

PUBLIC HEARING

before

SPECIAL LEGISLATIVE COMMISSION TO MAKE A
SURVEY OF THE OPERATION OF WELFARE AND RELIEF
LAWS IN VARIOUS COUNTIES AND MUNICIPALITIES
[created pursuant to ACR 3 of 1968 and
reconstituted under ACR 19 of 1969]

Held:
May 7, 1969
Assembly Chamber
State House
Trenton, New Jersey

Members of Commission present:

Senator Alexander J. Maturri [Chairman]

Assemblyman Albert S. Smith

Assemblyman Frank J. Dodd

Leonard A. Coyle

Gerald D. Hall

Polly Bush

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recommend that the State assume an additional share of the costs, to further relieve the cities of this crushing burden, and spread the load more evenly over all our people, until Federal reforms are achieved.

I would also urge that New Jersey inaugurate programs that would make the State the "Employer of Last Resort," guaranteeing work to any able-bodied person at a reasonable salary. Certainly, there are a thousand jobs to be done in the cities. Such programs fell into disrepute during the depression years, as "boondoggling" and "leaf raking." There may be no leaves to rake, but there are vacant lots to clear of refuse, crumbling buildings to tear down and streets to clean up.

Further, I would urge that prompt consideration be given to extending Medicaid coverage to those borderline poor not now covered. It is hard to justify paying medical bills for a family whose income is a few dollars below a fixed minimum, and pay nothing for the family whose income is just over that fixed amount. Many thousands of families struggle valiantly to stay off relief, but cannot afford adequate medical care. Can we deny them help? Everything must be done to encourage people to stay off relief. It is my fear that the present policy will encourage and, in some cases, even force borderline families onto the Welfare rolls, in order to provide needed medical service.

Lastly, I would urge that thought be given to separating, insofar as possible, the determination of need, the payment of relief allotments, and the detection and prosecution of fraud from the rendering of Welfare services.

A large majority of Welfare families can manage quite adequately, and they do get off the Welfare rolls as quickly as they can. It is astonishing to me how many do. Mr. Engelman tells me, for example, that three different studies of the Aid to Dependent Children program in New Jersey have shown that the average length of stay of a family on the Aid to Dependent Children program is from 28 to 30 months. In view of the fact that a number of families stay on for a very long time, this means that there is considerable turnover. However, in my opinion, present Welfare programs tend to weaken, rather than strengthen, the self-respect and initiative of these people. There are, of course, families that need help. Let's concentrate our social work activities on them.

Our present Welfare structure was developed in the 1930's, and, except for the addition of medical programs under the Kerr-Mills Act, and later under Medicare and Medicaid, have not changed significantly since. A thorough review is certainly necessary. Your committee can contribute significantly.

Thank you very much.

SENATOR MATTURRI: Very good, Mr. Wescott.

Of course, you give a great many generalities in your statement, which many other people have made. I, for myself, have been of the belief that this does belong on the Federal level, there is no question about it, but, as you ably bring out, there is very little we can do ourselves. Our big

problem, I think, is to try to resolve the present problem on a state level as much as we can.

Are there any questions?

ASSEMBLYMAN SMITH: Yes, I have a question I would like to ask Mr. Wescott.

You claim that a lot of streets need cleaning where we could put these people to work. I presume that you have checked from time to time in various papers the number of want-ads in the papers, and in your statement you say, due to the agricultural movement they have come up into the North into our big cities and have become a problem because they are unskilled.

I so happen to be Executive Director of three hospitals. I wouldn't say they had to be skilled. When I hire an institutional attendant or a food service helper, I can take somebody off a farm in Mississippi, if he wants to work, and bring him in and put him in those jobs. And today, Mr. Wescott, we are short of help in institutions in my County and I am most sure in every county in the State of New Jersey. And I feel that they have gotten so used to welfare, unless you can give them three or four thousand more than welfare gives them, in the category in which you hire them, they are not going to work.

