SIGNIFICANT and far-reaching changes in the programs of old-age, survivors, and disability insurance, public assistance, and maternal and child health and welfare were made by Public Law 85-840, signed by President Eisenhower on August 28, 1958. Increases in benefits under the old-age, survivors, and disability insurance program, together with increases in the amount of earnings taxable and creditable under that program and improvements in its tax structure, mark a milestone in the development of the Nation's social insurance programs. At the time the President signed the bill, he issued a statement that included these comments on the old-age, survivors, and disability insurance changes:

This act is a significant forward step in the old-age, survivors, and disability insurance program of the social security system. The increases in benefits and in the tax base are desirable in the light of changes in the economy since these provisions were last amended in 1954. The increase in social security contribution rates and the accelerated tax schedule in the bill will further strengthen the financial condition of this system in the years immediately ahead and over the long-term future. It is, of course, essential that the old-age, survivors, and disability insurance program, which is so vital to the economic security of the American people, remain financially sound and self-supporting.

In the field of maternal and child health and welfare the new legislation carries authorization for increased appropriations and incorporates the long-recommended extension of the child welfare services program to all areas instead of predominantly rural ones. The President took note of these changes in the following statement:

The act also makes desirable changes which will permit Federal support for child welfare services where needed in urban areas and provides for State and local financial participation in the costs of this program on an improved basis.

The changes in the public assistance program raised certain basic questions. Most elements in the new formula for Federal sharing in the costs were considered desirable—those relating Federal financial participation in assistance payments more closely to the fiscal capacities of the States; limiting Federal participation on the basis of the average expenditure per recipient rather than on the basis of the payment to the individual recipient; and allowing the States greater flexibility in their arrangements for payment of medical care costs for public assistance recipients. Under the new formula, however, an increased proportion of the total expenditure is met by the Federal Government. The President, in his statement, commented favorably on some aspects of the provisions but expressed concern over others. The bill institutes, he said, "the desirable principle of varying Federal matching of costs in accordance with the relative fiscal capacity of each State as measured by per capita income. However, the effect of this change is very limited because the formula used results only in increases in the Federal share. In addition, the introduction of averaging of benefits on an overall basis provides increases in the Federal share, regardless of the fiscal capacity of the State." Increases in the Federal share, he said, "can lead only to a weakening of the responsibility of the States and communities," and their "financial responsibility in these programs should be strengthened, not weakened." He expressed the hope "that the work of the Advisory Council on Public Assistance which is established by this bill will materially assist in the early development of constructive recommendations."

In addition to the many major and relatively minor changes made by the amendments, two advisory councils were authorized—the one in the field of public assistance and another concerned with child welfare services. The law amends not only the Social Security Act but corresponding sections of the Internal Revenue Code.

The report of the Committee on Ways and Means of the House of Representatives also requests the Department of Health, Education, and Welfare to undertake three studies—one concerned with the problems of hospitalization and nursing-home costs for beneficiaries of old-age, survivors, and disability insurance, one with certain aspects of the retirement test under old-age, survivors, and disability insurance, and one with the crediting of tips as wages under the old-age, survivors, and disability insurance program.

Most of the legislation enacted during the Eighty-fifth Congress that affects programs of the Social Security Administration is embodied in Public Law 85-840, the Social Security Amendments of 1958. In addition the Eighty-fifth Congress enacted 12 other laws that affect these programs.1 Their provisions are described along with those of Public Law 85-840 under the appropriate subject headings.

Summary of Major Provisions

The major changes made by this new legislation in the old-age, survivors, and disability insurance program are listed below.

1. Benefit amounts are increased by about 7 percent. Monthly benefits payable to retired and disabled work*

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1 Public Laws 85-26, 109, 110, 226, 227, 229, 238, and 239 were enacted in 1957; Public Laws 85-785, 786, 787, and 798 were adopted in 1958.
ers who are currently on the rolls will, under the amendments, generally range from $33 to $116. For beneficiaries coming on the rolls in the future, benefits on the basis of the higher earnings base established by the amendments will be as high as $127. The largest benefit payable to a family is increased from $300 to $254. The new benefit rates become effective with benefits for January 1959.

2. The maximum amount of annual earnings taxable and creditable toward benefits is increased from $4,200 to $4,800, effective January 1, 1959.

3. The scheduled contribution rates for employers and employees on covered earnings are increased by 1/4 of 1 percent from the rates previously scheduled, with a corresponding increase for the self-employed. Increases in the tax rates are scheduled at 3-year intervals, beginning in 1960, rather than at 5-year intervals.

4. Benefits like those now being paid to the dependents of old-age insurance beneficiaries are provided for the wives, dependent husbands, and children of disability insurance beneficiaries.

5. The offset provision relating to benefits payable because of disability is repealed, effective with benefits for August 1958.

6. To be eligible for the disability freeze or for disability insurance benefits, a disabled worker no longer is required to have 6 quarters of coverage out of the 13 calendar quarters before disablement. Fully insured status is added as a requirement for the freeze; work requirements for both freeze and cash benefits are now alike.

7. Disability insurance benefits may be paid for as many as 12 months before the month in which the application is filed if all other requirements have been met for the earlier months.

8. The deadline of June 30, 1958, for filing fully retroactive disability freeze applications is postponed to June 30, 1961. Disability freeze applications filed after June 30, 1961, may establish a freeze period beginning as early as 18 months before the month of filing.

9. Provisions for dependents’ benefits are changed to increase the protection for dependent parents and adopted and disabled children and to protect certain beneficiaries who marry.

10. The coverage provisions of the program are changed to (a) facilitate coverage of certain State and local government workers and of employees of certain nonprofit organizations, (b) extend coverage to certain nonprofit organizations, (c) credit the self-employment earnings from a partnership that an individual has during the year of his death, (d) provide wage credits of $180 a month for active service performed during World War II by American citizens in the armed forces of certain countries that fought against our enemies in that war, and (e) postpone the deadline for certain ministers to elect coverage as self-employed persons.

11. The retirement test provisions are amended to (a) raise from $80 to $100 the amount of monthly wages a beneficiary who has earnings of more than $1,200 in a year may have in a month without losing benefits and (b) improve administration of the test.

12. Administrative changes include expansion and clarification of the definition of fraud, authorization for the Department of Health, Education, and Welfare to charge for services provided to the public for nonprofit purposes, and other revisions to improve administration.

