

PERSPECTIVE

PUBLIC ASSISTANCE IN NEBRASKA: 1855 TO THE PRESENT

Nebraska's current system for support of the needy has been growing and changing steadily since before the time Nebraska became a state. In the accompanying chronological outline various welfare landmarks, both state and national, are evident. As early as 1865 some provision was made for care of "insane persons" in the Nebraska Territory. One sees the basis of emergency assistance in a \$50,000 bond issue, authorized by the state legislature in 1875 for relief to those hurt by the grasshopper scourge. The Mother's Pension Act of 1915 was the first aid to dependent children in Nebraska, but not until the Depression and the mid-1930's were comprehensive measures incorporated into the Federal Social Security Act to assist most categories of poor persons. By 1957, medical care costs of all aid recipients were included under one joint federal, state and county plan. The most recent major aid program addition has been the Food Stamp Program, begun in June of 1965. With the advent of the Work Incentive Program (WIN) in 1967, there was a shift in focus within the larger ADC program — from merely maintaining poor persons to integrating them into society's self-sustaining work force.

During the 1970's major welfare legislation has emanated primarily from the federal rather than the state level, and the orientation has been how best to perform the public assistance functions already initiated in earlier decades. The states are now both financial and administrative partners with the federal government in the field of public welfare. In Nebraska, where a county-administered system is in effect, more of the responsibility shifts to these smaller political divisions than in other state-administered welfare systems.

Historical Outline of Public Welfare in Nebraska

- 1855 First Nebraska territorial legislature authorized probate judges to make an annual county levy for various purposes "including the support of the poor".
- 1858 Administration of poor relief given to local justices of the peace.
- 1865 Territorial governor required by the legislature to arrange with Iowa or some other state for the care of Nebraska's "insane persons".
- 1866 Territorial governor required to make similar arrangements for the care of blind children and "deaf mutes".
- 1867 Nebraska becomes a state.
In nearly every session of the legislature after the acquisition of statehood, funds were appropriated for the erection of some institution or the enlargement of an existing one, to provide care for "indigent or defective persons of one class or another".
- 1875 \$50,000 bond issue authorized by the legislature for aid to persons suffering from grasshopper scourge; counties empowered to issue bonds for the purpose of buying seed and feed to sell to farmers at cost and on credit.
Board of Public Lands and Buildings established to oversee all institutions except those of an educational nature.
- 1880 Soldiers' and Sailors' Home established in Grand Island. Legislature provided for burial of indigent veterans at public expense.
- 1891 State appropriations for direct relief to farmers made, due to drought and crop failures.
- 1895
- 1899 Legislation passed for relief of soldiers returned from the Spanish American War.
- 1901 Creation of State Board of Charities and Corrections.

- 1905 Orthopedic Hospital established in Lincoln.
Regulations for boarding and maternity homes enacted.
- 1913 Board of Control created to replace the Board of Public Lands and Buildings.
- 1915 First Mothers' Pension Act Adopted.
- 1917 Counties required to provide for blind relief.
- 1919 State Department of Public Welfare established to encompass the Bureau of Child Welfare and absorb the duties of the Board of Charities and Corrections, Department of Health, and the Bureau of Pardons and Paroles. Responsibility for the racing commission and for the licensing of boxing also placed under this Department.
- 1931 Department of Public Welfare abolished, leaving Bureau of Child Welfare in an undefined status.
- 1933 Bureau of Child Welfare given independent status under the Governor.
In an attempt to meet the problems of the Great Depression, the Legislature provided that revenue derived from inheritance taxes be used solely to aid the poor. It also adopted an Old-Age Pension Act administered by the counties and supported by a 50-cent poll tax on all persons between the ages of 21 and 50.
Counties authorized to levy up to one mill for relief of the unemployed and indigent.
Purchase and distribution of surplus commodities authorized by federal Second Emergency Relief Act. Nebraska began participating in this program.
- 1935 Federal Social Security Act passed by Congress.
In November, meeting in special session, the Legislature established three programs of assistance, in order to take advantage of federal grants-in-aid under the Social Security Act. The three programs were Old-Age Assistance, Blind Assistance, and Aid to Dependent Children. Administration of programs was by counties, with supervision by the newly created State Assistance Board. Programs were financed by the state and federal governments. Ceilings on payments were originally limited to \$30 a month for Old Age Assistance and Blind Assistance, and up to \$18.00 a month for a mother and one child, plus a maximum of \$12.00 for each additional child for Aid to Dependent Children.
- 1937 Services to Crippled Children Program adopted to provide health services to crippled children, in compliance with the Social Security Act.
State Department of Assistance and Child Welfare established under the Board of Control. Department responsibilities included supervision of categorical assistance programs, Bureau of Child Welfare, and commodity distribution, as well as emergency Depression era programs such as Civilian Conservation Corps and Works Progress Administration.
- 1939 Merit System of personnel for Welfare employees instituted in order to comply with requirements of the Social Security Act.
- 1946 Medical care program established for recipients of old Age and Blind Assistance, whereby amounts exceeding assistance payment ceilings to be paid.
- 1947 Medical care program amended to require counties to pay 25% of cost of medical care for Old Age and Blind Assistance recipients for amounts exceeding assistance payment ceilings. For medical care for ADC recipients, counties were required to pay 25% of the portion of costs which exceeded twice the contribution made by the federal government.
- 1953 State Department of Assistance and Child Welfare changed to State Division of Public Welfare, consisting of the State Board of Public Welfare (made up of the members of the Board of Control), State Director, and employees.
- 1954 Laws concerning medical costs of welfare recipients passed in 1946 and 1947 repealed. Costs of medical care which could not be included under the statutory ceiling of the assistance payment were to be met from county funds.

