

increase in benefit payments and administrative expenses would be \$1,433 million. Receipts and expenditures for that year, under present and proposed legislation combined, would be \$4,018 million and \$2,300 million, respectively, making possible the acquisition of new securities amounting to \$1,718 million. The total assets of the trust fund are expected to reach \$13,033 million by June 30, 1950, and \$14,751 million by June 30, 1951.

The unemployment trust fund is

directly affected by the levels of business activity and employment. The estimates of the operations of the trust fund contained in the Budget are based on assumptions of high employment in 1950-51. Receipts for 1949-50 and for 1950-51 are estimated at \$1,180 million and \$1,358 million, respectively; expenditures for these years are estimated at \$2,034 million and \$1,570 million. The net change in the fund as estimated represents a decrease in assets. Anticipated assets

as of June 30, 1951, are \$7,116 million, as compared with \$7,328 million on June 30, 1950, and \$8,182 million on June 30, 1949.

Receipts of the proposed medical care insurance trust fund are estimated at \$250 million in 1950-51. Present plans call for increased contributions in subsequent years. Although no benefit payments are assumed for 1950-51, expenditures for initial administrative outlays are estimated at \$35 million.

## Notes and Brief Reports

### Public Assistance Hearings

In October 1947 the Bureau of Public Assistance issued requirements relating to definite procedural provisions for hearings in the State public assistance plans.<sup>1</sup> A review of State policies and practice since the effective date of these requirements—July 1, 1948—shows a general improvement in standards of performance, a growing acceptance of the concept of “due process” in public assistance administration, and an increasing use of hearings for the improvement of administrative processes. Some States have issued new plan material, some have begun the process of revising their policies and procedures to achieve consistency with new concepts, and some have merely continued the process of refining their practice since their policy material already met the test of the Federal definition.

One of the most important developments was the widespread adoption of improved methods of publicizing the right to a hearing and the procedures by which dissatisfied individuals may obtain a hearing. Earlier studies had shown that in many States that had excellent hearing procedures practically no hearings were requested because claimants were unaware of the availability of the hearing process. Today, most States provide explicit information on their hearing procedures (still frequently called “appeals

process”) in a variety of ways—by pamphlet, form letter, reproduction of their hearing rules and regulations on the back of application forms, and various other means; local staffs supplement the printed material in personal discussions with applicants and recipients.

The number of hearings has not increased spectacularly with the increased availability of information about hearings, as some people thought might happen. There has been a continuous, slow increase in requests for hearings; the proportions of the principal causes that gave rise to hearings, and the categories of assistance in relation to which hearings were requested, remained very nearly the same as in previous years. States that earlier had had no hearings, or hardly any, began to integrate the new experience into their general administrative pattern, and others, which had treated their hearing function as a more or less incidental activity, recognized the importance of this aspect of administration by developing special job descriptions for a newly created position of hearing officer.

State agency efforts to keep the cost of hearings to a minimum led to interesting experimentation with various forms of recording the proceedings. Some States used various mechanical and electronic recording devices instead of verbatim stenographic transcripts. The submittal of full and detailed hearing briefs in addition to the transcript was in some States replaced by the development of digests or reports in summary form.

To speed up the hearing process, some States authorized their hearing officers to render on-the-spot decisions, while others reserved this authority for the highest executive officer in the agency. Only a few States make no delegation of authority and still require action of the State Board at its regular meeting for formal adoption of a hearing decision.

Along with improving their hearing procedures, States worked on cutting down the need for requests for a hearing by providing effective and less formal channels through which grievances could be adjusted. Recognizing that any complaint, if not satisfactorily settled, might grow into a hearing issue, agencies in many States strengthened their adjustment procedures. Increasingly, the State and local offices kept records of all complaints—written and oral—and evaluated them as an index to weaknesses in policy or procedure that needed strengthening to eliminate areas of dissatisfaction. Recognition of the consistently high proportion of grievances arising out of the process of determining need and the amount of assistance, for instance, may have spurred the State agencies in their efforts to make their policies more definite and specific and thus assure greater uniformity and consistency among individual case decisions. As a result, the administrative process has become more predictable, from the claimant's point of view, and there has been greater equity of treatment as far as county and State-wide case loads were concerned.

One area in which a considerable amount of work still needs to be done is that of the conduct of the hearing proper. Some agencies were success-

<sup>1</sup> See the *Bulletin*, July 1948, pp. 14-18.

ful in developing their hearings into an informal administrative procedure through which the State agency proceeds as if there had been no previous local action and the case had come to the agency for an original determination. All the facts available at the time of the hearing are reviewed, all evidence is examined, and all witnesses are heard on a *de novo* basis, with the sole objective of settling the issue raised by the claimant in requesting the hearing.