The major changes made in the public assistance program are as follows:

1. Federal financial participation in State expenditures for assistance to needy persons who are aged, blind, or disabled and to needy dependent children is related in part to the fiscal capacity of each State, determined by the relationship of State per capita income to national per capita income.

2. The limitation on the amount of assistance expenditures to which the Federal Government will contribute is related to a single average expenditure per recipient that includes both money payments to and medical care payments on behalf of recipients.

3. The public assistance program is extended to Guam, on a basis similar to that in effect for Puerto Rico and the Virgin Islands.

4. The dollar limitation on the total annual Federal payment for public assistance to Puerto Rico and the Virgin Islands is increased.

5. Provision is made for an Advisory Council on Public Assistance to review the program and report its findings and recommendations by January 1, 1960.

The following changes were made in the maternal and child health and child welfare programs:

1. The amount authorized for annual appropriation for grants for maternal and child health services is increased from $16.3 million to $21.5 million, that for crippled children’s services from $15.0 million to $20.0 million, and that for child welfare services from $12.0 million to $17.0 million, effective for the fiscal year 1958-59.

2. Grants are made available to Guam, effective July 1, 1959.

3. The previous provisions of the law with respect to the use of Federal child welfare funds in predominantly rural areas and areas of special need are removed, thereby extending services under this program to urban children on the same basis as rural children.

4. The formula for allotment of Federal child welfare funds is changed to make the formula consistent with changes under item 3. Briefly, after allotment of the uniform grant the remainder will be allotted in direct proportion to the total child population and in inverse proportion to the per capita income of the State. If the amount so allotted is less than the State’s base allotment, the amount is to be increased to the base allotment by reducing proportionately the allotments to other States. The base allotment is defined as the amount that would be allotted to the State under the provision in the previous law, as applied to an appropriation of $12 million.

5. Matching of Federal child welfare funds is required, effective for the fiscal year 1959-60. Matching will be on a variable basis in relation to State per capita income.

6. The provisions with respect to the use of Federal child welfare funds for the return of runaway children are broadened by raising from 16 to 18 the age limit for children who may be returned under these provisions and by permitting the use of the...
funds for maintaining (for not more than 15 days) runaway children pending their return.

7. Reallocation of Federal child welfare funds is authorized.


Background and Legislative History

The many provisions of Public Law 85-840 stem from a variety of sources. The major changes in the old-age, survivors, and disability insurance program—increases in benefits and in the earnings base and in the tax schedule—represent a reaction to changes in wages and prices since these aspects of the program were last examined in 1954 and a desire on the part of Congress to strengthen the system in accordance with needs indicated by the latest actuarial estimates.

The principles of providing Federal matching in payments made under Federal-State public assistance programs on a basis more nearly consistent with the fiscal capacities of the States and on the basis of the average expenditure per recipient, rather than a maximum of a fixed number of dollars for an individual recipient, have had some consideration in earlier Congresses and have been embodied in earlier recommendations made by the Department of Health, Education, and Welfare.

The elimination of the limitation relating to child welfare services in predominantly rural areas has been recommended for a number of years. This change has been supported by many State governors, public welfare agencies, the Commission on Intergovernmental Relations, most national organizations concerned with child welfare, and many individuals who have testified before congressional committees on the subject of Federal-State relationships. Similar provisions had been proposed by the Administration.

The legislative changes also included many that are of a relatively minor or technical nature. Some were the subjects of individual bills that had been introduced in Congress, and others were recommendations for greater equity and for program improvement made by the Department of Health, Education, and Welfare on the basis of its operating experience.

A large number of bills to amend the Social Security Act were introduced in the Eighty-fifth Congress—many of them shortly after it convened. Eight relatively noncontroversial bills became law in 1957, and four that were passed by the House of Representatives either in 1957 or early in 1958 were later enacted.

In March 1958 the Ways and Means Committee of the House of Representatives scheduled hearings on the subject of unemployment insurance. Although these hearings and the legislation that subsequently was reported were not concerned with public assistance programs, a number of proposals for a broader public assistance program were the subject of testimony at that time. The hearings included consideration of Federal participation in general assistance programs and the broadening of the program of aid to dependent children to include unemployment as a reason for deprivation of parental support in the definition of a needy child. The proposed extensions were not included; however, as late as the Senate floor action on the bill an amendment to provide Federal participation in general assistance was defeated.

During the Senate debate on this legislation, an amendment by Senator Long, to increase the Federal share in public assistance payments following somewhat the same pattern as the amendments of 1946, 1948, 1952, and 1956, was offered. Although this amendment was defeated on a 40-40 tie vote, it was indicated during the debate that the House Ways and Means Committee would give consideration to needed increases in public assistance.

On May 29, 1958, Representative Wilbur D. Mills, Chairman of the House Committee on Ways and Means, announced that the Committee had tentatively scheduled general public hearings on all titles of the Social Security Act to begin on June 16, 1958. He stated that there were presently pending before the Committee some 400 bills on various aspects of the act.

Chairman Mills noted that the last general amendments to the Social Security Act were made in 1956 (the Social Security Amendments of 1956) and that this was an appropriate time to review the operation of the major changes made then and to receive recommendations for further changes. The Chairman stated that the hearings would afford an opportunity to review, among other subjects, the actuarial status of the old-age and survivors insurance and disability insurance trust funds and any Administration proposals for changes in the various titles of the act, and also give an opportunity for the Committee to explore the possibility of legislation and to afford a basis for study.

Mr. Mills further stated that among the many bills pending before the Committee were several major proposals related to the old-age, survivors, and disability insurance programs, unemployment insurance, and public assistance. Affecting the old-age, survivors, and disability insurance program, for example, were bills to increase the general level of benefits, to provide hospitalization and surgical benefits for beneficiaries, to amend the disability insurance and the disability freeze provisions, to liberalize the retirement test, to raise the maximum earnings base, and to reduce the retirement age. A number of bills relating to coverage and to specific limited, although very important, areas were also pending.

Among the proposals on the subject of public assistance were bills to increase Federal sharing in costs, to revise the matching formula for medical and other remedial care costs, and to provide for disregarding need in determining eligibility.

House Committee on Ways and Means

Public hearings opened on June 16, 1958, and continued through June 30. Testimony was heard from Members of Congress, Secretary of Health, Education, and Welfare Folsom, and individuals and groups interested in social security.

In July extensive executive sessions were held, during which agreement was reached on the provisions of a bill. On July 28, 1958, identical bills (H.R. 13549 and H.R. 13550) were
introduced by Chairman Mills and by Representative Reed, ranking minority member of the Committee.

