same total income for the very low income group (with 10,000–40,000 francs), regardless of the person's individual earnings within that range.

Financing and Administration

The guaranteed minimum income is financed from government funds with the Ministry of Public Health and Family responsible for 50 percent and the Commissioners of Public Assistance and the local communities responsible for the remaining 50 percent. To ensure flexibility during the initial phase of the program, there is considerable latitude on the part of the Belgian Government in making additional appropriations.

As of January 1, 1975—the effective implementation date—the amount of 1.5 billion francs was earmarked for the program. A 1-percent tax on all incomes above 500,000 fr.[2] has been proposed by the legislation, as an alternative method of financing.

[2] Equivalent to $10,000 or approximately three times the average income for men in manufacturing at that time.

PROGRAMS IN OTHER COUNTRIES

Other countries have similar programs—at times a conglomeration of programs—that add up to a guaranteed income for the aged population. Switzerland, for example, has a statutory minimum provision under its general social security system, but it differs from Belgium's new program in that (1) a work history is required, (2) financing is from general as well as special funds, and (3) only the aged are affected. Finland has a universal pension and provides the retired worker with a variety of means-tested benefits, financed from a combination of payroll tax, income tax, and general revenue. The United Kingdom perhaps comes closest to providing a guaranteed minimum income for its citizens, but the approach is fragmented rather than universal since the policy (or policies) is based on many separate programs.

Notes and Brief Reports

Growth of the Supplemental Security Income Program in 1974*

The first year of the Supplemental Security Income (SSI) program has seen substantial growth both in the numbers of aged, blind, and disabled persons receiving payments and in the total expenditures for such payments. By the nature of the program changes that accompanied the establishment of the SSI program, the predominant portion of the costs to the expansion was met from Federal funds.

PERSONS RECEIVING SSI PAYMENTS

In January 1974, federally administered payments were made under SSI to 3.2 million persons, of whom about 1.9 million were aged, 72,000 were blind, and 1.3 million were disabled (table 1).[1] The vast majority of them had been getting payments under State assistance programs for the aged, blind, and disabled. About 150,000 of the 3.2 million were persons who had not been receiving assistance under State programs at the beginning of the SSI program.

Eleven months later, the number receiving federally administered payments had increased by 24.3 percent. In December 1974, federally administered payments were made to 4 million

* Prepared by Division of Supplemental Security Studies, Office of Research and Statistics.

[1] These payments include those to persons receiving a Federal payment and to persons receiving State supplementation administered by the Social Security Administration.

TABLE 1.—Persons receiving federally administered supplemental security income payments and percentage change from January to December 1974

Reason for eligibility	Number receiving payments		Percentage change
	January 1974	December 1974	
Total	3,215,632	3,996,064	+24 3
Aged	1,865,109	2,285,909	+22 6
Blind	72,390	74,616	+3 1
Disabled	1,278,133	1,635,539	+28 0

persons. Of this total, 2.3 million were aged, 75,000 were blind, and 1.6 million were disabled. The greatest increase, 28.0 percent, was in the disabled group; the number of aged persons had increased by 22.6 percent, and the blind by 3.1 percent.

State Variations

Although all but one State shared in the national increases, individual States varied widely. The percentage changes in the total number of persons receiving SSI payments in each category are given in table 2. When the total program is considered, the growth was greatest in Virginia, which had a 95.9-percent increase in the number of persons receiving payments during the year. In only one State, Colorado, was there a decrease, with the number of persons receiving payments going down 3.7 percent.

For the aged, the percentage changes ranged from an increase of 115.3 percent in Virginia to a 5.6-percent decrease in Colorado, with 3 States having declines during the year. For the disabled, 27 States had increases of more than 30 percent; the largest rise (121 percent) was in Iowa. Four States had declines in the number of disabled persons, and the largest decline (7.8 percent) occurred in Alaska. The data for the blind indicate that 19 States had increases of more than 10 percent and 11 States had decreases. The State with the largest increase was Connecticut (63.3 percent), that with the largest decrease was Montana (—9.9 percent).