MR. WESCOTT: Assemblyman, I agree that that is a problem. Certainly we face it in our State institutions. With the starting salary for an Attendant at Greystone just a little in excess of \$4,000 it is very hard to get people to come out of Newark, by bus, to take those jobs when they

don't constitute, after deductions and all, a living wage. I think that the program now, which has been inaugurated, which allows the welfare worker to keep a portion of what he earns is going to have an enormously beneficial effect on getting these people to take work and come back into the mainstream of employment. I really believe that's true.

ASSEMBLYMAN SMITH: Do you think they want to come back into the mainstreot? That's what worries me.

MR. WESCOTT: I think there are obviously some who do not, there are obviously some who do not. But I think that many, many, many more do than we now believe is true. I'm convinced of that. Maybe I'm just hopeful by nature.

SENATOR MATTURRI: In other words, the people, as the Assemblyman said, who do not want to work because they prefer to stay on the relief rolls, represent a minority of these people, you would say?

MR. WESCOTT: Yes. And I think that the minute they earned anything they lost whatever they earned off of their relief income, there was no reason to work, especially when the jobs offered them were below a reasonable level of maintenance. I know in the hospital of which I am President, up in Flemington, we are only now getting our salaries up to - I think for the bottom help it's about \$1.67 an hour. It wasn't too long ago that this was down around \$1.00 and below. And I think that's one of our problems. I think those salaries have to come up.

I was really astonished the other day to see the contracts for union labor - the labor force negotiated a

contract which over three years will get their salaries up around \$9.00 an hour. There is the one problem we're bound in on, really.

ASSEMBLYMAN SMITH: Would you believe, Mr. Wescott, - and I am beginning to think along the same line and I'm beginning to believe it - with our State Unemployment Office where these people come in and register and collect unemployment insurance and don't show up for a job or don't want a job, I'm wondering now whether the unemployment offices throughout the State couldn't go a long ways in rectifying this unemployment situation, because we call them and say, we'd like to have attendants, we'd like to have food service helpers, which doesn't take too much brainpower. They know we need them. We have a standing setup to send the people over but yet those same people come in and stay on the rolls. And I think that's one point that we should go after, and the one contact that we have. Maybe we put too much on the Welfare Board by saying you should ferret this thing out, but I think it could be done with the labor setup too, and the unemployment setup.

MR. WESCOTT: But I would again just point out to you that in these institutions what we hope to get people to work for, and it isn't very much compared to what they get in other employment.

ASSEMBLYMAN SMITH: But don't forget, Mr. Wescott, the ones you have working in those sort of jobs in institutions are unskilled, they can't go out and make too much more because I think the counties have realized this

over the last five or six years and have tried to get the salary scales up to a respectable amount of money for these people to come in and avail themselves of the work. But what frightens me is no desire to work, they don't want a job.

MR. WESCOTT: Well I would say that it's hard to get a person to come out of Newark to work at Greystone for \$4,000 a year, pay their transportation, buy their clothes, have their deductions. It's very hard to do if they have a family of any size at all, very hard.

ASSEMBLYMAN SMITH: With which I agree if they have to come out of Newark; if you can't get them close enough to Greystone, it is a problem.

MR. WESCOTT: Well that's about our only source for that kind of Labor, Newark.

MRS. BUSH: On page 2, the last sentence of the top paragraph, among your suggestions were the negative income tax and the basic minimum wage. How do you feel about a minimum living scale?

MR. WESCOTT: Well, as you know, the Department proposed for consideration what Mr. Engelman called the assured minimum income. We felt, on the Board of Control, that it had not been adequately thought out, not been adequately studied and, above all, people hadn't had the opportunity to express themselves on it. And we suggested to the Governor that a forum be provided for an expression of opinion and an examination into this.

Basically, I think that something like that is sound as far as a great number of families are concerned, the great

majority of welfare families, then that would allow us to allow the Welfare Departments to do the job which they need to do which is to work with the family which is incapable of managing, the family that just can't manage its affairs. I think we spread them too thin, we disburse their efforts and disburse their energies. That is my feeling.

MRS. BUSH: Well would you suggest then having a separate program entirely for the people who are incapable of managing their own affairs? My personal opinion is that one of the reasons why a great many people are on welfare is because they have never known how to manage their own affairs, and no matter how much you gave them, I don't think they would be capable of managing their own affairs.