House Action on H.R. 13549

The bill H.R. 13549 was reported to the House the same day. On July 29, the House Committee on Rules granted a rule for consideration of the bill that permitted 4 hours of general debate, restricted amendments to those offered by the Committee on Ways and Means, and waived points of order.

The bill was considered by the House on July 31. Several clerical and technical amendments offered by Mr. Mills were adopted en bloc, and the bill was passed by a vote of 375 to 2 with 53 members not voting.

Senate Finance Committee Action

The Senate Committee on Finance held hearings August 8–13. During these hearings, Secretary of Health, Education, and Welfare Flemming and a number of other witnesses were heard. The Secretary in his testimony indicated that, while he believed the provisions of the bill dealing with old-age, survivors, and disability insurance were desirable and constructive, the Department was opposed to any change in the public assistance formula that would result in the Federal Government’s providing a higher proportion of these payments than under existing law. He made it clear that the objection was not to higher individual payments and that many payments could be increased under existing law with matching Federal funds. A number of the amendments that were subsequently adopted by the Committee on Finance and on the Senate floor were frankly designed to make the public assistance provisions of the bill more acceptable to the Administration.

On August 14, 1958, the Senate Finance Committee went into executive session and adopted a number of amendments to the bill.

The effective date of the benefit increase under old-age, survivors, and disability insurance was moved from the third month after enactment to January 1, 1959, in order to correspond with the date for increases in the tax rate and earnings base. Certain technical and clerical changes were also made, primarily to reflect Senate action on four other bills that had passed the Senate after House action on H.R. 13549 but before the Senate Finance Committee action on the bill.

The public assistance provisions were modified by reducing the maximum matchable payment for the aged, the blind, and the disabled from $66 to $65 a month and that for recipients of aid to dependent children from $33 to $30. This change was designed to effect an annual saving of $39 million in the cost of the public assistance provisions. The Committee also moved the effective date of the public assistance changes from October 1, 1958, to January 1, 1959.

Provision was made for the establishment of an Advisory Council to review the status of the public assistance program in relation to the old-age, survivors, and disability insurance program, the fiscal capacities of the States and of the Federal Government, and any other factors bearing on the amount and proportion of the State and Federal shares in the public assistance programs. The Council would be patterned after the existing Advisory Council on Social Security Financing and would report not later than January 1, 1960.

The Committee also eliminated a provision of the House bill that would have repealed the special matching arrangements in public assistance for Navajo and Hopi Indians.

The Committee reported the bill favorably to the Senate that same day.

Senate Floor Action

The Senate began debate on H.R. 13549 late in the evening of August 16, continued to debate the bill through most of Saturday, August 16, and passed it, with amendments, on that date by a vote of 79–0, with 17 members of the Senate not voting.

Nineteen amendments were proposed from the floor; nine were adopted, eight rejected (all but one by voice vote), and two withdrawn.

Four amendments affecting old-age, survivors, and disability insurance were adopted:

1. The Curtis amendment making the provision relating to a child adopted within 2 years after the worker’s death applicable also to a child adopted within 2 years after enactment of the amendments.
2. The Smith amendment to facilitate the extension of coverage to certain teachers in Maine.
3. A change in numbering proposed by Senator Kerr.
4. The Yarborough amendment to substitute for separate legislation enacted earlier (Public Law 85–798) the provisions relating to the eligibility of re-married widows for mother’s benefits.

Four amendments affecting public assistance were adopted:

1. The Smathers amendment reducing the range in the variable matching provision from 50–70 percent to 50–65 percent.
2. The Smith amendment eliminating an increase in the Federal share of the first $18 of payments under aid to dependent children. (The two Smathers amendments, with those adopted by the Senate Committee on Finance, reduced the annual cost of the public assistance provisions of the bill from $288 million to $197 million.)
3. The Long amendment recognizing as a federally matchable assistance payment the amounts paid on behalf of an eligible individual to any legal representative judicially appointed under State law.
4. The Long amendment restoring the effective date of October 1, 1958, for the public assistance provisions, as passed by the House.

One amendment by Senator Purtell in relation to child welfare services was adopted. It establishes an Advisory Council on Child Welfare Services concerned with the changes in the child welfare services program authorized by the amendments. The council is to consist of persons representative of public, voluntary, civic, religious, and professional welfare organizations and groups, specially qualified persons, and the general public.

Six amendments affecting old-age, survivors, and disability insurance were rejected:

1. The Yarborough amendment to increase benefits by 10 percent. (Senators Humphrey, Neuberger, Morse, Johnston, and Long joined Senator Yarborough in introducing this amendment, which was rejected by a record vote of 52 to 53.)
2. The Revercomb amendment to...
provide full retirement benefits at age 62 for men and women.

3. The Kennedy-Casse amendment to increase benefits by 8 percent.

4. The Kennedy amendment to eliminate the dollar ceiling on the lump-sum death payment.

5. The Revercomb amendment to broaden the definition of disability to include instances where, as a practical matter, the worker is unable to obtain employment because of his disability.

6. The Morse amendment, in the nature of a substitute bill, which would, among other things, increase benefits by 25 percent and provide hospital insurance. (This amendment would also have provided increased Federal financial participation in the public assistance programs.)

Two amendments affecting public assistance were rejected:

1. The Kuchel amendment to increase from $65 to $70 the average maximum for Federal participation.

2. The Douglas amendment to exempt earned income up to $20 a month in determining need for old-age assistance and aid to dependent children.

The House of Representatives on August 19 concurred in the amendments of the Senate.

The bill was signed by President Eisenhower on August 28, 1958, and became Public Law 85-840.

Old-Age, Survivors, and Disability Insurance

Increased Benefits

Since the last increase in old-age, survivors, and disability insurance benefits was put into effect in 1954, wages have increased by about 12 percent and prices by almost 8 percent. To bring the level of benefits more nearly into line with the generally higher level of the economy, the amendments increase benefit amounts for beneficiaries—those now on the rolls as well as future beneficiaries—by about 7 percent. Since, however, the minimum increase for the retired worker is $3, the average increase is somewhat over 7 percent. (Slightly smaller increases will be received by women workers and wives who choose to begin receiving their benefits before they reach age 65.)

