfare costs under Public Law 95-216.....	70
42—Fiscal relief for State and local welfare costs under H.R. 7200.....	72
43—Costs of H.R. 10950 and S. 2084 by level of Government in fiscal year 1982.....	128
44—HEW estimate of caseload under administration bill (S. 2084) and House welfare reform subcommittee bill (H.R. 10950), 1982.....	129
45—Costs of House welfare reform subcommittee bill (H.R. 10950) by level of Government in fiscal year 1982.....	130
46—Direct and indirect cost offsets of H.R. 10950 by level of Government in fiscal year 1982.....	131
47—Costs of administration bill (S. 2084) by level of Government in fiscal year 1982.....	132
48—Direct and indirect cost offsets of S. 2084 by level of Government in fiscal year 1982.....	133

# STAFF DATA AND MATERIALS ON PUBLIC WELFARE PROGRAMS

## Introduction

In 1977, the administration developed and sent to the Congress a legislative proposal for restructuring the major public assistance programs. This proposal was introduced in the Senate by Senator Moynihan as S. 2084. Public hearings have been scheduled for April and May 1978 by the Public Assistance Subcommittee of the Committee on Finance on S. 2084 and related proposals. This document was prepared to make available certain data related to major public welfare programs as they are now in existence. Also included is a comparison of the provisions of S. 2084 with three proposals which have been advanced as alternative plans for major restructuring of the welfare system. These are: (1) H.R. 10950, the proposal developed by the *ad hoc* welfare reform subcommittee created by the House of Representatives and introduced by Mr. Corman; (2) H.R. 10711, an alternative proposal developed by Mr. Ullman, Chairman of the House Ways and Means Committee; and (3) S. 2777, an alternative proposal introduced by Senators Baker, Bellmon, Ribicoff, Danforth, Hatfield of Oregon, Stevens, and Young. The document also includes a brief description of the major features of H.R. 7200, a bill already reported by the Committee on Finance. While H.R. 7200 does not undertake a major restructuring of the welfare system, it would make a number of amendments to the existing programs. For the sake of completeness, information is included on H.R. 7200.

### I. General Information on Welfare Programs

The term "welfare programs" is not an easily definable concept. Frequently, however, the term is used to designate those programs which provide significant support on an income-tested basis to a fairly broad segment of the low-income population. This definition would exclude programs aimed at a particular segment of the population such as veterans' pensions although the veterans' pension programs clearly would fit within other reasonable definitions of "welfare programs." Similarly, the above definition excludes the general social security programs, which are not operated on an income-tested basis, although there is an obvious interrelationship between the social security and the welfare programs. For example, the amount paid in social security benefits to dependent children exceeds the Federal share of payments under aid to families with dependent children. Similarly, the cost of the Supplemental Security Income program for the aged, blind, and disabled is significantly related to the social security program. Over half of all SSI recipients (and 70 percent of aged recipients) also get social security benefits. In previous years, using a much broader definition of welfare programs, the committee identified over 100 different

programs which could be so classified. Tables 1 and 2 show the change over the past several years in cost and caseload of selected programs which fit within the more narrow definition described above.

One common measure of the success or failure of the welfare system is the extent to which it removes people from poverty. In order to apply this measure, there has been developed an official standard of what constitutes the amount of income below which one is said to be poor. Table 3 gives the estimated 1977 poverty levels for families of different types and sizes. Table 4 shows the number and percent of people in poverty from 1959 to 1976. The official poverty levels are based upon a methodology adopted several years ago and are updated from year to year by applying the changes in the Consumer Price Index to the prior poverty levels. Since earnings levels over a period of years tend to rise more than price levels, the percentage of people in poverty could be expected to decline from year to year (except during recessionary periods) if the income of those in the poverty population reflects about the same rate of growth as the income of the population generally.

The usual measure of the size of the poverty population (as in table 4) takes into account only money income and not income in kind. Similarly, the usual measure of the poverty population does not show how many would be poor if they did not receive the benefits provided by income support programs. Table 5 shows how the number of poor families varies when different criteria of this type are applied.

Much of the interest in welfare programs centers on the assistance provided to families with children. Table 6 shows the family status of children in the population.

TABLE 1.—NUMBER OF RECIPIENTS—SELECTED WELFARE PROGRAMS, DECEMBER 1973-OCTOBER 1977

(In millions)

	December				October 1977
	1973	1974	1975	1976	
Aid to families with dependent children (AFDC). (Families) .....	10.8 (3.2)	11.0 (3.3)	11.4 (3.6)	11.2 (3.6)	10.8 (3.5)
Supplemental security income (SSI) .....	<sup>1</sup> 3.2	4.0	4.3	4.2	4.2
Food stamps .....	12.7	17.3	19.0	17.4	15.9
Medicaid <sup>2</sup> .....	18.8	20.8	22.1	21.6	21.3
General assistance .....	.7	.9	.10	.9	.8
Earned income tax credit <sup>3</sup> . (Families <sup>4</sup> ) .....			(6.3)	(6.6)	(6.6)

<sup>1</sup> State-administered programs of old age assistance, aid to the blind, and aid to the permanently and totally disabled were in effect in fiscal year 1973.

<sup>2</sup> Annual number of medicaid recipients for fiscal years. "Medicaid recipients" indicates individuals who had at least some of their health bills paid by the program.

<sup>3</sup> Not in effect before 1975 tax year.

<sup>4</sup> Estimated.

TABLE 2.— EXPENDITURES FOR SELECTED SOCIAL WELFARE PROGRAMS,<sup>1</sup> 1973-78

(In billions)

	Fiscal year 1973			Fiscal year 1976			Fiscal year 1977			Fiscal year 1978 (estimated)		
	Total	Federal	State and local	Total	Federal	State and local	Total	Federal	State and local	Total	Federal	State and local
Aid to families with dependent children (AFDC)	\$7.6	\$4.2	\$3.4	\$10.7	\$5.8	\$4.9	\$11.7	\$6.4	\$5.3	\$12.2	\$6.7	\$5.5
Supplemental security income (SSI)	3.7	2.2	1.5	6.6	5.1	1.5	6.8	5.3	1.5	7.5	6.0	1.5
Food stamps	2.2	2.2	NA	5.9	5.7	.3	5.7	5.3	.3	5.8	5.5	.3
Medicaid	9.1	5.0	4.1	14.7	8.3	6.3	17.1	9.7	7.4	19.1	10.9	8.2
General assistance <sup>2</sup>	1.3	0	1.3	2.2	0	2.2	2.4	0	2.4	NA	NA	NA
Social services (title XX)	2.3	1.5	.8	2.8	2.1	.7	3.2	2.4	.8	3.5	2.6	.9
Earned income tax credit	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	1.1	1.1	0	1.2	1.2	0	1.2	1.2	0
Work incentive program (WIN)	.3	.3	.03	.3	.3	.03	.4	.4	.04	.4	.4	.04

<sup>1</sup> Total expenditures includes administrative costs and benefit costs, except with respect to general assistance and the earned income tax credit, for which identifiable administrative costs are not available.

<sup>2</sup> State-administered programs of old age assistance, aid to the blind, and aid to the permanently and totally disabled were in effect in 1973.

<sup>3</sup> Includes non-federally aided medical assistance, as follows: 1973, \$0.5 billion; 1976, \$1.0 billion; and 1977, \$1.1 billion.

<sup>4</sup> Not in effect before 1975 tax year.

NA—Not available.

TABLE 3.—THE POVERTY LEVEL IN 1977 BY TYPE AND SIZE OF FAMILY

Size of family	Nonfarm				Farm		
	Total	Total	Male head	Female head	Total	Male head	Female head
1 person (unrelated individual).....	\$3,060	\$3,070	\$3,210	\$2,970	\$2,600	\$2,700	\$2,500
Under 65 years .....	3,140	3,150	3,270	3,020	2,710	2,780	2,570
65 years and over .....	2,900	2,910	2,940	2,900	2,470	2,500	2,460
2 persons .....	3,930	3,950	3,960	3,900	3,330	3,340	3,230
Head under 65 years .....	4,050	4,070	4,090	3,970	3,480	3,480	3,360
Head 65 years and over .....	3,640	3,670	3,670	3,650	3,120	3,120	3,110
3 persons .....	4,810	4,830	4,860	4,700	4,110	4,110	3,970
4 persons .....	6,160	6,190	6,190	6,160	5,270	5,270	5,150
5 persons .....	7,280	7,320	7,330	7,240	6,250	6,250	6,220
6 persons .....	8,200	8,260	8,270	8,210	7,010	7,010	7,030
7 persons or more .....	10,120	10,210	10,240	9,980	8,590	8,590	8,970

Source: Census Bureau.



TABLE 4.—PERSONS BELOW THE POVERTY LEVEL, 1959 TO 1976  
(Numbers in thousands. Persons as of March of the following year)

Year	Number below poverty level						Poverty rate *						
	In families						In families						
	Total	Total	Head	Related children under 18 yr	Other family members	Unrelated individuals	Total	Total	Head	Related children under 18 yr	Other family members	Unrelated individuals	
All persons:													
1976	24,975	19,632	5,311	10,081	4,240	5,344	11.8	10.3	9.4	15.8	6.0	24.9	
1975	25,877	20,789	5,450	10,822	4,457	5,088	12.3	10.9	9.7	16.8	6.4	25.1	
1974 <sup>1</sup>	23,370	18,817	4,922	9,967	3,928	4,553	11.2	9.9	8.8	15.1	5.7	24.1	
1974	24,260	19,440	5,109	10,196	4,135	4,820	11.6	10.2	9.2	15.5	6.0	25.5	
1973	22,973	18,299	4,828	9,453	4,018	4,674	11.1	9.7	8.8	14.2	5.9	25.6	or
1972	24,460	19,577	5,075	10,082	4,420	4,883	11.9	10.3	9.3	14.9	6.6	29.0	
1971	25,559	20,405	5,303	10,344	4,757	5,154	12.5	10.8	10.0	15.1	7.2	31.6	
1970	25,420	20,330	5,260	10,235	4,835	5,090	12.6	10.9	10.1	14.9	7.4	32.9	
1969	24,147	19,175	5,008	9,501	4,667	4,972	12.1	10.4	9.7	13.8	7.2	34.0	
1968	25,389	20,695	5,047	10,739	4,909	4,694	12.8	11.3	10.0	15.3	7.8	34.0	
1967	27,769	22,771	5,667	11,427	5,677	4,998	14.2	12.5	11.4	16.3	9.1	38.1	
1966	28,510	23,809	5,784	12,146	5,879	4,701	14.7	13.1	11.8	17.4	9.5	38.3	
1966	30,424	25,614	6,200	12,876	6,538	4,810	15.7	14.2	12.7	18.4	10.5	38.9	
1965	33,185	28,358	6,721	14,388	7,249	4,827	17.3	15.8	13.9	20.7	11.8	39.8	
1964	36,055	30,912	7,160	15,736	8,016	5,143	19.0	17.4	15.0	22.7	13.3	42.7	
1963	36,436	31,498	7,554	15,691	8,253	4,938	19.5	17.9	15.9	22.8	13.8	44.2	
1962	38,625	33,623	8,077	16,630	8,916	5,002	21.0	19.4	17.2	24.7	15.1	45.4	
1961	39,628	34,509	8,391	16,577	9,541	5,119	21.9	20.3	18.1	25.2	16.5	45.9	
1960	39,851	34,925	8,243	17,288	9,394	4,926	22.2	20.7	18.1	26.5	16.2	45.2	
1959	39,490	34,562	8,320	17,208	9,034	4,928	22.4	20.8	18.5	26.9	15.9	46.1	

See footnotes at end of table.

TABLE 4.—PERSONS BELOW THE POVERTY LEVEL, 1959 TO 1976.—Continued  
(Numbers in thousands. Persons as of March of the following year)

Year	Number below poverty level						Poverty rate					
	In families						In families					
	Total	Total	Head	Related children under 18 yr	Other family members	Unrelated individuals	Total	Total	Head	Related children under 18 yr	Other family members	Unrelated individuals
Persons in families with male head and male unrelated individuals:												
1976	12,390	10,603	2,768	4,497	3,337	1,787	7.1	6.4	5.6	8.5	5.2	19.7
1975	13,609	11,943	3,020	5,284	3,538	1,667	7.8	7.1	6.2	9.8	5.7	19.9
1974 <sup>1</sup>	11,901	10,355	2,598	4,605	3,151	1,547	6.8	6.2	5.4	8.3	5.0	19.5
1974	12,484	10,877	2,757	4,809	3,310	1,607	7.1	6.5	5.7	8.7	5.2	20.4
1973	11,616	10,121	2,635	4,282	3,204	1,495	6.6	6.0	5.5	7.6	5.1	19.8
1972	12,873	11,463	2,917	4,988	3,558	1,410	7.4	6.8	6.1	8.6	5.7	21.1
1971	14,151	12,608	3,203	5,494	3,910	1,543	8.1	7.5	6.8	9.3	6.3	23.9
1970	14,266	12,828	3,309	5,546	3,973	1,438	8.2	7.7	7.2	9.2	6.5	24.0
1969	13,735	12,296	3,181	5,253	3,862	1,439	8.0	7.4	6.9	8.6	6.4	26.2
1968	15,025	13,705	3,292	6,330	4,083	1,320	8.8	8.3	7.3	10.2	7.0	25.4
1967	17,178	15,873	3,893	7,181	4,799	1,305	10.1	9.6	8.7	11.5	8.3	26.9
1966	18,260	16,948	4,063	7,884	5,001	1,312	10.8	10.3	9.3	12.6	8.7	29.3
1966	19,579	18,314	4,384	8,374	5,556	1,265	11.6	11.2	10.0	13.4	9.6	27.7
1965	22,127	20,834	4,805	9,826	6,203	1,293	13.2	12.8	11.1	15.7	10.9	28.9
1964	25,084	23,615	5,338	11,314	6,963	1,469	15.1	14.6	12.5	18.2	12.4	32.0
1963	25,339	23,852	5,582	11,137	7,133	1,487	15.4	14.9	13.1	18.0	12.9	34.8
1962	27,394	25,842	6,043	12,124	7,675	1,552	16.9	16.4	14.3	19.9	14.1	36.5
1961	28,830	27,257	6,437	12,533	8,287	1,573	18.1	17.6	15.4	21.0	15.4	36.0
1960	29,188	27,678	6,288	13,193	8,197	1,510	18.5	18.0	15.4	22.3	15.3	36.1
1959	29,100	27,548	6,404	13,063	8,081	1,552	18.7	18.2	15.8	22.4	15.3	36.8

**Persons in families  
with female head and  
female unrelated in-  
dividuals:**

1976	12,586	9,029	2,543	5,583	903	3,557	34.4	37.3	33.0	52.0	15.7	28.7
1975	12,268	8,846	2,430	5,597	819	3,422	34.6	37.5	32.5	52.7	15.0	28.9
1974 <sup>1</sup>	11,469	8,462	2,324	5,361	777	3,007	33.6	36.5	32.1	51.5	14.1	27.3
1974	11,775	8,563	2,351	5,387	825	3,212	34.4	36.8	32.5	51.5	14.9	29.3
1973	11,357	8,178	2,193	5,171	814	3,179	34.9	37.5	32.2	52.1	16.0	29.7
1972	11,587	8,114	2,158	5,094	862	3,473	36.9	38.2	32.7	53.1	17.0	34.3
1971	11,409	7,797	2,100	4,850	847	3,611	38.0	38.7	33.9	53.1	17.5	36.6
1970	11,154	7,503	1,951	4,689	862	3,652	38.2	38.1	32.5	53.0	17.9	38.4
1969	10,412	6,879	1,827	4,247	805	3,532	38.4	38.2	32.7	54.4	17.5	38.7
1968	10,364	6,990	1,755	4,409	826	3,374	38.9	38.7	32.3	55.2	17.8	39.2
1967	10,591	6,898	1,774	4,246	878	3,693	40.6	38.8	33.3	54.3	18.9	44.7
1966	10,250	6,861	1,721	4,262	878	3,389	41.0	39.8	33.1	58.2	18.6	43.5
1966	10,845	7,300	1,816	4,502	982	3,545	43.8	43.1	35.1	61.3	22.2	45.4
1965	11,058	7,524	1,916	4,562	1,046	3,534	46.0	46.0	38.4	64.2	24.5	46.2
1964	10,971	7,297	1,822	4,422	1,053	3,674	45.9	44.4	36.4	62.3	24.3	49.3
1963	11,097	7,646	1,972	4,554	1,120	3,451	48.4	47.7	40.4	66.6	26.0	50.0
1962	11,231	7,781	2,034	4,506	1,241	3,450	50.5	50.3	42.9	70.2	28.8	51.0
1961	10,798	7,252	1,954	4,044	1,254	3,546	49.5	48.1	42.1	65.1	29.8	52.4
1960	10,663	7,247	1,955	4,095	1,197	3,416	49.5	48.9	42.4	68.4	28.3	50.9
1959	10,390	7,014	1,916	4,145	953	3,376	50.2	49.4	42.6	72.2	24.0	52.1

<sup>1</sup> Under revised methodology.

\* Note: Percentage of persons with income below the poverty level.

Source: Census Bureau.

TABLE 5.—FAMILIES BY TYPE BELOW THE POVERTY LEVEL UNDER ALTERNATIVE INCOME DEFINITIONS: FISCAL YEAR 1976\*

Families in poverty	Pretax/ pre- transfer income	Pretax/ post- social insur- ance income	Pretax/ post- Money transfer income	Pretax/post- in-kind transfer income <sup>1</sup>		Post-tax/post- total transfer income <sup>1</sup>	
				I	II	I	II
<b>A. Single-person families:</b>							
Number in thousands.....	10,306	6,131	5,396	5,002	3,537	5,130	3,659
Percent of single-person families .	47.8	28.4	25.0	23.2	16.4	23.8	17.0
<b>B. Multiple-person families:</b>							
Number in thousands.....	11,130	6,323	5,320	3,977	2,904	4,035	2,938
Percent of multiple-person families.....	19.2	10.9	9.2	6.9	5.0	7.0	5.1

<sup>1</sup> Col. I excludes medicare and medicaid benefits received by families participating in those programs; col. II includes medicare and medicaid benefits.

\*Note: Table shows how the number of poor families varies according to how family income is defined. The number (and percentage) declines as additional types of income transfer payments and in-kind benefits are included as part of family income. The primary example of social insurance income is Old-Age, Survivors, and Disability Insurance (OASDI) benefits. The major other money transfer income is from AFDC and SSI benefits. The major in-kind income is composed of food stamps, medicaid and medicare.

Source: Congressional Budget Office.

TABLE 6.—LIVING ARRANGEMENTS AND PRESENCE OF PARENTS FOR PERSONS UNDER 18 YRS OLD, BY RACE, SPANISH ORIGIN, AND AGE: MARCH 1976

[Noninstitutional population excluding members of the Armed Forces living in barracks. Excludes persons under 18 years old who were heads or wives in families or subfamilies]

Race and age	Total, under 18 yrs	In families									Not in families
		Total	Living with both parents	Living with mother only				Living with father only	Living with neither parent		
				Total †	Mother single	Mother sepa- rated	Mother widowed			Mother divorced	
NUMBER (thousands)											
All races:											
Total, under 18 yrs	65,129	64,697	52,101	10,310	1,139	3,200	1,357	4,017	811	1,476	432
Under 14 yrs	48,598	48,321	39,132	7,751	1,045	2,554	715	2,984	443	996	277
14 to 17 yrs	16,531	16,376	12,969	2,559	94	646	642	1,033	368	480	155
White:											
Total, under 18 yrs	54,411	54,081	46,342	6,421	292	1,663	870	3,192	634	684	330
Under 14 yrs	40,440	40,240	34,744	4,753	280	1,342	434	2,393	331	413	199
14 to 17 yrs	13,971	13,841	11,598	1,668	12	321	436	799	303	271	131
Black:											
Total, under 18 yrs	9,461	9,366	4,688	3,791	836	1,518	479	787	145	741	96
Under 14 yrs	7,174	7,101	3,534	2,920	754	1,195	279	557	85	560	74
14 to 17 yrs	2,287	2,265	1,154	871	82	323	200	230	60	181	22
Spanish origin: ‡											
Total, under 18 yrs	4,894	4,891	3,716	999	123	413	90	300	45	128	3
Under 14 yrs	3,925	3,925	3,040	787	118	325	58	222	27	72	.....
14 to 17 yrs	969	966	676	212	5	88	32	78	18	56	3

See footnotes at end of table.

**TABLE 6.—LIVING ARRANGEMENTS AND PRESENCE OF PARENTS FOR PERSONS UNDER 18 YRS OLD, BY RACE, SPANISH ORIGIN, AND AGE: MARCH 1976—Continued**

[Noninstitutional population excluding members of the Armed Forces living in barracks. Excludes persons under 18 years old who were heads or wives in families or subfamilies]—Continued

Race and age	Total, under 18 yrs	In families									Not in families
		Total	Living with both parents	Living with mother only				Living with father only	Living with neither parent		
				Total <sup>1</sup>	Mother single	Mother separated	Mother widowed			Mother divorced	
<b>PERCENT DISTRIBUTION</b>											
<b>All races:</b>											
Total, under 18 yrs.....	100.0	99.3	80.0	15.8	1.7	4.9	2.1	6.2	1.2	2.3	0.7
Under 14 yrs.....	100.0	99.4	80.5	15.9	2.2	5.3	1.5	6.1	.9	2.0	.6
14 to 17 yrs.....	100.0	99.1	78.5	15.5	.6	3.9	3.9	6.2	2.2	2.9	.9
<b>White:</b>											
Total, under 18 yrs.....	100.0	99.4	85.2	11.8	.5	3.1	1.6	5.9	1.2	1.3	.6
Under 14 yrs.....	100.0	99.5	85.9	11.8	.7	3.3	1.1	5.9	.8	1.0	.5
14 to 17 yrs.....	100.0	99.1	83.0	11.9	.1	2.3	3.1	5.7	2.2	1.9	.9
<b>Black:</b>											
Total, under 18 yrs.....	100.0	99.0	49.6	40.1	8.8	16.0	5.1	8.3	1.5	7.8	1.0
Under 14 yrs.....	100.0	99.0	49.3	40.7	10.5	16.7	3.9	7.8	1.2	7.8	1.0
14 to 17 yrs.....	100.0	99.0	50.5	38.1	3.6	14.1	8.7	10.1	2.6	7.9	1.0
<b>Spanish origin:<sup>2</sup></b>											
Total, under 18 yrs.....	100.0	99.9	75.9	20.4	2.5	8.4	1.8	6.1	.9	2.6	.1
Under 14 yrs.....	100.0	100.0	77.5	20.1	3.0	8.3	1.5	5.7	.7	1.8	.....
14 to 17 yrs.....	100.0	99.7	69.8	21.9	.5	9.1	3.3	8.0	1.9	5.8	.3

<sup>1</sup> Includes those living with a mother who was "married, husband absent (excluding separated)." not shown separately.

<sup>2</sup> Persons of Spanish origin may be of any race.

Source: Census Bureau.

## II. Aid to Families With Dependent Children

The program of aid to families with dependent children (AFDC) provides Federal matching for State programs of cash assistance to needy families with children in which at least one parent is deceased, disabled, or absent from the home. States, at their option, may also provide benefits for families in which dependency arises from the father's unemployment. Twenty-six States plus Guam and the District of Columbia have elected to provide benefits to families with unemployed fathers. (See table 8.)

The amount of Federal matching for AFDC benefits varies from State to State under formulas providing higher percentages in States with lower per capita income. About a dozen States with the highest income receive the minimum Federal matching of 50 percent; Mississippi receives the highest matching of all States—about 83 percent. For all States, the percentage of benefits paid for by the Federal Government is about 54 percent. In 1976, local governments contributed about 9 percent of the cost of AFDC benefits.

In recent years the AFDC caseload has been relatively stable. In December of 1973 there were 10.8 million AFDC recipients. Two years later the number had increased to 11.4 million. By October of 1977, however, the number had declined again to 10.8 million. The cost of AFDC payments in constant dollars, in contrast to current dollars, has also been stable. In 1973 the cost of payments in 1973 dollars was \$3.9 billion, increasing to an estimated \$6.1 billion in 1979 dollars. In constant (1969) dollars, however, payment costs for 1979 are estimated to be the same as in 1973—\$3.2 billion.

The AFDC caseload is largely concentrated in a few States. California and New York alone account for nearly one-quarter (24 percent) of the national caseload. These two States, plus Illinois, Michigan, Ohio, and Pennsylvania, make up nearly half (48 percent) of the national total. Expenditures for benefits are similarly concentrated. In 1976, recipients in New York and California received nearly one-third (31 percent) of all AFDC benefits paid in the United States. Recipients in these two States, plus the four listed above, received 57 percent of the benefits paid to all recipients in the United States in 1976.

The makeup of the AFDC population has undergone some important changes in recent years. Average family size has dropped from four persons per AFDC family in 1969 to 3.2 persons in 1975. The percentage of families in which the father is absent has continued to increase, from 77 percent in 1969 to 83 percent in 1975. The percentage of mothers who are employed either part or full time increased between 1969 and 1973, but since that time has remained constant at about 16 percent. The percentage of mothers in full time employment, however, has continued to increase, to 10 percent in 1975. In 1969 only 53 percent of AFDC families participated in the food stamp or commodity food programs. In 1975, 75 percent were participating, and this percentage is expected to increase substantially as the result of the elimination of the purchase requirement under the 1977 food stamp reform legislation.

