On motion of Mr. Blair, seconded by Mrs. Roberts, the following resolution was unanimously adopted:

WHEREAS the State Board of Social Welfare has considered the issues involved in the imposition of a mandatory statewide assistance standard required by the Federal Security Agency and finds such requirement to be contrary to the traditional pattern and philosophy of public welfare administration in this State for reasons outlined in the attached report from the Department,

BE IT RESOLVED that the Board:

(1) approves and adopts the Department's report;

(2) directs the Department to submit the State Plan for Aid to the Disabled to the Federal Security Agency containing provisions which in respect of assistance standards only embody the methods and principles which now govern and have governed public assistance administration in this State since 1937 when Federal aid was first extended to the State for Old Age Assistance, Aid to Dependent Children, and Assistance to the Blind;

(3) directs the Department to submit to the Federal Security Agency such amendments to the State Plan for Aid to Dependent Children as may be required except that provisions in respect of assistance standards shall embody only the methods and principles which now govern and have governed public assistance administration in this State since 1937 when Federal aid was first extended to the State for Aid to Dependent Children; and

(4) directs the Chairman to transmit a copy of this resolution and the report of the Board and Department to the Governor.
Report to the State Board of Social Welfare on a Mandatory Statewide Assistance Standard Required by the Federal Security Agency

At the November meeting of the Board, the Department reported that in order to receive Federal approval for reimbursement, the New York State plan for the new program for Aid to the Disabled must include provision for a mandatory "statewide assistance standard". Within a few hours after the adjournment of the meeting, the Department was informed by telephone that unless a statewide assistance standard was included in the Aid to Dependent Children plan, Federal aid to the State in this program would be in jeopardy. This has since been confirmed by letter. By December 31, 1950 we must either adopt such a standard or specify a date on which we will do so.

The Board indicated its opposition to imposing a standard of assistance upon the local welfare departments both in principle and for the practical reason that such an arbitrary standard would either reduce grants below minimum need in some parts of the State or mandate excessive grants in other sections or produce a combination of both of these undesirable ends. While it might meet the desire of some officials for mechanical uniformity in administrative patterns, it would result in poor service to those receiving welfare assistance. It would be fitting the program to the administrator rather than to the beneficiary for whom the program was intended.

No final position was taken by the Board at that time because the Department wished to explore further means by which some method might be found to satisfy the Federal administration without sacrificing the superior flexible provisions of the New York System. We have to report today that we have found no satisfactory way out.
Since the November meeting, officials of the Department have made personal visits to nearby States and have conferred with State welfare officials in a dozen other States. A committee of the New York Public Welfare Association made up of outstanding local welfare commissioners in the State has worked with us on the problem. We have conferred formally and informally with Federal officials. The Department's staff has put in days of study of all manner of methods and administrative devices. All of this effort has produced no solution which would avoid the conflict in principle which now confronts the Board. Therefore it is necessary to present the matter to the Board today for consideration and decision. To this end we shall review the issues involved.

Immediately in jeopardy is $1,750,000 Federal reimbursement for the new program of Aid to the Disabled which has been in effect since October 1, 1950. Federal aid for Aid to Dependent Children may be withdrawn for the first quarter of 1951 which would mean a loss of $8,250,000 for the next three months. Ultimately, if the State of New York does not conform to this requirement, the State risks the loss of Federal aid in Old Age Assistance and Aid to the Blind as well.

In the fall of 1946, the Federal Security Agency first suggested that the States should adopt mandatory "statewide assistance standards". No new powers had been vested in the Federal Security Agency at that time but the suggestion did coincide with a modest increase in Federal aid to the States.