The new benefit rates become effective with benefits for January 1959. For retired and disabled workers now on the benefit rolls, and for those coming on the rolls next year, monthly benefit amounts will range from $33 to $116, compared with $30 to $108.50 under previous law. The average increase for these people will be about $4.75. For those coming on the rolls in later years, the range of benefit payments taking into account the increased earnings base will be $33-$127, although generally many years will elapse before the maximum amount will be payable.

The largest amount of monthly benefits payable to a family on the basis of an insured worker's earnings record is increased from $200 to $254—twice the new maximum benefit provided for a retired worker. The minimum benefit payable when there is only one survivor beneficiary is increased from $30 to $33.

The new primary insurance amount and maximum family payment amounts are determined through the use of a consolidated benefit table included in the law. The benefit table, which replaces the more complicated benefit formula and conversion tables previously in the law, provides primary insurance amounts only in multiples of a dollar. (The primary insurance amount is the amount payable to a retired worker and the amount from which all other benefits are computed.)

Higher Earnings Base

Under the new law the maximum amount of annual covered earnings on which benefits can be computed (and on which contributions are paid) is raised from $4,200 to $4,800, effective January 1, 1959. This change was made in recognition of the principle that benefit levels should reflect varying levels of individual earnings. Practically all regular full-time workers may in time be earning more than the current base, and their benefits will consequently bear little relationship to their previous living standard unless the earnings base is adjusted if earnings rise.

The $4,800 maximum restores the relationship between workers' creditable earnings and total earnings that existed in 1954 when the $4,200 earnings base was adopted. The $4,200 base would have covered all the earnings of about 56 percent of the regularly employed men in 1954. In 1957 only 43 percent of such workers had all their earnings credited; about 50 percent would have had all their earnings credited under a $4,800 base.

Improvements in Disability Provisions

Benefits for dependents.—Under the amendments, monthly benefits are payable, beginning September 1956, to the dependents of persons who are receiving disability insurance benefits. It is estimated that about 180,000 dependents can become immediately eligible for monthly benefits.

The classes of dependents eligible for these benefits are the same as those eligible for benefits as dependents of old-age insurance beneficiaries—that is, wives and dependent husbands who have reached retirement age, unmarried dependent children (including sons or daughters disabled in childhood), and wives who have entitled children in their care. The conditions for receipt of the new benefits are also, in general, the same. Benefits will be suspended, however, if the disabled worker refuses, without good cause, to accept vocational rehabilitation services. A dependent's entitlement to benefits is terminated if the disabled worker's entitlement to disability benefits ceases before he becomes entitled to old-age insurance benefits or dies.

The provision of benefits for dependents of disability insurance beneficiaries fills a gap in the protection afforded by old-age, survivors, and disability insurance. In providing these new benefits, Congress recognized that the needs of the family of a disability insurance beneficiary are as great as or greater than the needs of the family of an old-age insurance beneficiary. It may, of course, be assumed that many persons receiving disability benefits have high medical expenses.

Repeal of the offset provision.—Under the 1956 amendments, disability insurance benefits and childhood disability benefits payable under the Social Security Act were reduced by the amount of any periodic benefit payable to an individual under other Federal programs or State workmen's compensation laws because of dis-
ability. A modification enacted in 1957 (Public Law No. 85–109) provided that the disability benefit would not be reduced because of compensation paid to a veteran by the Veterans Administration for his service-connected disability. The 1958 amendments repeal the offset provision entirely, and beginning with benefits for August 1958 the full amount of an individual's disability benefit is payable.

In recommending repeal of the provision, the congressional committees stated that disability benefits payable under old-age, survivors, and disability insurance should be looked upon as providing basic protection against loss of income caused by disabling illness and that it is undesirable and incompatible with the purposes of the program, to reduce these benefits on account of disability benefits payable under other programs.

As of June 30, 1958, about 36,000 disability insurance benefits and almost 1,000 “childhood disability” benefits were either reduced or withheld under the offset provision.

Work requirements.—The amendments modify the requirements relating to the covered work that a disabled worker must have had in order to become eligible for cash disability benefits or the disability freeze. Formerly, to qualify for disability benefits, a disabled worker was required to be both fully and currently insured and to have at least 20 quarters of coverage during the 40-quarter period that ends with the quarter in which the disability began. To become eligible for the disability freeze, the worker was required to be currently insured and to have at least 20 quarters of coverage during the 40-quarter period ending with the quarter in which his disability began.

The amendments remove the requirement of currently insured status for eligibility for both disability benefits and the freeze, and they add fully insured status as a requirement for eligibility for the freeze. Thus, the work requirements for cash disability benefits and for the freeze are now the same; to qualify for either, the worker must be fully insured and must have at least 20 quarters of coverage during the 40-quarter period that ends with the quarter in which his disability begins.

As a result of the modified work requirements, about 35,000 workers who could not qualify for disability insurance benefits under the previous law can, upon filing applications, become immediately eligible for benefits; in addition, about 15,000 persons can qualify immediately for a disability freeze.

Retroactive benefits.—Under the amendments, disability insurance benefits (like old-age and survivors insurance monthly benefits) can be paid retroactively for as many as 12 months before the month in which an application is filed. Before the amendment, persons making application after December 1957 could not be paid a disability benefit for any month before the month of filing. The provision of payment of retroactive benefits was proposed by the Department of Health, Education, and Welfare on the basis of a study of disability applications filed early in 1958. The study indicated that a large proportion of the applicants did not file in the first month for which they were otherwise eligible and so lost 1 or more months’ benefits.

Disability freeze period.—The amendments extend for 3 years (through June 30, 1961) the time within which disabled workers can file an application on the basis of which the beginning of a freeze period can be established as early as the actual onset of disablement. Applications filed after the new deadline date can establish a freeze period beginning as early as the eighteenth month before the month of filing. Under the 1956 amendments, the deadline for filing fully retroactive freeze applications was June 30, 1957; applications filed after that date were accorded only 1 year of retroactivity. In 1957 the original date was postponed for 1 year (to June 30, 1958) by Public Law 85–109.

Changes in Eligibility Conditions

Payment of parent’s benefits when a widow or child survives.—The amendments provide that the dependent parents of a deceased worker can become eligible for benefits even though a widow, a dependent widower, or a dependent child survives. Under previous law, the existence of such a survivor prevented the payment of monthly benefits to the dependent parent of a deceased worker. This bar operated even if the potentially entitled wife or child never became entitled to benefits. The situation was aggravated by the fact that a 1957 law (Public Law 85–238) made it possible to pay benefits to a widow who was not living with her husband at the time of his death. Thus the existence of a widow who was not living with the worker could prevent payment of benefits to a parent who was living with and dependent on the worker at the time of his death.