MR. WESCOTT: That certainly is true of many.

MRS. BUSH: But if you have a minimum income or a maximum income, whatever you want to call it, these people are going to have equal treatment with those who do want to be self-sufficient and who do want to get themselves off the rolls.

Now, what you are saying is that this merely should be taken out of the State's hands and it should become a federal program. You think then the Federal Government should just give carte blanc a certain amount of money or X amount of dollars to all families?

MR. WESCOTT: I want to be very careful not to state a position for the Board of Control on this. As I say, I think the Board of Control felt that there was merit enough to have it considered much farther than it had been so far.

Your proposal for some kind of an assured minimum income or a basic income of some kind comes from very interesting groups of people, industrialists. I think the Nation needs to examine this. I don't think any of us are prepared or able to make a statement of what exactly should be done. All I say is that it seems to me that in spending our time, providing social work services to families that can manage we are diluting the efforts of the social workers who should concentrate on that portion - and I don't honestly know how big it is - who can't manage. And that should be social work, that should be helping. And the problem of determining these and making payments and pursuing fraudulent cases is something quite separate now. Whether they're in the same department, whether they are under the same administration, how that's run, I'm not prepared to say. I just say to you, these things are of national concern, national interest, and must be examined I think in the light of any examination of the welfare system.

MRS. BUSH: Then some of these things that you have just said are an explanation of one of your sentences on page 4, the second paragraph, first sentence, where you urge that thought be given to separating the payments of relief from these other things.

MR. WESCOTT: That's right.

MRS. BUSH: Thank you.

MR. COYLE: Mr. Wescott, your suggestion, and I say suggestion rather than recommendation, that the Federal Government take over perhaps 100 percent of this problem

really moves away from the principle of home rule and local control over this type of situation and actually suggests that the State merely become more or less an administrative agent of the Federal Government in administering these programs. Is that what I understand your suggestion to be?

MR. WESCOTT: Well I think it's a question of who pays the bill and I don't think it's New Jersey's responsibility to pay this bill. I think if you will look at the welfare rolls in Newark you will find that 95% of the adults were not born there and about 45% weren't there ten years ago. So that it isn't Newark's problem, it isn't Essex's problem, it isn't New Jersey's problem.

You see, I spoke about the agriculture revolution. There are 10 million people, workers, who have been displaced from jobs on farms since the end of World War II, and that's a profound thing, a profound thing, something we lose sight of all the time. I have often said that the mechanical cotton picker was more responsible for the present welfare system than anything else, and in a sense that's true.

MR. COYLE: The thing that bothers me, though, Mr. Wescott, is, is your suggestion directed or addressed toward financial obligation only or also the administrative end and the promulgation of all rules and regulations in the administration of these programs?

MR. WESCOTT: Well, unless you have some federal administrative responsibility, you are going to have a continuation of the problem in some states which actually have refused, till now, to give away food stamps, although

they were free, because they didn't want to do it, they didn't want the people there, and this was one way to move them. And that seems to me totally unfair to a northern industrial state, such as New Jersey, it seems to me to be totally unfair. Therefore, I think the only solution is some kind of basic national standard.

ASSEMBLYMAN SMITH: Mr. Wescott, just one more question. Would you say that in the County of Atlantic there would be a certain influx of agricultural workers, at least one in the county who would see an ad in the paper asking for an outside man to work at institutions, mostly to take care of the lawns, shrubbery, and so forth, that one of them would see the ad in the paper if he were interested in working and look into it? Wouldn't you say that there would be one out of the group that we get in an agricultural county like Atlantic, that somebody would see it and say, yes, I'm interested?