In reviewing the data for disabled persons, it should be noted that a portion of the increase was caused by an expansion of eligibility, since children aged 18 and younger are eligible under the SSI program but were not eligible under the former federally aided State programs for the permanently and totally disabled. Any interpretation of the data for the blind is affected by the fact that the former State programs for the blind had no maximum age limitation so that both blind persons and those aged 65 or over could enter the aid to the blind program. Under SSI, in most States, any applicant who is aged 65 or over is considered for eligibility on the basis of age, whether or not he is also blind.

TABLE 2.—Percentage change in the number of persons receiving federally administered SSI payments from January to December 1974

State	Total	Aged	Blind	Disabled
Total	24 3	22 6	3 1	28 0
Alabama	12 6	1 7	15 0	64 2
Alaska	8 1	29 9	−5 1	−7 8
Arizona	15 6	16 6	21 1	14 2
Arkansas	13 9	5 1	2 4	48 0
California	15 9	11 4	−1 8	22 7
Colorado	3 7	−5 6	17 6	−1 0
Connecticut	37 7	46 5	63 3	31 3
Delaware	14 4	15 0	−7 9	16 9
District of Columbia	6 0	14 6	5 3	1 9
Florida	36 6	25 3	5 6	68 1
Georgia	15 6	8 3	2	32 1
Hawaii	24 7	39 6	22 9	7 5
Idaho	39 0	44 3	21 6	34 5
Illinois	3 9	29 1	−6 3	−5 9
Indiana	52 0	55 5	1 2	52 5
Iowa	59 6	45 6	−4 9	121 0
Kansas	36 9	36 5	5 0	39 0
Kentucky	25 3	12 6	7 2	60 8
Louisiana	6 2	−4 1	2 2	44 5
Maine	11 4	9 4	5 4	14 7
Maryland	17 8	41 5	15 1	6 3
Massachusetts	33 0	37 0	2 8	28 3
Michigan	19 0	27 4	2	13 5
Minnesota	23 2	35 7	−7 2	13 4
Mississippi	11 0	5 3	9 6	27 3
Missouri	7 3	− 2	−3 5	32 5
Montana	27 5	37 7	−9 9	20 5
Nebraska	19 8	35 3	−8 9	5 2
Nevada	(1)	13 4	22 4	(1)
New Hampshire	32 7	26 8	23 1	45 1
New Jersey	60 6	69 8	20 9	52 7
New Mexico	26 4	47 2	2 0	11 4
New York	30 2	60 3	3 6	12 5
North Carolina	49 5	58 5	5 5	42 6
North Dakota	40 6	42 3	26 2	37 8
Ohio	26 1	25 4	3 8	27 7
Oklahoma	11 4	4 9	7 5	26 4
Oregon	38 0	52 2	20 9	28 7
Pennsylvania	38 5	45 3	−5 8	37 3
Rhode Island	45 5	68 1	15 2	30 8
South Carolina	67 6	76 4	−1 5	62 8
South Dakota	45 2	53 2	2 7	32 9
Tennessee	39 9	39 0	8 2	42 9
Texas	23 9	11 9	12 3	90 8
Utah	16 4	38 1	2 4	5 4
Vermont	43 7	45 0	57 1	41 7
Virginia	95 9	115 3	13 0	78 0
Washington	9 5	24 2	17 4	9
West Virginia	51 1	54 3	18 9	49 1
Wisconsin	90 4	87 9	10 6	100 8
Wyoming	6 4	16 3	11 1	−4 4

[1] No APTD program, therefore no coverted cases in January 1974.

Comparative Rates of Increases

One performance measure for the SSI program during its first year is a comparison of the experience under the program with that under the former State assistance programs for the aged, blind, and disabled in the previous year. During calendar year 1973, the number of aged persons receiving assistance under the old-age assistance program declined 5.4 percent. This change can be compared with the increase in the SSI aged caseload of 22.6 percent during 1974. Forty States had a decline in old-age assistance recipients in 1973; of these, 37 had increases in the number of aged persons receiving SSI payments in 1974. The other 3 States showed decreases but at a

lower rate than the declines during the previous year. All States except Utah had a greater increase among the aged under SSI than they had had the previous year. The comparative rates for each State are given in table 3.

Under the former State programs for the permanently and totally disabled, the number of recipients rose 8.5 percent from January to December 1973. Under SSI, during the comparable period in 1974, there was a 28-percent increase in the number of disabled receiving federally administered SSI payments. In other words, the rate of increase in the first 12 months of SSI was greater than that during the preceding 12 months under the former State programs for the disabled. In all but 9 States[2] the rate of increase under SSI was greater than the increase under the State program in the preceding year, as the data in table 3 indicate.