Dependency of a disabled child.—Under the amendments, disabled children aged 18 or over are presumed dependent on their parents under the same rules that apply to younger children. Under previous law, a disabled child who was aged 18 or over at the time he applied for child's insurance benefits or at the time his parent died was required to show that he was receiving at least half his support from his parent. A child under age 18 when he applies for benefits is generally presumed to have been dependent on his father (and on his mother if she has had a significant amount of recent work).

Benefits for an adopted child after the worker's death.—The amendments provide for payment of benefits to a child if, at the time of the worker's death, the child was a member of the worker's household, was not being supported by any other person, and is adopted by the worker's spouse within 2 years after the worker dies or within 2 years after enactment of the amendments. A child living as a member of a worker's family and supported by him, after the worker's death needs replacement of the support he had received from the worker. If the surviving spouse adopts the child, the child will, for purposes of receiving child's insurance benefits, be treated as an adopted child of the deceased worker.

Removal of 3-year requirement for a child adopted by a retired worker.—Under the amendments, benefits are payable to an adopted child of a retired worker immediately upon adoption. Former law required that the child must have been adopted at least 3 years before becoming eligible.
for child’s insurance benefits. This provision was intended to protect the program against abuses through adoptions undertaken to secure rights to benefits. Since adoptions are subject to approval by State courts, it does not seem desirable that benefits should be denied to all adopted children in order to prevent a rare case of abuse.

Elimination of duration-of-marriage requirement when a child has been adopted by the deceased worker.—The amendments provide that, when a child of a surviving spouse has been adopted by the deceased worker, the surviving spouse can qualify for mother’s, widow’s, or widower’s benefits even if married to the deceased worker for less than a year. This provision eliminates the anomalous situation in which a child could qualify for benefits but his mother who was caring for him could not.

Elimination of duration-of-marriage requirements when a potential secondary beneficiary marries.—The amendments remove the duration-of-marriage requirements for husband’s, wife’s, widow’s, and widower’s benefits if, at the time of the marriage, the person was or could have become entitled to a dependent’s benefit. Under former law the benefit rights of a dependent or secondary beneficiary were terminated if the dependent remarried, and yet the dependent could not qualify for benefits on the new spouse’s earnings record until the marriage had lasted for some time.

Provision that marriage will not terminate benefits in certain situations.—The amendments provide that marriage will not terminate a benefit when a person receiving mother’s, widow’s, parent’s, or “childhood disability” benefits marries a person receiving any of these benefits or when a person receiving mother’s or childhood disability benefits marries a person entitled to old-age or disability insurance benefits. The earlier law required that, when a secondary beneficiary married, his benefit be terminated. If he married a person who was entitled to an old-age insurance benefit, he could qualify for a new benefit based on the earnings of the new spouse. If, however, the new spouse was also receiving a secondary benefit, the benefits of both persons were terminated, and ordinarily neither could become entitled to any new benefits.

Reinstatement of rights to mother’s insurance benefits.—The amendments reinstate rights to mother’s insurance benefits that were terminated by remarriage if the new husband dies and the wife cannot qualify for mother’s benefits on his earnings.

Reinstatement of rights to widow’s insurance benefits.—Under the 1956 amendments the aged widow whose benefits were terminated by her remarriage and whose second husband died within the year could have her rights to benefits, based on her first husband’s earnings record, reinstated. Since the 1958 amendments provide that the widow can immediately receive benefits based on her new husband’s earnings record, they also provide that she can become reentitled on her first husband’s record only if the second husband dies uninsured within the year.

Lump-sum death payment.—The amendments require that, for the lump-sum death payment to be made to the surviving spouse of a deceased worker, the spouse must have been living in the same household as the worker. Under previous law, to receive the payment, the widow must have been “living with” the worker at the time of his death. The requirement was met if the spouse was living in the same household with the worker or receiving contributions from him or if the worker was under a court order to contribute to the spouse’s support. Since the lump-sum payment is made primarily to help with the funeral expenses, it can appropriately be made to a spouse who was living in the same household as the worker because such a spouse can be expected to take responsibility for the funeral expenses. When no such spouse survives, the lump-sum death payment may be made to the person or persons who paid the burial expenses (including the spouse who was not living in the same household with the deceased worker), to the extent of—and in proportion to—the total burial expenses of the deceased that the person has paid.

Dependents of members of armed services.—Legislation enacted in 1957 (Public Law 85–238) made inapplicable to the survivors of certain members of the Armed Forces the provisions that prevent the payment of benefits to aliens who are outside the United States.

Changes in Coverage Provisions

State and local government employees.—The Eighty-fifth Congress enacted a number of bills designed, in general, to facilitate coverage under the Social Security Act for employees of State and local governments. One of the provisions enacted in 1957 allowed a general extension of the time during which retroactive coverage for earlier years may be arranged under the State and local coverage provisions. Other legislation applicable to all States, passed in 1958, makes it easier for persons who are in positions covered by more than one State or local retirement system to obtain coverage under the Federal program and permits retroactive coverage for those employees who die or whose employment is terminated after the proposed State coverage agreement is dispatched to the Federal Government but before it is approved by the Federal Government.

Legislation enacted by the Eighty-fifth Congress extended to California, Connecticut, Massachusetts, Minnesota, Rhode Island, Vermont, and all interstate instrumentalities the provisions of the Federal law that permits specified States to bring under old-age, survivors, and disability insurance those members of a State or local retirement system who desire such coverage, provided all future members of the system are covered. With these additions, the “divided retirement system” provision now applies to 14 States, Hawaii, and all interstate instrumentalities. A provision enacted in 1957 was designed to permit use of a simplified procedure in obtaining coverage under the divided-retirement-system provision. One of the amendments made in that provision in 1958 gives individuals who have an option to join a State or local retirement system, but have not joined, the same opportunity as members of the system for securing coverage under the Federal program. Formerly, only persons who were actually members of the State or local system could obtain coverage under the divided-retirement-system provision. Another change made in
the provision by the 1958 amendments allows further opportunity for coverage under old-age, survivors, and disability insurance for persons who did not elect coverage when it was originally provided for those members of the retirement system who desired it.

