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Office of the White House Press Secretary

THE WHITE HOUSE

TO THE CONGRESS OF THE UNITED STATES:

Today the Secretary of the Department of Health, Education and Welfare is transmitting my proposed Financial Assistance for Community Services Act to the Congress.

This proposal is in keeping with my philosophy of reducing unnecessary and burdensome Federal restrictions while increasing State and local flexibility and responsibility in the administration of social programs.

This reform proposal will improve and strengthen the program of social services established under Title XX of the Social Security Act. It will provide a \$2.5 billion block grant annually to the States on a population basis. It will eliminate the requirement for State matching funds, as well as most Federal requirements and prohibitions on the use of Federal funds.

These changes are an important step toward an improved Federal-State relationship in the social services field. Enactment of Title XX in January, 1975, was a beginning. That law eliminated many of the problems of the past by giving States broad authority to allocate resources within a general framework. Rather than making States responsible to the Federal government, accountability for social services was made a matter between each State and its citizens through an open planning process -- a process which has shown great promise.

Title XX, however, did not go far enough. It added new restrictions which interfere with effective delivery of services. Officials at State and local levels of government indicate that they are willing and able to assume greater responsibility to gain greater flexibility in meeting local needs.

The proposed Financial Assistance for Community Services Act will:

- Eliminate the requirement that States must match one State dollar for three Federal dollars.
- Eliminate numerous restrictive conditions on how Federal funds may be used: burdensome Federal requirements for child day care; limitations on social services funding for health and institutional care; and procedures for the imposition of fees and the determination of eligibility.
- Concentrate Federal dollars on people most in need, those under the poverty threshold and those receiving public assistance.
- Assure that no State will receive less money as a result of this legislation than it received in fiscal year 1976.

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- Decrease Federal monitoring and oversight of State plan requirements and expenditures of funds with the States assuming greater responsibility in this area.
- Improve the public planning process by which citizens and local governments participate in identifying needs and establishing priorities.

I ask the Congress to enact this legislation promptly so that States may begin to use Federal and local money more effectively.

GERALD R. FORD

THE WHITE HOUSE,

February 23, 1976.

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