TABLE 3.—Percentage change in the number of aged and disabled receiving federally administered SSI payments from January to December 1974 and in the number of OAA and APTD recipients from January to December 1973

State	Aged		Disabled	
	SSI	OAA	SSI	APTD
Total	22 6	−5 4	28 0	8 5
Alabama	1 7	−3 2	64 2	9 3
Alaska	29 9	3 0	−7 8	16 2
Arizona	16 6	−3 0	14 2	1 4
Arkansas	5 1	− 3	48 0	5 9
California	11 4	−3 6	22 7	7 8
Colorado	−5 6	−10 8	−1 0	6 1
Connecticut	46 5	−[illegible] 8	31 3	6 5
Delaware	15 0	−4 5	16 9	7 1
District of Columbia	14 6	−7 0	1 9	3 0
Florida	25 3	−3 3	68 1	7 2
Georgia	8 3	−5 6	32 1	0
Hawaii	39 6	10 9	7 5	22 5
Idaho	44 3	−5 8	34 5	−1 1
Illinois	29 1	−7 4	−5 9	−2 0
Indiana	55 5	−7 2	52 5	18 9
Iowa	45 6	−15 6	121 0	19 5
Kansas	36 5	−9 1	39 0	11 0
Kentucky	12 6	−7 3	60 8	6 5
Louisiana	−4 1	−6 1	44 5	7 6
Maine	9 4	3 4	14 7	41 6
Maryland	41 5	6 4	6 3	42 5
Massachusetts	37 0	9	28 3	21 1
Michigan	27 4	−7 6	13 5	10 8
Minnesota	35 7	−11 1	13 4	6 1
Mississippi	5 3	−7 8	27 3	5 8
Missouri	− 2	−2 6	32 5	9 5
Montana	37 7	−10 5	20 5	7 7
Nebraska	35 3	−8 3	5 2	2 0
Nevada	13 4	−28 6	(1)	(1)
New Hampshire	26 8	− 6	45 1	19 7
New Jersey	69 8	4 1	52 7	10 1
New Mexico	47 2	−4 1	11 4	10 5
New York	60 3	−4 8	12 5	7 2
North Carolina	58 5	1	42 6	12 1
North Dakota	42 3	−20 6	37 8	4 6
Ohio	25 4	−6 9	27 7	11 0
Oklahoma	4 9	−10 3	26 4	− 5
Oregon	52 2	5 3	28 7	21.2
Pennsylvania	45 3	−26 4	37 3	27.2
Rhode Island	68 1	−6 9	30 8	13 5
South Carolina	76 4	1 4	62 8	9 8
South Dakota	53 2	−3 8	32 9	10 8
Tennessee	39 0	−4 5	42 9	5 4
Texas	11 9	−9 0	90 8	12 5
Utah	38 1	57 1	5 4	1 7
Vermont	45 0	−1 5	41 7	8 5
Virginia	115 3	5	78 0	7 1
Washington	24 2	−5 3	9	12 5
West Virginia	54 3	−18 9	49 1	−1 9
Wisconsin	87 9	−44 4	100 8	8 2
Wyoming	16 3	−4 8	−4 4	19 1

[1] No APTD program, therefore no converted cases

This note primarily provides a comparison between the beginning of the SSI program and the conclusion of its first year and is not intended to develop an analysis of program dynamics. Some interpretation of the situation in those States where there was a reduction in the number receiving payments during the year may be in order, however. In January 1974, when first payments were made, the Federal level used for calculating Federal monthly payments was $130 for an individual and $195 for an eligible couple. Although these amounts had been increased to $140 and $210 respectively by legislation, the law was signed by the President on December 31, 1973, and the change was not reflected until the February payments. No increase in social security benefits was to be effective at that time. Rather, an increase in social security benefits was first payable in April 1974, with no concomitant increase in SSI payment levels, since there had been an increase in that program in January.