Legislation enacted in 1957 added Alabama, Georgia, Maryland, New York, Tennessee, and Hawaii to the States permitted to cover under old-age, survivors, and disability insurance policemen and firemen already covered by a State or local retirement system. In 1958 Congress removed the bar to coverage of such individuals in the State of Washington and all interstate instrumentalities. With these additions, the Federal law now permits coverage of policemen and firemen who are members of a State or local retirement system in 11 States, Hawaii, and all interstate instrumentalities.

A provision included in the 1958 amendments permits Maine to cover under old-age, survivors, and disability insurance members of the State retirement system who are in nonteaching positions while continuing to exclude those members who are in teaching (or related) positions. This provision is effective only with respect to modifications of Maine's coverage agreement that are completed before July 1, 1960.

Legislation enacted during 1958 (Public Law 85–786) permits most sick-leave payments to State and local government employees to be counted as wages regardless of the age of the employee. Such payments had generally been considered wages before the employee reached retirement age but not after he reached retirement age if he did no work during the pay period.

Employees of nonprofit organizations.—The amendments modify in relatively minor respects the provisions for coverage of employees of nonprofit organizations. A nonprofit organization filing a waiver certificate after August 28, 1958, and before 1960 can choose to be covered as far back as the beginning of 1958. In addition, any organization that filed a certificate after 1955 and before August 28, 1958, may request, at any time before 1960, retroactive coverage to the beginning of 1956 for employees who concurred in the filing of the certificate and in the request for retroactive coverage. In addition to these temporary provisions, the law provides for a 1-year period of retroactive coverage (at the option of the organization) for the normal long-run operation of the program.

The amendments also provide that a nonprofit organization employing persons who are in positions covered by a State or local retirement system must, for the purposes of coverage under the Federal program, treat these employees separately from other employees. Each group is to be regarded as a separate entity. Waiver certificates must be filed separately for each group, and two-thirds of the employees in each group must concur in the filing of its certificate.

Separate legislation (Public Law 85–765) broadens slightly the provisions under which social security tax returns filed by a nonprofit organization before it filed its waiver certificate may establish old-age, survivors, and disability insurance credits for wages reported on these returns; the wages must, however, have been paid for services performed before the enactment of the 1956 amendments.

Tartpine workers.—Coverage is extended by the amendments to workers employed in the production of spirits of tartpine and to other workers engaged in the processing of crude gum, beginning with services performed in 1958. Coverage is provided for these workers on the same basis as other agricultural workers.

Military service.—The provisions under which monthly wage credits of $190 are provided for certain active service in the Armed Forces of the United States are broadened by the amendments to allow such credits for certain military service performed for a foreign country during World War II. Military service credits are provided for American citizens who, before December 9, 1941, entered the military service of a foreign country that was, on September 18, 1940, at war with a nation that became an enemy of the United States during World War II. To qualify for the wage credits, the individual must either have been a citizen throughout his active service or have lost his citizenship because of his entrance into service. He must also have been domiciled in the United States on the day he entered active service and must have resided in the United States for at least 4 out of the preceding 5 years.

Deceased partners.—The amendments provide that an individual may be credited, for old-age, survivors, and disability insurance purposes, with earnings from his share of a partnership during the year of his death. The amount to be credited for that year is determined by averaging the partnership earnings over the entire taxable year of the partnership and computing the deceased partner's "distributive share" on the basis of the earnings thus allocated to the months during which he was a member of the partnership. For partners who die after August 28, 1958, such earnings must be credited; if the partner died on or before that date and after 1955, coverage is on a voluntary basis provided an amended tax return is filed on or before January 1, 1960.

Ministers.—Legislation affecting the coverage of ministers (Public Law 85–239) was enacted by the Eighty-fifth Congress in 1957. As a result of 1954 legislation, old-age, survivors, and disability insurance coverage on an individual election basis is available to clergymen under the self-employment provisions. Under the 1954 law, a minister could obtain coverage only if he indicated his desire to be covered as a self-employed person by filing a certificate on or before the due date (April 15, 1957, in most cases) of the tax return for the second taxable year after 1954 in which he had net earnings from self-employment of at least $400 that included earnings he received as a minister. Unless the certificate was filed by the due date of the return for the first of these taxable years, coverage could not be obtained for that year.

As a result of the 1957 legislation, ministers who had failed to file a certificate within the 2-year period were allowed an additional 2 years in which to elect coverage—through the due date of the tax return for the second taxable year ending after 1956. Ministers filing during the extended period are covered retroactively for taxable years ending after 1955. No change was made in the original deadline for filing certificates when that
deadline was later than the one provided by the new law; however, ministers who elect coverage within the usual 2-year period are mandatorily covered for the first year as well as the second year if these years are consecutive.

Public Law 85-239 also provides for including as part of a minister’s creditable earnings the rental value of a parsonage (or rental allowance for a parsonage) and the value of certain meals and lodging furnished a minister by his employer. This provision became effective for taxable years ending on or after December 31, 1957, except that for purposes of the retirement test the provision was applicable only for taxable years beginning after August 1957.

Other Changes

Retirement test.—The amendments change from $80 to $100 the amount of wages a beneficiary may earn in a month without losing his right to that month’s benefits when his total annual earnings are in excess of $1,200. Previously, no benefits were forfeited for a month during which the individual did not have wages of more than $80 and did not render substantial services in self-employment. This $80 measure of “retirement” in a month was confusing to many people, who interpreted the $1,200 annual measure of “retirement” as permitting earnings of $100 a month without loss of benefits. Now under the 1958 amendments, when a beneficiary has annual earnings in excess of $1,200, no benefits will be withheld for a month during which he neither earned wages of more than $100 nor rendered substantial services in self-employment.

The amendments also make minor changes to improve administration of the retirement test. These changes are effective for taxable years beginning after August 1958.

Representation of claimants before the Secretary of Health, Education, and Welfare.—The amendments permit attorneys to represent claimants before the Secretary of Health, Education, and Welfare without filing a certificate from a court attesting their right to practice before that court. It was considered that State laws would provide—for old-age, survivors, and disability insurance, as for other statutes—sufficient protection against the practice of law by unqualified persons.

Offenses constituting fraud.—The amendments clarify and bring up to date the list of offenses that constitute fraud under the old-age, survivors, and disability insurance program. The provisions relating to fraud under previous law did not take into account major amendments adopted in 1954 and 1956—those, for example, relating to disability and the application of the earnings test to noncovered work.

Under the new legislation the penalty provision is made applicable to offenses in connection with willful failure to disclose information as well as positive actions, in connection with both noncovered and covered earnings: suspensions, terminations, and misuse of benefits; disability determinations; and applications for benefits.