The length of time families are remaining on the AFDC rolls has increased substantially in the last few years. In 1973 the median number of months a family had been receiving AFDC was 24. Only two years later, in 1975, the median time on the rolls was 31 months.

In 1971 only 32 percent of the families had been receiving AFDC for more than 3 years (since the most recent case opening), but by 1975, 45 percent of families had been on the rolls for more than 3 years.

The racial composition of the caseload has shown little change. In 1969, 49 percent of the families were white. In 1975, 50 percent were white. There has also been little change in the percentage of AFDC households which include nonrecipient members (stepfathers, older children, or other nonlegally responsible individuals). The percentage of such households is 35 percent.

Since the implementation of quality control measures in 1973, the amount of AFDC money which has been spent in error has decreased significantly, from 16.5 percent in April-September 1973 to 8.6 percent in January-June 1977. The percentage of payments made in error varies greatly among the States. In the January-June 1977 period California made only 3.5 percent of its payments in error (with only 1 percent being paid to ineligible families), while Illinois made erroneous payments amounting to 18.6 percent of all payments.



TABLE 7.-AID TO FAMILIES WITH DEPENDENT CHILDREN: RECIPIENTS OF CASH PAYMENTS AND AMOUNT OF PAYMENTS, BY STATE, SEPTEMBER 1977

[Includes nonmedical vendor payments, unemployed father segment and AFDC-foster care data]

State	Number of recipients			Payments to recipients		
	Number of families	Total	Children	Total amount	Average per	
					Family	Recipient
Total <sup>1</sup>	3,549,899	10,887,254	7,655,969	\$851,994,774	\$240.01	\$78.26
Alabama	56,909	172,010	125,767	6,395,977	112.39	37.18
Alaska	4,582	12,194	8,814	1,399,487	305.43	114.77
Arizona	18,644	56,339	41,903	2,641,451	141.68	46.88
Arkansas	30,423	92,903	68,811	4,258,954	139.99	45.84
California	474,861	1,420,705	967,272	146,582,165	308.68	103.16
Colorado	30,992	88,595	62,364	5,997,318	193.51	67.69
Connecticut	44,455	136,491	96,635	12,994,873	292.32	95.21
Delaware	10,610	30,958	22,077	2,186,434	206.07	70.63
District of Columbia	32,208	96,889	68,393	7,650,453	237.53	78.96
Florida	83,574	245,441	181,016	12,070,163	144.42	49.18
Georgia	84,343	236,465	175,543	8,768,091	103.96	37.08
Guam	1,239	4,607	3,467	240,363	194.00	52.17
Hawaii	17,930	57,554	38,911	6,662,612	371.59	115.76
Idaho	6,853	19,852	13,727	1,720,701	251.09	86.68
Illinois	224,490	749,585	534,824	59,516,705	265.12	79.40

See footnotes at end of table.

TABLE 7.—AID TO FAMILIES WITH DEPENDENT CHILDREN: RECIPIENTS OF CASH PAYMENTS AND AMOUNT OF PAYMENTS, BY STATE, SEPTEMBER 1977—Continued

[Includes nonmedical vendor payments, unemployed father segment and AFDC-foster care data]

State	Number of recipients			Payments to recipients		
	Number of families	Total	Children	Total amount	Average per	
					Family	Recipient
Indiana.....	53,523	159,630	115,516	9,579,477	178.98	60.01
Iowa.....	31,918	94,715	63,893	8,329,883	260.98	87.95
Kansas.....	27,683	73,709	53,871	6,492,944	234.55	88.09
Kentucky.....	61,244	174,534	124,399	9,960,339	162.63	57.07
Louisiana.....	64,210	212,573	159,144	7,846,103	122.19	36.91
Maine.....	19,818	59,477	40,845	4,044,161	204.07	68.00
Maryland.....	72,927	211,247	147,593	13,543,479	185.71	64.11
Massachusetts.....	123,744	373,203	253,755	36,855,616	297.84	98.75
Michigan.....	200,865	634,568	441,160	55,645,900	277.03	87.69
Minnesota.....	46,961	131,548	90,667	12,731,454	271.11	96.78
Mississippi.....	52,636	170,509	129,851	2,486,056	47.23	14.58
Missouri <sup>2</sup> .....	83,422	245,595	178,832	13,372,730	160.30	54.45
Montana.....	6,261	17,782	12,623	1,150,694	183.79	64.71
Nebraska.....	11,622	34,486	24,502	2,942,333	253.17	85.32
Nevada.....	3,941	10,894	7,782	660,950	167.71	60.67

New Hampshire.....	8,363	24,318	16,827	1,669,261	199.60	68.64
New Jersey.....	142,444	463,523	325,037	38,974,581	273.61	84.08
New Mexico.....	17,048	53,460	38,119	3,507,014	205.71	65.60
New York.....	369,976	1,194,555	824,137	137,063,376	370.47	114.74
North Carolina.....	71,725	196,484	143,365	10,926,723	152.34	55.61
North Dakota.....	4,882	13,973	9,902	1,084,415	222.13	77.61
Ohio <sup>2</sup> .....	179,009	536,188	368,181	36,089,317	201.61	67.31
Oklahoma.....	28,631	88,312	65,634	5,914,454	206.58	66.97
Oregon.....	42,681	119,297	79,420	11,557,827	270.80	96.88
Pennsylvania <sup>2</sup> .....	207,570	650,512	442,744	57,815,302	278.53	88.88
Puerto Rico <sup>1</sup> .....	44,431	189,104	136,630	2,233,081	50.26	11.81
Rhode Island.....	17,537	53,454	37,186	4,507,348	257.02	84.32
South Carolina.....	48,316	141,049	102,373	4,037,565	83.57	28.63
South Dakota.....	7,813	23,124	16,907	1,384,564	177.21	59.88
Tennessee.....	60,652	171,745	125,521	6,292,357	103.75	36.64
Texas.....	96,255	306,339	227,939	10,127,165	105.21	33.06
Utah.....	12,894	37,865	27,581	3,264,412	253.17	86.21
Vermont.....	6,326	19,747	13,128	1,651,935	261.13	83.65
Virgin Islands <sup>1</sup> .....	1,190	3,782	3,047	151,695	127.47	40.11
Virginia.....	58,791	168,681	120,499	11,212,684	190.72	66.47
Washington.....	49,051	141,395	92,069	13,753,294	280.39	97.27
West Virginia.....	20,927	61,392	43,644	3,681,397	175.92	59.97
Wisconsin.....	68,173	197,671	137,584	19,915,710	292.13	100.75
Wyoming.....	2,326	6,226	4,533	451,421	194.08	72.51

<sup>1</sup> Incomplete. Data for foster care not reported by Puerto Rico and the Virgin Islands.

<sup>2</sup> Estimated data.

Source: Department of Health, Education, and Welfare.

**TABLE 8.—AID TO FAMILIES WITH DEPENDENT CHILDREN, UNEMPLOYED FATHER SEGMENT: RECIPIENTS OF CASH PAYMENTS AND AMOUNT OF PAYMENTS, BY STATE, SEPTEMBER 1977**

[Includes nonmedical vendor payments]

State	Number of recipients			Payments to recipients		
	Number of families	Total	Children	Total amount	Average per	
					Family	Recipient
<b>Total</b> .....	<b>127,358</b>	<b>566,448</b>	<b>321,926</b>	<b>\$46,153,300</b>	<b>\$362.39</b>	<b>\$81.48</b>
California.....	35,656	155,402	89,282	13,714,191	384.63	88.25
Colorado.....	1,036	4,564	2,494	296,398	286.10	64.94
Connecticut.....	984	4,560	2,616	377,227	383.36	82.73
Delaware.....	273	1,183	657	79,879	292.60	67.52
District of Columbia.....	348	1,495	891	113,011	324.74	75.59
Guam.....	56	261	152	13,843	247.20	53.04
Hawaii.....	736	3,260	1,801	343,216	466.33	105.28
Illinois.....	9,186	44,862	26,882	3,294,677	358.66	73.44
Iowa.....	914	3,996	2,238	304,131	332.75	76.11
Kansas.....	388	1,448	827	121,164	312.28	83.68

Maryland	1,939	8,455	4,719	482,516	248.85	57.07
Massachusetts	5,775	25,291	14,463	2,346,256	406.28	92.77
Michigan	13,944	65,643	37,786	5,697,550	408.60	86.80
Minnesota	1,473	6,349	3,442	545,122	370.08	85.86
Missouri <sup>1</sup>	485	2,342	1,372	115,251	237.63	49.21
Montana	185	783	439	48,192	260.50	61.55
Nebraska	48	248	153	15,311	318.98	61.74
New Jersey	3,848	17,017	10,000	1,341,908	348.73	78.86
New York	12,789	58,628	33,547	4,897,422	382.94	83.53
Ohio <sup>1</sup>	16,619	70,868	38,849	4,498,098	270.66	63.47
Oregon	4,005	16,594	8,677	1,460,656	364.71	88.02
Pennsylvania	7,711	33,460	18,204	2,749,607	356.58	82.18
Rhode Island	318	1,484	870	95,752	301.11	64.52
Utah	714	3,555	2,289	274,130	383.94	77.11
Vermont	359	1,713	1,016	126,110	351.28	73.62
Washington	3,822	15,500	8,227	1,315,508	344.19	84.87
West Virginia	319	1,357	955	88,217	276.54	65.01
Wisconsin	3,428	16,130	9,078	1,397,957	407.81	86.67

<sup>1</sup> Estimated data.

Source: Department of Health, Education, and Welfare.

TABLE 9.—AID TO FAMILIES WITH DEPENDENT CHILDREN (AFDC) TOTAL MAINTENANCE ASSISTANCE PAYMENTS, FISCAL YEAR 1976

State	Total payments computable for Federal funding	Federal funds (unadjusted)	Local funds	State funds	Percentages		
					Federal funds	Local funds	State funds
Alabama	\$61,864,423	\$46,923,718		\$14,940,705	75.8	0	24.2
Alaska	13,457,182	6,623,664		6,833,518	49.2	0	50.8
Arizona	33,977,273	18,895,181		15,082,092	55.6	0	44.4
Arkansas	50,159,256	37,418,805		12,740,451	74.6	0	25.4
California	1,424,692,553	712,346,276	253,580,487	458,765,790	50.0	17.8	32.2
Colorado	83,227,441	45,517,087	16,700,968	21,009,386	54.7	20.1	25.2
Connecticut	131,786,271	65,893,135		65,893,136	50.0	0	50.0
Delaware	23,649,023	11,824,511		11,824,512	50.0	0	50.0
District of Columbia	91,865,652	45,932,825		45,932,827	50.0	0	50.0
Florida	120,436,323	68,315,478		52,120,845	56.7	0	43.3
Georgia	122,679,985	90,120,035		32,559,950	73.5	0	26.5
Guam <sup>1</sup>	1,511,650	755,825		755,825	50.0	0	50.0
Hawaii	64,632,077	32,316,039		32,316,038	50.0	0	50.0
Idaho	19,796,706	13,497,394		6,299,312	68.2	0	31.8
Illinois	720,065,139	358,715,572		361,349,567	49.8	0	50.2
Indiana	115,583,003	66,425,552	20,351,153	28,806,298	57.5	17.6	24.9
Iowa	98,783,931	56,435,260		42,348,671	57.1	0	42.9
Kansas	67,602,756	36,519,009		31,083,747	54.0	0	46.0
Kentucky	132,730,945	94,730,076		38,000,869	71.4	0	28.6
Louisiana	98,429,037	71,272,467		27,156,570	72.4	0	27.6
Maine	46,662,236	32,943,539		13,718,697	70.6	0	29.4
Maryland	154,441,383	77,220,692	4,413,052	72,807,639	50.0	2.9	47.1
Massachusetts	415,121,135	207,560,568		207,560,567	50.0	0	50.0
Michigan	746,719,100	373,359,550		373,359,550	50.0	0	50.0
Minnesota	156,149,764	88,757,624	29,087,774	38,304,366	56.9	18.6	24.5
Mississippi	32,017,662	26,504,646		5,513,016	82.8	0	17.2
Missouri	140,017,934	85,774,453		54,243,481	61.3	0	38.7
Montana	12,786,884	8,082,589	1,008,552	3,695,743	63.2	7.9	28.9
Nebraska	28,780,341	15,998,096		12,782,245	55.6	0	44.4
Nevada	10,317,578	5,158,789		5,158,789	50.0	0	50.0

New Hampshire	23,673,490	14,270,380	6,700	9,396,410	60.2		39.7
New Jersey	426,793,857	213,396,928	52,226,857	161,170,072	50.0	12.2	37.8
New Mexico	32,125,612	23,544,860		8,580,752	73.3	0	26.7
New York	1,563,184,768	766,768,978	428,746,351	367,669,439	49.1	27.4	23.5
North Carolina	123,889,145	84,281,786	19,711,194	19,896,165	68.0	16.0	16.0
North Dakota	13,122,019	7,556,970	1,044,992	4,520,057	57.6	8.0	34.4
Ohio	446,319,654	242,753,261		203,566,393	54.4	0	45.6
Oklahoma	65,506,367	44,164,394		21,341,973	67.4	0	32.6
Oregon	113,521,471	67,023,078	1,165	46,497,228	59.0		41.0
Pennsylvania	650,945,260	360,558,579		290,386,681	55.4	0	44.6
Puerto Rico	24,171,922	12,085,960		12,085,962	50.0	0	50.0
Rhode Island	51,270,478	28,993,455		22,277,023	56.5	0	43.5
South Carolina	46,352,487	35,670,249		10,682,238	77.0	0	23.0
South Dakota	20,140,672	13,540,573		6,600,099	67.2	0	32.8
Tennessee	85,756,646	62,722,396		23,034,250	73.1	0	26.9
Texas	137,686,030	100,157,072		37,528,958	72.7	0	27.3
Utah	35,237,274	24,680,187		10,557,087	70.0	0	30.0
Vermont	25,538,100	18,528,902		8,009,198	70.0	0	30.0
Virgin Islands	1,849,649	924,824		924,825	50.0	0	50.0
Virginia	138,678,345	80,904,947	1,462,344	56,311,054	58.3	1.1	40.6
Washington	160,546,774	86,245,728		74,301,046	53.7	0	46.3
West Virginia	52,466,290	37,671,723		14,794,567	71.8	0	28.2
Wisconsin	210,875,774	126,335,680		84,540,094	59.9	0	40.1
Wyoming	4,900,181	2,986,169	684,505	1,229,507	60.9	14.0	25.1
<b>Total</b>	<b>9,675,496,908</b>	<b>5,257,605,534</b>	<b>829,026,094</b>	<b>3,588,865,280</b>	<b>54.3</b>	<b>8.6</b>	<b>37.1</b>

<sup>1</sup> The sum of \$755,825 was reported by Guam as a local expenditure; but is reported here as a State (territorial) expenditure. Adjustments have been made for errors in the printed report.

Source: Based on tables by the Department of Health, Education, and Welfare, Office of Financial Management, Division of Finance, Fiscal year 1976 State expenditures for public assistance programs, approved under

titles I, IV-A, X, IV, XVI, XIX, XX of the Social Security Act. (SRS) 77-04023  
This report is compiled from State expenditure reports submitted quarterly by States.

TABLE 10.—AID TO FAMILIES WITH DEPENDENT CHILDREN (AFDC) EXPENDITURES FOR STATE AND LOCAL ADMINISTRATION, FISCAL YEAR 1976

State	Total payments computable for Federal funding	Federal funds (unadjusted)	Local funds	State funds	Percentages		
					Federal funds	Local funds	State funds
Alabama.....	\$10,076,517	\$5,038,258	\$51,478	\$4,986,781	50.0	0.5	49.5
Alaska.....	2,074,295	1,037,148		1,037,147	50.0	0	50.0
Arizona.....	6,269,473	3,124,975		3,144,498	49.8	0	50.2
Arkansas.....	3,718,605	1,859,302		1,859,303	50.0	0	50.0
California.....	203,966,858	101,983,429	41,765,172	60,218,257	50.0	20.5	29.5
Colorado.....	7,392,791	3,696,396	1,377,963	2,318,432	50.0	18.6	31.4
Connecticut.....	6,405,025	3,188,946		3,216,079	49.8	0	50.2
Delaware.....	1,722,884	861,442		861,442	50.0	0	50.0
District of Columbia.....	8,411,955	4,205,979		4,205,976	50.0	0	50.0
Florida.....	22,660,148	11,330,074		11,330,074	50.0	0	50.0
Georgia.....	19,831,290	9,915,644		9,915,646	50.0	0	50.0
Guam.....	174,670	87,335		87,335	50.0	0	50.0
Hawaii.....	2,450,954	1,225,478		1,225,476	50.0	0	50.0
Idaho.....	2,661,306	1,328,615		1,332,691	49.9	0	50.1
Illinois.....	80,153,027	39,850,036		40,302,991	49.7	0	50.3
Indiana.....	12,971,709	6,485,855	3,924,285	2,561,569	50.0	30.3	19.7
Iowa.....	6,792,719	3,396,360		3,396,359	50.0	0	50.0
Kansas.....	5,528,339	2,764,169		2,764,170	50.0	0	50.0
Kentucky.....	12,667,777	6,333,889		6,333,888	50.0	0	50.0
Louisiana.....	17,923,356	8,961,677		8,961,679	50.0	0	50.0
Maine.....	2,719,139	1,359,570		1,359,569	50.0	0	50.0
Maryland.....	11,909,628	5,954,822	194,317	5,760,489	50.0	1.6	48.4
Massachusetts.....	23,744,309	11,872,155	5,921,646	5,950,508	50.0	24.9	25.1
Michigan.....	40,478,866	20,239,432		20,239,434	50.0	0	50.0
Minnesota.....	13,636,479	6,818,240	4,811,057	2,007,182	50.0	35.3	14.7



Mississippi.....	4,209,332	2,104,665	212,017	1,892,650	50.0	5.0	45.0
Missouri.....	17,847,752	8,880,944		8,961,808	49.8	0	50.2
Montana.....	1,344,303	672,152		672,151	50.0	0	50.0
Nebraska.....	2,318,552	1,159,276		1,159,276	50.0	0	50.0
Nevada.....	2,693,586	1,346,793		1,346,793	50.0	0	50.0
New Hampshire.....	1,525,799	755,786		770,013	49.5	0	50.5
New Jersey.....	32,069,217	16,034,609	14,621,453	1,413,155	50.0	45.6	4.4
New Mexico.....	5,688,352	2,844,176		2,844,176	50.0	0	50.0
New York.....	213,912,847	106,958,086	51,739,114	55,215,647	50.0	24.2	25.8
North Carolina.....	8,579,346	4,289,677	2,849,902	1,439,767	50.0	33.2	16.8
North Dakota.....	1,117,024	558,513	374,913	183,598	50.0	33.6	16.4
Ohio.....	24,259,398	12,053,541	8,509,072	3,696,785	49.7	35.1	15.2
Oklahoma.....	12,158,089	6,079,044		6,079,045	50.0	0	50.0
Oregon.....	10,990,837	5,495,419		5,495,418	50.0	0	50.0
Pennsylvania.....	68,936,879	34,468,439		34,468,440	50.0	0	50.0
Puerto Rico.....	4,809,048	2,404,524		2,404,524	50.0	0	50.0
Rhode Island.....	3,342,462	1,654,780		1,687,682	49.5	0	50.5
South Carolina.....	8,099,518	4,049,758	313,002	3,736,758	50.0	3.9	46.1
South Dakota.....	3,043,832	1,521,917		1,521,915	50.0	0	50.0
Tennessee.....	12,468,647	6,234,323		6,234,324	50.0	0	50.0
Texas.....	26,230,881	13,115,441	205,442	12,909,998	50.0	.8	49.2
Utah.....	3,314,198	1,657,100		1,657,098	50.0	0	50.0
Vermont.....	1,517,616	758,808		758,808	50.0	0	50.0
Virgin Islands.....	252,713	126,356		126,357	50.0	0	50.0
Virginia.....	13,560,163	6,780,082	2,355,191	4,424,890	50.0	17.4	32.6
Washington.....	11,719,928	5,859,965		5,859,963	50.0	0	50.0
West Virginia.....	6,684,276	3,342,137		3,342,139	50.0	0	50.0
Wisconsin.....	8,849,125	4,422,814		4,426,311	50.0	0	50.0
Wyoming.....	687,884	343,943	343,943		50.0	50.0	
<b>Total.....</b>	<b>1,038,568,723</b>	<b>518,892,294</b>	<b>139,569,976</b>	<b>380,106,462</b>	<b>50.0</b>	<b>13.4</b>	<b>36.6</b>

<sup>1</sup> The sum of \$87,335, was reported by Guam as a local expenditure, but is recorded here as a State (territorial) expenditure.  
<sup>2</sup> Estimate. (Published data in SRS report 77-04023 are erroneous.)  
Source: U.S. Department of Health, Education, and Welfare, Social and Rehabilitation Service, Office of Financial Management, Division of Finance.

Fiscal year 1976 State expenditures for public assistance programs approved under titles I, IV-A, X, XIV, XVI, XIX, XX of the Social Security Act. (SRS) 77,04023. This report is compiled from State expenditure reports submitted quarterly by States.  
Note: Totals reflect above adjustments.

TABLE 11.—AFDC—JANUARY TO JUNE 1977 PAYMENT ERROR RATES COMPARED WITH PAYMENT ERROR RATES IN JULY TO DECEMBER 1976 AND APRIL TO SEPTEMBER 1973<sup>1</sup>

State	Amount of payment errors as a percent of total payments								
	Ineligible			Eligible but overpaid			Eligible but underpaid		
	January to June 1977	July to December 1976	April to September 1973	January to June 1977	July to December 1976	April to September 1973	January to June 1977	July to December 1976	April to September 1973
U.S. average <sup>2</sup> .....	4.9	4.6	9.1	3.7	3.9	7.4	0.9	0.9	1.5
Alabama .....	3.4	2.9	9.6	2.0	3.1	5.5	1.2	1.4	6.5
Alaska .....	12.3	9.3	15.9	4.4	3.2	6.4	1.8	.8	.9
Arizona .....	7.1	8.2	7.5	3.8	4.2	7.7	.6	1.2	1.5
Arkansas .....	5.7	3.2	1.8	3.4	4.1	1.8	1.8	2.2	1.9
California .....	1.0	2.2	6.9	2.5	2.5	5.4	.6	.8	1.4
Colorado .....	1.5	4.1	2.3	3.3	3.3	5.1	.9	.4	1.3
Connecticut .....	4.3	4.4	5.6	2.0	3.2	5.2	.8	.6	1.1
Delaware .....	6.7	6.5	9.9	3.3	3.0	9.7	1.3	2.8	1.5
District of Columbia .....	9.1	12.7	9.8	8.8	7.1	8.2	1.5	1.1	.4
Florida .....	4.3	3.8	7.9	2.8	3.2	10.9	.6	.7	2.5
Georgia .....	7.2	7.6	5.1	3.3	4.6	9.8	1.0	1.1	2.8
Hawaii .....	7.9	5.9	4.6	3.5	3.5	6.7	.5	.6	1.3
Idaho .....	1.1	.4	6.3	2.8	3.4	3.6	.4	.9	.3
Illinois .....	12.0	5.2	10.9	6.6	6.9	11.5	.5	.7	1.3
Indiana .....	.7	.7	7.1	1.1	1.6	6.0	.2	.2	1.0
Iowa .....	4.2	6.2	8.3	3.7	4.7	7.3	.8	.6	1.7
Kansas .....	4.5	2.6	8.5	3.2	3.0	6.7	.6	.6	1.7
Kentucky .....	4.5	3.2	7.9	2.8	3.0	10.4	.7	.5	1.1
Louisiana .....	4.3	5.0	13.6	3.6	3.6	7.6	.7	.5	1.1
Maine .....	6.5	5.8	4.1	4.2	5.8	3.0	.6	.7	.5
Maryland .....	9.5	6.6	13.1	3.3	4.8	9.9	2.5	1.2	2.0
Massachusetts .....	8.4	7.6	8.5	4.4	4.4	7.4	.6	.6	.9
Michigan .....	5.0	4.3	5.9	4.6	4.8	5.4	.8	.8	.7
Minnesota .....	3.5	3.4	5.0	2.3	2.4	4.4	.6	.3	1.4
Mississippi .....	4.6	4.6	2.0	2.8	4.6	3.2	1.6	2.2	1.9

Missouri.....	4.9	7.1	6.8	4.6	3.4	5.5	.5	1.2	1.4
Montana.....	6.8	3.9	7.8	6.6	9.4	9.0	1.5	2.2	1.4
Nebraska.....	2.9	3.4	5.4	1.9	3.5	3.2	1.0	1.4	(e) .9
Nevada.....			1.5	.6	.5	2.0		.1	
New Hampshire.....	3.7	4.0	10.0	3.0	4.6	11.4	.4	.6	1.3
New Jersey.....	2.4	2.0	4.0	4.7	3.4	5.4	.8	.7	.9
New Mexico.....	2.3	3.4	2.5	1.8	2.0	4.0	1.0	.7	1.2
New York.....	5.2	7.2	16.4	5.4	4.9	10.2	1.6	1.1	1.6
North Carolina.....	2.6	2.6	6.6	3.3	4.0	6.5	1.1	1.5	3.9
North Dakota.....	.7	1.7		.2	1.7	2.1	.1	.2	.7
Ohio.....	8.2	7.3	11.5	2.4	4.0	10.2	.4	.5	1.0
Oklahoma.....	2.1	1.0	3.0	2.0	2.1	5.1	.8	.4	.6
Oregon.....	2.0	3.6	6.0	4.3	4.3	4.5	.6	.6	.7
Pennsylvania.....	5.5	5.4	16.4	4.8	3.9	8.2	.6	.5	1.0
Puerto Rico.....	4.5	3.8	14.6	4.8	5.1	8.4	1.6	2.0	2.7
Rhode Island.....	3.7	1.6	4.1	2.1	2.3	6.6	.7	.5	.4
South Carolina.....	3.9	3.3	8.7	4.0	5.2	8.6	1.4	1.7	2.5
South Dakota.....	1.4	2.1	2.3	3.9	3.2	5.4	.6	.9	.3
Tennessee.....	5.2	4.9	8.2	2.1	3.7	4.7	1.3	1.1	1.9
Texas.....	3.4	3.4	8.6	2.6	2.1	6.5	.2	.4	1.1
Utah.....	.7	5.1	6.0	1.3	3.0	3.4	.6	.6	.9
Vermont.....	5.3	1.4	10.0	2.9	5.3	7.8	.7	.2	.7
Virgin Islands.....	3.6	11.4	4.2	3.0	5.0	5.2	1.5	2.9	1.7
Virginia.....	3.9	3.6	5.3	3.7	2.8	9.6	1.1	1.4	2.7
Washington.....	5.6	2.6	5.2	1.5	2.8	2.8	.4	.5	.4
West Virginia.....	2.9	1.9	6.4	1.6	3.0	3.8	.4	.3	.9
Wisconsin.....	3.1	2.1	4.2	1.6	1.8	3.1	.6	1.1	1.5
Wyoming.....	4.6	1.8	7.4	3.1	2.2	3.9	.6	1.0	1.9

<sup>1</sup> Based on reviews of statistically reliable samples of approximately 45,000 cases in each reporting period from an average national caseload of 3,500,000 families. Rates were computed by a statistical regression method.