The April rise in social security benefit payments meant that some persons who were receiving small Federal SSI payments became ineligible for continuing SSI payments because their income was too high. This situation arose throughout the SSI caseload. If the effects of the change are taken into account for those States showing a decrease in the number of aged or disabled persons on the SSI rolls from January 1974 to December 1974, however, the percentage changes appear somewhat different. The comparison, shown below, of the change from April to December in those

Reason for eligibility	Percentage change from—	
	Jan. to Dec. 1974	Apr. to Dec 1974
Aged		
Colorado	−5 6	−1 9
Lousiana	−4 1	−1 0
Missouri	.2	+1 4
Disabled:		
Alaska	−7 8	−1 2
Colorado	−1 0	+1 6
Illinois	−5 9	−1.9
Wyoming	−4 4	+10 9

[2] Alaska, Colorado, District of Columbia, Hawaii, Illinois, Maine, Maryland, Washington, and Wyoming.

States with a decrease in either the aged or the disabled rolls from January to December 1974 indicates notable differences.

The data seem to indicate that in the other States, the overall growth in the program compensated for the termination of payments for those persons receiving SSI in March who became ineligible in April as a result of the social security benefit increase.

Other factors were also operating in these States. In Louisiana, 31 percent of the aged population were receiving old-age assistance in December 1973. Although the maximum amount paid for basic needs for an aged woman living alone in rented quarters was $107, the full standard was $150. Income from other sources could be used to make up the difference between that full standard and the maximum payment before it was used to reduce the assistance payment. The $150 standard also did not take into account amounts included in individual budgets for special needs. In 1970, 32.5 percent of the old-age assistance recipients had amounts included in their assistance budgets for special needs. Indeed, in 1970 (the latest period for which data are available) 9.5 percent of the old-age assistance recipients) had financial requirements of more than $150 recognized in their assistance budgets. With this combination of participation and potential payment levels above the SSI level, it is reasonable to assume that the old-age assistance program had included all or almost all aged persons in Louisiana who were eligible for SSI and that the trends in program recipients existing under the State program would continue under the SSI program. Indeed, in the first year of SSI the rate of decline in the number of aged recipients was two-thirds that in the previous year under the State program. In Colorado, similarly, the rate of decline among the aged was only about half what it had been in the previous year.

Illinois began the year with the Federal Government administering mandatory supplementation for the State but elected to administer its own supplementary payments beginning in October. Thus, the January data include those receiving only mandatory supplementation in Illinois. The December data, with which the January figures are compared, do not.

Data are not available at the present time on the number of cases receiving only State supplemental payments in those States that administer their own supplementary programs.

TABLE 4.—Total SSI payments, 1974

Type of payment	Amount (in millions)
Total	$5,285 6
Federally administered	5,147 8
State-administered	137 8
Federal SSI	3,871 8
State supplementation	1,413 8
Federally administered	1,276 0
State-administered	[1] 137 8

[1] Somewhat understated, because all States with State administered supplementation have not reported all expenditures

PAYMENTS

Total SSI payments for 1974 were almost $5.3 billion. Of these, more than $5.1 billion were federally administered, with almost $3.9 billion the basic Federal payments. Of the $1.4 billion in State supplemental payments, nearly $1.3 billion were federally administered and $138 million[3] were State-administered, as indicated in table 4. Of the federally administered State supplementation, it is estimated that $112 million was met from Federal funds under "hold harmless" provisions limiting State liability in certain circumstances.

Federally administered payment totals are based upon the disbursement records maintained by the Social Security Administration. January–June data have been adjusted for returned checks and one-time payments. July–December expenditures have not been so adjusted; they therefore include payments that are later returned. Because they are based upon central records, however, they do not reflect one-time payments or emergency advance payments authorized in district offices. They include only those corrections for overpayments and underpayments accomplished during the year.

Data on payments by State are given in table 5. Basic Federal payments were greater than State supplemental payments in all States except California, Massachusetts, and Wisconsin. These

[3] Based on latest available data. Somewhat understated because not all States with State-administered supplementary programs are able to report total expenditure data for calendar year 1974.