Nobody seems to be interested. Nobody seems to want to work. That's the thing that frightens me. Gosh, we have two or three generations that have been on welfare rolls that I know of, not only in my county but in other counties, for a long time. They're growing up with it - my grandfather was taken care of, my father was taken care of and now they can take care of me. I think that in itself is very frightening. I was amazed when Vice President Agnew spoke in California last night and said then, forget the Federal Government taking over welfare 100%; we're starting now to give more federal money into the program but we are not in

a position financially to take over the entire welfare picture of the United States. And I think we've got to do something to try to alleviate some of the things that are going on now because I don't want to see a taxpayer's revolt. The property owners can take so much taxes and the majority of the budget is made up of welfare. And I think we have got to start now to put a stop to it, stop it somewhere. Nobody wants to see anybody go hungry, any more than I do, I want them taken care of and I certainly don't want to feed the bum, and that's all you can call him, who doesn't want to work and will collect his welfare check every month. And I think a lot of us are going to have to swallow our feelings on this thing about being inhuman but I don't want to be inhumanized out of existence, and that's where we're going today.

SENATOR MATTURRI: Well, Mr. Smith, I am sure that you are expressing your thoughts on this thing here. I can't say or take your position that people on relief are bums. I mean, the fact is this, there are some people who I am sure have taken advantages. I also know, and I have to agree with Mr. Wescott that the greater percentage of these people who are on relief rolls prefer not to be on relief rolls.

Now the very fact that we find an isolated case - and I might say for the record that I read a great deal about fraud, and I come from Essex County where we have the largest bill - I don't know how much you're paying in your county --

ASSEMBLYMAN SMITH: We're next to you.

SENATOR MATTURRI: We are at \$63 million a year on welfare and when I realize that the Director of Welfare of Essex County testified here last week that there was only \$110,000 in fraud involved, that isn't too much. Even private industry has a bigger loss than that, so it isn't too bad of a problem. I am not saying that I like to encourage people to commit fraud but I can't get too excited about the isolated case. We've been reading a good deal about fraud because the isolated case makes the headlines and the general case remains at home. To me, welfare is a social phenomenon that's necessary in our way of life. We cannot just close our eyes to this problem.

I also am of the opinion that we should do something for these people. I would like to see them work and maybe Mr. Wescott and his thoughts - and, incidentally, I agree this should be on a federal level because that's where it belongs, like Social Security and many of our other social items and we wouldn't get an influx of people coming from all over America, and we wouldn't be confronted with the problem where a person down in Mississippi gets \$400 a year and then comes up here and under one program would get \$4,400. If it was the same as it is under Social Security, we wouldn't have an influx of these people.

But anyway, I think we are here to hear you people but we like to express our thoughts once in a while, as we have done here.

Thank you, Mr. Wescott.

MR. WESCOTT: Thank you, sir.

SENATOR MATTURRI: Mr. Kidde, Mr. Walter Kidde.

You just have a statement, as I understand.

MR. WALTER KIDDE: No statement, Senator. I am here to listen and perhaps have the opportunity for a later statement.

SENATOR MATTURRI: Thank you, Mr. Kidde.

Sallie Dixon, Hudson County Welfare Director.

Will you please give your name and state whom you represent.

S A L L I E H. D I X O N: I am Sallie Dixon, Hudson County Welfare Board Director.

I wish to thank you for according me this opportunity to appear before you and present my views and opinions on the subject of welfare. My views, however, hereinafter expressed, do not necessarily represent those of the Hudson County Welfare Board or the Board of Chosen Freeholders of the County of Hudson, but are based on my own personal experience in this field.

I have been employed by the Hudson County Welfare Board for 30 years last past; first as a Caseworker, Supervisor, Administrative Supervisor, and since 1957 as Director.

Currently, welfare and its administration is a very popular or unpopular subject, depending upon one's point of view. The public is duly concerned about the spiralling and excessive costs of welfare and the recipients are loud and far-reaching in their criticisms that the present welfare payments are insufficient for the needs of the indigent. Both

sides are disillusioned with our present welfare system. Its plight is a national, not a state or local, problem.

The old adage that "the rich get richer and the poor get poorer" no longer applies in this country. The decline in poverty in the United States is among the more astonishing and hopeful facts in human history. In 1900, about 90% of our population was poor; in 1920, about 50%; in 1930, about 34%; and in 1968, only 15%. One might say that 15% is outrageous. Agreed, but only about 4% of the population is on welfare. The question is how best to abolish it.