— : Weighted average.  
<sup>2</sup> Less than 0.05 percent.

Source: Department of Health, Education, and Welfare.

TABLE 12.—AFDC—JANUARY TO JUNE 1977 CASE ERROR RATES COMPARED WITH CASE ERROR RATES IN JULY TO DECEMBER 1976 AND APRIL TO SEPTEMBER 1973<sup>1</sup>

State	Cases with errors as a percent of total cases								
	Ineligible			Eligible but overpaid			Eligible but underpaid		
	January to June 1977	July to December 1976	April to September 1973	January to June 1977	July to December 1976	April to September 1973	January to June 1977	July to December 1976	April to September 1973
U.S. average <sup>2</sup> .....	5.4	5.3	10.6	12.5	13.1	23.7	5.0	4.9	8.1
Alabama.....	4.9	3.7	10.2	6.1	8.2	13.4	4.9	5.1	9.9
Alaska.....	13.4	9.8	17.9	11.5	13.0	13.8	7.8	4.0	5.8
Arizona.....	8.4	8.6	8.9	14.3	13.1	25.8	2.8	4.8	8.2
Arkansas.....	6.8	4.4	2.2	9.3	11.8	7.1	5.3	6.9	7.3
California.....	1.2	2.5	8.4	8.4	9.8	17.8	4.2	4.8	7.9
Colorado.....	2.1	5.2	3.9	8.5	10.1	16.2	3.3	1.9	6.7
Connecticut.....	4.9	4.9	6.9	7.4	10.7	18.9	4.4	4.3	5.1
Delaware.....	8.5	6.4	15.5	10.1	13.2	31.5	9.9	18.4	8.5
District of Columbia.....	11.7	15.0	10.7	26.2	23.2	25.4	7.8	6.7	3.6
Florida.....	4.4	4.0	10.1	8.7	9.1	26.3	2.2	2.7	9.8
Georgia.....	7.9	8.7	7.5	8.7	11.0	25.9	2.7	4.4	10.9
Hawaii.....	10.0	5.8	4.6	20.7	23.1	20.6	6.4	4.4	6.1
Idaho.....	1.7	1.3	5.8	14.2	12.1	15.3	3.4	9.5	1.9
Illinois.....	13.5	7.1	12.5	17.3	17.8	37.7	2.8	2.5	10.8
Indiana.....	.9	.9	8.4	4.5	5.0	20.7	1.5	1.9	5.0
Iowa.....	5.1	7.9	10.4	15.4	18.0	21.0	6.2	4.3	8.2
Kansas.....	5.1	3.1	10.3	10.8	11.2	26.0	3.7	3.1	9.2
Kentucky.....	4.3	3.9	10.1	7.7	9.7	29.8	2.0	3.8	8.6
Louisiana.....	5.5	5.8	14.8	8.6	9.8	21.1	2.7	2.6	5.4
Maine.....	6.8	6.2	4.6	15.5	18.6	9.0	3.2	4.4	1.6
Maryland.....	9.2	7.6	14.7	14.4	15.9	28.5	8.0	5.7	10.2
Massachusetts.....	8.4	8.2	10.8	14.9	17.8	30.6	3.8	2.7	13.1
Michigan.....	4.6	4.5	6.3	16.2	19.2	21.7	6.9	7.3	5.5
Minnesota.....	3.6	3.8	7.0	9.0	8.8	27.7	4.6	3.2	12.0
Mississippi.....	6.8	6.8	2.8	8.2	11.8	8.8	4.7	5.6	5.9

Missouri.....	5.8	7.1	7.6	10.7	10.2	14.8	3.6	4.8	4.4
Montana.....	5.2	3.6	10.3	14.4	15.2	20.6	7.8	4.5	5.2
Nebraska.....	5.6	4.3	7.6	7.6	9.5	11.6	5.3	7.5	1.4
Nevada.....			2.6	1.3	1.9	8.5		.6	5.8
New Hampshire.....	3.9	4.4	12.7	15.3	18.6	40.6	5.1	9.5	7.5
New Jersey.....	3.1	2.7	4.9	14.3	12.6	21.1	4.5	5.1	5.3
New Mexico.....	2.7	3.5	4.3	5.9	8.8	11.9	6.0	4.1	5.0
New York.....	6.2	8.1	18.2	20.3	17.8	33.0	12.4	9.8	10.4
North Carolina.....	3.5	3.0	7.9	13.4	13.6	21.6	5.3	7.2	18.6
North Dakota.....	.6	3.3		2.5	7.7	8.3	.6	2.4	4.6
Ohio.....	7.8	7.8	14.2	8.8	10.7	29.5	2.0	2.2	8.0
Oklahoma.....	2.9	1.2	4.1	6.3	4.7	13.5	3.1	1.4	2.9
Oregon.....	2.7	3.8	6.3	16.3	17.3	16.9	6.9	5.9	1.8
Pennsylvania.....	6.0	5.8	17.9	19.3	16.8	26.7	5.0	2.9	7.0
Puerto Rico.....	6.1	4.7	16.4	14.3	14.4	19.9	5.1	7.0	7.7
Rhode Island.....	5.6	2.6	5.6	8.6	8.5	20.3	4.7	4.6	4.6
South Carolina.....	4.4	4.6	9.7	12.5	13.6	26.7	5.1	6.7	11.0
South Dakota.....	2.0	3.3	3.1	12.4	12.0	14.9	2.6	5.9	2.6
Tennessee.....	6.3	5.3	9.7	7.0	8.6	14.3	4.0	4.0	6.9
Texas.....	3.9	3.6	10.4	6.4	5.1	16.9	.9	1.7	3.5
Utah.....	1.6	5.3	6.8	7.2	7.2	13.6	4.2	3.9	3.9
Vermont.....	6.3	2.9	9.1	14.0	20.2	27.2	9.6	3.4	6.0
Virgin Islands.....	6.0	11.3	5.8	8.7	8.7	15.2	4.7	6.7	14.5
Virginia.....	4.2	4.3	7.0	11.5	10.4	29.3	4.0	5.3	15.9
Washington.....	4.8	3.4	5.4	7.2	11.3	10.8	2.9	2.8	2.7
West Virginia.....	3.2	2.9	6.7	7.4	8.0	12.4	2.0	2.2	3.9
Wisconsin.....	2.6	2.6	4.7	10.6	10.8	18.9	4.5	5.8	15.0
Wyoming.....	6.4	3.2	8.5	10.4	7.1	14.6	2.4	3.9	9.1

25

<sup>1</sup> Based on reviews of statistically reliable samples of approximately 45,000 cases in each reporting period from an average national caseload of 3,500,000 families. Rates were computed by a statistical regression method.

<sup>2</sup> Weighted average.  
Source: Department of Health, Education, and Welfare.

TABLE 13.—AFDC CHARACTERISTICS, 1969-75

	May 1969	January 1973	May 1975	Percentage change of 1969 from 1975
Average family size (persons).....	4.0	3.6	3.2	-20
Incidence of fathers (percent):				
Absent.....	<sup>1</sup> 77.1	<sup>2</sup> 80.5	<sup>2</sup> 83.3	( <sup>6</sup> )
Not married to the mother.....	<sup>1</sup> 27.9	<sup>2</sup> 31.5	<sup>2</sup> 31.0	( <sup>6</sup> )
Incidence of working mothers (percent):				
With full-time jobs.....	7.5	9.8	10.4	39
With part-time jobs.....	5.8	6.3	5.7	-2
Actively seeking work, or in school or training.....	9.2	11.5	12.2	32
Median number of months on AFDC <sup>3</sup> .....	23	24	31	35
Race (percent):				
White.....	<sup>4</sup> 49.2	46.9	50.2	.....
Black.....	46.2	45.8	44.3	.....
Incidence of households (percent):				
Living in public housing....	<sup>6</sup> 12.8	13.6	14.6	14
Participating in food stamp or donated-food program.....	52.9	68.4	75.1	42
Including nonrecipient members.....	33.1	34.9	34.8	5
Average family AFDC grant..	\$170.90	\$188.90	\$211.28	24
Average grant per recipient.	\$43.10	\$53.43	\$64.78	50

<sup>1</sup> Calculated on the basis of total number of families.

<sup>2</sup> Calculated on the basis of total number of children; on the basis of total number of families, the January 1973 percentages would be 83.0 where the father was absent and 34.7 where the father was not married to the mother.

<sup>3</sup> Since most recent enrollment.

<sup>4</sup> Excludes Puerto Rico and the Virgin Islands.

<sup>5</sup> As of 1971. Item not available for 1969.

<sup>6</sup> Percentages not on a comparable basis.

Source: Congressional Research Service, based on AFDC recipient characteristic studies, conducted by the Department of Health, Education, and Welfare.

TABLE 14.—AFDC CHILDREN BY REASON FOR ELIGIBILITY,  
1975

Category	Number	Percent
Total.....	8,120,732	100.0
Deprived of support of the child's mother.....	132,402	1.6
Deprived of support of the child's father because he is:		
Deceased.....	303,715	3.7
Incapacitated.....	623,315	7.7
Unemployed.....	298,924	3.7
Absent from home and:		
In armed forces.....	24,103	.3
Divorced.....	1,572,986	19.4
Separated.....	2,323,100	28.6
Not married to mother.....	2,520,279	31.0
Other.....	321,908	4.0

Source: AFDC recipient characteristic study, 1975, conducted by the Department of Health, Education, and Welfare.

TABLE 15.—LENGTH OF TIME ON AFDC ROLLS SINCE MOST  
RECENT CASE OPENING

	Percent of families		
	1971	1973	1975
No more than—			
1 year.....	35.2	30.2	27.7
2 years.....	56.0	49.3	43.4
3 years.....	68.2	64.7	55.0
5 years.....	81.9	81.6	73.8
10 years.....	93.5	94.4	93.1

Source: Based on AFDC recipient characteristic study, for years 1971, 1973, and 1975, conducted by the Department of Health, Education, and Welfare.

TABLE 16.—MAXIMUM POTENTIAL COMBINED CASH AND FOOD STAMP BENEFITS (ANNUAL)—AFDC FAMILY OF FOUR PERSONS, JULY 1977

[AFDC benefit levels as of July 1977]

	Combined maximum potential benefits (AFDC and food stamps per year)			AFDC maximum potential benefits per year		
	Total	Paid by the United States	Federal share (percent)	Total	Paid by the United States	Annual food stamp bonus
Alabama.....	\$3,828	\$3,402	89	\$1,776	\$1,350	\$2,052
Alaska.....	6,840	4,392	64	4,800	2,352	2,040
Arizona.....	4,248	3,203	75	2,376	1,331	1,872
Arkansas.....	4,164	3,597	86	2,268	1,701	1,896
California.....	6,132	3,594	59	5,076	2,538	1,056
Colorado.....	5,081	3,475	68	3,570	1,964	1,511
Connecticut.....	6,324	3,648	58	5,352	2,676	972
Delaware.....	4,992	3,270	66	3,444	1,722	1,548
District of Columbia.....	5,220	3,336	64	3,768	1,884	1,452
Florida.....	4,188	3,202	76	2,292	1,306	1,896
Georgia.....	3,768	3,328	88	1,692	1,252	2,076
Hawaii.....	7,848	4,650	59	6,396	3,198	1,452
Idaho.....	5,472	3,408	62	4,128	2,064	1,344
Illinois.....	5,244	3,342	64	3,804	1,902	1,440
Indiana.....	4,884	3,482	71	3,300	1,898	1,584
Iowa.....	5,676	3,816	67	4,428	2,568	1,248
Kansas.....	5,640	3,631	64	4,368	2,359	1,272
Kentucky.....	4,548	3,730	82	2,820	2,002	1,728
Louisiana.....	3,960	3,409	86	1,968	1,417	1,992
Maine.....	5,220	4,127	79	3,768	2,675	1,452
Maryland.....	4,716	3,192	68	3,048	1,524	1,668
Massachusetts.....	5,808	3,498	60	4,620	2,310	1,188
Michigan.....	6,516	3,702	57	5,628	2,814	888
Minnesota.....	5,976	3,891	65	4,848	2,763	1,128
Mississippi.....	2,808	2,686	96	720	598	2,088
Missouri.....	4,572	3,463	76	2,844	1,735	1,728
Montana.....	4,968	3,707	75	3,408	2,147	1,560
Nebraska.....	5,688	3,734	66	4,440	2,486	1,248
Nevada.....	4,788	3,210	67	3,156	1,578	1,632
New Hampshire.....	5,484	3,823	70	4,152	2,491	1,332
New Jersey.....	5,568	3,432	62	4,272	2,136	1,296
New Mexico.....	4,428	3,715	84	2,640	1,927	1,788
New York.....	7,308	3,930	54	6,756	3,378	552
New York City.....	(6,576)	(3,720)	57	(5,712)	(2,856)	(864)

See footnotes at end of table.



TABLE 16.—MAXIMUM POTENTIAL COMBINED CASH AND FOOD STAMP BENEFITS (ANNUAL)—AFDC FAMILY OF FOUR PERSONS, JULY 1977—Continued

[AFDC benefit levels as of July 1977]

	Combined maximum potential benefits (AFDC and food stamps per year)			AFDC maximum potential benefits per year		Annual food stamp bonus <sup>3</sup>
	Total	Paid by the United States	Federal share (percent)	Total <sup>1</sup>	Paid by the United States <sup>2</sup>	
North Carolina.....	4,260	3,492	82	2,400	1,632	1,860
North Dakota.....	5,688	4,267	75	4,440	3,019	1,248
Ohio.....	4,824	3,350	69	3,204	1,730	1,620
Oklahoma.....	5,004	3,860	77	3,468	2,324	1,536
Oregon.....	6,276	4,111	66	5,280	3,115	996
Pennsylvania.....	5,712	3,698	65	4,476	2,462	1,236
Rhode Island.....	5,760	3,806	66	4,544	2,590	1,216
South Carolina.....	3,492	3,169	91	1,404	1,081	2,088
South Dakota.....	5,376	4,057	75	3,996	2,677	1,380
Tennessee.....	3,744	3,295	88	1,668	1,219	2,076
Texas.....	3,756	3,302	88	1,680	1,226	2,076
Utah.....	5,532	4,265	77	4,224	2,957	1,308
Vermont.....	5,976	4,518	76	4,860	3,402	1,116
Virginia.....	5,196	3,629	70	3,732	2,165	1,464
Washington.....	6,072	3,776	62	4,992	2,696	1,080
West Virginia.....	4,668	3,831	82	2,988	2,151	1,680
Wisconsin.....	6,288	4,166	66	5,304	3,182	984
Wyoming.....	4,848	3,584	74	3,240	1,976	1,608
Guam.....	5,916	4,116	70	3,600	1,800	2,316
Puerto Rico.....	2,820	2,478	89	684	342	2,136
Virgin Islands.....	4,620	3,624	78	1,992	996	2,628
Median State.....	5,220			3,768		1,452

<sup>1</sup> Largest amount paid in highest-benefit area of State for a family with no countable income. In some cases, this amount is paid only if the family's shelter costs equal a maximum allowance.

<sup>2</sup> Federal share is based on percentages of fiscal year 1976 benefits paid by the United States.

<sup>3</sup> Calculated on the basis of the monthly food stamp allotment for a household of 4 persons for January-June 1978 and under terms of the Food and Agriculture Act of 1977, which then was not yet implemented. Food stamp calculations assume maximum deductions (\$135 monthly per household) allowed by the new law. If only the standard \$60 deduction were taken (and no dependent care and/or excess shelter allowance assumed), food stamp bonus would drop by about \$23 monthly (\$276 yearly).

<sup>4</sup> Annual benefits take account of seasonal variation.

<sup>5</sup> Effective as of September 1977.

Source of AFDC data: U.S. Department of Health, Education, and Welfare (26 States), supplemented by telephone survey by the Congressional Research Service. Table prepared by CRS.

**TABLE 17.—GROWTH IN AFDC PAYMENTS IN CONSTANT DOLLARS**

[In thousands]

	AFDC payment costs	Fiscal year CPI	Constant dollars
<b>Fiscal year:</b>			
1969.....	1,704,099,000	100.0	1,704,099,000
1970.....	2,163,438,000	105.9	2,042,907,000
1971.....	3,018,589,000	111.4	2,709,685,000
1972.....	3,611,938,000	115.4	3,129,929,000
1973.....	3,865,109,000	120.4	3,220,924,000
1974.....	4,008,539,000	130.8	3,064,632,000
1975.....	4,587,871,000	145.3	3,157,516,000
1976.....	5,262,339,000	155.6	3,381,966,000
1977.....	5,577,145,000	167.3	3,333,619,000
1978 <sup>1</sup> .....	5,798,000,000	177.3	3,270,164,000
1979 <sup>1</sup> .....	6,064,000,000	188.1	3,223,817,000

<sup>1</sup> Estimated.

Source: Department of Health, Education, and Welfare, fiscal year 1979 budget justification material.

### III. Child Support

The child support enforcement program, enacted near the close of the 94th Congress as title IV-D of the Social Security Act, mandates an aggressively administered program at both the Federal and State levels. The program provides for child support services, including support collection and establishment of paternity, for both AFDC and non-AFDC families. It leaves basic responsibility for these activities with the States, but provides for an active role on the part of the Federal Government in monitoring and evaluating State programs, in providing technical assistance and, in certain instances, in undertaking to give direct assistance to the States in locating absent parents and obtaining support payments from them. There is also provision for financial penalties to be imposed on States which, as the result of a Federal audit, are shown not to have an effective child support program.

To assist and oversee the operation of the State program, the Department of Health, Education, and Welfare is required to establish a separate organizational unit under the direct control of an individual who has been designated by, and reports directly to, the Secretary. In the most recent reorganization of the Department of Health, Education, and Welfare, this responsibility was placed with the Commissioner on Social Security. The Office of Child Support Enforcement reviews and approves State plans, evaluates and audits implementation in each State, and provides technical assistance to the States. There is also a legislatively mandated parent locator service within the child support office.

The implementation of the child support program since 1975 has been highly successful in many States. Overall, in 1977 States reported collecting a total of \$818 million in child support payments, with about half that amount being collected in support of AFDC families, and half for non-AFDC families. The cost of collecting these payments was \$259 million, 75 percent of which was paid by the Federal Government. Between 1976 and 1977 child support collections for both AFDC and non-AFDC families increased by 35 percent. For AFDC families only, the increase was 46 percent.

The number of AFDC families being served by the child support program has been increasing steadily. This increase is anticipated to continue. A total of 600,000 AFDC families, or 20 percent of all AFDC families, had collections made in their behalf in 1977. It is estimated that the number will increase to 930,000 families, or 35 percent of all families, in 1981.

State success in operating the child support program has been uneven. In 1977, Michigan, for example, collected about \$4.70 for each dollar it spent in administering the program. Florida, at the other extreme, actually spent slightly more, \$3.4 million for administration, than it collected. In the Nation as a whole, \$3.16 was collected for each dollar spent.

States have also varied in the emphasis in their programs. Data show that some States are having relatively greater success in their collections for non-AFDC families than they are having for AFDC families. California collected \$77.8 million in behalf of non-AFDC families in 1977, and \$63.4 million for AFDC families. Massachusetts, on the other hand, reported no collections at all for non-AFDC families, and more than \$24 million for families who are receiving AFDC.

TABLE 18.—CHILD SUPPORT PROGRAM COLLECTIONS AND EXPENDITURES, FISCAL YEARS 1976 AND 1977

[In millions]

	1976				1977			
	Collection			Total expenditures	Collection			Total expenditures
	AFDC	Non-AFDC	Total		AFDC	Non-AFDC	Total	
<b>Total..</b>	<b>\$280.0</b>	<b>\$323.7</b>	<b>\$603.7</b>	<b>\$142.6</b>	<b>\$409.5</b>	<b>\$408.5</b>	<b>\$818.0</b>	<b>\$258.8</b>
Alabama.....	.01	.002	.01	.8	.2	.01	.2	2.9
Alaska.....	0	0	0	.1	.2	2.9	3.1	.8
Arizona.....	.01	0	.01	.2	.1	.003	.1	1.3
Arkansas.....	.03	0	.03	.2	.8	.03	.8	.9
California.....	26.1	52.9	79.0	42.8	63.4	77.8	141.2	62.7
Colorado.....	1.8	.003	1.8	1.3	3.5	.2	3.7	2.7
Connecticut.....	6.5	9.8	16.3	.5	8.2	8.7	16.9	4.3
Delaware.....	.7	4.0	4.7	.4	1.2	5.0	6.2	.7
District of Columbia.....	.5	0	.5	.4	.6	.01	.6	1.0
Florida.....	.6	0	.6	1.7	2.8	.3	3.1	3.4
Georgia.....	2.5	.05	2.6	.7	3.3	.5	3.8	1.6
Guam.....	.001	0	.001	.02	.01	0	.01	.1
Hawaii.....	.03	0	.03	.4	1.1	0	1.1	.8
Idaho.....	1.0	.02	1.0	.4	1.6	.2	1.8	.7
Illinois.....	4.4	.01	4.4	2.8	7.8	.2	8.0	4.6
Indiana.....	(1)	0	0	.1	7.8	.1	7.9	2.8
Iowa.....	5.6	.1	5.7	.9	7.4	.4	7.8	1.3
Kansas.....	2.0	0	2.0	.3	3.4	.01	3.4	1.2
Kentucky.....	.1	.01	.1	.3	.6	.03	.6	1.3
Louisiana.....	.9	4.7	5.6	3.1	2.7	4.8	7.5	4.0
Maine.....	1.0	0	1.0	.4	2.7	.1	2.8	.8
Maryland.....	5.9	0	5.9	1.0	7.4	.1	7.5	4.0
Massachusetts.....	16.3	0	16.3	2.9	24.3	0	24.3	3.6
Michigan.....	53.7	21.8	75.5	7.2	64.4	10.7	75.1	16.0
Minnesota.....	6.3	1.6	7.9	4.6	11.3	2.8	14.1	7.9

Mississippi.....	(1)	0	0	.3	.6	0	.6	.6
Missouri.....	(1)	0	0	.3	0	0	0	.3
Montana.....	.2	.03	.2	.3	.4	.2	.6	.4
Nebraska.....	.09	0	.09	.3	1.1	.2	1.3	.8
Nevada.....	(1)	0	0	.01	.3	1.6	1.9	1.3
New Hampshire.....	.6	0	.6	.1	1.9	0	1.9	.3
New Jersey.....	13.9	0	13.9	9.3	19.9	33.7	53.6	15.5
New Mexico.....	.5	.01	.5	.4	.9	.2	1.1	1.2
New York.....	7.8	86.4	94.2	44.1	44.0	63.1	107.1	41.6
North Carolina.....	.1	.06	.2	1.1	2.7	.4	3.1	3.1
North Dakota.....	.4	.02	.4	.1	.9	.1	1.0	.4
Ohio.....	16.3	0	16.3	3.3	19.3	.1	19.6	6.1
Oklahoma.....	.5	0	.5	.8	1.2	.2	1.4	2.1
Oregon.....	.9	15.2	16.1	3.6	8.9	50.2	59.1	6.4
Pennsylvania.....	12.7	123.2	135.9	2.1	24.3	131.6	155.9	14.1
Puerto Rico.....	0	0	0	.2	.01	.03	.04	.7
Rhode Island.....	2.2	0	2.2	.6	3.1	0	3.1	.7
South Carolina.....	0	0	0	.1	.5	.04	.5	.6
South Dakota.....	.4	.01	.4	.6	.7	.03	.7	.9
Tennessee.....	.3	.1	.4	.1	2.2	2.6	4.8	1.1
Texas.....	3.8	.3	4.1	4.2	4.5	.9	5.4	8.4
Utah.....	1.6	.01	1.6	1.0	2.8	.5	3.3	1.5
Vermont.....	.7	.03	.7	.3	1.0	.1	1.1	.5
Virgin Islands.....	.03	.01	.04	0	.1	.002	.1	.4
Virginia.....	3.7	0	3.7	1.1	5.4	0	5.4	3.8
Washington.....	11.2	3.3	14.6	3.3	15.6	5.4	21.0	5.9
West Virginia.....	0	0	0	.4	.7	0	.7	1.3
Wisconsin.....	3.4	.01	3.4	2.0	19.4	2.4	21.8	6.8
Wyoming.....	.2	.01	.2	.1	3	.1	.4	.1

<sup>1</sup> State exempted by Federal law until June 30, 1977, from reporting collections.

