

tion that might be imposed on other cash payments made by those States as "supplementary payments."

There are other modifications that might be made in title III. For instance, it seems to me that the allowable resources for a married couple should be somewhat greater than for a single person.

Mr. Chairman, I want to conclude my statement by urging in the strongest possible terms that this committee give its approval to the kind of program that can alleviate the poverty among those of our fellow citizens who, because of age or disability, can no longer provide for themselves. Thank you, Mr. Chairman.

The CHAIRMAN: Thank you very much, Senator Eagleton.

Senator EAGLETON: Thank you so much.

(The committee subsequently received the following communication relevant to the preceding testimony:)

MISSOURI FEDERATION OF THE BLIND, INC.

February 1, 1972.

Senator RUSSELL LONG,

Senator From Louisiana, Chairman, Senate Finance Committee, Senate Office Building, Washington, D.C.

DEAR FRIEND: I received a copy of your press release concerning hearings on H.R. 1. The blind of Missouri were overjoyed when you expressed your feelings about the welfare program. The blind of Missouri have always protected the ambitious and industrious blind so that they lose no benefits until they become entirely self supporting.

Our program in Missouri since its origination has always been a flat rate pension and has never been based exclusively on need. When it originated in 1922, we had a figure of \$600 exempt earnings and \$25 a month pension. We have fought hard to maintain the major principles of our program through the years and feel that we were successful. However, H.R. 1 as it stands now, would wipe it out.

We are happy that Senator Eagleton, with the cooperation of Senator Symington has prepared amendments and introduced them in the Senate in our behalf, and we hope that your Committee will consider them fairly and be able to wholeheartedly support them.

We thank you for your sincere interest and intelligent approach to the welfare problem and we hope for many more years of your leadership in the United States Senate.

Your friend,

G. ARTHUR STEWART.

The CHAIRMAN: In view of the heavy list of witnesses I am going to suggest to all members wherever possible we submit our questions in writing and submit them to the witnesses.

The next witness is the Honorable Phillip Burton of California. Is he here? He does not respond.

The next witness will be the Honorable Allen Dines, State senator from Colorado; and Hon. Charles F. Kurfess, Speaker, Ohio House of Representatives, in behalf of the National Legislative Conference.

STATEMENT OF CHARLES F. KURFESS, SPEAKER, OHIO HOUSE OF REPRESENTATIVES, ACCOMPANIED BY ALLEN DINES, STATE SENATOR, COLORADO; AND RICHARD S. HODES, STATE REPRESENTATIVE, FLORIDA, IN BEHALF OF NATIONAL LEGISLATIVE CONFERENCE

Mr. KURFESS: Mr. Chairman, I am Speaker Kurfess of Ohio. To my immediate right is State Senator Dines of Colorado; and further to his right is Representative Richard Hodes of the State of Florida.

Mr. Chairman, we appreciate very much the opportunity to testify before the committee this morning. We are here representing the National Legislative Conference to discuss the welfare reform legislation which you now have under consideration.

We three here at the table are State legislators and will be presenting this testimony. We are members of the Human Resources Task Force of the Intergovernmental Relations Committee of the National Legislative Conference. Other task force members are here and seated behind us and I think you have a list of these members before you.

While there are many aspects and details of H.R. 1 which we are concerned with, this morning we will focus our attention in basically five areas.

First of all, the area of national uniformity and the States' role. Outlining those elements of a welfare and related services program that can have national uniformity and those elements that require a State role or options to deal with area and State variations and be administratively workable.

Secondly, we will present suggested amendments to the bill to improve the services programs contemplated and including specific examples of States' efforts to provide public service employment and a specific example of a State's effort to provide comprehensive, one-stop social service delivery system.

Third, in the area of child support we will present suggestions to improve the ability of States to enforce child support payments by fathers or responsible relatives.

In the area of medicaid financing we will suggest changes in the medicaid provisions to increase rather than decrease the Federal participation in the cost of medicaid, as I am sure this committee is aware of the impact that medicaid has had on some States' resources.

And finally, in the area of fiscal relief we would suggest some changes in these provisions to make more equitable between the States the fiscal relief and to allow among the States for the variations in the cost of living increases.

With regard to our analysis of what we feel are the variations that should be made with regard to Federal and State roles in defining social problems and solutions, with regard to this bill, we have really looked at the bill and asked ourselves two questions, and we would draw your attention to them.

First, what should or can be the extent of the national definition of the problem that we will be dealing with, and what can be determined and defined only or at least best on a State-by-State basis.

And, secondly, what should be or can be the extent of the national prescription of a solution to the problem requiring national uniformity, and in what areas should be or must we rely on the State-by-State solution of the outcome of the problems not requiring national uniformity.