Negative Income Tax makes some sense; the Family Allowance Plan is being researched; and the guaranteed annual income, called for by some economists, which would establish a base standard of living appears at the present time to be the most popular plan.

It is quite apparent that what is needed is a new approach to poverty to replace our present archaic and costly welfare payments. There are needs for drastic and urgent reforms.

Welfare should be a starting place for the poor, not the end. For some, welfare is a bank where a needy person may apply to obtain funds for his or her basic needs. Clients pay little attention to Case Workers and their advice. They see welfare as a source of money and nothing else. What is wrong with today's welfare system? Despite the efforts of administrators and career people in the field, the present welfare system does not work. According to

Federal experts, it covers only about 8 million of the 30 million Americans below the \$3300 poverty level established by the Federal Government for a family of four, and costs \$8 billion a year to do only this.

There is a prevalent criticism against persons on welfare that they are "loafers" and people who do not want to work. In Hudson County, and, I dare say, in most of New Jersey, the facts do not fortify such a criticism. The vast majority are either too old, too sick or too disabled to be self-supporting. It is safe to estimate that approximately one-third of the mothers on ADC are willing to work and able to work but are precluded from doing so because of the lack of child day-care facilities. We are now engaged in a work incentive program, called WIN, for our unemployed fathers, as well as ADC mothers and school dropouts. A blend of training and guidance is used to turn welfare clients into good workers, but you have to be persistent, sympathetic, practical and tough, to get people off welfare rolls and on to payrolls. Although this is a very slow-moving plan, it appears to have far-reaching benefits, even if a small percentage of persons on welfare can be trained and induced to become self-supporting. But for persistent and dedicated social services to the poor, many, many more professional Case Workers are needed, whom we are unable to recruit. Caseloads are heavy, and our insufficient staffs are unable to determine eligibility of clients and render social service.

The aged, blind and the disabled, who constitute

one-third of welfare rolls, should be transferred to Social Security. Day-care facilities should be provided and substantially expanded to enable welfare mothers to work if they can.

Another solution to the problem might be the consolidation of all welfare under one program and into one instead of three governmental agencies. We in Hudson County have long been in favor of the Federal and/or State taking over the financial responsibilities of welfare, and I so recommend it.

Since this Commission is especially interested in certain phases of welfare, namely:

- A. Rising costs and the reasons therefore;
- B. What proportion of these costs is contributable to the fraudulent receipt of public assistance; and
- C. What the legislature can do about this problem;

I would like to submit the following:

RISING COSTS:

In Hudson County, the total cost of welfare has risen from \$8 million in 1960 to \$16 million in 1968. However, our budget for 1969, as recommended by our State Division, is \$31 million, an increase from the previous year of almost 100%. In the past year alone, the number of persons on welfare in our County has risen from a total of 23,000 to 33,000 as of April 1, 1969, including 3200 Cuban refugees. This situation exists throughout the country.

Reasons for increase in welfare caseloads are as follow:

1. Migration of people from rural to urban areas and especially so with the removal of residency laws.

2. Normal increases in population that have occurred in the past ten years.

3. Lack of jobs for the unskilled workers.

4. Campaigns by Civil Rights and Anti-poverty Groups to inform more eligible poor about their legal rights to welfare.

5. State policy that no longer holds adult children over 55 years of age responsible for the support of their parents.

6. A steady rise in illegitimate births. Every tenth American child born is out of wedlock.

7. Varying degrees of welfare in other states are contributing to a vast migration into New Jersey. We have one of the highest allowances per capita for welfare payments and persons come into our State because of better economic advantages whether in employment or in welfare.

Some of the reasons for increase in cost of welfare are:

a. Large increase in caseloads for the above-named reasons.

b. periodical increases in assistance allowances to meet the rising cost of living.

c. Increase in administrative costs.

d. Addition of new programs.

FRAUDULENT ASSISTANCE PAYMENTS.

Fraudulent welfare payments are glaringly publicized

without the corresponding illumination of facts pertaining to the percentages of honest welfare recipients.

