

# ECONOMIC OPPORTUNITY ACT AMENDMENTS OF 1967 3699

## PRESENT DISTRIBUTION OF PUBLIC ASSISTANCE FINANCING, 1966

[In millions]

|                                          | Federal | State-Local | Total   |
|------------------------------------------|---------|-------------|---------|
| Aid to chronic cases:                    |         |             |         |
| Old-age assistance.....                  | \$1,319 | \$685       | \$2,004 |
| Aid, permanent and total disability..... | 321     | 261         | 582     |
| Aid to the blind.....                    | 49      | 42          | 91      |
| Subtotal, chronic.....                   | 1,689   | 988         | 2,677   |
| Aid to variable-need cases:              |         |             |         |
| Families with dependent children.....    | 1,031   | 828         | 1,859   |
| Medical assistance.....                  | 473     | 437         | 910     |
| General assistance.....                  |         | 350         | 350     |
| Subtotal, variable.....                  | 1,504   | 1,615       | 3,119   |
| Total, public assistance.....            | 3,193   | 2,604       | 5,797   |

Source: U.S. Department of Health, Education, and Welfare, Welfare Administration, "Source of Funds Expended for Public Assistance, Fiscal Year Ended June 30, 1966," Mar. 2, 1967.

The shift of financing under the hypothetical allocation of all chronic cases to the national government and all variable-need cases to state-local governments would, according to these 1966 figures, roughly reverse the relative balance of financing between the national and the state-local governments:

[In millions]

|                           | Funds by governments |             |
|---------------------------|----------------------|-------------|
|                           | National             | State-local |
| Present balance.....      | \$3,193              | \$2,604     |
| Hypothetical balance..... | 2,677                | 3,119       |
| Difference.....           | -536                 | +515        |

## HYPOTHETICAL ALLOCATION OF PUBLIC AND PRIVATE RESPONSIBILITIES FOR ALLEVIATING POVERTY, BY SECTOR AND FUNCTION

| Public sectors                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Private sectors                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                           |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| National Government                                                                                                                                                                          | State-Local Government                                                                                                                                                                                                                                                                                                                                                                                                                                             | Enterprise                                                                                                                                                                                                                                                                                                                                                                                                     | Nonprofit                                                                                                                                                                                                                                                                                                                                 |
| Nationwide programs; income payment programs:<br>Veterans benefits.<br>Social security.<br>Medicare.<br>Chronic-need public assistance cases.<br>VISTA payroll.<br>Research, demonstrations. | Public programs requiring cooperative government action and direct work with the people to be served:<br>Unemployment compensation.<br>Variable-need public assistance cases.<br>Research, demonstrations.<br>Headstart, Upward Bound, other education programs.<br>Community action programs.<br>Loan programs.<br>Housing.<br>Slum clearance.<br>Community facilities.<br>City planning.<br>Medicaid.<br>Health programs and family planning.<br>Legal services. | Special purpose commercial activities of social benefit; physical environment and manpower programs; and services contracted by Government:<br>Job Corps.<br>Work training.<br>Research, demonstrations.<br>Migrants.<br><br>Community action programs.<br>Loan programs.<br>Housing.<br>Slum clearance.<br>Community facilities.<br>City planning.<br>Health programs and family planning.<br>Legal services. | Human service activities for public and private welfare programs:<br>Case work.<br>Family services.<br>Counseling.<br>VISTA assignments.<br>Job Corps.<br>Work training.<br>Research, demonstrations.<br>Migrants.<br><br>Community action programs.<br>Loan programs.<br><br><br>Health programs and family planning.<br>Legal services. |

Note: The allocations are intended to be reasonably exclusive administratively and financially. Allocations repeated indicate where management potential exists in two or more sectors for a given program. For example, both industry and private foundations, or other voluntary institutions could sponsor and administer a Job Corps project; similarly, both private sectors could establish their own independent loan programs, or either could act as the agent to carry out National Government programs. However, arrows also show potentials for separation of financing from program administration, such as in legal services, or in the implementation of Federal loan programs.