Source: Department of Health, Education, and Welfare.

TABLE 19.—CHILD SUPPORT COLLECTIONS: NUMBER AND PERCENT OF AFDC FAMILIES SERVED

	1977	1978	1979	1980	1981
Percent of AFDC families with absent parents for whom collections are made...	20	23	26	30	35
Number of AFDC families for whom collections are made...	600,000	690,000	760,000	830,000	930,000

Source: Department of Health, Education, and Welfare.

TABLE 20.—CHILD SUPPORT ENFORCEMENT, FISCAL YEAR 1977—RANKING OF STATES BY AMOUNT OF SUPPORT COLLECTED (AFDC) AND BY RATIO OF COLLECTIONS TO EXPENDITURES

	AFDC collections (millions)	Ranking of State	
		By amounts collected	By ratio of collections to expenditures
Alabama	\$0.2	48	52
Alaska	.2	49	47
Arizona	.1	51	51
Arkansas	.8	38	35
California	63.4	2	32
Colorado	3.5	19	29
Connecticut	8.2	12	18
Delaware	1.2	32	22
District of Columbia	.6	43	42
Florida	2.8	23	38
Georgia	3.3	21	15
Guam	.01	52	50
Hawaii	1.1	34	27
Idaho	1.6	30	13
Illinois	7.8	14	23
Indiana	7.8	13	11
Iowa	7.4	15	4
Kansas	3.4	20	10
Kentucky	.6	42	46
Louisiana	2.7	26	41

TABLE 20.—CHILD SUPPORT ENFORCEMENT, FISCAL YEAR 1977—RANKING OF STATES BY AMOUNT OF SUPPORT COLLECTED (AFDC) AND BY RATIO OF COLLECTIONS TO EXPENDITURES—Continued

	AFDC col- lections (millions)	Ranking of State	
		By amounts collected	By ratio of collections to expendi- tures
Maine.....	2.7	25	6
Maryland.....	7.4	16	20
Massachusetts.....	24.3	4	1
Michigan.....	64.4	1	5
Minnesota.....	11.3	10	24
Mississippi.....	.6	41	33
Missouri.....	0	54	54
Montana.....	.4	45	34
Nebraska.....	1.1	33	28
Nevada.....	.3	46	49
New Hampshire.....	1.9	29	2
New Jersey.....	19.9	6	30
New Mexico.....	.9	36	40
New York.....	44.0	3	31
North Carolina.....	2.7	27	36
North Dakota.....	.9	37	14
Ohio.....	19.3	7	7
Oklahoma.....	1.2	31	43
Oregon.....	8.9	11	26
Pennsylvania.....	24.3	5	21
Puerto Rico.....	.01	53	53
Rhode Island.....	3.1	22	3
South Carolina.....	.5	44	37
South Dakota.....	.7	40	39
Tennessee.....	2.2	28	16
Texas.....	4.5	18	44
Utah.....	2.8	24	19
Vermont.....	1.0	35	17
Virgin Islands.....	.1	50	48
Virginia.....	5.4	17	25
Washington.....	15.6	9	12
West Virginia.....	.7	39	45
Wisconsin.....	19.4	8	9
Wyoming.....	.3	47	8

Source: Based on data prepared by the Department of Health, Education, and Welfare.

TABLE 21.—CHILD SUPPORT PROGRAM—TOTAL NUMBER OF PARENTS LOCATED, BY STATE, FISCAL YEARS 1976 AND 1977

	1976 <sup>1</sup>	1977
Totals.....	181,504	341,111
Alabama.....	( <sup>2</sup> )	11,149
Alaska.....	( <sup>2</sup> )	1,781
Arizona.....	3,025	4,978
Arkansas.....	840	3,552
California.....	( <sup>2</sup> )	31,953
Colorado.....	2,753	4,831
Connecticut.....	3,410	2,475
Delaware.....	468	265
District of Columbia.....	146	1,139
Florida.....	15,752	20,997
Georgia.....	10,875	15,673
Hawaii.....	1,586	3,376
Idaho.....	2,419	1,153
Illinois.....	6,785	8,132
Indiana.....	( <sup>2</sup> )	5,070
Iowa.....	( <sup>2</sup> )	2,162
Kansas.....	2,809	1,015
Kentucky.....	565	2,369
Louisiana.....	( <sup>2</sup> )	2,334
Maine.....	( <sup>2</sup> )	( <sup>2</sup> )
Maryland.....	( <sup>2</sup> )	21,278
Massachusetts.....	3,632	1,886
Michigan.....	( <sup>2</sup> )	19,530
Minnesota.....	( <sup>2</sup> )	4,276
Mississippi.....	0	217
Missouri.....	( <sup>2</sup> )	( <sup>2</sup> )
Montana.....	1,092	2,393
Nebraska.....	719	1,202
Nevada.....	0	1,654
New Hampshire.....	( <sup>2</sup> )	475

See footnotes at end of table.



TABLE 21.—CHILD SUPPORT PROGRAM—TOTAL NUMBER OF PARENTS LOCATED, BY STATE, FISCAL YEARS 1976 AND 1977—Continued

	1976 <sup>1</sup>	1977
New Jersey.....	( <sup>2</sup> )	3,346
New Mexico.....	( <sup>2</sup> )	2,292
New York.....	52,387	49,004
North Carolina.....	7,952	11,333
North Dakota.....	107	743
Ohio.....	8,836	32,488
Oklahoma.....	( <sup>2</sup> )	1,417
Oregon.....	38,050	21,846
Pennsylvania.....	6,763	( <sup>2</sup> )
Rhode Island.....	( <sup>2</sup> )	( <sup>2</sup> )
South Carolina.....	549	2,760
South Dakota.....	31	( <sup>2</sup> )
Tennessee.....	291	147
Texas.....	( <sup>2</sup> )	2,541
Utah.....	113	4,697
Vermont.....	292	877
Virginia.....	278	3,374
Washington.....	8,047	11,226
West Virginia.....	( <sup>2</sup> )	0
Wisconsin.....	( <sup>2</sup> )	10,463
Wyoming.....	867	2,245
Puerto Rico.....	0	2,500
Virgin Islands.....	65	516

<sup>1</sup> Some States reported only 11 mo.

<sup>2</sup> Information not available.

<sup>3</sup> Estimated.

Source: Department of Health, Education, and Welfare.

TABLE 22.—CHILD SUPPORT ENFORCEMENT—TOTAL NUMBER OF CASES IN WHICH A SUPPORT OBLIGATION WAS ESTABLISHED, BY STATE, FISCAL YEARS 1976 AND 1977

	1976 <sup>1</sup>	1977
Total.....	75,008	83,073
Alabama.....	( <sup>2</sup> )	6,869
Alaska.....	( <sup>2</sup> )	154
Arizona.....	1,028	444
Arkansas.....	252	3,936
California.....	( <sup>2</sup> )	13,125
Colorado.....	1,308	6,034
Connecticut.....	7,804	14,293
Delaware.....	( <sup>2</sup> )	( <sup>2</sup> )
District of Columbia.....	123	171
Florida.....	3,881	8,568
Georgia.....	3,820	9,097
Hawaii.....	255	632
Idaho.....	676	461
Illinois.....	10,001	11,012
Indiana.....	( <sup>2</sup> )	1,863
Iowa.....	( <sup>2</sup> )	2,135
Kansas.....	4,849	1,763
Kentucky.....	2	1,095
Louisiana.....	( <sup>2</sup> )	3,526
Maine.....	( <sup>2</sup> )	( <sup>2</sup> )
Maryland.....	( <sup>2</sup> )	7,026
Massachusetts.....	12,048	3,872
Michigan.....	( <sup>2</sup> )	6,208
Minnesota.....	( <sup>2</sup> )	4,103
Mississippi.....	0	96
Missouri.....	( <sup>2</sup> )	( <sup>2</sup> )
Montana.....	2	7
Nebraska.....	( <sup>2</sup> )	( <sup>2</sup> )
Nevada.....	0	795
New Hampshire.....	( <sup>2</sup> )	103

See footnotes at end of table.

TABLE 22.—CHILD SUPPORT ENFORCEMENT—TOTAL NUMBER OF CASES IN WHICH A SUPPORT OBLIGATION WAS ESTABLISHED, BY STATE, FISCAL YEARS 1976 AND 1977—Con.

	1976 <sup>1</sup>	1977
New Jersey.....	( <sup>2</sup> )	2,812
New Mexico.....	( <sup>2</sup> )	894
New York.....	( <sup>2</sup> )	13,556
North Carolina.....	3,677	6,696
North Dakota.....	15	381
Ohio.....	5,239	14,937
Oklahoma.....	( <sup>2</sup> )	281
Oregon.....	0	309
Pennsylvania.....	( <sup>2</sup> )	( <sup>2</sup> )
Rhode Island.....	( <sup>2</sup> )	( <sup>2</sup> )
South Carolina.....	2	892
South Dakota.....	4,278	4,001
Tennessee.....	124	1,059
Texas.....	8,580	2,486
Utah.....	( <sup>2</sup> )	3,966
Vermont.....	436	794
Virginia.....	445	2,329
Washington.....	6,163	10,201
West Virginia.....	( <sup>2</sup> )	0
Wisconsin.....	( <sup>2</sup> )	9,144
Wyoming.....	( <sup>2</sup> )	475
Puerto Rico.....	0	288
Virgin Islands.....	0	184

<sup>1</sup> Some States reported only 11 mo.

<sup>2</sup> Information not received/not available.

Source: Department of Health, Education, and Welfare.

TABLE 23.—CHILD SUPPORT PROGRAM—TOTAL NUMBER OF CASES IN WHICH PATERNITY WAS ESTABLISHED, BY STATE, FISCAL YEARS 1976 AND 1977

	1976 <sup>1</sup>	1977
Total.....	14,706	68,263
Alabama.....	( <sup>2</sup> )	4,465
Alaska.....	( <sup>2</sup> )	20
Arizona.....	3,005	2,443
Arkansas.....	194	1,031
California.....	( <sup>2</sup> )	4,137
Colorado.....	( <sup>2</sup> )	787
Connecticut.....	1,357	1,559
Delaware.....	( <sup>2</sup> )	( <sup>2</sup> )
District of Columbia.....	( <sup>2</sup> )	85
Florida.....	629	4,000
Georgia.....	( <sup>2</sup> )	5,674
Hawaii.....	95	263
Idaho.....	67	112
Illinois.....	1,753	2,624
Indiana.....	( <sup>2</sup> )	546
Iowa.....	( <sup>2</sup> )	841
Kansas.....	1,014	369
Kentucky.....	2	310
Louisiana.....	( <sup>2</sup> )	560
Maine.....	( <sup>2</sup> )	12
Maryland.....	( <sup>2</sup> )	3,756
Massachusetts.....	1,500	414
Michigan.....	( <sup>2</sup> )	2,551
Minnesota.....	( <sup>2</sup> )	1,524
Mississippi.....	0	70
Missouri.....	( <sup>2</sup> )	( <sup>2</sup> )
Montana.....	3	8
Nebraska.....	( <sup>2</sup> )	( <sup>2</sup> )
Nevada.....	0	125
New Hampshire.....	( <sup>2</sup> )	42

See footnotes at end of table.

TABLE 23.—CHILD SUPPORT PROGRAM—TOTAL NUMBER OF CASES IN WHICH PATERNITY WAS ESTABLISHED, BY STATE, FISCAL YEARS 1976 AND 1977—Continued

	1976 <sup>1</sup>	1977
New Jersey.....	( <sup>2</sup> )	3,280
New Mexico.....	( <sup>2</sup> )	67
New York.....	( <sup>2</sup> )	6,295
North Carolina.....	1,812	5,247
North Dakota.....	9	120
Ohio.....	1,248	5,203
Oklahoma.....	( <sup>2</sup> )	69
Oregon.....	( <sup>2</sup> )	2,067
Pennsylvania.....	1,405	( <sup>2</sup> )
Rhode Island.....	( <sup>2</sup> )	( <sup>2</sup> )
South Carolina.....	9	613
South Dakota.....	33	143
Tennessee.....	111	373
Texas.....	157	38
Utah.....	( <sup>2</sup> )	98
Vermont.....	55	79
Virginia.....	162	1,170
Washington.....	78	433
West Virginia.....	( <sup>2</sup> )	0
Wisconsin.....	( <sup>2</sup> )	4,606
Wyoming.....	8	20
Puerto Rico.....	0	6
Virgin Islands.....	0	8

<sup>1</sup> Some States reported only 11 mo.

<sup>2</sup> Information not received/not available.

Source: Department of Health, Education, and Welfare.

#### IV. Work Incentive (WIN) Program

The work incentive (WIN) program was originally enacted by Congress in 1967 with the purpose of reducing welfare dependency through the provision of manpower training and job replacement services. In 1971 the Congress adopted amendments aimed at strengthening the administrative framework of the program and at placing greater emphasis on immediate employment instead of institutional training, thus specifically directing the program to assist individuals in the transition from welfare to work. In the same year, Congress also provided for a tax credit to employers who hire WIN participants, equal to 20 percent of the wages paid for a maximum of 12 months' employment.

The 1971 amendments required that all persons at least 16 years of age and receiving AFDC benefits must register for WIN, unless legally exempt by reason of health, disability, needed in the home, advanced age, student status, or geographic location. Registrants selected for participation in WIN must accept available jobs, training, or needed services to prepare them for employment. Refusal to do so without good cause will result in termination of their AFDC payments.

Since these amendments were enacted, there has been a significant increase in the number of persons placed in employment with resultant savings in AFDC funding.

Spending for the WIN program has remained level in recent years, at about \$350 million. Public Law 95-30, enacted last year, authorized additional funding of \$435 million for manpower and supportive services in each of fiscal years 1978 and 1979. However, this additional money was not included in the appropriation for the program in 1978, and has not been requested by the administration for 1979. On April 3 the Senate passed S. 2779, as reported by the Committee on Finance, authorizing new funding of \$235 million in 1979, and up to \$1.5 billion annually for years after 1979.

The administration estimates that in fiscal year 1978 about \$352 million will be spent for WIN, including \$234 million for training and employment services, and \$118 million for supportive services, including \$49 million for child care.

In fiscal year 1973, according to Labor Department statistics, 34,000 families in which a family member was a WIN participant went off welfare and an additional 31,000 families received a reduced AFDC grant because of the salaries earned by WIN participants who became employed. In fiscal year 1976, 87,000 such families went off welfare, and 95,000 received a reduced AFDC grant because of the salaries earned by WIN participants. These figures represent a substantial increase over fiscal year 1973. In fiscal year 1977, there were 136,000 such families who went off welfare, and an additional 135,000 families who remained welfare recipients, but whose AFDC payments were reduced due to their additional income.

Program statistics show that about 73 percent of those in WIN are female, and 71 percent are age 22 to 44 years. Nearly 60 percent have completed less than 12 years of school. About 18 percent are participating on a voluntary basis.

TABLE 24.--WORK INCENTIVE PROGRAM, COSTS AND WORKLOAD

[Dollar amounts in thousands]

	Fiscal year 1977 actual			Fiscal year 1978 estimate			Fiscal year 1979 estimate		
	Workload	Unit cost	Total cost	Workload	Unit cost	Total cost	Workload	Unit cost	Total cost
1. Grants to States (DOL/HEW)			\$351,796			\$351,995			\$351,995
(a) Training and incentives (DOL)			235,038			233,578			233,578
Intake/services			105,612			103,989			103,989
IMU medical verification	67,858	\$23	1,596	67,900	\$23	1,562	67,900	\$23	1,562
Registration/labor market exposure	1,102,717	40	45,117	1,102,000	40	44,080	1,102,000	40	44,080
Appraisal/employability planning	692,148	21	14,867	692,100	21	14,534	692,100	21	14,534
Orientation	67,548	41	2,833	67,500	41	2,768	67,500	41	2,768
Intensive manpower services/direct placement	251,483	154	38,842	251,500	154	38,738	251,500	154	38,738
Adjudication	29,166	79	2,357	29,200	79	2,307	29,200	79	2,307
Work and training	37,226		129,426	37,300		129,590	37,300		129,590
On-the-job training	11,480	4,239	48,664	11,500	4,239	48,749	11,500	4,239	48,749
Public service employment	5,404	7,731	41,778	5,400	7,731	41,747	5,400	7,731	41,747
Institutional training	15,152	1,846	27,971	15,200	1,846	28,059	15,200	1,846	28,059
Work experience	5,190	2,122	11,013	5,200	2,122	11,034	5,200	2,122	11,034
(b) Child care and supportive services (HEW)			116,758			118,417			118,417
Child care	77,571	626	48,560	78,000	626	48,828	78,000	626	48,828
Supportive services	124,611	547	68,198	127,000	547	69,589	127,000	547	69,589
2. Program direction and evaluation (DOL)			11,307			13,005			13,276

† Man-years.

Source: WIN—Department of Labor.

**TABLE 25.—WORK INCENTIVE PROGRAM: AMOUNTS FOR TRAINING AND INCENTIVES ACTIVITIES AND WIN SOCIAL SERVICES**

State	Fiscal year 1977	Fiscal year 1978
Alabama.....	\$3,403,862	\$3,287,484
Alaska.....	1,051,006	1,088,495
Arizona.....	2,719,518	3,053,486
Arkansas.....	2,565,669	2,313,521
California.....	50,340,713	43,234,508
Colorado.....	6,271,970	7,299,165
Connecticut.....	3,440,589	4,381,546
Delaware.....	686,082	1,064,145
District of Columbia.....	4,298,305	3,542,251
Florida.....	6,541,591	6,817,211
Georgia.....	6,895,697	9,199,454
Guam.....	251,184	264,411
Hawaii.....	1,536,501	1,302,216
Idaho.....	1,526,906	1,723,882
Illinois.....	17,240,100	18,377,094
Indiana.....	3,659,694	4,977,262
Iowa.....	3,284,976	3,218,696
Kansas.....	2,791,285	3,031,603
Kentucky.....	3,000,902	3,874,062
Louisiana.....	3,150,095	2,775,524
Maine.....	1,422,742	2,129,939
Maryland.....	7,321,880	8,145,328
Massachusetts.....	8,174,662	10,498,814
Michigan.....	21,431,665	24,573,147
Minnesota.....	6,837,706	6,557,075
Mississippi.....	2,928,754	3,647,417
Missouri.....	6,256,101	6,993,171
Montana.....	1,937,313	1,851,789
Nebraska.....	1,519,968	1,368,082
Nevada.....	796,686	1,084,369



TABLE 25.—WORK INCENTIVE PROGRAM: AMOUNTS FOR TRAINING AND INCENTIVES ACTIVITIES AND WIN SOCIAL SERVICES—Continued

State	Fiscal year 1977	Fiscal year 1978
New Hampshire.....	712,792	1,060,913
New Jersey.....	13,346,611	10,485,028
New Mexico.....	1,738,633	2,180,266
New York.....	31,176,908	28,559,158
North Carolina.....	4,040,190	3,384,983
North Dakota.....	1,003,479	971,797
Ohio.....	15,290,761	22,149,809
Oklahoma.....	2,811,815	2,372,501
Oregon.....	8,883,958	9,200,288
Pennsylvania.....	11,042,832	16,866,350
Puerto Rico.....	2,294,746	3,050,085
Rhode Island.....	2,713,053	1,087,430
South Carolina.....	2,425,535	2,602,400
South Dakota.....	2,069,822	1,821,166
Tennessee.....	3,365,716	3,757,305
Texas.....	9,540,211	9,838,379
Utah.....	4,836,295	5,068,591
Vermont.....	2,721,129	2,027,773
Virginia.....	3,058,677	3,959,260
Virgin Islands.....	270,866	206,260
Washington.....	10,673,715	10,056,957
West Virginia.....	6,820,433	5,984,999
Wisconsin.....	10,320,148	13,007,073
Wyoming.....	468,762	621,082
Total.....	334,961,209	351,995,000

Source: Department of Labor.

TABLE 26.—COMPARISON OF WIN CHARACTERISTICS, FISCAL YEARS, 1975-77

	Fiscal year—		
	1975	1976	1977
<b>Sex:</b>			
Male.....	24.7	27.1	27.4
Female.....	75.3	72.9	72.6
<b>Age:</b>			
21 years and under..	18.7	17.4	15.8
22 to 44 years.....	73.0	69.7	71.4
45 years and over.....	8.3	12.9	12.8
<b>Race:</b>			
White.....	53.9	55.8	57.0
Black.....	42.4	38.6	40.1
Other.....	3.7	5.6	2.9
Spanish speaking.....	9.8	11.6	11.1
<b>Years of school completed:</b>			
Under 8 years.....	9.3	11.0	10.5
8 to 11 years.....	49.6	49.1	48.7
12 years.....	33.5	32.9	33.0
Over 12 years.....	7.6	7.0	7.8
Mandatory.....		79.7	82.1
Voluntary.....		20.3	17.9

Source: Department of Labor.

## V. Supplemental Security Income

The supplemental security income (SSI) program is a federally administered income support program for the aged, blind, and disabled. The program was enacted in 1972 and became effective on January 1, 1974, replacing the former State-administered programs of aid to the aged, blind, and disabled.

The SSI program guarantees needy aged, blind, and disabled persons a minimum monthly income of \$177.80 for a single individual or \$266.70 for a married couple. These are the basic Federal guarantee levels. In many States, however, higher levels prevail as a result of State action to supplement the basic Federal support levels. States may elect to administer their supplementary payments as a separate program or to contract for Federal administration so that the monthly payment of Federal and State benefits combined is included in a single check issued by the Federal Treasury.

The amount actually payable to a given recipient is determined by subtracting from the overall income support level the amount of income the individual has from other sources. In making this computation, some types of income are not counted. For example, there is excluded the first \$20 of monthly income from any source (such as from social security benefits) and certain proportions of income from wages. As a result, the total income of an individual who has some other source of income will always be somewhat higher than the total income of an individual who is entirely dependent upon SSI benefits.

In calendar year 1977, the SSI program paid \$4.7 billion in Federal benefits and another \$1.5 billion in federally administered State supplementary benefits.

The total number of individuals receiving SSI has remained relatively stable over the last three years. In January 1975 there were about 4.0 million aged, blind and disabled recipients receiving federally administered benefits. In January 1978 the number was 4.2 million. Within this total, however, there has been a steady and important change in the composition of the SSI rolls. Since the program was first implemented until the present time there has been a 66 percent increase in the number of individuals receiving SSI on the basis of disability. The number receiving assistance on the basis of age has increased only 10 percent. Since December 1975 the number of aged recipients has actually declined slightly, from 2.3 million to 2.1 million. This gradual transformation of the SSI program from one primarily for the aged to one primarily serving the disabled is illustrated most dramatically by statistics showing new awards. In 1977 there were about 190,000 individuals who were initially awarded SSI on the basis of age. The number awarded SSI on the basis of disability was 362,000.

The composition of the SSI rolls also varies greatly from State to State, with some States serving predominantly the aged, and others the disabled. Massachusetts, for example, has about 74,000 aged individuals receiving SSI, and 51,000 who are disabled. Louisiana similarly has more aged recipients than it has disabled—about 80,000 aged individuals compared with 66,000 disabled. In contrast, New York has 226,000 disabled recipients, compared with 154,000 aged recipients. California has 352,000 disabled recipients, and 326,000 aged recipients.

**TABLE 27. SUPPLEMENTAL SECURITY INCOME FOR THE AGED, BLIND, AND DISABLED: NUMBER OF PERSONS RECEIVING FEDERALLY ADMINISTERED PAYMENTS AND TOTAL AMOUNT, 1974-78 <sup>1</sup>**

Period	Number of persons <sup>2</sup>				Amount of payments (in thousands)		
	Total	Aged	Blind	Disabled	Total	Federal SSI	State supplementation <sup>2</sup>
January 1974.....	3,215,632	1,865,109	72,390	1,278,133	\$365,149	\$260,159	\$104,989
December 1974.....	3,996,054	2,285,909	74,616	1,635,539	450,856	340,853	110,003
December 1975.....	4,314,275	2,307,105	74,489	1,932,681	493,495	374,419	119,076
December 1976.....	4,235,939	2,147,697	76,366	2,011,876	507,060	386,440	120,620
December 1977.....	4,237,692	2,050,921	77,362	2,109,409	527,658	402,743	124,915
January 1978.....	4,249,970	2,052,175	77,398	2,120,397	523,951	399,753	124,198

<sup>1</sup> Excludes emergency advance payments made by the Social Security Administration district offices. Figures not adjusted for returned checks and refunds of overpayments.

<sup>2</sup> Excludes data for State supplementation under State-administered programs.