It is difficult to ascertain the exact amount of fraud and even though in my opinion same is not high in our Board, it is unfortunate that it exists. On a State level, it has been estimated that less than 2% of persons on welfare receive assistance improperly or fraudulently. In fact, it is fair to assume that there are less "fakers" in welfare than income tax evaders. I am reasonably certain that such frauds which actually exist in our Board are not a significant contributing cause to the high cost of welfare. They are due, if at all, to the chronic shortages of properly trained and adequate Case Workers.

WHAT LEGISLATION CAN DO ABOUT WELFARE PROBLEMS.

Because of New Jersey's economic levels, the Federal contribution to welfare is substantially lower than in other states. Furthermore, because of the State's small contribution, the county governments have borne a great portion of the welfare costs which in other states have been paid by the Federal and State Agencies. New Jersey has had a most inequitable formula from the county point of view. Since poverty knows no boundaries, it appears to me that welfare should be entirely a Federal project or a national and state undertaking. Both have various sources of income, whereas the county is limited to real estate taxes which have now reached catastrophic proportions.

Pending the inauguration of the urgent and drastic reforms in welfare, the following recommendations to alleviate

the present situation are:

1. Urge the Federal authorities to:

- a. Transfer the aged, blind and disabled, who constitute one-third of welfare rolls, to Social Security
- b. Establish a uniform Federal grant based on cost of living throughout the fifty States to minimize the migration of the poor and the unemployed.
- c. Repeal the ADC provision of the 1967 Welfare Amendments which, if enacted, would cause considerable increase in welfare costs for state and county.
- d. Increase substantially Federal contributions to present assistance formulae.
- e. Abolish various assistance categories and create a one single assistance program so as to eliminate endless administrative duplication and costs.

2. The State recommendations:

- a. In order to establish a uniform assistance program in New Jersey and to prevent financial chaos for local governments, the State should take over the entire cost of welfare, including assistance and administration.
- b. Increase state matching for assistance and provide matching funds for administration costs pending complete takeover by state or federal.
- c. Create or extend present child day-care facilities either by Government or by assistance to private organizations.
- d. Establish uniform and realistic support orders comparable to welfare allowances and provide for enforcement

of said orders to help relieve the cost of assistance. This is a program for law enforcement agencies, not welfare authorities and responsibility should be on the former.

e. Expand vocational education for children so as to provide skilled craftsmen, of which there is a dearth.

f. Encourage more counseling and other social services by school personnel for children who are under their direct control.

That is my statement.

SENATOR MATTURRI: Thank you, Miss Dixon. I note that on page 4, under the Federal recommendations, you have "e. Abolish various assistance categories and create a one single assistance program so as to eliminate endless administrative duplication and costs."

I understand what you mean by that but what I'm interested in is to know, Miss Dixon, why you wouldn't recommend that also on a state level.

MISS DIXON: Well, yes, I think that it could be done also on a state level, as well as on the Federal, but I think it would be easier on the Federal program. However, it certainly isn't any reason why it couldn't be adopted on the state level except that I didn't want to repeat the same information.

SENATOR MATTURRI: The reason I say that, I am one who believes that all of our laws on welfare in the State of New Jersey should be changed and codified. I think this is one of the most complicated - and I speak as a lawyer, one who has been a lawyer for many years, and to me it's very

complicated. I think it's very complicated for many people. I never got the same answer from two people in the Social Welfare Department, to tell you the truth, and that goes for the people of my own county.

MISS DIXON: That's true.

SENATOR MATTURRI: But I talked to the Director last week about this. I think this is one of the big problems we're facing. And I enjoyed that you presented this question but I think we should do it first here on a state level because that's one thing we control. I don't think our laws on welfare have been changed in 50 years and I think our big problem is that we have too many categories and too many ifs, ands and buts, and I think it would make life much easier for you people and members of your staff if we did have a program to codify them, and that certainly is going to be one of my recommendations.

MISS DIXON: Yes, I agree with you, sir, because I find that in many instances, even lawyers and very able members of the Bar find the laws so confusing on welfare that they usually have to call the Welfare Department and obtain some interpretation of them.