Authorization to charge for certain services.—The amendments provide statutory authority for the Department of Health, Education, and Welfare to charge for authorized services provided to the public for certain nonprogram purposes and to deposit in the appropriate trust fund the funds collected.

Financing Basis and Policy

Congress has repeatedly expressed its belief that the old-age, survivors, and disability insurance program should be completely self-supporting from contributions of covered individuals and employers and that liberalizations of the program should be fully financed.

In the fiscal year 1957-58, for the first time since benefits were paid, the income to the old-age and survivors insurance trust fund was less than expenditures from the fund. Estimates prepared early in 1958 indicated that outgo of the fund would exceed income during most, if not all, years until 1965. At the same time, revised long-range cost estimates indicated that there was an actuarial insufficiency of 0.57 percent of payroll for the old-age and survivors insurance aspects of the program.

Faced with this situation, Congress reaffirmed its conviction that liberalizations in benefit provisions should be fully financed by appropriate changes in the tax schedule and further decided that the actuarial status of the program should be improved. The congressional action also eliminated the expected decline for all but one of the next few years in the size of the old-age and survivors insurance trust fund and provided that the present generation of contributors bear a greater proportion of the true cost of the benefits than they would under the existing contribution schedule.2

Accordingly, the tax rate for the calendar year 1959 was increased by 1/4 of 1 percent each for employers and employees and by 3/8 of 1 percent for the self-employed. The scheduled increases in the rates, starting in 1960, will take place at 3-year intervals instead of at 5-year intervals. The ultimate rate, to be reached at the beginning of 1969, is 4 1/2 percent each for employees and employers and 6 3/4 percent for the self-employed. The increase from $4,200 to $4,800 in the amount of annual earnings taxable and creditable under the program will yield additional income that is greater than the cost of the higher benefits it makes possible.

As a result of these changes the actuarial insufficiency of 0.87 percent of payroll in the old-age and survivors insurance aspects of the system is reduced, according to the intermediate-cost estimate, to 0.25 percent of payroll. The disability insurance trust fund correspondingly shows a small favorable actuarial balance—0.01 percent of payroll—after the amendments.

The financing provisions were thus strengthened by the 1958 amendments, and the old-age, survivors, and disability insurance program will continue on an actuarially sound basis.

Studies Requested by Congress

The Committee on Ways and Means of the House of Representatives, in connection with its consideration of proposed changes in the Social Security Act, asked the Department of Health, Education, and Welfare to make three special studies.


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and to report on the results. It is to study (1) proposals for crediting tips—specifically, methods of determining the amount of tips to be counted as wages under the program and of securing reports on these amounts; (2) the provision of the retirement test that makes it possible for a beneficiary to receive benefits for some months in a year even though he may have had high earnings during the year; and (3) alternative ways of providing insurance against the cost of hospital and nursing home care for old-age, survivors, and disability insurance beneficiaries. The Committee's purpose in request-

Public Assistance

Formula for Federal Sharing

The Social Security Amendments of 1958 amend the formula for determining the Federal share in State public assistance expenditures, effective October 1, 1958. Under the formula in effect before that date, expenditures for medical care had been included, together with money payments to recipients, within an overall individual Federal matching maximum. Under the 1957 legislation, States that found it advantageous to continue under the earlier formula were allowed to do so.

The formula under the 1958 amendments provides for an average monthly limitation on the amount of State assistance expenditures that are subject to Federal financial participation. This limitation is $65 per recipient in the programs for the aged, the blind, and the disabled and $30 per recipient in the program of aid to dependent children. Formerly the Federal maximum on money payments related to individual assistance payments. Any amounts paid to individuals in excess of the specified maximums were excluded from Federal financial participation. Under the amendments, Federal financial participation is not related to individual assistance payments but to total expenditures, all of which are matched within the specified average payment per recipient. This average amount includes both money payments to recipients and medical care in their behalf.

The Federal share of these State expenditures continues to be four-fifths of the first $17 of the average monthly payment per recipient plus one-half of the remainder, up to an individual maximum of $60. For dependent children, it was fourteen-seventeenths of the first $17 of the average monthly payment per recipient plus one-half of the balance, up to individual maximums of $32 each for the first dependent child and the relative with whom the child lives and $23 for each additional child. In addition, with respect to assistance expenditures for medical care and any other type of remedial care in behalf of public assistance recipients, the Federal Government met one-half the cost up to an average monthly expenditure of $6 per recipient in the programs for the aged, the blind, and the disabled and $3 for each dependent child and $6 for the relative caring for the child in the program of aid to dependent children.

Public Law 85-110, approved July 17, 1957, gave States an option, however, with respect to the basis for claiming Federal participation in expenditures for medical care. The provisions described above for separate financing of such expenditures were enacted in 1956 and became effective in July 1957. Under the formula in effect before that date, expenditures for medical care had been included, together with money payments to recipients, within an overall individual Federal matching maximum. Under the 1957 legislation, States that found it advantageous to continue under the earlier formula were allowed to do so.

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to dependent children will be available to Guam, based on the same formula as that adopted for Puerto Rico and the Virgin Islands. The Federal share is limited to one-half of total expenditures not exceeding an average expenditure of $35 per recipient in old-age assistance, aid to the blind, and aid to the permanently and totally disabled and $18 per recipient in aid to dependent children. For Guam as for Puerto Rico and the Virgin Islands, there is a limitation on the total annual Federal grant for public assistance purposes. The grant for Guam is limited to $400,000 a year.

The amendments also increase the limitations on total annual Federal payments to Puerto Rico and the Virgin Islands to $3.5 million and $300,000, respectively. Formerly, these payments were $3,312,000 for Puerto Rico and $200,000 for the Virgin Islands.

The amendments will help these jurisdictions in a more nearly adequate financing of their assistance programs for needy persons.

Advisory Council on Public

The new law provides for an Advisory Council on Public Assistance to review the status of the public assistance program, particularly in its relation to the old-age, survivors, and disability insurance program and the fiscal capacities of the States and the Federal Government, as well as other factors affecting the Federal-State assistance program.

The Commissioner of Social Security is designated as the Chairman of the Council. Twelve other members will be appointed by the Secretary of Health, Education, and Welfare. These members will represent, to the extent possible, employees and employers (in equal numbers), persons concerned with the administration and financing of State and Federal programs, other persons with special knowledge, experience, or qualifications regarding the program, and the public. The Council is to be appointed before January 1959 and will report its findings and recommendations not later than January 1, 1960.