**TABLE 28.—SUPPLEMENTAL SECURITY INCOME FOR THE AGED, BLIND, AND DISABLED: AMOUNT OF TOTAL PAYMENTS, FEDERAL SSI PAYMENTS, AND STATE SUPPLEMENTARY PAYMENTS, 1974-78**

[In thousands]

Period	Total	Federal SSI	State supplementation		
			Total	Federally administered	State administered
1974.....	\$5,245,719	\$3,833,161	\$1,412,558	\$1,263,652	\$148,906
1975.....	5,878,224	4,313,538	1,564,686	1,402,534	162,152
1976.....	6,068,079	4,512,061	1,556,018	1,388,154	167,864
1977.....	6,380,672	4,744,711	1,635,961	1,459,368	176,593
January 1978..	538,626	399,753	138,873	124,198	14,675

† Partly estimated.

TABLE 29.—SUPPLEMENTAL SECURITY INCOME FOR THE AGED, BLIND, AND DISABLED: NUMBER OF PERSONS RECEIVING FEDERALLY ADMINISTERED PAYMENTS, BY REASON FOR ELIGIBILITY AND STATE, JANUARY 1978

State	Total	Aged	Blind	Disabled
Total <sup>1</sup> .....	4,249,970	2,052,175	77,398	2,120,397
Alabama <sup>2</sup> .....	141,372	89,027	1,918	50,427
Alaska <sup>2</sup> .....	3,143	1,295	68	1,780
Arizona <sup>2</sup> .....	28,761	12,876	499	15,386
Arkansas.....	84,781	50,934	1,622	32,225
California.....	695,661	326,119	17,181	352,361
Colorado <sup>2</sup> .....	33,648	16,639	349	16,660
Connecticut <sup>2</sup> .....	22,651	8,196	295	14,160
Delaware.....	7,146	2,912	193	4,041
District of Columbia...	14,731	4,526	199	10,006
Florida.....	165,022	88,415	2,562	74,045
Georgia.....	160,758	82,070	2,964	75,724
Hawaii.....	10,001	5,268	133	4,600
Idaho <sup>2</sup> .....	7,851	3,243	99	4,509
Illinois <sup>2</sup> .....	127,567	40,923	1,655	84,989
Indiana <sup>2</sup> .....	41,038	18,039	1,077	21,922
Iowa.....	27,096	13,304	1,119	12,673
Kansas.....	22,376	10,152	339	11,885
Kentucky <sup>2</sup> .....	96,015	49,784	2,025	44,206
Louisiana.....	148,521	79,993	2,203	66,325
Maine.....	22,915	11,466	277	11,172
Maryland.....	48,164	17,560	539	30,065
Massachusetts.....	130,313	74,407	4,702	51,204
Michigan.....	117,423	44,558	1,637	71,228
Minnesota <sup>2</sup> .....	35,605	15,742	656	19,207
Mississippi.....	118,746	71,481	1,887	45,378
Missouri <sup>2</sup> .....	92,346	51,329	1,627	39,390
Montana.....	7,568	2,951	139	4,478
Nebraska <sup>2</sup> .....	14,396	6,808	236	7,352
Nevada.....	6,078	3,474	361	2,243
New Hampshire <sup>2</sup> .....	5,491	2,532	147	2,812
New Jersey.....	80,783	34,254	1,009	45,520
New Mexico <sup>2</sup> .....	25,899	11,443	411	14,045
New York.....	384,120	153,941	3,964	226,215
North Carolina <sup>2</sup> .....	145,076	71,604	3,469	70,003
North Dakota <sup>2</sup> .....	7,311	4,088	70	3,153

See footnotes at end of table.

TABLE 29.—SUPPLEMENTAL SECURITY INCOME FOR THE AGED, BLIND, AND DISABLED: NUMBER OF PERSONS RECEIVING FEDERALLY ADMINISTERED PAYMENTS, BY REASON FOR ELIGIBILITY AND STATE, JANUARY 1978—Continued

State	Total	Aged	Blind	Disabled
Ohio.....	125,647	44,081	2,318	79,248
Oklahoma <sup>2</sup> .....	76,951	43,041	1,084	32,826
Oregon <sup>2</sup> .....	23,582	8,644	549	14,389
Pennsylvania.....	168,045	66,068	3,885	98,092
Rhode Island.....	15,565	6,489	173	8,903
South Carolina <sup>2</sup> .....	83,381	42,555	1,887	38,939
South Dakota.....	8,513	4,565	132	3,816
Tennessee.....	135,102	70,308	1,816	62,978
Texas <sup>3</sup> .....	274,220	168,862	4,086	101,272
Utah <sup>2</sup> .....	8,413	2,886	151	5,376
Vermont.....	8,977	4,071	120	4,786
Virginia <sup>2</sup> .....	79,496	39,326	1,447	38,723
Washington.....	49,301	18,197	522	30,582
West Virginia <sup>2</sup> .....	42,950	17,081	635	25,234
Wisconsin.....	67,208	33,581	930	32,697
Wyoming <sup>2</sup> .....	2,209	1,054	32	1,123
Unknown.....	37	13	.....	24

<sup>1</sup> Includes persons with Federal SSI payments and/or federally administered State supplementation, unless otherwise indicated.

<sup>2</sup> Data for Federal SSI payments only. State has State-administered supplementation.

<sup>3</sup> Data for Federal SSI payments only; State supplementary payments not made.

Source: Department of Health, Education, and Welfare.

TABLE 30.—SUPPLEMENTAL SECURITY INCOME FOR THE AGED, BLIND, AND DISABLED: NUMBER OF PERSONS INITIALLY AWARDED FEDERALLY ADMINISTERED PAYMENTS, BY REASON FOR ELIGIBILITY 1974-77

Period	Total	Aged	Blind	Disabled
1974 <sup>1</sup> .....	890,768	498,555	5,206	387,007
1975.....	702,147	259,823	5,834	436,490
1976.....	542,355	171,798	4,735	365,822
1977.....	557,570	189,750	5,753	362,067

<sup>1</sup> Reflects data for May-December.

Source: Department of Health, Education, and Welfare.

TABLE 31.—MAXIMUM POTENTIAL CASH AND FOOD STAMP BENEFITS PER SSI RECIPIENT

[\*—If blind †—If disabled]

	Maximum SSI monthly benefit (July 1977- June 1978) <sup>1</sup>	Bonus food stamp monthly entitlement <sup>2</sup>	Annual total
Alabama.....	\$177.80	\$40	\$2,614
Alaska.....	<sup>3</sup> 354.00	12	4,392
Arizona.....	177.80	40	2,614
Arkansas.....	177.80	40	2,614
California.....	296.00	( <sup>4</sup> )	3,552
	*344.00 .....		*4,128
Colorado.....	215.00	28	2,916
Connecticut.....	266.00	13	3,348
Delaware.....	177.80	40	2,614
District of Columbia.....	177.80	40	2,614
Florida.....	177.80	40	2,614
Georgia.....	177.80	40	2,614
Hawaii.....	193.00	53	2,952
Idaho.....	231.00	24	3,060
Illinois.....	185.00	37	2,664
Indiana.....	177.80	40	2,614
Iowa.....	177.80	40	2,614
Kansas.....	177.80	40	2,614
Kentucky.....	177.80	40	2,614
Louisiana.....	177.80	40	2,614
Maine.....	177.80	37	2,698
Maryland.....	177.80	40	2,614
Massachusetts.....	296.53	( <sup>4</sup> )	3,558
	*321.92 .....		*3,863
	†285.12 .....		†3,421
Michigan.....	202.10	32	2,809
Minnesota.....	<sup>3</sup> 211.00	30	2,892
Mississippi.....	177.80	40	2,614
Missouri.....	177.80	40	2,614
Montana.....	177.80	40	2,614
Nebraska.....	<sup>3</sup> 268.00	13	3,372
Nevada.....	217.85	28	2,950
	*280.35	*10	*3,484
	†177.80	†40	†2,614
New Hampshire.....	180.00	39	2,628
New Jersey.....	200.00	33	2,796
New Mexico.....	177.80	40	2,614

See footnotes at end of table.



TABLE 31.—MAXIMUM POTENTIAL CASH AND FOOD STAMP BENEFITS PER SSI RECIPIENT—Continued

	[*=If blind †=If disabled]		
	Maximum SSI monthly benefit (July 1977- June 1978) <sup>1</sup>	Bonus food stamp monthly entitlement <sup>2</sup>	Annual total
New York.....	\$238.65	\$21	\$3,116
North Carolina.....	177.80	40	2,614
North Dakota.....	177.80	40	2,614
Ohio.....	177.80	40	2,614
Oklahoma.....	214.80	28	2,914
Oregon.....	189.80	36	2,710
	†214.80	*28	*2,914
Pennsylvania.....	210.20	30	2,882
Rhode Island.....	209.24	30	2,871
South Carolina.....	177.80	40	2,614
South Dakota.....	177.80	40	2,614
Tennessee.....	177.80	40	2,614
Texas.....	177.80	40	2,614
Utah.....	177.80	40	2,614
Vermont.....	<sup>3</sup> 210.00	30	2,880
Virginia.....	177.80	40	2,614
Washington.....	<sup>3</sup> 218.25	28	2,955
West Virginia.....	177.80	40	2,614
Wisconsin.....	254.00	17	3,252
Wyoming.....	197.80	34	2,770

<sup>1</sup> The amount shown is the maximum amount payable to an individual in combined Federal SSI payments and State supplementary payments for basic needs. In some cases, additional amounts are payable by the State for special needs. Individuals who were on the State rolls in December 1973 may also in some instances receive additional amounts under the mandatory supplementation grandfather clause. The Federal component of the payment is \$177.80.

<sup>2</sup> Calculated on the basis of January-June 1978 food stamps allotments (\$52 monthly in continental United States, \$72 in Alaska, \$70 in Hawaii). Assumes that the SSI benefit is the recipient's only income. However, 60 percent of SSI recipients have outside income. SSI benefits are reduced by \$1 for each dollar of outside income, except that the first \$20 per month of unearned income does not reduce the SSI grant. (A more liberal exclusion applies to earned income.) If the recipient has unearned income, his total income could exceed the SSI maximum benefit level by \$20 and would thereby reduce the food stamp benefit.

Also assumes maximum allowable deductions of \$135 per month—\$60 flat deduction and \$75 for excess shelter and/or dependent care costs. (The shelter deduction applies only to costs that exceed 50 percent of income remaining after other deductions.) If only the standard \$60 deduction were assumed, food stamp benefits would drop by \$23 monthly.

<sup>3</sup> Maximum payment may be less depending upon actual shelter costs or area of State.

<sup>4</sup> SSI recipients in California and Massachusetts are not eligible for food stamps. These States provide increased cash benefits in lieu of food stamps.

Source: Table prepared by the Congressional Research Service.

TABLE 32.—MAXIMUM POTENTIAL CASH AND FOOD STAMP BENEFITS PER SSI COUPLE

	[*=If blind	†=If blind or disabled	‡=If disabled]	
	Maximum SSI monthly benefit (July 1977- June 1978) <sup>1</sup>	Bonus food stamp monthly entitlement <sup>2</sup>	Annual total	
Alabama.....	\$302.00	\$46	\$4,176	
	*270.00	*56	*3,912	
Alaska.....	<sup>3</sup> 519.00	19	6,456	
Arizona.....	266.70	57	3,884	
Arkansas.....	266.70	57	3,884	
California.....	557.00	( <sup>1</sup> )	6,684	
	*663.00	.....	*7,956	
Colorado.....	430.00	12	5,304	
	†390.00	†20	†4,920	
Connecticut.....	326.90	39	4,391	
Delaware.....	266.70	57	3,884	
District of Columbia.....	266.70	57	3,884	
Florida.....	266.70	57	3,884	
Georgia.....	266.70	57	3,884	
Hawaii.....	290.90	82	4,475	
Idaho.....	302.00	46	4,176	
Illinois.....	266.70	57	3,884	
Indiana.....	266.70	57	3,884	
Iowa.....	266.70	57	3,884	
	*310.70	*44	*4,256	
Kansas.....	266.70	57	3,884	
Kentucky.....	266.70	57	3,884	
Louisiana.....	266.70	57	3,884	
Maine.....	281.70	52	4,002	
Maryland.....	266.70	57	3,884	
Massachusetts.....	451.50	( <sup>1</sup> )	5,418	
	*643.84	.....	*7,726	
	†434.38	.....	†5,213	
Michigan.....	303.10	46	4,189	
Minnesota.....	<sup>3</sup> 311.00	44	4,260	
Mississippi.....	266.70	57	3,884	
Missouri.....	266.70	57	3,884	
Montana.....	266.70	57	3,884	
Nebraska.....	<sup>3</sup> 361.00	29	4,680	
Nevada.....	343.76	34	4,533	
	*560.70	*0	*6,728	
	†266.70	†57	†3,884	
New Hampshire.....	266.70	57	3,884	

See footnotes at end of table.

TABLE 32.—MAXIMUM POTENTIAL CASH AND FOOD STAMP BENEFITS PER SSI COUPLE—Continued

	[*=If blind †=If blind or disabled ‡=If disabled]		
		Maximum SSI monthly benefit (July 1977- June 1978) <sup>1</sup>	Bonus food stamp monthly entitlement <sup>2</sup>
			Annual total
New Jersey.....		\$277.00	\$54
New Mexico.....		266.70	57
New York.....		342.64	34
North Carolina.....		266.70	57
North Dakota.....		266.70	57
Ohio.....		266.70	57
Oklahoma.....		335.70	36
Oregon.....		276.70	54
		* 307.70	* 45
Pennsylvania.....		315.40	42
Rhode Island.....		326.02	39
South Carolina.....		266.70	57
South Dakota.....		266.70	57
Tennessee.....		266.70	57
Texas.....		266.70	57
Utah.....		266.70	57
Vermont.....		<sup>3</sup> 330.00	38
Virginia.....		266.70	57
Washington.....		<sup>3</sup> 311.10	44
West Virginia.....		266.70	57
Wisconsin.....		385.90	21
Wyoming.....		306.70	45

<sup>1</sup> The amount shown is the maximum amount payable to a couple in combined Federal SSI payments and State supplementary payments for basic needs. In some cases, additional amounts are payable by the State for special needs. Individuals who were on the State rolls in December 1973 may also in some instances receive additional amounts under the mandatory supplementation grandfather clause. The Federal component of the payment is \$266.70.

<sup>2</sup> Calculated on the basis of the food stamp allotments for the first half of 1978 (\$96 for 2 persons in the continental United States, \$134 in Alaska, and \$128 in Hawaii). Assumes that SSI benefit is the recipient's only income. However, 60 percent of SSI recipients have outside income, SSI benefits are reduced by \$1 for each dollar of outside income, except that the first \$20 per month of unearned income does not reduce the SSI grant. (A more liberal exclusion applies to earned income). If the recipient has unearned income, his total income could exceed SSI maximum benefit level by \$20 and could thereby reduce the food stamp benefit.

Also assumes maximum allowable deductions of \$135 per month—\$60 flat deduction and \$75 for excess shelter and/or dependent care costs. (The shelter deduction applies only to costs that exceed 50 percent of income left after other deductions.) If only the \$60 standard deduction were assumed, the food stamp bonus would drop by \$23 monthly.

<sup>3</sup> Maximum payment may be less depending upon actual shelter costs or area of State.

<sup>4</sup> SSI recipients in California and Massachusetts are not eligible for food stamps. These States have chosen to provide cash in lieu of food stamps.

Source: Table prepared by the Congressional Research Service.

**TABLE 33.—SUPPLEMENTAL SECURITY INCOME—SUMMARY OF ERROR RATES**

	January- June 1975	October 1976- March 1977	April- September 1977
<b>Payment error rate (incorrect payments as a percentage of all payments):</b>			
Overpayments.....	5.2	2.8	2.5
Payments to ineligible.....	6.3	3.5	2.7
<b>Total <sup>1</sup>.....</b>	<b>11.5</b>	<b>6.3</b>	<b>5.2</b>
<b>Dollar values of payment error rate (in millions):</b>			
Total payments.....	\$2,800	\$3,000	\$3,100
Excess payments.....	300	190	160
<b>Inaccurate cases as a percentage of all cases:</b>			
Overpayments.....	11.0	5.9	5.2
Payments to ineligible.....	7.7	4.9	3.9
Underpayments.....	5.7	4.1	4.3
<b>Total.....</b>	<b>24.4</b>	<b>14.9</b>	<b>13.4</b>

<sup>1</sup> Underpayments are not included in the payment error rate because they represent money not paid. Payment error rates refer only to dollars misspent through payments to ineligible and overpayments to eligibles as a percent of total payments. SSA data show an underpayment rate of 1.6 percent, or an estimated \$50.5 million, in the April-September 1977 period.

Staff note: Error rates shown above are based on sample surveys conducted by the administration. The amount of incorrect payments shown by these surveys is understated because of certain tolerances incorporated in the surveys and because the surveys do not attempt to measure errors resulting from incorrect disability findings.

Source: Department of Health, Education, and Welfare.

## VI. Social Services

In addition to providing Federal funding for cash public assistance to certain categories of needy individuals, the welfare titles of the Social Security Act have provided funding for a variety of social services programs. Originally, the costs of social services were considered a part of the administrative costs of operating cash public assistance programs, but subsequent amendments provided separate recognition of social services programs, expanded their availability to persons not receiving cash assistance, permitted funding of services

provided by other than the welfare agency itself (including services by non-public agencies), and increased the Federal rate of matching to 75 percent (90 percent in the case of family planning services).

Prior to fiscal year 1973, Federal matching for social services, like Federal matching for welfare payments, was mandatory and open-ended. Every dollar a State spent for social services was matched by three Federal dollars. In 1971 and 1972 particularly, States made use of these provisions to increase at a rapid rate the amount of Federal money going into social services programs.

In 1972, the Congress established a \$2.5 billion annual ceiling on the amount of Federal funding for social services programs effective for fiscal year 1973 and subsequent fiscal years. Under this overall national ceiling, each State has a ceiling established which is based on its population relative to the population of the entire Nation.

In 1974, Congress substantially revised the statutes governing the social services programs. The 1974 legislation transferred the provisions governing social services programs from the cash public assistance titles of the Social Security Act to a new separate services title (title XX). The Federal matching percentage for services remained at 75 percent under the new title XX program and the overall ceiling of \$2.5 billion allocated among the States on a population basis was not changed.

Both the 94th and 95th Congresses acted to increase the amount of money available under title XX, to be used by the States to assist them in meeting the child care standards mandated by title XX. Legislation enacted by the Congress provided a temporary increase in funding, amounting to \$200 million for each of fiscal years 1977 and 1978.

HEW estimates that in 1978, 41 States will be spending all or nearly all of the funds allotted to them under the \$2.5 billion ceiling. Forty-nine States are expected to use all or nearly all of their title XX funds in 1979. A substantial number of States are spending more than their allotments on services which would qualify for title XX funding, and are paying for them out of State and local funds.

Individuals and families may qualify for Federally-matched social services only if they meet certain income requirements. States may not provide services other than protective services, family planning services, and information and referral services to families with incomes above 115 percent of the State median income. This ranges from a low of \$15,496 for a family of four in Mississippi, to a high of \$32,857 in Alaska in 1979.

States use their title XX money in very different ways, depending on their own State-determined needs. On a national basis, the service for which the largest amount of money is being spent is child day care. HEW estimates for 1979 indicate that about 22 percent of all Federal social services funds will be spent for child day care. Homemaker/chore services are expected to account for slightly more than 11 percent of all funds in 1979, and education, training and employment services are estimated to account for an additional 10 percent. Protective services and child foster care together will account for another 18 percent of total spending.

TABLE 34.—CEILING ON FEDERAL FUNDING OF TITLE XX  
SOCIAL SERVICES EXPENDITURES, FISCAL YEAR 1978

(In thousands)

	Basic ceiling	Additional amount under Public Law 95-171
Alabama.....	\$42,500	\$3,400
Alaska.....	4,250	340
Arizona.....	26,000	2,080
Arkansas.....	24,750	1,920
California.....	248,500	19,880
Colorado.....	29,500	2,360
Connecticut.....	36,250	2,900
Delaware.....	6,750	540
District of Columbia.....	8,500	680
Florida.....	98,000	7,840
Georgia.....	57,750	4,620
Hawaii.....	10,250	820
Idaho.....	9,750	780
Illinois.....	130,750	10,460
Indiana.....	62,250	4,980
Iowa.....	33,750	2,700
Kansas.....	26,500	2,120
Kentucky.....	39,750	3,180
Louisiana.....	44,750	3,580
Maine.....	12,500	1,000
Maryland.....	48,000	3,840
Massachusetts.....	68,250	5,460
Michigan.....	107,500	8,600
Minnesota.....	46,000	3,680
Mississippi.....	27,500	2,200
Missouri.....	55,750	4,460
Montana.....	8,750	700

TABLE 34.—CEILING ON FEDERAL FUNDING OF TITLE XX  
SOCIAL SERVICES EXPENDITURES, FISCAL YEAR 1978—Con.

(In thousands)

	Basic ceiling	Additional amount under Public Law 94-401
Nebraska.....	\$18,250	\$1,460
Nevada.....	7,000	560
New Hampshire.....	9,500	760
New Jersey.....	85,750	6,860
New Mexico.....	13,500	1,080
New York.....	212,500	17,000
North Carolina.....	64,000	5,120
North Dakota.....	7,500	600
Ohio.....	126,250	10,100
Oklahoma.....	31,750	2,540
Oregon.....	26,750	2,140
Pennsylvania.....	138,750	11,100
Rhode Island.....	10,750	860
South Carolina.....	33,000	2,640
South Dakota.....	8,000	640
Tennessee.....	49,250	3,940
Texas.....	143,500	11,480
Utah.....	14,250	1,140
Vermont.....	5,500	440
Virginia.....	58,250	4,660
Washington.....	41,500	3,320
West Virginia.....	21,250	1,700
Wisconsin.....	54,000	4,320
Wyoming.....	4,500	360
<b>Total.....</b>	<b>2,500,000</b>	<b>200,000</b>

Source: Department of Health, Education, and Welfare.

**TABLE 35.—TITLE XX SERVICES: ESTIMATED DISTRIBUTION OF FEDERAL FUNDING BY TYPE OF SERVICES AND NUMBER OF RECIPIENTS, FISCAL 1979**

[In thousands]

Type of service	Number of recipients	Federal funding	
		Amount	Percent
Total.....	( <sup>1</sup> )	\$2,650,000	100.0
Child day care.....	649	580,350	21.9
Homemaker/chore.....	411	302,100	11.4
Education, training and employment.....	511	272,950	10.3
Protective services.....	723	262,350	9.9
Child foster care.....	327	222,600	8.4
Counseling.....	642	185,500	7.0
Health-related services.....	804	127,200	4.8
Residential care.....	123	95,400	3.6
Family planning.....	312	63,600	2.4
Other.....	( <sup>2</sup> )	537,950	20.3

<sup>1</sup> Number of recipients is not additive as recipients may receive more than 1 type of service.

<sup>2</sup> Not estimated.

Source: Fiscal 1979 budget estimates, Department of Health, Education, and Welfare.

**TABLE 36.—NUMBER OF STATES USING LESS THAN FULL AVAILABLE TITLE XX FUNDING UNDER \$2.5 BILLION CEILING, 1975-79**

[Number of States]

Fiscal year	98 to 100 percent of ceiling	90 to 98 percent of ceiling	80 to 90 percent of ceiling	Less than 80 percent of ceiling	Federal cost (000)
1975.....	12	5	5	29	\$1,962,581
1976.....	18	7	9	17	2,130,380
1977 <sup>1</sup> .....	19	14	9	9	2,259,726
1978 <sup>1</sup> .....	35	6	6	4	2,382,604
1979 <sup>1</sup> .....	48	1	1	1	2,450,000

<sup>1</sup> Estimated.

Source: Fiscal 1979 budget estimates, Department of Health, Education, and Welfare.



TABLE 37.—FEDERAL INCOME LIMITS ON ELIGIBILITY FOR SOCIAL SERVICES (FISCAL 1979—FAMILY OF 4)<sup>1</sup>

	Maximum income level for services	
	If no fee is charged <sup>2</sup> (80 percent of median income)	If a fee is charged (115 percent of median income)
Alabama.....	\$12,277	\$17,648
Alaska.....	( <sup>3</sup> )17,315	32,857
Arizona.....	13,705	19,701
Arkansas.....	10,943	15,731
California.....	15,145	21,771
Colorado.....	14,595	20,981
Connecticut.....	15,031	21,607
Delaware.....	13,487	19,388
District of Columbia.....	13,761	19,781
Florida.....	13,022	18,720
Georgia.....	12,693	18,159
Hawaii.....	16,090	23,130
Idaho.....	12,786	18,379
Illinois.....	15,469	22,236
Indiana.....	13,863	19,928
Iowa.....	13,535	19,457
Kansas.....	13,472	19,336
Kentucky.....	11,971	17,209
Louisiana.....	12,283	17,657
Maine.....	11,543	16,593
Maryland.....	15,465	22,231
Massachusetts.....	14,274	20,518
Michigan.....	14,858	21,358
Minnesota.....	14,376	20,666
Mississippi.....	10,780	15,496
Missouri.....	12,942	18,604
Montana.....	12,418	17,850
Nebraska.....	12,164	17,486
Nevada.....	14,632	21,034
New Hampshire.....	13,550	19,478

See footnotes at end of table.

