

WELFARE PROGRAMS SCHEDULED TO TERMINATE JUNE 30, 1967

Seven public assistance programs (generally enacted on a temporary basis as part of the Public Welfare Amendments of 1962) are scheduled to terminate on June 30, 1967. The Administration has recommended that these temporary programs be made permanent and legislation to accomplish this objective is pending before the Committee on Ways and Means as part of the comprehensive social security revision bill. Because legislation has been recommended, the Administration budget request includes authorization for the costs involved, and extension of these programs would not involve either an increase in proposed Government expenditures or further authorization requests. These programs, the States involved, and the costs are described in the following paragraphs.

(1) Community Work and Training Program (Section 202(e) of P.L. 87-543, Public Welfare Amendments of 1962.)

This program is for recipients of AFDC who are 18 years of age and over and who are taking part in a community work and training program. In April 1967, 96,000 recipients in 12 States received \$2,031,000 under this program. It involves approximately \$25,000,000 a year. The States concerned are:

|            |               |
|------------|---------------|
| California | Ohio          |
| Colorado   | Oregon        |
| Illinois   | Pennsylvania  |
| Kansas     | Washington    |
| Maryland   | West Virginia |
| Michigan   | Wisconsin     |

(2) Protective Payments (Section 202(e) of P.L. 87-543, Public Welfare Amendments of 1962.)

This program, in the 7 states which employ it, permits payments to be made in a limited number of cases to another person concerned with the welfare of a child if it is determined that the relative caring for the child is not using the payment properly. It does not involve any additional cost. The States concerned are:

|             |                |
|-------------|----------------|
| Connecticut | Louisiana      |
| Illinois    | Minnesota      |
| Kansas      | North Carolina |
| Wisconsin   |                |

(3) Foster Care in Child Care Institutions (Section 135(e) of P.L. 87-543, Public Welfare Amendments of 1962.)

This program, operating in 13 States, extends AFDC Federal matching funds to cover the cost of care in non-profit child care institutions. (Payments before this extension were limited to care in foster family homes.) The cost involved is not indicated since it is presumed that if the children were not placed in private institutions they would have to be placed in foster homes and continue to receive funds. The States concerned are:

|               |           |
|---------------|-----------|
| California    | Maryland  |
| Illinois      | Michigan  |
| Iowa          | Minnesota |
| Kansas        | Missouri  |
| Kentucky      | Nebraska  |
| Louisiana     | Tennessee |
| West Virginia |           |

(4) Repatriated Americans (Section 1113 of the Social Security Act)

This program, operating in all States, authorizes assistance to U. S. citizens repatriated from other countries who are forced to return to the U. S. because of destitution, illness or the threat of war. The assistance may take the form of planning, reception and temporary assistance for a period of no longer than one year in duration. During fiscal 1966, approximately \$107,000 was spent to provide this assistance.

(5) Dependent Children of Unemployed Parents (Section 407 of the Social Security Act)

This program, operating in 22 States, authorizes Federal matching payments in assistance to families with needy children deprived of parental support or care because of unemployment of the parent. 68,400 families and 269,000 children are covered by it. Approximately \$115 million in Federal matching funds is involved in this program. The States concerned are:

|               |               |
|---------------|---------------|
| Arizona       | Nebraska      |
| California    | New York      |
| Colorado      | Ohio          |
| Connecticut   | Oklahoma      |
| Delaware      | Oregon        |
| Hawaii        | Pennsylvania  |
| Illinois      | Rhode Island  |
| Kansas        | Utah          |
| Maryland      | Washington    |
| Massachusetts | West Virginia |
| Michigan      | Wisconsin     |

(6) Foster Care by Arrangement with Other State Agencies (Section 155(b) of P. L. 87-543, the Public Welfare Amendments of 1962.)

This program, operating in two States, permits State participation for foster care payments even though the responsibility for payment and care rests in a public agency other than the State agency responsible for the AFDC program if there is an agreement between the two agencies which assures compliance with the requirements of the AFDC program. The cost involved is \$25,000 for Kentucky and \$1,132,000 for California.

(7) Demonstration Projects (Section 1115 of the Social Security Act)

This program, operating this year in 42 States, authorizes funds for experimental pilot or demonstration projects to assist States in promoting the objective of the public assistance programs. It permits up to 100% Federal financing.

Since the establishment of this program, 164 projects have been approved. The States which do not at present have demonstration project grants are: Alabama, Idaho, Indiana, Nebraska, North Dakota, Oklahoma, South Dakota, and Virginia. Under this provision, \$2 million a year is authorized for payment to cover costs of the projects.