TABLE 5.—Supplemental security income for the aged, blind, and disabled: Total payments, Federal SSI payments and State supplementation, by State, 1974

[In thousands]

State	Total	Federally administered payments [1]	Federal SSI payments [2]	State supplementation		
				Total	Federally administered payments [2]	State-administered payments [3]
Total	$5,285,655	$5,147,821	$3,871,772	$1,413,883	$1,276,049	$137,834
Alabama	155,045	141,185	141,185	13,860	----	13,860
Alaska	6,748	3,649	3,649	3,089	----	3,099
Arizona	32,181	30,302	30,302	1,879	----	1,879
Arkansas	82,629	82,629	79,084	3,545	3,545	----
California	1,114,783	1,114,783	466,143	648,640	648,640	----
Colorado	51,145	39,284	39,284	11,861	----	11,861
Connecticut	32,697	23,436	23,436	9,261	----	9,261
Delaware	7,057	7,057	5,673	1,384	1,384	----
District of Columbia	21,516	21,516	20,202	1,314	1,314	----
Florida	157,431	157,431	153,267	4,164	1,164	----
Georgia	160,530	160,530	154,578	5,952	5,952	----
Hawaii	13,298	13,298	8,124	5,174	5,174	----
Idaho	9,220	8,082	8,082	1,138	----	1,138
Illinois	174,752	169,671	155,401	19,351	14,270	5,081
Indiana	36,850	36,850	34,753	2,097	2,097	----
Iowa	24,789	24,789	22,619	2,170	2,170	----
Kansas	21,649	21,649	20,325	1,324	1,324	----
Kentucky	114,640	106,792	106,792	7,848	----	7,848
Louisiana	157,961	157,961	148,549	9,412	9,412	----
Maine	25,008	25,008	18,641	6,367	6,367	----
Maryland	60,371	60,371	57,591	2,780	2,780	(4)
Massachusetts	210,931	210,931	74,588	136,343	136,343	----
Michigan	152,983	152,983	108,052	44,931	44,931	----
Minnesota	39,824	39,824	34,751	5,073	5,073	(4)
Mississippi	131,585	130,013	128,709	2,876	1,304	1,572
Missouri	144,652	107,196	107,196	37,456	----	37,456
Montana	8,523	8,523	7,961	562	562	----
Nebraska	18,545	15,499	15,499	3,046	----	3,046
Nevada	5,423	5,423	3,490	1,933	1,933	----
New Hampshire	6,413	4,423	4,423	1,990	----	1,990
New Jersey	87,370	87,370	65,596	21,774	21,774	----
New Mexico	27,504	27,503	27,503	1	----	1
New York	653,867	653,867	397,490	256,377	256,377	----
North Carolina	145,410	132,923	132,923	12,487	----	12,487
North Dakota	7,695	7,439	7,439	256	----	256
Ohio	140,003	140,003	135,448	4,555	4,555	----
Oklahoma	106,081	89,506	89,506	16,575	----	16,575
Oregon	32,097	26,101	26,101	5,996	----	5,996
Pennsylvania	168,143	168,143	138,627	29,516	29,516	----
Rhode Island	17,143	17,143	11,174	5,969	5,969	----
South Carolina	68,448	68,448	67,771	677	677	251
South Dakota	7,976	7,976	7,325	651	651	(4)
Tennessee	128,833	128,833	126,880	1,953	1,953	----
Texas	241,483	241,483	241,483	----	----	----
Utah	10,605	10,605	10,200	405	405	----
Vermont [5]	11,613	9,975	7,427	4,186	2,548	1,638
Virginia	60,404	57,865	57,865	2,539	----	2,539
Washington	76,363	76,363	60,824	15,539	15,539	----
West Virginia	43,535	43,535	43,535	51	----	51
Wisconsin	68,365	68,365	31,341	37,024	37,024	51
Wyoming	2,551	2,551	2,411	140	140	----
Unknown	731	731	553	178	178	----

[1] Represents Federal SSI payments and federally administered State supplementation

[2] Data for July-December 1974 exclude emergency advance payments made by the Social Security Administration district offices Figures not adjusted for overpayment refunds, returned checks, and special disbursements for underpayments, except that national totals have been adjusted for January-June 1974 Further revision for Federal SSI payment data is required for individual States

[3] Data reported to the Social Security Administration by individual States All data subject to revision. Figures for Alaska, Arizona, and Virginia estimated

[4] Data not available

[5] Data subject to adjustment because of a computational problem with federally administered State supplementary payments during August-October 1974

three States were among those with the highest payment levels under the provisions for optional State supplementation federally administered.

