

Assembly

MINUTES OF MEETING - WAYS AND MEANS COMMITTEE - NEVADA STATE LEGIS. ⁷³

1968 SPECIAL SESSION - FEBRUARY 22, 1968

The meeting was called to order by Chairman Glaser at 11:20 AM in the Ways and Means Room.

Present: Glaser, Mello, Howard, Bowler, Ashworth, Young, Webb, Jacobsen
Absent: Tyson

A. B. 14: Provides emergency financial relief to Lincoln County school district for fiscal year ending June 30, 1968

Discussion on this being taken care of through S. B. 18. Mr. Larson has recommended some help for Lincoln and White Pine Counties.

Mr. Mello moved that A. B. 14 be indefinitely postponed.

Mr. Young seconded the motion.

Mr. Ashworth voted no.

Mr. Bowler voted no.

Motion passed.

S. B. 7: Creates welfare categorical grant fund; specifies its uses and makes appropriation. Cost to state: \$50,000

Mr. Philip C. Hannifin, Administrator, Welfare Division, said the case load in ADC and child welfare has risen more rapidly than we anticipated. At the last session of the Legislature we raised the original estimate of case loads, but we have gone even over that higher estimate. Without additional funds, we will not be able to aid these people by late this spring. We budgeted for an estimated number of persons to be served - 6600 persons. He gave the monthly caseload figures as follows: July, 7024; August, 7051; September, 7015; October, 6932; November 7425; December 7475; January 7663. So, we are now off 1,000 persons per month from the original projection. By state law we are allowed to pay \$30 for the mother, \$30 for the first child and \$21 for each additional child. However, it has been our general practice to allocate the same amount for each child - \$31. Computations of all the grants show an average of \$30.84 for the monthly payment.

Mr. Bowler asked why the payments aren't paid as stipulated - \$30 for the first child and \$21 for each additional. This would provide a savings of \$11 per child. ... Mr. Barrett said the average monthly grant was established a number of years ago and has not increased since that time. It is a minimum grant figure. If there is a savings from less cases, we cannot increase the monthly grant and if there is an increase in cases, we must ask for a supplemental to maintain the average grant.

Mr. Bowler said we are reaching into an unlimited program. We must do something about a saturation point. Mr. Hannifin said that once the state commits itself to this program, which it has done, we are committed to operate it. And, we cannot operate it without additional funds. It is within the Legislature's prerogative to throw the program out entirely. Mr. Hannifin went on to explain new developments in

the program which he learned about at the meeting last week in Washington, D. C. They are putting a freeze on the number of children eligible for federal payment of ADC funds on a percentage basis of that which exists in the first quarter of the year compared to the total number of children under 21 years of age and that percentage as it exists must be maintained. This means that the state must either reduce the allotment to each person or finance the excess out of purely state dollars. Federal law prohibits putting the excess persons on a waiting list. There is another law coming up liberalizing the amount of money taken into account when examining eligibility. We now overlook the first \$5 of any personal income when figuring the grant. This new provision would overlook the first \$30 plus 1/3 of anything above that. The third new provision is that by 1969 we must re-examine all standards of need and bring them up to current prices - that is these new prices should be taken into account by 1969. 74

Mr. Hirzy, Chief of Family and Children Services, said this program has not been liberalized in the state. It is the same as when the average grant was established in 1956. The growth of population is increasing these costs.

Mr. Bowler mentioned the rate of increase just since last July. Has anyone given any thought to what will happen when both the federal government and the state runs out of money for these programs. He said he is on the Interim Committee on Welfare which is establishing a study in Clark and Washoe Counties, mostly; Thus the reason for pursuing these questions. Mr. Hannifin said we can stop the program or change the state law reducing the minimum grant. These new provisions in the making in Washington will cloud the situation for some time to come. Mr. Barrett said that once the program has been established along with the average grant, all they can do is "read the meter". They are frustrated with the increases along with everyone else.

Mr. Glaser asked about pro-rating the level. ... Mr. Hannifin said it is based upon the need of the family. Upon questions posed by Mr. Young, he said perhaps the family has certain income resources. This is subtracted from the grant of \$30 for the mother and that for the children. Then 20% of that difference is added to the total original grant for mother and children for the total amount of payment.

Mr. Barrett said that if you do not pass this bill we have the authority to go into last year's ADC to pay some of this year's problems. We would have savings in OAA and Aid to the Blind. But in Child Welfare we have a deficit and do not have this authority to go into last year's Child Welfare funds. This bill would allow this transfer. Otherwise, we would have to stop payments for foster home care and children awaiting adoption probably first of April. This bill sets up a fund of surplus monies which can be used by any of these 4 categories listed in the bill.

Mr. Hannifin said \$50,000 does not represent the total of what we expect the deficit to amount to. It represents half. The intent of the bill was to transfer funds from OAA and Aid to the Blind, which

were surplus, to child welfare and ADC. That would account for the first \$50,000 and the second \$50,000 we asked for in supplemental. ⁷⁵

Mr. Bowler asked what evidence of birth was required for welfare.
Mr. Hirzy said a birth certificate of live birth is on file for each new child born to a mother on welfare. The record system is a centralized one.

Discussion on Nevada's welfare program compared to other states and whether we are attracting these people because of a liberal program. We place 40th among the states in amount of money grants - size of average monthly grant. The most conservative state is Mississippi. Any influx of families there may be coming to Nevada is due to other causes such as more economic opportunity for minority groups in Las Vegas, for ex., the portrayal of glamour and other factors.

Meeting adjourned at 12 Noon.