SENATOR MATTURRI: Well I know that sometimes I find your interpretation in Newark is different than in Trenton, or vice versa, which is interesting because even I, as a lawyer, reading some of these laws get a different interpretation. But I think we should have, and I know it's one of the things that I'm going to advocate, and this is something that I've learned since we've been having

these hearings, and that's the purpose of these hearings, is that we hope some day to have --

MISS DIXON: It would also be necessary to get some changes on the Federal level before we could inaugurate them on the State level.

SENATOR MATTURRI: Yes. I agree with you. But, of course, there are many people who believe that if the Federal Government would take this over we would all be much happier. But since we can't control that, we have to do the next best thing.

There is also one other question that I want to ask you. Since we have changed the law in the last year in putting the cost at 75% with the State and 25% with the county and municipality, has this new law been beneficial to your activities?

MISS DIXON: Well, it has not because of the fact that our budget, instead of being decreased, our county portion of the budget instead of being decreased this year was slightly higher because of the additional number of cases which we took over from the municipal level in view of the change in the law. So that actually, and also because of the influx of new cases, with the unemployed and the people who were not eligible under our previous category, it did not save us any money.

SENATOR MATTURRI: It did not save you any money.

MISS DIXON: No, sir.

SENATOR MATTURRI: Is this presumptive eligibility requirement that we have placed in the law-- how has that

been working?

MISS DIXON: Well that has also increased our costs considerably. With our shortage of staff, it is difficult for us to try to investigate many of these cases and that's why we make presumptive grants. We find that it has increased the cost considerably.

SENATOR MATTURRI: By that you mean you have given them money for welfare and then find they were not eligible. Is that what you mean?

MISS DIXON: Yes. And, of course, we have not yet had our quarterly audit by the Federal and when that happens we will have probably a more expensive proposition because under the Federal regulations if you make a presumptive grant and it's based on an honest mistake in judgment and it is later discovered that that was improvidently done and that the person was not eligible or should not have received the assistance, the Federal authorities will delete that grant from the Federal assistance, which means the State and the county will have to share the mistake. In other words, they want us to be very generous in our eligibility factors but, if we make the mistake, they will not share the mistake with us, it's going to be our problem.

SENATOR MATTURRI: Thank you.

MR. COYLE: Miss Dixon, I believe you are referring to the new regulation, the signing of a declaration of need for eligibility rather than investigation prior to --

MISS DIXON: No. Sir, that has not gone into effect yet. We use the presumptive eligibility factors.

The so-called sworn statement that was supposed to go into effect as of July 1, I think, has been postponed by the Federal authorities, at least it is intended it will be postponed. But under this presumptive eligibility factor, sir, a person comes into the office, signs an application that they are in need of assistance. A father could sign for his wife and four children. He has just lost his job, he's been laid off and he is not eligible for unemployment benefits, especially where there are strikes. We are required, if there is nothing on the face of the information given to us, - we are expected to presume that he and his family are eligible for welfare and to investigate it within a period of the next 90 days.

MR. COYLE: Then the only distinguishing factor between the declaration of need and this presumptive eligibility would be that if and when we have a declaration of need policy established there will be no investigation of the applicant within the 90 day period?

MISS DIXON: That's right, and there will only be an investigation on a certain number, a certain percentage of the cases.

MR. COYLE: There will be a spot check, so to speak.

MISS DIXON: Yes.

MR. COYLE: Now my next question is perhaps more directed toward the recipient of aid. I don't see anything wrong, basically, in giving aid to someone who is out of a job, and doing it immediately without putting it off while a social worker makes an investigation. My reason for

saying that is, if it's valid, of course, assuming that it's valid that the time to give help is immediately when it's needed and not to put a person in a bankrupt position where they lose all of their substantial assets and then become permanent wards of the State. So to that extent, do you see any objection to giving immediate aid to say a father who is on strike or out of work and he has five or six children that have to be supported? What is he supposed to do with these children?