Some of the nationwide variations which we feel must be taken into consideration are the characteristics of the unemployed, who are the present welfare recipients and the low income people; we should recognize the variation and average income levels, wages and cost of living among the various regions of the Nation and States; in fact, some of these variations are within the States themselves.

courage a recipient to relocate as from one part of the State to another in order to take a job.

The final section deals with the administration of the cash assistance and services, and here we list on the left the uniform recipient identification system, uniform performance standards, and accountability for the use of Federal funds, uniform data, and statistical systems necessary for proper planning and evaluation, the availability of Federal information for the use in locating nonsupporting fathers, this is particularly important, and we will refer to it later on, if we may, and a uniform national system for identification of available jobs to the employment service.

But while making those things uniform we would suggest that the States be preserved the option of administering the cash assistance program both for families and for adult categories without financial penalty.

At the present time the bill is written so that the States may continue some of this administration, but if they do it will be a their own expense, and the hold harmless provisions of the act would not apply. We feel this is an unnecessary club to force States to agree that Federal administration of these payments is a better system than State payments and, naturally, speaking on behalf of State legislatures we are reluctant to make that concession. We think there are advantages in a certain amount of local control, and a certain amount of experimentation with how administration can best proceed.

Senator ANDERSON. I have to warn you time is running pretty rapidly.

Mr. DINES. I think I have covered the points that were assigned to me, and would like to ask Representative Hodes of Florida if he would deliver a short statement on the social services aspect which we feel is very important.

Senator ANDERSON. Very well.

Mr. HODES. Members of the committee, I will just take a few moments. I am here primarily because I am chairman of the Committee on Health and Rehabilitative Services of the Florida House of Representatives. I am going to direct your attention primarily to the matter of services delivery as they are related to this particular proposed legislation. The key provision in this bill is one which would provide that there would be a freeze on those funds available through titles IV(A) and XVI, and would have the effect of limiting the availability of Federal assistance for potential welfare recipients under the programs currently in effect. It would tend to deny those States that choose to continue to innovate in the area of potential recipients in the rehabilitative programs from the opportunities of having Federal assistance in innovation. The damaging aspect of this is that it would discourage development of improved services by States in that it would freeze them at the present level and any development programs they would have would have to relate solely to their own tax base.

I can recognize the thrust of the freeze concept since IV and XVI services today are aimed at many who would come under the eligibility of the new program and the new program contemplates a different sort of service.

However, it is important that individuals in both categories, the working poor and unemployables, are usually seriously in need of social and health services that are available only through State agencies.

The classical assistance offered by social workers and vocational rehab counsellors is often insufficient to meet the needs of many families on public assistance or who are potential public assistance recipients in the titles IV(A) and XVI categories. So while we have social workers who provide excellent intake and excellent referral functions to other State agencies they usually in themselves are unprepared to resolve some of the problems of America's poor.

It is our concept in Florida, and we have already funds to initiate this, that the key to effectiveness of these services is coordination. For example, a single recipient family may have correctional, psychiatric, or emotional problems and could best be treated by State agencies by integration of programs of this nature.

At the present time Florida is attempting to demonstrate this under a concept that we developed in the Palm Beach County under Federal grant under the name of a Comprehensive Services delivery system. We refer to this by the acronym of the CSDS project and this project has only been operative for a short time but there are some case studies, of which you have been given copies, which illustrate very brief and very simple cases of how this coordinated concept works. The idea is that legislation should be designed not to discourage but to encourage improved State services by treating the multiple disabilities of the poor by making them available to the poor without having to shop around from agency to agency.

I would like to suggest that social services funds be made available to provide incentives for creating a coordinated social services system. Such a system could embody State control and comprehensive delivery. The present fragmentation of services wherein the potential recipient, although he may be eligible or ineligible for cash assistance, has to shop around for months at a time from one agency to another to find the appropriate social services should be discouraged. What we should have is a coordinated comprehensive service delivery system available by a coordination of these services within a State where a single State agency has overall an overview of this and delivers these services and makes them available to recipients at a local level.

The design of a comprehensive services delivery system at State level should be encouraged by the provision of matching funds for this purpose and not by just freezing any further innovation under the proposed sections of this bill.

The agencies that insist upon separate and exclusive control should be discouraged, and the encouragement of comprehensive State services for disabilities to the poor can result, we believe, in a marked increase in the employable among the unemployable, and the level of income among the employable.

The posture of the bill encouraging day care planning should be included in the comprehensive delivery system because we find the greatest reason for disability and the greatest reason for unemployability is the absence of child care services and, of course, the growth of the program is due to the absence of family planning services.