There is no specific statutory authority for the Federal Security Agency to require States to mandate a "statewide assistance standard". Presumably the Administrator of the Federal Security Agency has acted under the broad power that State plans must "provide such methods of administration ... as are found by the Administrator to be necessary for the proper and efficient operation of the plan."
The Federal Security Agency initially pressed hardest upon the States having inadequate funds to care for their needy people to put in a "statewide standard." Administrators in these States have found a "statewide standard" agreeable. It provides a formula for disbursing a small amount of money at a low level to a large number of needy people. For example, in a nearby State, Old Age Assistance, Aid to Dependent Children, and Aid to the Blind are limited to the "statewide standard" of food, clothing, shelter, fuel and light. Under this "standard" the administrator can be consistent; he says "no" to all requests to meet needs beyond these five items. No money may be allowed for medical care, for hospital care, for household supplies, - not even for a toothbrush. Even if a recipient has a small income, this income is automatically subtracted from the allowance for the five "standard" items even though he may need to use it for essential medical care. Thus an elderly man receiving a $10 monthly Old Age and Survivors Insurance benefit has his allowance for food, clothing, shelter, fuel and light reduced by $10 even though he needs his insurance benefit to pay for medical services.

On and off since 1946, Federal representatives have been pressing the Department to impose a "statewide assistance standard." At no time during this period has the Federal Security Agency questioned the adequacy of assistance given to needy people in New York State. In fact, on several occasions a Federal representative argued for a "statewide standard" as a means of reducing welfare costs in New York State during the time when costs were rising because of inflationary trends in the economy. The Department has always been anxious to reduce unnecessary costs - but not by a method which has an arbitrary disregard for the needs of the people receiving aid.
New York State is one of the few, if not the only State, which provides adequate assistance and care to all needy people, wherever they may be found within the State, and whatever their needs may be and regardless of the limitations of Federal programs. So far as the special programs of Aid to Dependent Children, Aid to the Blind, and Old Age Assistance are concerned, the amounts given to the needy, on the average, are exceeded by few other States. In the program of Home Relief, for which there is no Federal aid, New York State exceeds by far any other State in the Nation, both in the number of cases cared for and in the adequacy of assistance granted. In fact, the number of Home Relief cases in this State is greater than the combined total for the States of California and Illinois, those next in rank in number of cases on this program. New York's average monthly grant for Home Relief of $70.80 is $12.90 higher than the State next in rank.

It should be noted that the Federal Government has not established a nation-wide "standard of assistance." It has closed its eyes to gross disparities between one State and another. For example, the average grant for Old Age Assistance in every one of the sixty-six public welfare districts in the State of New York exceeds the average old age assistance payment in the neighboring State of Pennsylvania.

Following are the objections to the imposition of a "statewide standard" in New York State:

New York State is a large State that encompasses a range of economic and social conditions from the largest city in the nation to the sparsely populated counties in the Adirondacks. Within these extremes are counties like Erie, Westchester, Monroe, Nassau, Onondaga, each of which exceeds some States in population. Differences in custom, tradition, and economic resources have resulted in sharp variations in the essentials of living among the various localities within the State.
A "statewide standard of assistance" would require that the items granted be the same for needy individuals of the same age groupings and circumstances wherever they may live in the State. A schoolboy in a congested New York City neighborhood is presumed to have the same needs as a lad attending a rural school. An elderly man living in a family group in a crowded tenement must be assumed to have the same requirements as a man of his age living in his own farm homestead.

A "statewide standard of assistance" for needy individuals in New York State means either that the New York City standard would be imposed upon the entire State, resulting in excessive payments in many parts of the State, or that some lesser standard be imposed that would mean lower assistance grants for needy persons in New York City.

A "statewide standard" means the end of individualized grants to needy people. It would result in highly mechanized treatment of human needs. Administration would be simplified and less expensive but at the expense of human beings.

The assistance expenditures in the State would either be vastly less than they are now or vastly greater (all depending upon the standard adopted) and unrelated to actual need.

The administration of Home Relief and other care paid for from State and local funds, the standards for which are set initially by the individual communities, would be thrown into chaos by imposition of a statewide standard for the Federally-aided assistance programs.

A "statewide standard" would be tantamount to State as against local administration of public assistance in New York State. The present pattern of local administration with State supervision rests upon the principle of local discretion in order to meet human needs with maximum flexibility and mutual aid. A mandatory standard imposed by the State removes all local discretion. It is
harsh, distant, and impersonal. It creates a system - an ideology - which is incompatible with the present philosophy of operation in this State that has stood the test of twenty years' experience.

Robert T. Lansdale
Commissioner

December 18, 1950