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Office of the White House Press Secretary

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THE WHITE HOUSE

FACT SHEET

FINANCIAL ASSISTANCE FOR COMMUNITY SERVICES ACT

The President announced that he is today proposing the Financial Assistance for Community Services Act which will provide States with greater flexibility in delivering social services to low-income families and individuals and will eliminate undue Federal regulation and restrictions on providers.

BACKGROUND

The present social services program, Title XX of the Social Security Act, provides grants to the States on the basis of population for the delivery of a wide range of social services to individuals and families. These services include day care, family planning, foster care and homemaker services. Funds are provided on a Federal/State matching basis (75% Federal/25% State). Since its passage and implementation, Title XX has begun to increase latitude to States to use this program in meeting their service needs. Yet Federal administrative and reporting requirements continue to be extensive.

DESCRIPTION OF PROGRAM

This legislation will consolidate social service programs under Title XX and State and local training activities related to social services.

The main features of the Financial Assistance for Community Services Act are:

I. FUNDS

A total of \$2.5 billion will be distributed each year to the States as a block grant; Federal monies will continue to be allocated on the basis of population.

The requirement of State matching funds will be eliminated.

A hold harmless for State and local training monies is provided, so that no State will receive less than it received in FY 1976 for services and training, as a result of this legislation.

II. RECIPIENTS

Emphasis will be placed on providing services to low-income Americans; 75% of Federal funds will go to individuals with incomes below the poverty line or who receive Aid to Family with Dependent Children, Supplemental Security Income and

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Medicaid. No Federal monies will go to families above 115% of State median income, except for information, referral and protective services.

### III. SERVICE REQUIREMENTS

Most Federal requirements and prohibitions on the use of Federal funds will be eliminated.

The Title XX restrictions against the use of monies for health and institutional services will be eliminated. The restrictions on expenditures for services in prisons and for construction and purchase of land and buildings will be maintained.

Federal child day care standards will not be required but HEW will complete the study of the appropriateness of day care standards and recommend either a model law or standards for adoption by the States. States, however, will be required to have day care standards of their own, and an agency responsible for monitoring them.

Fees will not be mandated, nor will there be any bar to fee charging.

### IV. SOCIAL SERVICES PLANNING

The social service planning process will be improved by strengthening the provisions for public review and comment on the annual State plan.

Administrative plan requirements will be retained, although with reduced Federal monitoring. These requirements include a fair hearing process, protection of information, a merit system of State design, and monitoring by States of their standards for child day care and institutions.

States will be required to assess the implementation of their services plan, to have an independent audit of expenditures, to monitor compliance with procedures in the administrative plan and to report publicly on the results of the assessment and audit.

For non-compliance with administrative plan provisions, a State would be subject to full fund cut-off, or to a penalty of up to 3% of funds, at the Secretary's option.

### V. FEDERAL ROLE

The Federal Government will retain the role of assessing the overall operation of this program and of providing a clearinghouse for the dissemination and exchange of information among the States on effective services.

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A List of the Most Typical Title XX Services

Foster Care Services  
 Protective Services for Children  
 Protective Services for Adults  
 Special Services for the Aged  
 Adoption Services  
 Information and Referral Service  
 Health Related Services  
 Child Day Care Services  
 Homemaker and Home Health Aide Services  
 Home Delivered/Congregate Meals  
 Family Planning Services  
 Counseling and Case Management Services  
 Chore Services  
 Transportation Services  
 Employment and Training Service  
 Special Services for Alcoholics and Drug Addicts  
 Special Services for Developmentally Disabled  
 Recreational Services

State Allocation Under the Social Services Block Grant

The following figures are the States' maximum services allotment for FY 1976 and will be substantially the allocation for FY 1977. There is an additional \$24,000,000 to be allocated among about 25 states above their allotment as a hold-harmless for social services training.

<u>State</u>	<u>Allocation</u> (\$ Millions)	<u>State</u>	<u>Allocation</u> (\$ Millions)
Alabama	\$ 42.25	Montana	\$ 8.50
Alaska	4.00	Nebraska	18.25
Arizona	24.50	Nevada	6.50
Arkansas	24.25	New Hampshire	9.50
California	245.50	New Jersey	87.75
Colorado	29.00	New Mexico	13.25
Connecticut	36.75	New York	217.50
Delaware	6.75	North Carolina	62.75
District of Columbia	9.00	North Dakota	7.50
Florida	91.50	Ohio	127.75
Georgia	57.00	Oklahoma	31.75
Hawaii	10.00	Oregon	26.50
Idaho	9.25	Pennsylvania	141.75
Illinois	133.75	Rhode Island	11.50
Indiana	63.25	South Carolina	32.50
Iowa	34.50	South Dakota	8.25
Kansas	27.25	Tennessee	49.25
Kentucky	39.75	Texas	140.50
Louisiana	44.75	Utah	13.75
Maine	12.25	Vermont	5.50
Maryland	48.50	Virginia	57.25
Massachusetts	69.25	Washington	40.75
Michigan	107.75	West Virginia	21.50
Minnesota	46.50	Wisconsin	54.50
Mississippi	27.25	Wyoming	4.25
Missouri	56.75		

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