Other Provisions

The temporary provisions of the law relating to the approval of certain State plans for aid to the blind were extended to June 30, 1961, by the amendments. Under Public Law 85-110, approved April 25, 1957, this provision was scheduled to expire on June 30, 1959. Only Pennsylvania and Missouri are affected by the provision, which permits the approval of a State plan for aid to the blind that does not meet the act's requirements for the consideration of income and resources in the determination of need. Federal participation under these plans is, however, limited to expenditures that meet all requirements.

A technical amendment makes clear that a State old-age assistance plan shall include, with respect to the services relating to self-care, a description of the steps taken by the State agency to assure, in the provision of such services, maximum utilization of similar or related services provided by other agencies. The amendment makes the language under all of the public assistance titles uniform in this respect.

Another provision relates to Federal financial participation in payments made to legal representatives of recipients of public assistance. Money payments to recipients under all programs may now include payments on behalf of the individual, made to another person who has been judicially appointed as his legal representative, whether or not he is his legal representative for other purposes.

Maternal and Child Health and Welfare

Increases in Authorizations

The amendments increase the amounts authorized for annual appropriation by $5 million for each of the three grant programs to improve health and welfare services for mothers and children.

In its report on the Social Security Amendments of 1958, the House Ways and Means Committee stated that the Committee had "received impressive testimony from representatives of a wide variety of public, voluntary, civic, and professional organizations, which clearly established the need for expanding these three programs. The unprecedented increase in the child population, the rising costs of care and services, the development of new techniques and measures for helping children, and the great inequality of distribution of the basic child-health and child-welfare services are factors which combine to produce an urgent need for increased Federal funds for all three of these programs."

The report made the following comments on the three programs:

With respect to the maternal and child-health program, many well-baby clinics are overcrowded, only a beginning has been made in providing adequate health services for mentally retarded children, and there is a need for expansion of services in rural areas where resources are still inadequate for promoting the health of mothers and children.

In the crippled children's program, urgent need exists for expanding programs for surgical treatment of children with congenital heart lesions to prevent the needless loss of life among children with this condition. Services for children with speech and hearing disorders are grossly inadequate—only 1 child in 4 of the speech-handicapped children is receiving necessary diagnostic or remedial assistance. Many other children with orthopedic and other types of handicaps are also helped through this program.

Great need exists in the child welfare program for expanding provisions for foster care so as to afford better care and protection for children who must be cared for away from their own homes and families. Only half of the counties in the country have the services of a public child welfare worker in the face of nationwide increase in juvenile delinquency and increased neglect and abuse of children.3


The new law provides for removing the previous provisions specifying the use of special child welfare funds in predominantly rural areas or other areas of special need. Through this change, services for which Federal child welfare funds are used are made available on the same basis to children in rural areas as to children in urban areas.

When the Social Security Act was

3 H. Rept. 2268 (85th Cong., 2d sess.), page 63.
passed in 1935, very few States had local child welfare services in rural areas. Voluntary agencies had developed largely in urban areas. When the public programs were getting under way in 1935, the provisions relating to predominantly rural areas and areas of special need assured that services would be built up in the places where the greatest need for them existed at that time. Since then, State welfare departments have extended and strengthened their child welfare programs in rural areas. Presently, although services in rural areas are not yet adequate, those in many urban areas are even further from being adequate. One reason is the shift in population from rural to urban or suburban areas where services have not expanded to keep pace with the increased needs.

Under the amendments the formula for allotment of Federal child welfare funds is changed to make it consistent with the extension of this program to urban areas. Formerly the law provided for the allotment of funds primarily on the basis of the rural child population under age 18 in each State. Under the new law the formula takes into account the total child population under age 21 in each State. After allotment of a uniform grant, the remainder of each year’s appropriation will be allotted in direct proportion to the total child population and in inverse proportion to the per capita income of the State.

In order to ensure that present services to children in rural areas are not reduced because of this change, the amendments include a provision for a base allotment. If the amount allotted under the new formula is less than the State’s base allotment, the law provides that the amount shall be increased to the base allotment, with necessary adjustments made by reducing the allotments of other States. The base allotment is the amount that would have been allotted to the State for the particular year in which the appropriation is made, under the provisions in effect before the enactment of the 1958 amendments, as applied to an appropriation of $12 million. This was the full amount authorized before the 1958 amendments and the amount that had been appropriated for the fiscal year in which the amendments were enacted.

A provision has been added authorizing the Secretary of Health, Education, and Welfare to reallocate to States that have need for and will be able to use amounts in excess of those previously allotted the funds certified by other States as not being required for carrying on their plans. This reallocation is to be made on the basis of State plans, after taking into account the proportion of the child population under age 21 and the per capita income of the States to which funds are to be reallocated.

There is also a new requirement for matching Federal child welfare funds with State and local funds, effective for the fiscal year 1959-60. Each State’s allotment will be available for paying the Federal share of the cost of expenditures under the State plan, with the balance being made up from State and local funds. The Federal share will vary inversely with the State’s relative per capita income between a minimum of 33 1/3 percent and a maximum of 66 2/3 percent; the share for a State with a per capita income equal to that of the United States is 50 percent. The Federal share for Alaska is specified in the law at 50 percent, and for the Virgin Islands, Guam, and Puerto Rico at 66 2/3 percent. For the fiscal year ending June 30, 1959, the Federal share is to be determined according to the provisions in effect before the 1958 law was enacted.

The amendments lessen the restrictions on the States in using Federal child welfare funds for the return of runaway children by raising from 16 to 18 the age limit of runaway children for whom these funds may be used and by giving express authorization for the use of these funds for maintaining the children for not more than 15 days pending their return.

Finally, there is established an Advisory Council on Child Welfare Services to make recommendations and advise the Secretary of Health, Education, and Welfare in connection with carrying out the amended child welfare provisions. The Council, which is to be appointed by the Secretary before January 1959, will consist of 12 persons representing public, voluntary, civic, religious, and professional welfare organizations and groups or other persons with special knowledge, experience, or qualifications with respect to child welfare services, and the public. The Council is to make a report of its findings and recommendations (including recommendations for changes in the child welfare provisions of the law) to the Secretary and to Congress on or before January 1, 1960.

The Social Security Amendments of 1958 are extensive, making fundamental changes in some of the provisions for the well-being and economic security of the people of this country. They mark 1958 as another important year in the development and growth of the social security programs in the United States.