During the calendar year 1974, six States had their financial liability for the costs of State supplementation reduced through the operation of the "hold harmless" provision. These States and the estimated Federal expenditure under that provision are:

State	*Amount (in millions)*
California	$36.5
Hawaii	1.5
Massachusetts	44.2
Nevada	.7
New York	14.7
Wisconsin	14.3

The effects of the provision for the calendar year are estimates only. Actual calculations as

to whether a State has reached the level of payments that entitles it to "hold harmless" protection are made on a fiscal-year basis.

Comparison With 1973 Payments

In 1973, payments under the federally aided State programs for assistance to the aged, blind, and disabled totaled $3.3 billion. About $2 billion of this was funded by the Federal Government, with the States and localities spending over $1.3 billion. In 1974, under the SSI program, aggregate State expenditures remained about the same. Federal expenditures doubled, however, as indicated below.

Source of funds	Amount (in millions)		Percentage change
	1973	1974	
Total	$3,324	$5,286	+59
Federal	1,982	3,984	+101
State and local	1,342	1,302	−3

National aggregate comparisons do not explain what is happening on a State-by-State basis, since they average out rather substantial differences among the States. Table 6 presents State-by-State data on expenditures in 1973 and 1974.

Eight States (California, Massachusetts, Missouri, Nevada, New York, Rhode Island, Vermont, and Wisconsin) had State expenditures in 1974 that were greater than their expenditures under the adult assistance programs in 1973.

The data for Vermont are subject to downward adjustment because of a computational problem with federally administered State supplementary payments during August–October 1974 that resulted in identifiable overpayments. In Missouri's adult assistance programs a large number of recipients were eligible for State supplementation only, and the State elected to administer the required supplementary payments. The remainder of these States have federally administered optional supplementation programs.

The expenditures by these eight States represented 52 percent of all State and local expenditures for adult assistance payments in 1973 but 78 percent of all State payments for supplementation under the SSI program. If comparisons for State expenditures are made for the 42 States (data are not available for West Virginia) where 1974 expenditures are less than those in 1973, the saving for those States in the aggregate has been 55 percent.

TABLE 6.—State expenditures for SSI supplementation, 1974 and State and local expenditures for federally aided adult assistance payments, 1973

[In millions]

State	Expenditures by—	
	State for SSI supplementation, 1974[1]	State and local governments for assistance payments, 1973
Total	$1,301 9	$1,341.8
Alabama	13 9	26 4
Alaska	3 1	3 1
Arizona	1 9	8 5
Arkansas	3 5	13 6
California	612.1	396 8
Colorado	11.9	16 1
Connecticut	9 3	12 1
Delaware	1 4	3 3
District of Columbia	1 3	10 0
Florida	4 2	21 1
Georgia	6 0	22 7
Hawaii	3 7	4.0
Idaho	1 1	1.9
Illinois	19 4	67.1
Indiana	2 1	5 2
Iowa	2 2	5 9
Kansas	1 3	5.5
Kentucky	7 8	18 0
Louisiana	9 4	28 0
Maine	6 4	6 3
Maryland	2 8	13 0
Massachusetts	92 1	64 2
Michigan	44 9	52 4
Minnesota	5 1	11 7
Mississippi	2 9	13 9
Missouri	37.5	32 4
Montana	.6	1.8
Nebraska	3 0	5 3
Nevada	1 2	9
New Hampshire	2 0	3 2
New Jersey	21 8	23 1
New Mexico	.1	3 9
New York	241.7	185 7
North Carolina	12 5	19 6
North Dakota	.3	2 0
Ohio	4 6	39 5
Oklahoma	16 6	22 2
Oregon	6 0	7 9
Pennsylvania	29 5	38 2
Rhode Island	6 0	5 0
South Carolina	.7	5 5
South Dakota	.7	1 4
Tennessee	2 0	14 0
Texas		35 9
Utah	4	2 2
Vermont	4 2	2 7
Virginia	2 5	10 9
Washington	15 5	24 1
West Virginia	(2)	6 7
Wisconsin	22 7	16 0
Wyoming	.1	.7

[1] Includes estimated effect of "hold harmless" provision in California, Hawaii, Massachusetts, New York, Nevada, and Wisconsin.
[2] Data not available.