TABLE 37.—FEDERAL INCOME LIMITS ON ELIGIBILITY FOR SOCIAL SERVICES (FISCAL 1979—FAMILY OF 4)<sup>1</sup>—Continued

	Maximum income level for services	
	If no fee is charged <sup>2</sup> (80 percent of median (income))	If a fee is charged (115 percent of median income)
New Jersey.....	\$15,892	\$22,845
New Mexico.....	12,403	17,830
New York.....	13,750	19,780
North Carolina.....	12,171	17,496
North Dakota.....	12,375	17,789
Ohio.....	14,012	20,142
Oklahoma.....	12,497	17,964
Oregon.....	14,209	20,425
Pennsylvania.....	13,643	19,612
Rhode Island.....	13,593	19,540
South Carolina.....	12,333	17,728
South Dakota.....	10,947	15,737
Tennessee.....	11,887	17,088
Texas.....	13,936	20,033
Utah.....	13,325	19,154
Vermont.....	12,418	17,851
Virginia.....	14,364	20,648
Washington.....	14,687	21,113
West Virginia.....	12,451	17,899
Wisconsin.....	14,338	20,611
Wyoming.....	14,605	20,994

<sup>1</sup> The median income levels are adjusted each year by HEW using data supplied by the Census Bureau.

<sup>2</sup> States may impose fees subject to HEW regulation but need not. About half the States do so.

<sup>3</sup> 100 percent of national median income. The income limit for services without a fee is 100 percent of the national median income where that amount is lower than 80 percent of State median income. (80 percent of Alaska State median income is \$18,285.)

Source: Department of Health, Education, and Welfare.

## VII. Food Stamp and General Assistance Programs

The largest part of public welfare program expenditures derives from the assistance titles of the Social Security Act. There are, however, other significant programs which have to be considered in any discussion of major welfare restructuring. Two such programs are the Food Stamp program operated by the Department of Agriculture with full Federal funding of the benefit costs, and the various general assistance programs which are operated by State and local governments without any Federal participation. As table 2 shows, the Food Stamp program has grown from a \$2.2 billion program in fiscal year 1973 to a \$5.8 billion program in fiscal year 1978. Table 38 shows the State-by-State recipients and expenditures under general assistance programs to the extent that information on those programs is reported. Tables 39 and 40 provide information on the Food Stamp program as of October 1977.

**TABLE 38.—GENERAL ASSISTANCE: RECIPIENTS OF CASH PAYMENTS AND AMOUNT OF PAYMENTS, BY STATE, SEPTEMBER 1977**

[Includes nonmedical vendor payments]

State	Cases	Recipients	Total amount for month
<b>Total (42 States).....</b>	<b>649,275</b>	<b>813,247</b>	<b>\$99,538,190</b>
Alabama.....	35	35	437
Arizona.....	2,503	2,503	245,284
California.....	42,136	44,812	5,970,509
Colorado.....	415	863	38,944
Connecticut.....	14,152	22,078	1,803,160
Delaware.....	1,338	1,898	73,434
District of Columbia.....	5,847	6,122	931,840
Georgia.....	1,595	2,862	96,992
Guam.....	55	57	4,574
Hawaii.....	8,164	15,709	2,167,077
Illinois.....	69,936	81,175	9,349,546
Kansas.....	5,535	5,734	734,693
Louisiana.....	2,855	2,959	170,255
Maine.....	2,964	8,037	180,494
Maryland.....	18,322	19,520	2,084,233
Massachusetts.....	20,798	22,844	3,149,598
Michigan.....	42,790	52,843	7,825,555
Minnesota.....	12,470	14,963	1,486,965
Mississippi.....	1,134	1,365	17,391
Missouri.....	5,187	5,708	352,628
Montana.....	612	1,067	35,390
New Hampshire.....	1,561	2,997	181,360
New Jersey.....	28,068	41,289	4,333,725
New Mexico.....	256	270	23,622
New York.....	144,508	186,971	28,405,119

**TABLE 38.—GENERAL ASSISTANCE: RECIPIENTS OF CASH PAYMENTS AND AMOUNT OF PAYMENTS, BY STATE, SEPTEMBER 1977—Continued**

[Includes nonmedical vendor payments]

State	Cases	Recipients	Total amount for month
North Carolina.....	2,207	4,687	\$91,253
North Dakota.....	92	190	6,068
Ohio <sup>1</sup> .....	40,975	48,232	3,685,076
Oklahoma.....	300	707	9,315
Oregon.....	4,524	6,882	504,844
Pennsylvania.....	135,896	161,291	21,738,129
Puerto Rico.....	241	241	3,541
Rhode Island.....	3,510	5,550	559,140
South Carolina.....	906	990	50,329
South Dakota.....	395	1,020	16,301
Utah.....	1,456	1,919	246,191
Virgin Islands.....	284	351	18,081
Virginia.....	7,404	10,811	847,163
Washington.....	9,332	10,548	1,328,806
West Virginia.....	2,735	7,060	98,167
Wisconsin.....	5,492	7,399	656,555
Wyoming.....	290	688	16,406

<sup>1</sup> Estimated data.

Source: Department of Health, Education, and Welfare.

**TABLE 39.—FOOD STAMP PROGRAM DATA, OCTOBER 1977**

[In thousands]

Participants:	
Total.....	15,925
Public assistance recipients.....	7,671
Public assistance as percent of total.....	(48)
Total value of food stamps.....	668,630
Bonus value of food stamps.....	403,112

Source: Department of Agriculture, preliminary report.

TABLE 40.—NUMBER OF FOOD STAMP PARTICIPANTS, BY STATE, OCTOBER 1977

[In thousands]

	Assistance recipients	Nonrecipients of assistance	Total
Alabama.....	86	214	300
Alaska.....	3	6	9
Arizona.....	28	91	119
Arkansas.....	51	143	194
California.....	886	369	1,255
Colorado.....	59	75	134
Connecticut.....	96	71	167
Delaware.....	21	7	28
District of Columbia.....	71	20	91
Florida.....	162	534	696
Georgia.....	115	296	412
Hawaii.....	76	48	124
Idaho.....	13	15	27
Illinois.....	636	231	867
Indiana.....	93	78	171
Iowa.....	64	34	98
Kansas.....	39	19	58
Kentucky.....	100	248	348
Louisiana.....	150	246	396
Maine.....	33	56	89
Maryland.....	169	73	242
Massachusetts.....	342	249	590
Michigan.....	435	125	560
Minnesota.....	81	68	148
Mississippi.....	75	231	306
Missouri.....	100	95	195
Montana.....	9	14	23
Nebraska.....	18	18	36
Nevada.....	5	11	16
New Hampshire.....	18	20	38

TABLE 40.—NUMBER OF FOOD STAMP PARTICIPANTS, BY STATE, OCTOBER 1977—Continued

[In thousands]

	Assistance recipients	Nonrecipients of assistance	Total
New Jersey.....	334	147	480
New Mexico.....	36	67	103
New York.....	1,044	392	1,437
North Carolina.....	97	287	384
North Dakota.....	4	9	14
Ohio.....	458	257	715
Oklahoma.....	49	93	142
Oregon.....	77	60	136
Pennsylvania.....	603	219	822
Rhode Island.....	48	25	73
South Carolina.....	67	183	250
South Dakota.....	8	14	22
Tennessee.....	86	284	370
Texas.....	205	550	755
Utah.....	25	8	32
Vermont.....	16	21	36
Virginia.....	94	110	205
Washington.....	115	77	192
West Virginia.....	64	159	224
Wisconsin.....	106	53	159
Wyoming.....	3	4	7
Guam.....	3	19	22
Puerto Rico.....	92	1,487	1,579
Virgin Islands.....	2	24	26

Source: Department of Agriculture, preliminary report.

### VIII. Summary of H.R. 7200 Provisions

On November 1, 1977, the Finance Committee reported to the Senate the bill H.R. 7200 which was pending on the Senate Calendar at the time this document was prepared. The committee's version of H.R. 7200 does not involve a comprehensive restructuring of the welfare system but it does provide amendments to several of the present welfare programs.

*Fiscal relief for State and local welfare costs.*—H.R. 7200, as reported, would have made available up to \$1 billion in fiscal relief for State and local welfare costs. The first installment for fiscal 1978 would have totaled \$500 million, distributed among the States in proportion to their December, 1976, AFDC costs. The second installment would be equal to the first but would be available only to the extent that States showed progress towards reaching a 4 percent AFDC payment error rate.

Subsequent to the reporting of H.R. 7200, the Senate approved legislation providing a reduced level of fiscal relief (\$374 million) for fiscal 1978, and half of this amount (\$187 million) was agreed to by the House and enacted into law. Table 41 shows how this \$187 million already enacted for fiscal 1978 is distributed among the States. Table 42 shows how the fiscal relief funds in H.R. 7200 for fiscal 1979 would be distributed, on the basis of State progress through June, 1977, in reducing error rates. (The actual distribution would be based on error rates in the first 6 months of 1978.)

*Adoptions, foster care, and child welfare services.*—H.R. 7200 would establish a new program of Federal matching for adoption subsidies for low and middle income families. The subsidies would apply to children adopted prior to fiscal 1983 who cannot be placed without subsidies and who would otherwise be recipients of aid to families with dependent children. The bill also modifies the child welfare services program in several respects, including the addition of a provision permitting up to half of any new appropriations for the program to be earmarked for State tracking and information systems, individual case review systems, services to reunite families or place children in adoption, and procedures to protect the rights of natural parents, children and foster parents. Under present law, Federal matching under AFDC is permitted for certain children who are in foster care. H.R. 7200 would broaden the scope of this AFDC foster care provision to include foster care in public institutions (provided they serve no more than 25 children). The bill would also place a ceiling on Federal matching for foster care, beginning with fiscal 1978, set at 20 percent above the 1977 level with a 10 percent annual increase thereafter through 1982. (Amounts not used within the ceiling could be transferred to the State's child welfare services program.)

*Social services.*—H.R. 7200 would extend a number of provisions related to child care and certain other services under title XX. It would make permanent the existing temporary increase in the annual Federal funding ceiling from \$2.5 billion to \$2.7 billion.

*Aid to families with dependent children.*—H.R. 7200 includes a number of provisions intended to improve the operations of the AFDC program. A few of the provisions in the bill have already been enacted as part of Public Law 95-216. These enacted provisions relate to fiscal incentives for reducing errors, authorization of certain State



demonstration projects, and access by AFDC agencies to social security and unemployment wage records. Additional provisions in H.R. 7200 would improve quality control and management information activities, encourage the use of recipient identification cards and increased anti-fraud activities, strengthen the work incentive program and permit States to utilize community work and training programs. H.R. 7200 also permits States to compute AFDC benefits in a way which takes into account the presence in the household of ineligible persons. Another provision of H.R. 7200 would modify the provision under which certain amounts of earned income are disregarded in computing benefit eligibility. Under present law, an amount of earnings equal to child care costs and other work expenses is disregarded. In addition, \$30 per month plus  $\frac{1}{4}$  of earnings in excess of \$30 are disregarded. Under the bill there would be no separate work expense disregard except for child care costs; for earnings in excess of the child care deduction, \$60 per month (\$30 for part-time workers) plus  $\frac{1}{4}$  of the next \$300 and  $\frac{1}{4}$  of any additional earnings would be disregarded.

*Child support enforcement.*—H.R. 7200 also has several provisions relating to the child support enforcement program including continuation. Federal matching for child support assistance to non-welfare families, clarification of certain reporting and matching procedures, and authorization for matching child support costs of certain court personnel.

*Supplemental security income provisions.*—H. R. 7200 includes numerous modifications to the supplemental security income program (SSI). Included among these are a change in the treatment of in-kind income, simplification of the mandatory state supplementation provisions, the elimination of certain windfall benefits where people receive both social security and SSI benefits, the establishment of a new emergency aid program for the aged, blind and disabled, and several other provisions.

*General provisions.*—H. R. 7200 also includes significant increases in Federal funding for welfare programs in the territories, provisions designed to deter immigration of those who intend to become dependent on welfare programs, and certain provisions related to collection and compilation of welfare data.

**TABLE 41.—DISTRIBUTION OF FISCAL RELIEF FOR WELFARE COSTS UNDER PUBLIC LAW 95-216**

State	Amount (thousands)
<b>Total</b> .....	<b>\$187,000</b>
Alabama.....	2,180
Alaska.....	370
Arizona.....	1,307
Arkansas.....	1,361
California.....	25,245
Colorado.....	1,770
Connecticut.....	2,469
Delaware.....	523
District of Columbia.....	1,205
Florida.....	3,951
Georgia.....	2,938
Hawaii.....	1,138
Idaho.....	512
Illinois.....	11,619
Indiana.....	3,037
Iowa.....	1,948
Kansas.....	1,498
Kentucky.....	2,845
Louisiana.....	2,996
Maine.....	980
Maryland.....	3,269
Massachusetts.....	1,172
Michigan.....	10,521
Minnesota.....	3,221
Mississippi.....	1,636

**TABLE 41.—DISTRIBUTION OF FISCAL RELIEF FOR WELFARE COSTS UNDER PUBLIC LAW 95-216—Continued**

State	Amount (thousands)
Missouri.....	\$3,130
Montana.....	446
Nebraska.....	822
Nevada.....	311
New Hampshire.....	489
New Jersey.....	6,951
New Mexico.....	922
New York.....	26,460
North Carolina.....	3,503
North Dakota.....	329
Ohio.....	7,802
Oklahoma.....	1,727
Oregon.....	2,219
Pennsylvania.....	11,241
Rhode Island.....	905
South Carolina.....	1,666
South Dakota.....	456
Tennessee.....	2,475
Texas.....	5,815
Utah.....	864
Vermont.....	483
Virginia.....	3,174
Washington.....	2,727
West Virginia.....	1,335
Wisconsin.....	4,286
Wyoming.....	218
Guam.....	47
Puerto Rico.....	450
Virgin Islands.....	33

TABLE 42.—FISCAL RELIEF FOR STATE AND LOCAL WELFARE COSTS UNDER H.R. 7200

[Dollars in thousands]

State	Percentage distribution	Maximum possible State fiscal relief payment	Error rate in cash payments (percent)			Percent progress toward 4-percent error rate	Share of October 1978 already achieved
			July-December 1974	January-June 1975	January-June 1977		
Alabama.....	1.2	\$5,829	11.2	8.6	5.4	80.6	\$4,696
Alaska.....	.2	989	11.2	9.4	16.7		
Arizona.....	.7	3,494	17.5	18.0	10.9	50.7	1,772
Arkansas.....	.7	3,663	5.3	6.7	9.1		
California.....	13.5	67,501	9.2	8.4	3.5	100.0	67,501
Colorado.....	1.0	4,734	10.5	10.0	4.8	87.7	4,151
Connecticut.....	1.3	6,603	8.7	9.1	6.3	54.9	3,625
Delaware.....	.3	1,398	16.1	18.3	10.0	58.0	811
District of Columbia.....	.6	3,222	17.0	18.6	17.9	4.8	154
Florida.....	2.1	10,565	16.2	12.7	7.1	74.6	7,880
Georgia.....	1.6	7,855	18.4	18.3	10.5	54.9	4,309
Guam.....	(*)	126					
Hawaii.....	.6	3,043	11.4	13.4	11.4	21.3	647
Idaho.....	.3	1,368	4.9	6.0	3.9	100.0	1,368
Illinois.....	6.2	31,068	23.8	19.0	18.6	26.3	8,159

Indiana.....	1.6	8,119	6.7	4.5	1.8	100.0	8,119
Iowa.....	.1	5,209	11.9	12.0	7.9	51.3	2,670
Kansas.....	.8	4,005	15.5	13.8	7.7	67.8	2,716
Kentucky.....	1.5	7,607	9.3	11.1	7.3	53.5	4,071
Louisiana.....	1.6	8,011	12.2	7.4	7.9	52.4	4,201
Maine.....	.5	2,622	11.7	16.4	10.7	46.0	1,205
Maryland.....	1.8	8,742	20.1	17.7	12.8	45.3	3,964
Massachusetts.....	3.8	19,176	17.9	19.8	12.8	44.3	8,496
Michigan.....	5.6	28,132	14.7	13.7	9.6	47.7	13,409
Minnesota.....	1.7	8,613	11.8	7.9	5.8	76.9	6,625
Mississippi.....	.9	4,374	5.3	5.3	9.2	.....	.....
Missouri.....	1.7	8,369	13.7	11.2	9.5	43.3	3,624
Montana.....	.2	1,194	14.4	21.7	13.4	46.9	560
Nebraska.....	.4	2,197	16.6	8.7	4.8	93.6	2,056
Nevada.....	.2	831	.4	.5	.5	100.0	831
New Hampshire.....	.3	1,307	24.1	15.3	6.7	86.6	1,131
New Jersey.....	3.7	18,585	8.2	6.7	7.1	26.2	4,868
New Mexico.....	.5	2,464	6.3	6.0	4.1	95.6	2,357
New York.....	14.2	70,750	21.7	1.54	10.6	62.7	44,369
North Carolina.....	1.9	9,366	11.9	7.9	5.9	76.0	7,113
North Dakota.....	.2	880	2.0	.8	.9	100.0	880
Ohio.....	4.2	20,861	15.9	17.7	10.6	51.8	10,811
Oklahoma.....	.9	4,618	3.5	3.5	4.1	.....	.....
Oregon.....	1.2	5,932	8.3	8.1	6.3	46.5	2,759
Pennsylvania.....	6.0	30,055	13.6	13.3	10.3	34.4	10,339

TABLE 42.—FISCAL RELIEF FOR STATE AND LOCAL WELFARE COSTS UNDER H.R. 7200—Continued

[Dollars in thousands]

State	Percentage distribution	Maximum possible State fiscal relief payment	Error rate in cash payments (percent)			Percent progress toward 4-percent error rate	Share of October 1978 already achieved
			July–December 1974	January–June 1975	January–June 1977		
Puerto Rico.....	.2	1,202	16.2	12.6	9.3	56.6	680
Rhode Island.....	.5	2,420	9.8	7.9	5.8	69.0	1,669
South Carolina.....	.9	4,455	12.5	9.9	7.9	54.1	2,411
South Dakota.....	.2	1,220	5.7	9.9	5.3	78.0	951
Tennessee.....	1.3	6,617	12.7	2.5	7.3	62.0	4,107
Texas.....	3.1	15,548	7.7	5.1	6.0	46.0	7,144
Utah.....	.5	2,310	8.4	10.6	2.0	10.0	2,310
Vermont.....	.3	1,291	7.9	9.2	8.2	19.2	248
Virgin Islands.....	(*)	87	12.8	21.1	6.6	84.8	74
Virginia.....	1.7	8,486	9.0	7.5	7.6	28.0	2,376
Washington.....	1.5	7,292	6.4	5.5	7.1	.....	.....
West Virginia.....	.7	3,570	5.5	4.5	4.5	66.7	2,380
Wisconsin.....	2.3	11,461	7.7	9.0	4.7	86.0	9,856
Wyoming.....	.1	583	11.9	9.0	7.7	53.2	310
<b>Total.....</b>	<b>100.0</b>	<b>500,000</b>	.....			.....	<b>278,427</b>

\* Less than 0.05 percent.

## IX. Comparison of Welfare Reform Bills

The administration's welfare reform proposal, S. 2084—the Better Jobs and Income Act, was introduced by Senator Moynihan, chairman of the Public Assistance Subcommittee, on September 12, 1977. Congressman Corman, chairman of the Subcommittee on Public Assistance and Unemployment Compensation of the House Ways and Means Committee, introduced the bill on behalf of the administration as H.R. 9030. The House bill was referred to a special Welfare Reform Subcommittee, and that subcommittee completed markup and reported a clean bill, H.R. 10950, on February 15.

Both the administration's proposal and the subcommittee bill provide for a major restructuring of three welfare programs: Supplemental security income, aid to families with dependent children, and food stamps. Individuals and families who are in need would receive cash payments under a new title XXI of the Social Security Act, instead of under three separate programs, as they do at the present time. In addition, the work incentive (WIN) program would be repealed and a new major jobs program would be created under the Comprehensive Employment and Training Act.

The differences between the major provisions of these two bills are shown in the comparison which follows. In addition, the comparison shows the major provisions of two other bills which have recently been introduced and which would make significant changes in present programs. S. 2777, the Job Opportunities and Family Security Act of 1978, was introduced by Senator Baker (with Senators Bellmon, Danforth, Ribicoff, Mark Hatfield, Stevens, and Young as cosponsors) on March 22. This bill would retain the current programs, but would amend them in major ways, including establishing a minimum payment for recipients of the AFDC program, and providing for an AFDC program for unemployed parents in all States. The food stamp program would be retained as the basic source of federally funded benefits for persons who are not eligible for cash assistance, including single individuals and couples without children. H.R. 10711, the Welfare Reform Act of 1977, introduced by Congressman Ullman on February 2, is also included in the comparison. It, too, would retain the basic current programs, but would provide for increased coordination of eligibility requirements between AFDC and the food stamp program, in addition to mandating a minimum Federal floor for AFDC payments, and amending the program of AFDC for unemployed parents to establish a new Federal payment for eligible families in every State. Both S. 2777 and H.R. 10711 would retain and expand the WIN program above current levels.

Cost estimates prepared by the Congressional Budget Office show that H.R. 9030, as proposed by the administration, would have a cost to the Federal Government of \$17.36 billion above current program costs in fiscal year 1982, the first full year the new program would be in effect. CBO estimates that the bill as amended by the subcommittee in H.R. 10950 would cost an additional \$2.86 billion above the administration's bill, or \$20.22 billion more than present law. Cost estimates for S. 2777 and H.R. 10711 have not yet been completed by CBO.

**ELIGIBILITY FOR ASSISTANCE—SUMMARY****S. 2084—(Moynihan)****H.R. 10950—(Corman)**

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In general, all individuals and families who meet the basic requirements may receive cash assistance under the new Federal "Better Jobs and Income Program," which replaces the existing AFDC, SSI, and food stamp programs. Persons potentially eligible are single individuals and childless couples; 1- and 2-parent families with children; aged, blind and disabled individuals and couples and their children; and children living in special circumstances, such as foster care. The benefit for which a unit is eligible depends upon the composition of the unit, with, for example, higher amounts payable in behalf of the aged, blind and disabled. (A table showing how the benefit for each unit is determined is presented on p. 128.)

Generally the same as S. 2084.

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**ELIGIBILITY FOR ASSISTANCE—SUMMARY****S. 2777—(Baker)****H.R. 10711—(Ullman)**

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Retains the existing SSI program for aged, blind and disabled individuals and couples, but gradually reduces the age at which persons may qualify on the basis of age, beginning in 1980, so that in 1982 and years thereafter, the age limit will be 62.

Retains the food stamp program for needy households.

Retains and amends the AFDC program for families with children deprived of support due to the death, incapacity, or absence from the home of a parent. The program of AFDC for children with unemployed fathers, which is now optional with the States, is amended and made mandatory so that children of unemployed parents in all States are eligible for assistance. AFDC becomes "Aid for Family Security."

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Retains the existing SSI program for aged, blind and disabled individuals and couples.

Retains and amends the food stamp program for needy households.

Retains and amends the AFDC program for families with children deprived of support due to the death, incapacity, or absence from the home of a parent. The program of AFDC for children with unemployed fathers, which is now optional with the States, is amended to provide a program of temporary Federal cash assistance for children of unemployed parents in all States.

**BENEFITS (ANNUAL)****S. 2084—(Moynihan)****H.R. 10950—(Corman)**

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**AGED, BLIND, AND DISABLED  
(ABD)**

New Federal cash program provides benefit of \$2,500 for an individual, \$3,750 for a couple (1978 dollars).

If a State chooses to supplement this payment, it receives 25 percent Federal matching for benefits which do not exceed 51.2 percent of the Federal benefit (\$3,780 for an individual, \$5,670 for a couple).

Food stamp program is repealed.

(ABD's receiving benefits under the present SSI program in the month prior to implementation would be eligible for the higher of the Federal portion of their SSI benefits payable in that month, or the Federal benefits under this program.)

Same as S. 2084.

If a State chooses to supplement this payment, it receives 25 percent Federal matching for benefits which do not exceed current benefit levels (including the Federal SSI payment, any State supplement, and the value of food stamps), or the poverty level, whichever is higher.

Persons who are eligible for benefits are ineligible for food stamps.

Same as S. 2084.

**BENEFITS (ANNUAL)****S. 2777—(Baker)****H.R. 10711—(Ullman)**

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Retains SSI program which currently provides a Federal benefit of \$2,136 for an individual, \$3,200 for a couple.

Same as S. 2777.

Retains new food stamp law which, combined with SSI, provides a Federal benefit of \$2,334 to \$2,614 for an individual, and \$3,612 to \$3,884 for a couple (amount depends on the shelter deduction which the recipient is eligible to take in the food stamp program).

Provides for increasing the Federal SSI amounts by \$180 per year for an individual, \$360 per year for a couple (beginning in 1980), and making SSI recipients ineligible for food stamps.

Allows States to supplement the Federal SSI benefit at 100 percent State cost. With supplementation, the current range of total benefit payments plus food stamps is from \$2,334 to \$4,368 for an individual, and from \$3,584 to \$7,956 for a couple.

Allows same State supplementation as S. 2777 (current law).

States have the option of providing higher cash benefits in lieu of food stamps.

**BENEFITS (ANNUAL)—Continued****S. 2084—(Moynihan)****H.R. 10950—(Corman)**

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**SINGLE-PARENT FAMILY  
(4 PERSONS)**

New Federal cash program provides a benefit of \$4,200 (1978 dollars) for single-parent families if the parent is not expected to work.

If a State chooses to supplement this payment, it receives 75 percent Federal matching for benefits which do not exceed 12.32 percent of the Federal benefit (\$4,717), and 25 percent matching for additional benefits which do not exceed 51.2 percent of the Federal benefit (\$6,350).