In a few agencies, however, this process is not yet clearly understood, and the hearing is still considered a contest in which local agency and claimant are pitted against each other. The resulting decision is frequently couched in terms of a confirmation or reversal of the local agency's action, rather than as a fresh determination related to the individual's claim for assistance, based on a reexamination of the pertinent information by all parties concerned. Progress is gradually being made, however, towards a more constructive approach to the hearing process in those agencies that had been confusing the administrative function of a

State agency in an administrative hearing with the judicial function of a court in a judicial appeals process.

Another area in which many complex problems arise is that of apparently conflicting authorities. This issue sometimes needs to be faced when a State agency, under the authority vested in it through the hearing process, arrives at a different interpretation of State policy and therefore takes an action different from that taken by the county board responsible for program administration on the local level. Here again, most agencies have succeeded in gaining acceptance of the principle that, in a program operated under the supervision of a single State agency, the agency must have authority to secure consistent application of State policy throughout the State. In a few instances, on the other hand, State agencies have encountered serious difficulty because of the failure of local agencies to understand this principle, and they have found it hard to convince local boards that the State's power to render hearing decisions that are binding on the local unit does not in fact nullify the

authority of the local administrative body to carry out its proper functions. In some isolated cases the courts had to be called upon to confirm the State agency's responsibility and authority for enforcement of uniform program administration throughout the State.

As a result of their increased interest in hearings, State agencies have been anxious to have copies of sample cases, forms, statements of decisions, and similar documents that could be used as training material for their staffs. In an effort to meet this need, the Bureau of Public Assistance developed a quarterly periodical, *Hearings in Public Assistance*, in which hearing transcripts, selected decisions, court decisions arising out of hearings, correspondence between agency and clients or between State and local agencies, and other pertinent material contributed by State agencies on a voluntary basis, are being published. The fact that agencies are today distributing four times as many copies to their State and local staffs as when the publication was launched in 1947 seems to indicate that the States are finding the material increasingly useful.

## Recent Publications in the Field of Social Security\*

### Social Security Administration

BUREAU OF OLD-AGE AND SURVIVORS INSURANCE. *Causes of Relatively Low Average Monthly Wages Among Primary Beneficiaries*. (Report 4.) Baltimore: The Bureau, Oct. 1949. 23 pp. Processed.

A study based on information obtained through personal interviews with a sample group of primary beneficiaries in Boston in the fall and

\*Prepared in the Library, Federal Security Agency. The inclusion of prices of publications in this list is intended as a service to the reader, but orders must be directed to publishers or booksellers and not to the Social Security Administration or the Federal Security Agency. Federal publications for which prices are listed should be ordered from the Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C.

winter of 1946-47. Limited free distribution; apply to the Bureau of Old-Age and Survivors Insurance, Baltimore, Md.

### General

AMERICAN ASSOCIATION OF SOCIAL WORKERS. *Social Work Fellowships and Scholarships Offered During the Year 1950-1951*. New York: The Association, Oct. 1949. 20 pp. Free distribution; apply to the American Association of Social Workers, 1 Park Ave., New York 16, N. Y.

BLACK, BERTRAM J. *Our Welfare Needs: A Study of New York City and Its Boroughs Showing the Social and Economic Factors Affecting Relative Need for Health and Welfare Services*. New York: The Greater New York Fund, 1949. 49 pp. and maps.

"Congress Reviews the Problems of

Expanding Federal Social Security." *Congressional Digest*, Washington, Vol. 28, Dec. 1949, pp. 293-320. 75 cents.

FEDERAL SECURITY AGENCY. LIBRARY. *Progress Report on Legislation Reported Out of Committee Pertinent or Closely Related to Agency Programs*. (81st Cong., 1st sess.) Washington: The Library, 1949. 37 pp. Processed. Limited free distribution; apply to the Federal Security Agency Library, Washington 25, D. C.

INTERNATIONAL LABOUR OFFICE. *Systems of Social Security: New Zealand*. Geneva: The Office, 1949. 67 pp. 40 cents.

The first of a series of handbooks on national systems of social security. Each Government will prepare an analysis of its own system according to a uniform plan drafted by the International Labor Office. Chapters are devoted to the legal basis, scope of protection, benefit structure, organization, and financing of social security.

U. S. PRESIDENT. *Economic Report*. . . (H. Doc. 388, 81st Cong., 2d sess.)