- 1955 Fourth categorical program, Aid to the Disabled, established to provide assistance to needy persons between the ages of 18 and 65 who were permanently and totally disabled.
- 1957 New overceiling medical program established. It provided for federal, state, and county financial participation in the costs of hospitalization and nursing home care for Old Age, Blind, and Disabled recipients, and for hospitalization, surgery, and dental care for ADC recipients.
- 1961 Board of Control abolished, State Department of Public Welfare established as an executive department, effective January 1, 1962.
- 1964 Sale and issuance of food coupons to low income families for the purpose of providing a more nutritious diet was authorized by the federal Food Stamp Act of 1964.
- 1965 Nebraska Food Stamp Program begun in Nebraska in June, with pilot project in Lancaster County.
Single program of Aid to the Aged, Blind, and Disabled adopted, replacing three former separate adult programs.
Definition of a dependent child broadened by the Legislature to include certain children placed in foster care by court action and to include children of employed parents.
- 1966 Current Medical Assistance Program (Medicaid under Title XIX of the Social Security Act) to provide medical care to recipients of all categories of assistance, as well as to persons who do not receive assistance but are medically needy. This program replaced all former medical programs.
- 1967 Work Incentive Program (WIN) established by Congress as an amendment to the Social Security Act. The program is intended to prepare appropriate ADC recipients for paid employment through a comprehensive program of work experience, education, and training, coupled with supporting social services.
Age limit for eligibility for ADC extended by the Legislature to 18 or 21 if the child was in school or training.
- 1968 Responsibility for all services rendered under Child Welfare or ADC placed under the Division of Children and Family Services within the Department of Public Welfare.
- 1969 First WIN projects started in Nebraska in Lancaster and Douglas Counties.
Legislature abolished the one year state durational residence requirement for receiving assistance.
Legislature authorized social services for former and potential recipients of ADC and AABD.
- 1973 Complete separation of the social services function from the income maintenance function became effective in all county divisions as well as in the State Department of Public Welfare.
- 1974 Payment of federal public assistance to aged persons, and blind and disabled adults taken over by the Social Security Administration through the Supplemental Security Income Program. This replaced the federal AABD program. The State AABD program remained in effect as a supplement to certain SSI recipients and to provide payments to certain adults in need of assistance but not eligible for SSI.
Six regional offices established by State Department of Public Welfare throughout the state to aid in supervising and monitoring the operation of the county divisions.
First multi-county service units established.
- 1975 Title XX of the Social Security Act replaced the existing social services program on October 1. It substantially changed the manner in which federal funding is spent and administered by the states. Instead of the federal government prescribing which specific services to provide to which groups, the states now decide how to allocate the funds to best meet the service needs of their particular state.
- 1976 Child Support Enforcement Program became effective statewide. The program's purpose is to locate absent parents, establish paternity of children, and collect child support payments.

Recipients and Assistance Payments

An idea of how particular legislative measures cited above have been applied can be gleaned from past state welfare reports. As well, the narrative in yearly reports gives some indication of changing attitudes through the years. The Biennial Report of the Department of Public Welfare of Nebraska, July 1, 1928 to June 30, 1930 includes the following information on poor farms:

The whole attitude toward the care of the aged has altered materially in the last few years and it has come to be recognized that it is far more economical to provide allowances for care in their own homes, the homes of relatives or even the homes of friends in preference to providing care in county poor farms. Also the great distress occasioned by most old people who are moved to such farms and their delight when it is discovered that the county will make it possible for them to remain in the community has done much to abolish such methods of care.

. . . However, 42 counties still maintain poor farms. . . costing on the average of \$386 per year per inmate. . .

The same report cites 80 cents as the average per capita cost for county poor relief, which totaled \$1,212,763 statewide for the report period.

The modern era of public assistance began with the passage of the Social Security Act in 1935. In the first full Fiscal Year (1936–37) under the new legislation, Nebraska was paying ADC families an average of \$25.53, old age recipients an average of \$16.94 and blind recipients \$19.14. These grants were considerably lower than the present average assistance payments. (See the accompanying graphs.) An average ADC family received \$179.16 in May 1976, while combined State Supplement and SSI payments average \$70.14 to the aged and \$136.32 to the blind in April 1976. It may be noted that the category of aid to the disabled, was not added under the Social Security Act until 1955. For this category of recipient the average payment has ranged from \$65.48 in FY 1955–56 to \$122.08 in April 1976 (State Supplement and SSI information from SSA statistics for April 1976).

When the Social Security Act became operative, the counties and state began overseeing new relief efforts other than ADC, aged and blind assistance, and in addition to ongoing programs. For example, of the \$2.5 million Nebraska public assistance expenditures (excluding administrative costs) for June 1938 only 20 percent was for ADC, old-age assistance or aid to the blind. The remainder of assistance was paid out in general relief, county mother's pensions, county soldiers' and sailors' relief, county blind relief and the federal Works Program. In Fiscal Year 1974–75, on the other hand, of the \$120 million public assistance expenditures (including SSI payments) roughly 40 percent went for ADC, aged, blind and disabled grant payments.

The following two charts show the variations of average payments and number of recipients in the ADC and old-age assistance categories since FY 1936–37. Old-age assistance has been selected for an example here, since it is the largest category of assistance under the former AABD and current SSI programs.