Parents in single-parent families are expected to work if there is no child under age 14. These families receive a reduced benefit, as do two-parent families (below). Single-parent families with a child 7-13 receive a reduced benefit only if the parent is offered—and refuses—a job during the child's school hours.

Food stamp program is repealed.

Same as S. 2084.

If a State chooses to supplement this payment, it receives 75 percent Federal matching for benefits which do not exceed 12.32 percent of the Federal benefit (\$4,717), and 25 percent matching for additional benefits up to current benefit levels (AFDC plus food stamps), or the poverty level, whichever is higher.

Same as S. 2084.

Persons eligible for cash assistance are ineligible for food stamps.

**BENEFITS (ANNUAL)—Continued****S. 2777—(Baker)****H.R. 10711—(Ullman)**

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Retains AFDC and food stamp programs; States continue to set AFDC benefit levels, but are required to provide benefits (cash plus food stamps) equaling 55 percent of the poverty level in 1981, 60 percent in 1982, and 65 percent in 1985 (60 percent of the 1977 poverty level equals about \$3,700; 60 percent of the estimated 1982 poverty level is about \$4,600; current AFDC plus food stamp benefits range from \$2,808 to \$7,303).

Retains AFDC and food stamp programs; sets 1978 benefit in each State at the higher of current levels or \$4,200 (in cash plus food stamps); new Federal benefit requirements provide for uniform cash AFDC payment without regard to family size, but with food stamp benefits adjusted to reflect family size; at the \$4,200 minimum benefit level a family would receive \$2,550 in cash, \$1,650 in food stamps.

States may supplement the basic benefit but there is no Federal matching of State supplementary payments.

**BENEFITS (ANNUAL)—Continued****S. 2084—(Moynihan)****H.R. 10950—(Corman)****TWO-PARENT FAMILY  
(4 PERSONS)**

Unless excluded because of incapacity or some other specified condition, one parent in a two-parent family is subject to the work requirement. Families subject to the work requirement receive a reduced benefit—\$2,300. If, after an 8-week job search period, however, the parent has not been placed in a job, the family receives the full benefit—\$4,200.

If a State chooses to supplement this payment, it receives 75 percent Federal matching for benefits which do not exceed 12.32 percent of the Federal benefit (\$2,583 if the family receives a reduced Federal benefit, \$4,717 if it receives a full benefit).

Food stamp program is repealed.

Same as S. 2084, except changes the job search period from 8 to 5 weeks and provides that during this period the family will receive full benefits if the Secretary of Labor determines that, because of substantial unemployment in the area, there is no reasonable prospect for the parent to obtain a job.

If a State chooses to supplement this payment, it receives 75 percent Federal matching for benefits which do not exceed 12.32 percent of the Federal benefit (as under S. 2084), but may also receive 25 percent Federal matching for benefits above this amount (up-to-current benefit-levels-or-the-poverty-level), subject to the constraint that it must apply the same percentage increase to the reduced benefit that it applies to the full benefit.

Persons eligible for cash assistance are ineligible for food stamps.

**BENEFITS (ANNUAL)—Continued****S. 2777—(Baker)****H.R. 10711—(Ullman)**

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Present AFDC-unemployed father program is amended to provide cash assistance to unemployed parents in all States at the same benefit level as for single-parent families; however, the family loses eligibility for any payment if its earned income for 2 months exceeds 130 times the Federal minimum wage (\$1.134 at \$2.65 per hour), without regard provisions.

Retains present food stamp program.

Present AFDC-unemployed father program is replaced by a new program providing temporary Federal cash assistance to families with unemployed parents in all States; benefit is \$2,400 (1978 dollars) plus \$1,680 available under the food stamp program.

States may supplement the basic Federal payment (within \$1,800 limit) but there is no Federal matching of State supplementary payments.

Federal payments are available to a family no more than 17 weeks a year; State is responsible for making cash payments to eligible families for an additional 35 weeks if there is no available job.

**BENEFITS (ANNUAL)—Continued****S. 2084—(Moynihan)****H.R. 10950—(Corman)**

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**INDIVIDUALS AND CHILDLESS  
COUPLES (NON-AGED, BLIND,  
DISABLED)**

New Federal cash program provides benefit of \$1,100 for an individual, \$2,200 for a couple.

If a State chooses to supplement this payment, it receives 75 percent Federal matching for benefits which do not exceed 12.32 percent of the Federal benefit (\$1,236 for an individual, \$2,471 for a couple).

Same as S. 2084.

If a State chooses to supplement this payment, it receives 75 percent Federal matching for benefits which do not exceed 12.32 percent of the Federal benefit (as under S. 2084), but may also receive 25 percent matching for additional benefits which do not exceed current general assistance benefit levels, or the amount equal to the same percentage increase over the basic benefit that is provided for single-parent families with children, whichever is higher.

Persons eligible for cash assistance are ineligible for food stamps.

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**BENEFITS (ANNUAL)—Continued****S. 2777—(Baker)****H.R. 10711—(Ullman)**

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Retains food stamp program; current benefit value is \$624 for an individual, \$1,152 for a couple.

Same as S. 2777.

There is no provision which would affect the option which States and localities now have to establish their own general assistance programs (with no Federal matching).

Same as S. 2777.

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**ADJUSTMENT OF BENEFIT LEVELS****S. 2084—(Moynihan)****H.R. 10950—(Corman)**

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Upon implementation, benefit levels will be adjusted to reflect changes in the Consumer Price Index from 1978 to the date of implementation. Thereafter, the benefits remain unchanged unless modified by subsequent legislation.

Same as S. 2084 except that after implementation benefit levels would be automatically adjusted each year as the CPI rises.

## ADJUSTMENT OF BENEFIT LEVELS

S. 2777—(Baker)

H.R. 10711—(Ullman)

Food stamp benefits are adjusted semiannually to reflect changes in food prices; the amount of the minimum cash benefit to AFDC and AFDC-UP families is adjusted annually to reflect changes in the poverty level.

In States with lower benefit levels, cash benefits for AFDC families other than families in the unemployed parent program are adjusted upward annually to move them toward a "target" amount (cash plus food stamps) of 30 percent of State median income for a family of 4. In addition, in States where benefits are below the "target" amount, AFDC benefit levels are adjusted annually to reflect increases in the Consumer Price Index.

Payments to a unit are increased to reimburse it for taxes paid on earned income by \$.20 for each \$1 of taxable income until the family's earned income is high enough so that it no longer is eligible for cash assistance. Thereafter, this grant declines by \$.20 for each additional \$1 of taxable income until the grant is phased out.

Cash benefits for families receiving AFDC-UP are adjusted annually to reflect increases in the Consumer Price Index.

Food stamp benefits are adjusted semiannually to reflect changes in food prices.

As under present law, SSI benefits are adjusted annually to reflect changes in the Consumer Price Index.

Same as S. 2777.

## SPECIAL LIMITS AND CONDITIONS RELATING TO BENEFIT AMOUNTS

S. 2084—(Moynihan)

H.R. 10950—(Corman)

Benefits are not payable for family members in excess of 7.

### WORK REQUIREMENTS

S. 2084—(Moynihan)

H.R. 10950—(Corman)

All applicants are referred to the Department of Labor and are required to accept offered employment, except:

- a child under 18;
- a member of a household unit who is over 17 and under 21 years of age and is enrolled in an elementary or secondary school;
- an aged, blind or disabled individual, or a person with a temporary incapacity;
- one adult member of a household that includes either a child under the age of 7 or an individual who is aged, blind, or disabled or incapacitated and in need of a caretaker at home;
- one adult member other than the principal earner of a household consisting of two or more adults and at least one child;
- an adult member of a household who is enrolled as a full-time student, if his monthly earnings equal the Federal hourly minimum wage times 20 hours per week or he is the only adult in a unit with a child over 6 and under 14 years of age.

Adds to the exceptions provided under S. 2084:

- an adult member of a household which includes a child who requires special supervision or care (because of factors or conditions specified by the Secretary) if the adult is the only member of the household who can provide the supervision or care.

## SPECIAL LIMITS AND CONDITIONS RELATING TO BENEFIT AMOUNTS

S. 2777—(Baker)

H.R. 10711—(Ullman)

No family with children would be eligible for cash assistance if the monthly payment would be less than \$10.

States may establish up to 3 different standards of need to reflect varying costs of living within the State.

No family with children would be eligible for cash assistance if the monthly payment would be less than \$10; no household would be eligible for food stamps if the amount of its monthly allotment would be less than \$10.

## WORK REQUIREMENTS

S. 2777—(Baker)

H.R. 10711—(Ullman)

AFDC: Retains present law which requires that all applicants are required to register for (and participate in) the work incentive (WIN) program, and to accept offered employment, except:

a child under 16 or attending school full time;

a person who is ill, incapacitated or of advanced age;

a person whose presence in the home is required because of the illness or incapacity of another household member;

a mother or other relative caring for a child under age 6;

a mother or other female caretaker of a child unless the father or other adult male relative who is in the home and required to register refuses to do so, or refuses WIN participation or employment;

a person so remote from a WIN project that his effective participation is precluded.

AFDC: Similar to present law; requires applicants to register for and participate in WIN if they are physically and mentally fit and between the ages of 16 and 60, unless they are:

a parent or other relative caring for a child under age 6 or for an ill or incapacitated person;

a parent or other caretaker of a child in a family in which there is another person subject to the work requirement;

a student enrolled at least half time in school or training, or an institution of higher education; students in institutions of higher education must be employed at least 20 hours a week or in a Federal work study program, have weekly earnings equal to the minimum wage times 20 hours, be registered for work amounting to at least 20 hours, or be the head of a family with dependents;

employed at least 30 hours a week or receiving wages equal to the minimum wage times 30.

**WORK REQUIREMENTS—Continued**

**S. 2084—(Moynihan)**

**H.R. 10950—(Corman)**

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**WORK REQUIREMENTS—Continued****S. 2777—(Baker)****H.R. 10711—(Ullman)**

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Adds to these exceptions:

a person who is working or in a college program for at least 30 hours per week, and a person who is in a public service job under CETA title VI.

Adds a requirement that individuals required to register for WIN must participate in employment search programs.

Food stamps: Retains present law; all applicants are required to register for and accept employment, except:

a child under 18, or a student attending school at least half time;

a person who is physically or mentally incapacitated, or over the age of 60;

a person caring for an incapacitated person;

a parent caring for a child under 12;

a parent or other caretaker of a child when another able-bodied parent is registered;

a person complying with work registration requirements under WIN or the unemployment compensation program;

a person employed at least 30 hours a week or having weekly earnings equal to the minimum wage for 30 hours employment;

a person registered and participating in a drug or alcoholic treatment program.

Food stamps: Generally the same as under AFDC.

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**PENALTIES FOR NOT MEETING THE WORK  
REQUIREMENT****S. 2084—(Moynihan)****H.R. 10850—(Corman)**

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If a person who is required to accept offered employment refuses to do so, that person is not counted in determining the amount of the benefit. A family's benefit is further reduced by the loss of the special increment due to each family with children. For example, a family composed of two adults and two children with a \$4,200 benefit would lose \$1,100 (the amount payable to an adult), plus \$800 (the increment payable to a family with children), for a total reduction of \$1,900.

Same at S. 2084.

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**PENALTIES FOR NOT MEETING THE WORK  
REQUIREMENT****S. 2777—(Baker)****H.R. 10711—(Ullman)**

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**AFDC:** an individual required to register with WIN is not counted in determining the family's benefit if he refuses to register for or participate in the WIN program or refuses employment, and payments are made to a protective payee.

**Food stamps:** Retains present law; the household is not eligible for food stamps if a member who is required to register for employment refuses a job, or refuses to comply with reporting or inquiry requirements.

**AFDC:** if a household member required to work refuses to comply with the work requirements, all cash payments must be made in the form of protective payments. If no protective payee is found the family payment is reduced \$100 per month.

**AFDC-UP:** the family loses all cash benefits if a household member who is required to work refuses to comply with the work requirements.

**Food stamps:** As under present law, the household is not eligible for food stamps if a member who is required to register for employment refuses a job, or refuses to comply with reporting or inquiry requirements.

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## EXCLUSIONS FROM INCOME

S. 2084—(Moynihan)

H.R. 10950—(Corman)

## Provides for excluding—

50 percent of monthly earnings for the aged, blind and disabled, single-parent families with children under 14, and single individuals and childless couples.

The first \$317 plus 50 percent of monthly earnings for families with children who receive reduced benefits (generally 2-parent families and single-parent families with no children under 14).

For single-parent families: child care costs of a child under 14, amounting to \$150 per month for 1 child, with a maximum of \$300 per month for 2 or more children.

## Provides for excluding—

Same as S. 2084, but also provides for excluding the first \$65 of monthly earnings for the aged, blind and disabled (as under present SSI law).

Same as S. 2084.

Same as S. 2084.

For blind recipients: work-related expenses, and income needed to achieve self-support.

For disabled recipients: income needed to achieve self-support, as well as income of an individual who is severely physically disabled (with a functional limitation requiring assistance in order to be able to work) as is necessary to pay the cost of attendant care.

## EXCLUSIONS FROM INCOME

S. 2777—(Baker)

H.R. 10711—(Ullman)

Provides for excluding—

For SSI recipients: Same as present law and H.R. 10950.

For AFDC recipients: the first \$60 plus  $\frac{1}{3}$  of monthly earnings; if an individual's actual work expenses exceed the \$60 basic disregard, up to an additional \$60 in work expenses is disregarded (the earned income exclusions do not apply for purposes of determining whether a family is eligible on the basis of a parent's unemployment).

For food stamp recipients: retains current law—\$60 plus 20 percent of earnings.

For AFDC recipients: child care costs of \$100 per month for 1 child, maximum of \$300 for a family (or 50 percent of earnings).

Same as H.R. 10950 (current law).

Same as H.R. 10950 (current law), but does not provide for excluding the cost of attendant care.

Provides for excluding—

For SSI recipients: Same as present law and H.R. 10950.

For AFDC applicants and recipients: \$30 plus  $\frac{1}{3}$  of monthly earnings; \$30 plus 40 percent of earnings for families receiving AFDC on the basis of a parent's unemployment.

For food stamp recipients: \$30 plus 80 percent of earnings up to \$595 a month; 60 percent of earnings above that amount.

Same as S. 2777.

Same as H.R. 10950 (current law).

Same as S. 2777.

## EXCLUSIONS FROM INCOME—Continued

S. 2084—(Moynihan)

H.R. 10950—(Corman)

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Earnings of students under age 18; earnings of students age 18 but under 25 to the extent the earnings are actually applied to the cost of education.

Does not exclude income of a stepparent in determining the family's cash assistance payment.

The income of non-legally-responsible stepparent who files an affidavit that he is not contributing to the child's support is excluded in determining the portion of the household payment that is attributable to the child.

20 percent of nonemployment income, defined as income other than Federal assistance income, including pensions, retirement or disability benefits, veterans' or workmens' compensation, social security benefits, unemployment benefits, railroad retirement.

Same as S. 2084.

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**EXCLUSIONS FROM INCOME—Continued****S. 2777—(Baker)****H.R. 10711—(Ullman)**


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Earnings of AFDC children under age 14 and of older children who are full- or part-time students (current law).

Earnings of students under age 18.

Allows States to provide in their AFDC plans for pro rata reduction in the family benefit when a child is living in the household of someone who is not legally responsible for his support, or who is responsible, but is eligible for aid under another program.

Does not exclude income of a stepparent in determining the family's AFDC payment.

\$20 per month in earned or unearned income for SSI recipients (current law).

Same as S. 2777.

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**TREATMENT OF ASSETS****S. 2084—(Moynihan)****H.R. 10950—(Corman)**

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Value of nonexcluded household assets cannot exceed \$5,000; equity value of business assets (for self-employment income) cannot exceed a limit prescribed by the Secretary of HEW.

1.25 percent (15 percent annually) of the value of nonexcluded nonbusiness assets in excess of \$500 and 0.83 percent (10 percent annually) of business assets, reduced by any income derived from such assets, is included in determining the monthly income of the household.

Not counted in determining the assets of the household are a home (and reasonable amount of land) if it is the household's place of residence, household goods and personal effects (including vehicles and tools or other items necessary for employment).

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Value of nonexcluded household resources may not exceed \$1,500 for an individual, or \$2,250 for 2 or more individuals (current law limits for SSI recipients).

Similar to S. 2084.

**TREATMENT OF ASSETS****S. 2777—(Baker)****H.R. 10711—(Ullman)**

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**AFDC:** Same as under H.R. 10950 (current law limits for SSI recipients).

**SSI:** Retains current law limits and rules (dollar limits are \$1,500 for an individual, \$2,250 for a couple).

**Food stamps:** Retains current law limits and rules (dollar limits are \$3,000 for a household of 2 or more persons, one of whom is at least age 60, and \$1,750 for other households).

**AFDC and food stamps:** Generally establishes uniform limits and rules for these two programs (dollar limits are \$3,000 for a household of 2 or more persons, one of whom is at least age 60, and \$1,750 for other households).

**SSI:** Retains current law limits and rules (dollar limits are \$1,500 for an individual, \$2,250 for a couple).

**Home and attached land** are not counted, as well as household goods and personal effects.

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**ACCOUNTING AND REPORTING REQUIREMENTS****S. 2084—(Moynihan)****H.R. 10950—(Corman)**

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Eligibility and payment for a month are determined by the applicant's income for that month and the preceding 5 months.

Eligibility and payment for a month are determined on the basis of the income which the applicant actually received in that month.



## ACCOUNTING AND REPORTING REQUIREMENTS

S. 2777—(Baker)

H.R. 10711—(Ullman)

**AFDC:** States have the choice of determining eligibility and payment on the basis of (1) income received during the 30 days preceding application (or during the calendar month preceding the month in which application is made), or (2) income anticipated to be received during the calendar month in which application is made.

**Food stamps:** Retains current law; eligibility and benefits are based on current income at time of application and prospective income anticipated during household's period of certification.

**SSI:** Retains current law; eligibility and payment are based on income anticipated during the calendar quarter, except that if application is made in the second or third month of a calendar quarter, they are based on the income in each month of that quarter.

**AFDC:** Eligibility and payment for a month are determined on the basis of income received during the 30 days preceding application, or, at State option, during the preceding calendar month.

**Food stamps:** Same as AFDC (above).

**SSI:** Same as S. 2777 (current law).

**ACCOUNTING AND REPORTING  
REQUIREMENTS—Continued****S. 2084—(Moynihan)****H.R. 10950—(Corman)**

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No provision for redetermination. Household is required to file periodic reports on income, assets, composition of household unit and other relevant matters as specified by the Secretary of HEW.

No provision for redetermination. Families with children, single individuals, and childless couples must file monthly reports (unless excepted by the Secretary of HEW); aged, blind and disabled individuals must file periodic reports as specified by the Secretary.

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**ACCOUNTING AND REPORTING  
REQUIREMENTS—Continued****S. 2777—(Baker)****H.R. 10711—(Ullman)**

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Redeterminations for AFDC recipients must be made every 6 months; as a condition of eligibility, States may require recipients to report monthly such changes in income and circumstances as the State determines to be necessary. Current law is retained for SSI recipients: redeterminations are made annually (except for disability factors) and recipients are required to report changes in circumstances that affect benefits.

Redeterminations for AFDC-UP families are made monthly. For other AFDC families, redeterminations are made at least every 4 months, and families must report changes in income and circumstances as required by regulations of the Secretary of HEW, after consultation with the Secretary of Agriculture. AFDC families receiving food stamps must report at the same time and on the same form as required under the food stamp law. Current law is retained for SSI recipients: redeterminations are made annually (except for disability factors) and recipients are required to report changes in circumstances that affect benefits.

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**TAXABILITY/RECOUPMENT OF BENEFITS**

S. 2084—(Moynihan)

H.R. 10950—(Corman)

Benefits would be included in adjusted gross income for purposes of calculating the Federal income tax.

**FEDERAL/STATE FINANCING OF BENEFITS**

S. 2084—(Moynihan)

H.R. 10950—(Corman)

**AGED, BLIND, AND DISABLED  
(ABD)**

Basic Federal benefit : 90 percent Federal, 10 percent State.

State supplements: 25 percent Federal matching of benefits up to 51.2 percent of the Federal benefit level (\$3,780 for an individual, \$5,670 for a couple).

No Federal matching is payable for State supplements which result in a benefit reduction rate of more than 70 percent.

Basic Federal benefit : Same as S. 2084.

State supplements: 25 percent Federal matching for benefits up to current benefit levels (including the Federal SSI payment, any State supplement, and the value of food stamps), or the poverty level, whichever is higher.

No Federal matching is payable for State supplements which result in a benefit reduction rate of more than 70 percent.

**TAXABILITY/RECOUPMENT OF BENEFITS****S. 2777—(Baker)****H.R. 10711—(Ullman)**

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Dollar value of AFDC and food stamp benefits would be recouped from those whose adjusted gross income plus AFDC and food stamps exceeds specified amounts. The amount for a taxpayer with 4 exemptions is \$10,760.

Same as S. 2777.

(Also provides that unemployment insurance benefits would be treated as taxable income.)

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**FEDERAL/STATE FINANCING OF BENEFITS****S. 2777—(Baker)****H.R. 10711—(Ullman)**

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Retains current law provisions; Federal Government pays 100 percent of Federal SSI benefits; States pay 100 percent of any supplements; Federal Government pays 100 percent of value of food stamp benefits.

Retains current law provision for payment by the Federal Government of 100 percent of the cost of the basic Federal SSI benefit, with State supplements being paid at 100 percent State cost (SSI recipients would not be eligible for food stamps).

**FEDERAL/STATE FINANCING OF BENEFITS—Continued****S. 2084—(Moynihan)****H.R. 10950—(Corman)****SINGLE-PARENT FAMILY**

Basic Federal benefit: 90 percent Federal, 10 percent State.

State supplements: 75 percent Federal matching of benefits up to 12.32 percent of the Federal benefit (\$4,717 for a family of 4), and 25 percent matching for additional benefits up to 51.2 percent of the Federal benefit (\$6,350 for a family of 4).

Single-parent families with a member expected to work are treated the same as two-parent families where a parent is subject to the work requirement.

No Federal matching is payable for State supplements which result in a benefit reduction rate of more than 70 percent.

Basic Federal benefit: Same as S. 2084.

State supplements: 75 percent Federal matching of benefits up to 12.32 percent of the Federal benefit (\$4,717 for a family of 4), and 25 percent matching for additional benefits up to current benefit levels (AFDC plus food stamps), or the poverty level, whichever is higher.

Same as S. 2084.

Same as S. 2084.

**FEDERAL/STATE FINANCING OF BENEFITS—Continued****S. 2777—(Baker)****H.R. 10711—(Ullman)**

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AFDC: Current provisions for Federal matching ranging from 50 to 83 percent of benefit costs are adjusted in fiscal years 1980-82 so that by 1982 no State would receive less than 80 percent Federal matching, or more than 90 percent.

Food stamps: Federal Government pays 100 percent of benefit costs.

Federal matching is limited to payments which, when combined with the food stamp benefit, do not raise family income above the poverty level.

AFDC: Federal Government pays all benefit costs in excess of 85 percent of the State's 1977 AFDC costs; State continues to pay 85 percent of its 1977 AFDC costs, plus 50 percent of the cost of erroneous payments.

Food stamps: Federal Government pays 100 percent of benefit costs.

Federal matching is limited to benefit amounts which do not exceed current levels (as defined in the bill) plus prescribed annual increases as the State moves toward its "target" benefit level (defined as 30 percent of State median income for a family of 4).

**FEDERAL/STATE FINANCING OF BENEFITS—Continued**

S. 2084—(Moynihan)

H.R. 10956—(Corman)

**TWO-PARENT FAMILY**

Basic Federal benefit: 90 percent Federal, 10 percent State.

State supplements: 75 percent Federal matching of benefits up to 12.32 percent of the Federal benefit (\$2,583 for a family of 4 if it receives a reduced Federal benefit, \$4,717 if it receives a full benefit).

No Federal matching is payable for State supplements which result in a benefit reduction rate of more than 52 percent.

Basic Federal benefit: Same as S. 2084.

State supplements: 75 percent Federal matching of benefits up to 12.32 percent of the Federal benefit (\$2,583 for a family of 4 if it receives a reduced Federal benefit, \$4,717 if it receives a full benefit) and 25 percent Federal matching for additional benefits up to current benefit levels (AFDC plus food stamps) or the poverty level, whichever is higher, and subject to the constraint that the State must apply the same supplementation percentage to the Federal benefit regardless of whether the family receives a full benefit or one that has been reduced because of the work requirement provisions.

No Federal matching is payable for State supplements which result in a benefit reduction rate of more than 70 percent.



**FEDERAL/STATE FINANCING OF BENEFITS—Continued****S. 2777—(Baker)****H.R. 10711—(Ullman)**

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Same as for single-parent family.

The Federal Government pays 100 percent of the cost of cash benefits under the new AFDC-unemployed parents program; States may supplement (within a limit) at 100 percent State cost; payments are available only for 17 weeks in a year.

If no job is available, the State must provide the same level of benefits for an additional 35 weeks at 100 percent State cost.

**FEDERAL/STATE FINANCING OF BENEFITS—Continued****S. 2084—(Moynihan)****H.R. 10950—(Corman)****INDIVIDUALS AND CHILDLESS  
COUPLES (NON-AGED, BLIND,  
DISABLED)**

Basic Federal benefit: 90 per-  
cent Federal, 10 percent State.