The chairman's own State of Louisiana is exemplary in the value of family planning service and what it can do to hold down welfare costs in a State, so I would encourage the committee, in fact urge the committee, to try to amend this legislation so that it does not deny the States the opportunity for innovation in the services delivery area outside of the public assistance role and even the vocational rehab role but, in fact, amend the legislation to encourage all States to develop comprehensive services delivery, both within the superstructure of State government and also to have comprehensive service delivery programs at the local level so that a single recipient can, as we have demonstrated in Palm Beach, can complete an interview application by every State agency for possible eligibility for need of services within a matter of a couple of hours. This is very, very efficient. It saves a great deal of money and it would go a long way from removing people from the unemployable category and placing them in the employable category which would then assign them to perhaps some other agency, as is contemplated in the bill through the Department of Labor.

The biggest value of this type of system, too, would be to develop a job profile wherein that job profile could be plugged into a Commerce or Labor Departments job availability structure and proper matching of jobs and individuals could be taken care of. At the same time whatever disabilities exist in the family that have been provided to the State agencies can be delivered. This could cover behavioral problems, mental health problems or just simply vocational educational problems. These could all be covered by having a comprehensive system, and the legislation should encourage coordinated comprehensive service delivery systems at the State level with Federal assistance. Thank you.

Mr. KURFESS. Mr. Chairman, I understand your time is limited this morning. I would like to thank you for this opportunity that we have had to make this presentation to you. We want to emphasize, as our outline indicates to you, our concern from our position as policymakers at the State level, and certainly indicate to you that as you continue your consideration of this measure we will be happy to respond to any questions or reactions that you might want from us.

Senator ANDERSON. I think it is a very good statement. You have made some very good comments. We will take advantage of your observations. It is extremely valuable.

Any questions?

Senator FANNIN. Mr. Chairman, this certainly presents very fine testimony. It is regrettable we do not have more time because I know we will benefit from your testimony and we will read your complete statement.

I am just wondering if you could furnish for the record from the National Legislative Conference the percent that medicaid costs are to the total welfare costs in the individual States. We have had that furnished for some of the States but not for all. I wonder if that is available from the National Legislative Conference.

Mr. KURFESS. We would certainly get it for you.

Senator FANNIN. Thank you kindly. I appreciate very much your testimony.

(The prepared statement of Mr. Kurfess and a table referred to by Senator Fannin follows. Hearing continues on p. 2268.)

Total expenditures for medical assistance, and welfare expenditures broken by percent of expenditures for medical assistance and cash assistance plus social services, fiscal year 1971

	Expenditures for medical assistance	Percent of expenditures for—	
		Medical assistance	Cash assistance plus social services
Alabama	82,702	34.1	65.9
Alaska			
Arizona			
Arkansas	12,631	10.9	89.1
California	1,109,164	34.0	66.0
Colorado	56,223	47.8	52.2
Connecticut	97,743	44.9	55.1
Delaware	7,482	26.0	74.0
District of Columbia	39,857	35.4	64.6
Florida	83,516	32.4	67.6
Georgia	129,995	38.5	61.5
Guam	495	21.3	78.7
Hawaii	22,249	39.7	60.3
Idaho	10,483	34.9	65.1
Illinois	287,680	33.7	66.3
Indiana	53,972	31.0	69.0
Iowa	27,115	21.0	79.0
Kansas	39,910	30.0	70.0
Kentucky	71,002	35.6	64.4
Louisiana	54,824	20.1	79.9
Maine	18,802	24.7	75.3
Maryland	108,227	41.9	58.1
Massachusetts	343,092	46.0	54.0
Michigan	277,512	39.0	61.0
Minnesota	113,295	38.3	61.7
Mississippi	35,835	26.8	73.2
Missouri	60,453	22.9	77.1
Montana	11,150	34.6	65.4
Nebraska	24,402	30.7	69.3
Nevada	8,276	38.8	61.2
New Hampshire	7,665	24.4	75.6
New Jersey	181,669	32.8	67.2
New Mexico	17,571	26.0	74.0
New York	1,555,518	49.0	51.0
North Carolina	98,187	40.9	59.1
North Dakota	13,382	39.6	60.4
Ohio	131,746	29.5	70.5
Oklahoma	96,350	37.6	62.4
Oregon	19,961	15.5	84.5
Pennsylvania	363,405	37.6	62.4
Puerto Rico	71,383	56.3	43.7
Rhode Island	42,189	44.6	55.4
South Carolina	34,412	42.2	57.8
South Dakota	9,037	26.4	73.6
Tennessee	38,840	20.5	79.5
Texas	181,587	28.8	71.2
Utah	18,845	33.0	67.0
Vermont	15,508	39.4	60.6
Virgin Islands	1,337	44.5	55.5
Virginia	58,944	33.2	66.8
Washington	105,073	34.1	65.9
West Virginia	23,320	25.5	74.5
Wisconsin	162,848	54.8	45.2
Wyoming	1,828	17.9	82.1
U.S. total	6,434,692	37.1	62.9