State supplements: 75 percent  
Federal matching for benefits up  
to 12.32 percent of the Federal  
benefit (\$1,236 for an individual,  
\$2,471 for a couple).

No Federal matching is pay-  
able for State supplements which  
result in a benefit reduction rate  
of more than 52 percent.

Basic Federal benefit: Same as  
S. 2084.

State supplements: 75 percent  
Federal matching for benefits up  
to 12.32 percent of the Federal  
benefit (as under S. 2084), and  
25 percent matching for addi-  
tional benefits up to current gen-  
eral assistance benefit levels, or to  
an amount equal to the same per-  
centage increase over the basic  
benefit that is provided for fam-  
ilies with children, whichever is  
higher.

No Federal matching is pay-  
able for State supplements which  
result in a benefit reduction rate  
of more than 70 percent.

**FEDERAL/STATE FINANCING OF BENEFITS—Continued****S. 2777—(Baker)****H.R. 10711—(Ullman)**

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Federal Government pays 100 percent of food stamp benefits.

Same as S. 2777.

There is no Federal matching of cash benefits provided under any State or local general assistance program.

**FEDERAL/STATE FINANCING OF BENEFITS—Continued****S. 2084—(Moynihan)****H.R. 10950—(Corman)**

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**Maintenance of effort:** For 3 years each State must (1) continue to spend a declining percentage of its current welfare expenditures—90 percent in the first year, 75 percent in the second year, and 65 percent in the third year, or (2) in general, pay matching supplements and grandfather current recipients so that current benefit levels will be retained and current recipients will not lose benefits.

**Hold harmless:** States are held harmless for costs which exceed 90 percent of their current welfare expenditures in the first 2 years of the program, and 95 percent in the next 3 years. There is no hold harmless protection after 5 years.

Generally the same as S. 2084.

Generally the same as S. 2084, but modifies and simplifies the hold harmless provisions and continues hold harmless protection after 5 years at 100 percent of current State expenditures.

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**FEDERAL/STATE FINANCING OF BENEFITS--Continued****S. 2777--(Baker)****H.R. 10711--(Ullman)**

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Reduces Federal matching for States that do not prohibit local funding of AFDC.

Prohibits States from requiring localities to finance any portion of AFDC expenses.

Reduces Federal matching for States with high error rates.

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**ADMINISTRATION OF BENEFITS****S. 2084—(Moynihan)****H.R. 10850—(Corman)**

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Federal Government performs all intake procedures, data processing, benefit computation, and benefit payment operations; however, States are given the option of contracting with the Federal Government for State performance of intake procedures.

Federal Government will only administer payments due to persons qualifying under Federal rules.

For household units including aged, blind and disabled recipients: Federal Government administers Federal payment; States have the option of administering supplementary payments or of contracting for Federal administration of these payments.

For all other recipients: States have the option of (1) performing all administrative procedures, (2) performing intake and verification procedures only, with the Federal Government performing benefit computation and payment procedures, or (3) contracting with the Federal Government for Federal administration of all procedures.

Federal Government will only administer payments due to persons qualifying under Federal rules.

Establishes specific limits on the time which may elapse between application and determination of eligibility.

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## ADMINISTRATION OF BENEFITS

S. 2777—(Baker)

H.R. 10711—(Ullman)

As under present law, State performs all AFDC and food stamp administrative procedures; for SSI recipients, the Federal Government continues to administer the Federal payment, with States having the option of administering their own State supplements or of contracting with the Federal Government for Federal administration of State supplements.

Same as S. 2777.

Provides option to the State of establishing an automated state-wide management information systems to assist in the administration of the AFDC program (with Federal matching of 90 percent for developing and 75 percent for operating such systems).

Provides option to the State of establishing an automated state-wide management information system to assist in the administration of the AFDC program (with 75 percent Federal matching for developing and operating the system).

Encourages State administration of AFDC by reducing the rate of Federal matching if the State plan provides for local administration.

Removes option which States now have for local administration of the AFDC program.

Requires the Secretary of HEW, in consultation with the Secretaries of Agriculture and HUD, to develop uniform definitions for programs based on need, and to submit proposals to Congress for legislative changes.

Requires States to the maximum extent practicable to use a uniform application form for AFDC and food stamps.

**EMPLOYMENT AND TRAINING****S. 2084—(Moynihan)****H.R. 10950—(Corman)**

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**ELIGIBILITY**

Principal earners in two-parent families and single parents are eligible for new CETA title IX employment or training, provided by CETA prime sponsors after 5 weeks of job search. There are no income eligibility requirements.

Same as S. 2084, but limits eligibility to parents who are eligible for cash assistance.

**DURATION OF JOB**

Person is eligible for a public service job for 1 year, after which he must undergo a new 8-week job search period.

No person can remain in a public service employment program for more than 18 consecutive months.

**AUTHORIZATION**

Authorizes an amount sufficient to provide 1.4 million employment and training opportunities under the new CETA title IX program.

Provides entitlement to prime sponsors of an amount sufficient to make payments for wages and allowances to all persons eligible for the new CETA title IX employment and training opportunities—estimated at 1.1 million slots.



## EMPLOYMENT AND TRAINING

S. 2777—(Baker)

H.R. 10711—(Ullman)

## ELIGIBILITY

Retains requirements in present law for participation in work incentive (WIN) employment and training programs, administered by States. One adult in an AFDC-UP family who has completed a 90-day job search period is eligible for a public service job under an amended CETA title VI program. Remaining title VI jobs are distributed 50 percent to other AFDC recipients, and 50 percent to other long-term unemployed persons (after job search).

The parent in a two-parent AFDC family who has the greater job experience or employment potential has first priority for participation under an expanded State-administered work incentive (WIN) program. Other AFDC parents are also eligible, as under present law. Persons may be placed in public service employment only after 16-week job search.

## DURATION OF JOB

Jobs under the CETA program are limited to 12 months.

Payment to a public service employer is 100 percent of cost of employment in the first year, 75 percent in the second, and 50 percent in the third (current law).

## AUTHORIZATION

Authorizes \$565 million for WIN jobs and training; authorizes sufficient funds to provide 750,000 public service jobs in fiscal years 1979 and 1980, 500,000 in fiscal years 1981 and 1982, and 375,000 thereafter, under CETA title VI.

Authorizes up to \$5.5 billion for WIN jobs and training—estimated to provide 500,000 public service jobs;  $\frac{2}{3}$  of State WIN allocation is to be spent for OJT and PSE programs.

**EMPLOYMENT AND TRAINING—Continued****S. 2084—(Moynihan)****H.R. 10950—(Corman)**

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**WAGE LEVELS**

Provides State or Federal minimum wage, whichever is higher, with wage supplements paid in those States which pay supplements to cash assistance recipients, and up to 125 percent higher wages payable to work leaders.

Provides State or Federal minimum wage, whichever is higher; average annual rate not to exceed \$7,700 and average maximum not to exceed \$9,600 (in 1981), with these amounts varied according to an area wage adjustment index.

**EMPLOYMENT AND TRAINING—Continued**

S. 2777--(Baker)

H.R. 10711--(Ullman)

**WAGE LEVELS**

CETA title VI program is to provide employment consistent with the aim of maintaining average wage rates for public service employment of \$7,800, adjusted on a regional and area basis.

Provides State or Federal minimum wage, whichever is higher; up to 5 percent of amount paid to the employer may be used to pay higher wages to reward outstanding performance.

**PRIVATE EMPLOYER SUBSIDY**

Provides tax credit of \$1 per hour for 1 year to private employers who hire additional employees—eligible persons include AFDC recipients, persons unemployed for more than 26 weeks, and unemployed youths, all of whom must have completed 90 day's job search; and persons terminated from CETA public service jobs who have completed 30 day's job search.

Expands current WIN tax credit available to employers who hire WIN registrants; credit is limited to first \$6,000 in wages for any employee for 1 year.

Provides job voucher program amounting to \$1 per hour for 1 year to private employers who hire additional employees at the prevailing wage; those eligible are the same as above with the added requirement that they must be from households with incomes not exceeding 70 percent of the BLS lower living standard.

Employer cannot participate in both tax credit and job voucher programs.

**EMPLOYMENT AND TRAINING—Continued****S. 2084—(Moynihan)****H.R. 10950—(Corman)**

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**MEDICAID ELIGIBILITY**

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Provides medicaid eligibility for individuals and families who would have been eligible under State plans as in effect the month prior to the month of implementation of the new cash program.

Same as S. 2084.

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**CHILD SUPPORT****S. 2084—(Moynihan)****H.R. 10950—(Corman)**

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Retains existing child support program (title IV-D of the Social Security Act) with conforming amendments.

Similar to S. 2084.

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**EARNED INCOME TAX CREDIT (EITC)**

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Taxpayers that maintain a household in the United States and have either a dependent child under age 19 or a disabled dependent are eligible for the EITC.

Same as S. 2084 but also provides eligibility for the EITC in cases where a child is living with a taxpayer who is not his parent, but who is providing more than half the support of the child.

**EMPLOYMENT AND TRAINING—Continued**

S. 2777—(Baker)

H.R. 10711—(Ullman)

**OTHER PROVISIONS**

Pays the State \$200 for each AFDC recipient who is placed by the WIN program in private employment for at least 90 days.

The WIN training allowance is increased from \$30 per month to \$30 per week.

**MEDICAID ELIGIBILITY**

Retains current medicaid law thus providing medicaid benefits for all families eligible for AFDC (including unemployed parents in all States), and all SSI recipients who meet current law requirements.

Same as S. 2777.

**CHILD SUPPORT**

S. 2777—(Baker)

H.R. 10711—(Ullman)

Retains existing child support program (title IV-D of the Social Security Act).

Retains existing child support program (title IV-D of the Social Security Act) with conforming amendment.

**EARNED INCOME TAX CREDIT (EITC)**

Essentially the same as H.R. 10950.

Essentially the same as H.R. 10950.

**EARNED INCOME TAX CREDIT (EITC)—Continued****S. 2084—(Moynihan)****H.R. 10950—(Corman)**

Amount of credit is 10 percent of earnings up to \$4,000; 5 percent of additional earnings up to the cash assistance phaseout point for a family of given size (\$9,100 for a family of 4); phasing out at 10 percent of earnings above the amounts (for a family of 4, the maximum credit is \$655 and it would phase out at an income level of \$15,650).

Credit is payable to the family on a monthly or other periodic basis through the employer tax withholding system.

Credit is not payable for earnings under the new CETA title IX jobs program.

Earnings levels at which the EITC begins to phase down are indexed (according to the CPI) for years up to the year of implementation.

Amount of credit is 12 percent of earnings up to \$3,000 for a family of 2, \$3,600 for a family of 3, \$4,200 for a family of 4, and continuing to increase by \$600 increments for additional members of a family; phasing out at 6 percent of earnings above these amounts (for a family of 4, the maximum credit is \$504; it would phase out at an income level of \$12,600).

Same as S. 2084.

Same as S. 2084.

Same as S. 2084 but also continues indexing of earnings levels for years after the year of implementation.

**EARNED INCOME TAX CREDIT (EITC)—Continued****S. 2777—(Baker)****H.R. 10711—(Ullman)**

Amount of credit is 15 percent of earnings up to the poverty line for families of varying size, up to 7 members (\$6,190 for a family of 4 in 1977); phasing out at 20 percent of earnings above these amounts (for a family of 4, the 1977 maximum credit would be \$929; it would phase out at an income level of \$10,835).

Amount of credit is 20 percent of earnings up to \$5,000; phased out between \$7,500 and \$15,000 at rate of 13.3 percent; no variation for family size; maximum credit is \$1,000 at earnings between \$5,000 and \$7,500.

Same as S. 2084.

Same as S. 2084.

Credit is not payable for earnings from public service employment under CETA and WIN.

Same as S. 2777.

Earnings levels would change according to changes in the poverty level.

EITC is not indexed.

**EMERGENCY ASSISTANCE****S. 2084—(Moynihan)****H.R. 10950—(Corman)**

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Provides a program of grants to States for assistance to meet emergency needs (under a new part B of title XX). For each fiscal year, \$600 million is allocated to the States on the basis of each State's public assistance expenditures for the first year, gradually substituting population as a basis until the 5th year when all amounts are allocated on the basis of population.

Provides a program of grants to States for assistance to meet emergency needs (under a new title XXI). For each fiscal year, \$600 million is allocated to the States, 50 percent on the basis of the State's 1977 welfare expenditures and 50 percent on the basis of State population. A State's allocation may be increased by up to 25 percent of its basic grant for costs of emergency assistance in excess of the basic grant. The additional funding must be matched by 50 percent State funds. Circumstances under which emergency assistance is to be provided and the persons eligible are specified in the bill.

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**EMERGENCY ASSISTANCE****S. 2777—(Baker)****H.R. 10711—(Ullman)**

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Retains present law, which provides advance payments of up to \$100 to SSI applicants with a financial emergency; and an expedited eligibility procedure for food stamp applicants with little or no income.

Replaces the current program which provides Federal matching for emergency assistance provided to families with children, with a new program providing \$150 million to be allocated to the States on the basis of the State AFDC population, and used to meet the living expenses of needy families or individuals not met by the AFDC program.

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Repeals present program which provides Federal matching for emergency assistance provided to families with children. Retains current provisions for SSI and food stamp applicants, as under S. 2777.

**DEMONSTRATION PROJECTS**

**S. 2084—(Moynihan)**

**H.R. 10950—(Corman)**

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**DEMONSTRATION PROJECTS****S. 2777—(Baker)****H.R. 10711—(Ullman)**

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Directs the Secretary of HEW (in consultation with the Secretaries of Agriculture and HUD) to establish demonstration projects to evaluate the desirability of establishing consolidated public assistance centers at which an individual can make application for any type of aid available under any federally assisted program which is based on need.

Directs the Secretary of HEW (in consultation with the Secretaries of Agriculture and Labor) to establish demonstration projects to evaluate the desirability of (1) consolidating public assistance programs to be administered by the Federal Government, or (2) allowing the States to carry out public assistance programs without Federal regulation, using block grants.

Authorizes demonstrations which involve the payment of the value of food stamp allotments in the form of cash to AFDC and all other eligible recipients.

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**ANNUAL BENEFITS PAYABLE TO HOUSEHOLD UNITS UNDER  
S. 2084 AND H.R. 10950**

	<i>Amount payable is—</i>
For each member who is—	
An aged, blind, or disabled adult.....	\$1, 000
Any other adult.....	1, 100
A blind or disabled child.....	1, 100
Any other child.....	600
<i>Plus the following increments</i>	
	<i>Amount payable to the unit is increased by—</i>
If the unit consists entirely of—	
One adult who is aged, blind, or disabled.....	\$900
One individual and the individual's spouse, each of whom is aged, blind, or disabled.....	550
One adult and one or more children.....	1, 300
Two or more adults and one or more children.....	800

**TABLE 43.—COSTS OF H.R. 10950 AND S. 2084, BY LEVEL OF GOVERNMENT IN FISCAL YEAR 1982**

[In billions of dollars]

	S. 2084 (Moynihan)			H.R. 10950 (Corman)		
	Federal	State and local	Total	Federal	State and local	Total
Total cost.....	42.25	8.63	50.87	47.21	10.29	57.50
Total offsets.....	24.89	12.05	36.93	26.99	12.50	39.48
Net cost.....	17.36	(3.42)	13.94	20.22	(2.21)	18.02

Source: Based on Congressional Budget Office cost estimates.

TABLE 44.—HEW ESTIMATE OF CASELOAD UNDER ADMINISTRATION BILL (S. 2084) AND HOUSE WELFARE REFORM SUBCOMMITTEE BILL (H.R. 10950), 1982

[In millions]

	H.R. 10950	H.R. 9030
<b>Basic cash assistance:</b>		
Eligible units.....	19.72	15.18
Eligible Persons.....	56.82	35.86
Participating units.....	13.42	12.42
Participating persons.....	37.32	30.58
<b>EITC:</b>		
Units eligible for basic cash.....	3.52	3.89
Units above cash eligibility limits.	5.99	9.68
<b>Total units.....</b>	<b>9.51</b>	<b>13.57</b>
<b>Job and training:</b>		
Full-time slots.....	1.10	1.19
Persons participating.....	2.41	2.52

TABLE 45.—COSTS OF HOUSE WELFARE REFORM SUBCOMMITTEE BILL (H.R. 10950) BY LEVEL OF GOVERNMENT IN FISCAL YEAR 1982

[Billions of dollars]<sup>1</sup>

H.R. 10950	Federal	State and local	Total
<b>Benefits:</b>			
Basic cash assistance.....	\$22.23	\$2.24	\$24.74
State supplementation:			
Matching supplements.....	1.71	6.71	8.42
Grandfathering supplements.....		3.55	3.55
Hold-harmless payments.....	3.73	(3.73)	
Emergency needs block grant.....	.83	.09	.92
Earned income tax credit.....	1.62		1.62
Public service employment.....	7.81	.55	8.36
Federal tax reimbursement.....			
<b>Other:</b>			
Stepparent income.....	.20	.05	.25
Benefits to public institutions.....	.01		.01
Adjustment of \$800 head bonus.....	.29	.04	.33
Foster care.....	.27	.22	.49
Children's earnings <sup>2</sup> .....	.12	.01	.13
Substantial gainful activity.....	.05	.01	.06
Other <sup>3</sup> .....	1.32		1.32
Subtotal.....	40.19	9.74	49.93
<b>Administrative/overhead:</b>			
Cash assistance.....	2.93	.55	3.48
Public service employment.....	3.59		3.59
Public service overhead.....	.50		.50
Subtotal.....	7.02	.55	7.57
Total costs.....	47.21	10.29	57.50

<sup>1</sup> Figures may not add to totals because of rounding. All estimates include 50 States, District of Columbia, and Commonwealth of Puerto Rico.

<sup>2</sup> The estimated cost of excluding children's earnings and student's earnings in the absence of the exclusion of single individuals under 25 was approximately \$240,000,000. In the presence of the single individuals under 25 provision the estimate was reduced by 1/2.

<sup>3</sup> Includes estimates for basic H.R. 9030 provisions for institutional and SSI Federal hold-harmless provisions based on proportional adjustment from the HEW Sept. 26, 1977, estimates.

Source: Congressional Budget Office.

TABLE 46.—DIRECT AND INDIRECT COST OFFSETS OF H.R. 10950 BY LEVEL OF GOVERNMENT IN FISCAL YEAR 1982

[Billions of dollars]<sup>1</sup>

Program offsets	Federal	State and local	Total
<b>Direct cost savings:<sup>2</sup></b>			
AFDC.....	\$8.93	\$7.58	\$16.50
SSI.....	6.09	2.50	8.59
Food stamps.....	6.69	.34	7.03
General assistance.....		1.40	1.40
Emergency assistance.....	.04	.04	.08
Earned income tax credit.....	.56		.56
Work incentive program.....	.48	.05	.53
<b>Direct subtotal.....</b>	<b>22.79</b>	<b>11.91</b>	<b>34.69</b>
<b>Indirect cost savings (or increases):</b>			
<b>Related programs:</b>			
Child nutrition.....	.05		.05
Housing assistance.....	.29		.29
Unemployment insurance.....	.26		.26
Medicaid.....	(.25)	(.24)	(.49)
<b>Indirect subtotal.....</b>	<b>.35</b>	<b>(.24)</b>	<b>.11</b>
<b>Increased (or decreased) revenues:</b>			
Increased Federal and State income taxes revenues.....	3.53	.64	4.17
Increased social security taxes.....	.32		.32
Sales tax revenues.....		.19	.19
<b>Revenue subtotal.....</b>	<b>3.85</b>	<b>.83</b>	<b>4.68</b>
<b>Total offsets.....</b>	<b>26.99</b>	<b>12.50</b>	<b>39.48</b>

<sup>1</sup> Figures may not add to totals due to rounding.

<sup>2</sup> Based on CBO 5-yr current policy projections; *Five-Year Projections: Fiscal Years 1979-83* except the AFDC, SSI and earned income tax credit estimates which were generated by the basic methodologies used to cost the welfare reform plan. Different methodologies under the current policy projections which indicate lower AFDC costs and higher SSI costs for 1982. However, in the aggregate the Federal cost estimated under the different methodologies differ by less than 5 percent.

Source: Congressional Budget Office.

TABLE 47.—COSTS OF ADMINISTRATION BILL (S. 2084) BY  
LEVEL OF GOVERNMENT IN FISCAL YEAR 1982

[Billions of dollars] <sup>1</sup>

Program costs	Federal	State and local	Total
<b>Benefits:</b>			
Basic cash assistance.....	\$19.74	\$2.03	\$21.77
State supplementation: <sup>2</sup>			
Matching supplements.....	2.04	3.67	5.70
Grandfathering supple- ments.....		3.04	3.04
Hold-harmless payments....	1.08	(1.08)	
Emergency needs block grant <sup>3</sup>	.63		.63
Earned income tax credit.....	2.63		2.63
Public service employment <sup>4</sup> ....	8.47	.58	9.05
Federal tax reimbursement <sup>5</sup> ....	.89	.06	.95
Other <sup>6</sup> .....	1.32		1.32
Subtotal.....	36.80	8.30	45.09
<b>Administrative/overhead:</b>			
Cash assistance.....	2.41	.33	2.74
Public service employment.....	.50		.50
Public service overhead.....	2.54		2.54
Subtotal.....	5.45	.33	5.78
Total costs.....	42.25	8.63	50.87

<sup>1</sup> All estimates include 50 States, District of Columbia, and Commonwealth of Puerto Rico. Figures may not add to totals due to rounding.

<sup>2</sup> State supplementation estimates assume that each State will supplement the basic Federal benefit up to a level equivalent to the basic AFDC or SSI payment standard plus food stamp benefits in effect in that State immediately preceding the implementation of the new cash assistance program and that States will grandfather current SSI recipients and 75 percent of current AFDC recipients.

<sup>3</sup> Under H.R. 9030 the \$630,000,000 authorized for the emergency needs block grant program is not adjusted for inflation. If an inflation adjustment were made to the year 1982 the grant would be \$710,000,000 under CBO economic assumptions.

<sup>4</sup> Estimate includes an adjustment for incapacity.

<sup>5</sup> As provided in sec. 2104 of H.R. 9030.

<sup>6</sup> Includes estimates for institutionalized, foster care, and SSI Federal hold-harmless provisions based on proportional adjustment from the HEW Sept. 26, 1977 estimates.

Source: Congressional Budget Office.



TABLE 48.—DIRECT AND INDIRECT COST OFFSETS OF S. 2084  
BY LEVEL OF GOVERNMENT IN FISCAL YEAR 1982

[Billions of dollars]<sup>1</sup>

Program offsets	Federal	State and local	Total
<b>Direct cost savings:<sup>2</sup></b>			
AFDC.....	\$2.93	\$7.58	\$16.50
SSI.....	6.09	2.50	8.59
Food stamps.....	6.69	.34	7.03
General assistance.....		1.40	1.40
Emergency assistance.....	.04	.04	.08
Earned income tax credit.....	.56		.56
Work incentive program.....	.48	.05	.53
<b>Direct subtotal.....</b>	<b>22.79</b>	<b>11.91</b>	<b>34.69</b>
<b>Indirect cost savings (or increases):</b>			
<b>Related programs:</b>			
Child nutrition.....	.06		.06
Housing assistance.....	.72		.72
Unemployment insurance...	.44		.44
Medicaid.....	(.25)	(.24)	(.49)
<b>Indirect subtotal.....</b>	<b>.97</b>	<b>(.24)</b>	<b>.73</b>
<b>Increased (or decreased) revenues:</b>			
<b>Increased Federal and State</b>			
<b>income taxes revenues.....</b>	<b>.65</b>	<b>.17</b>	<b>.82</b>
<b>Increased social security taxes.</b>	<b>.48</b>		<b>.48</b>
<b>Sales tax revenues.....</b>		<b>.21</b>	<b>.21</b>
<b>Revenue subtotal.....</b>	<b>1.13</b>	<b>.21</b>	<b>1.51</b>
<b>Total offsets<sup>3</sup>.....</b>	<b>24.89</b>	<b>12.05</b>	<b>36.93</b>

<sup>1</sup> Figures may not add to totals due to rounding.

<sup>2</sup> Based on CBO 5-yr current policy projections; *Five-Year Projections: Fiscal Years 1979-83* except the AFDC, SSI, and earned income tax credit estimates which were generated by the basic methodology used to cost out the welfare reform plan. Different methodologies underly the current policy projections which indicate lower AFDC costs and higher SSI costs for 1982. However, in the aggregate the Federal costs estimated under the different methodologies differ by less than 5 percent.

<sup>3</sup> The administration's estimate of offsets includes savings from the discontinuation of several activities such as unemployment insurance extended benefits program and CETA title VI—and the initiation of several new policies including fraud and abuse sanctions and the wellhead tax. The CBO current policy projections based upon a 4.5-percent unemployment rate for fiscal year 1982 include no expenditures for these activities and, therefore, no potential for cost offsets.

Source: Congressional Budget Office.

**FRIDA**

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## **ERRATUM SHEET**

**April 1978 Committee on Finance Print Entitled**

**"Staff Data and Material on Public Welfare Programs**

**The paragraph on page 87 reading:**

**"Payments to a unit are increased to reimburse it for taxes paid on earned income by \$.20 for each \$1 of taxable income until the family's earned income is high enough so that it no longer is eligible for cash assistance. Thereafter, this grant declines by \$.20 for each additional \$1 of taxable income until the grant is phased out."**

**was erroneously inserted describing H.R. 10711. The paragraph actually describes S. 2084 on page 86.**