MISS DIXON: Well, no, I think, as you mentioned, if it is a valid application and the person appears to be really in need, certainly this is the purpose of welfare to take care of emergency needs as well as long range problems. However, it seems that it is a little bit difficult. For instance, persons who are on strike. I appeared recently on a citizens advisory group and was criticized severely because we had made presumptive grants to longshoremen who were on strike in the New York and Hudson County area. We checked with the union leaders and learned that the persons on strike were not entitled to any strike benefits from their unions, and I know they were not entitled to any unemployment benefits. And in checking with their union leaders we found out that this particular union was not entitled to any benefit. However, the public is of the impression, and these people before whom I appeared, some of them were lawyers and the Maritime Group, and they said they were sure that these longshoremen were receiving strike benefits. So you see, it is very often difficult to decide,

especially for our young and inexperienced case workers who are our intake workers to decide, whether or not this person is really in need. Very often we've had situations where they don't have an address, where people come in from outside, from other states. We've had situations where, of course, it becomes a matter of fraud. And, as I said, they are isolated cases and a small percentage. But you will not be criticized for the 98% that you handle well but for the 2% that are fraudulent and then all the newspapers and the public becomes very excited.

ASSEMBLYMAN DODD: Out of the 33,000 cases in Hudson, how many cases of fraudulent activities were turned over to the Prosecutor's office?

MISS DIXON: Well, we are obliged to turn over all of the ones that have any evidence of fraud. However, whether the Prosecutor proceeds with them, we have no control over that. I would say that, based on the State level, we have no - at least I have no record here as to how many cases we actually referred but I would venture to say it would be no more than between 50 and 75 in the period of a year.

ASSEMBLYMAN DODD: Do you have any knowledge, out of that 50 or 75, whether any were acted upon by the Prosecutor?

MISS DIXON: Very few of them. First of all, as all law enforcement agencies, they are so busy tracking down the big criminals that they don't consider the welfare criminals serious culprits. We've had very few indictments

on our welfare cases.

MR. COYLE: Miss Dixon, I have one other question and I am asking this because of your extensive experience, many years of experience in this field, and you may shed some light on this or at least inform us as to what you feel may be the results of a recent decision by the Supreme Court.

SENATOR MATTURRI: Excuse me just a minute. I see these young boys and girls here, may we just welcome you here to a hearing. This is not a day that the Senate or Assembly is in session, it is merely a Committee hearing. We want you to know that, although this is the Assembly Chamber, we have Senators and Assemblymen and lay people who are hear as a Commission set up to study our Public Welfare Laws, and we welcome you here and hope that some day you will return to see the Legislators in action.

Thank you.

MR. COYLE: A recent decision of the United States Supreme Court, I believe, resulted in a policy whereby a person on ADC who allegedly had been deserted by her husband was living with an employed person who was not her husband, that the Court ruled, I believe, that you could not deny this person benefit even though there was an employed person in the household who was not married to the recipient. Has this had any impact on the increase in the cost of ADC in your County?

MISS DIXON: I would say a very small impact, if any. Those are the exceptions to the average agency case

rather than the general rule. It seems to me that most of our Agency cases are where the fathers are out of the home rather than having a man in the home.

MR. COYLE: This is where the father is out of the home but a boyfriend or a boarder who is employed and earning substantial income is living in the same home. And you haven't had any --

MISS DIXON: We've had some of them but I don't think it has created much of an impact on our increases.

MRS. BUSH: Miss Dixon, I would like to ask you a question. Obviously then you have stated that you feel that this should be a problem and concern of the Federal Government, that the Federal Government should take this over.

Do you really feel that welfare in this Country would be reduced if the Federal Government takes over? You say here in the last paragraph on the first page that "Welfare should be a starting place for the poor, not the end. For some welfare is a bank where a needy person may apply to obtain funds." Do you think that this is going to be changed if the Federal Government takes it over?

MISS DIXON: Well, not changed to the extent that you would not recognize the needs of the poor. I think the poor will always be with us but the idea is to have as few of them as possible. And, as I indicated in my report, there are certain numbers of people who will always be dependent upon the government and I think, even on a Federal level, it would have to be handled on a district or

regional basis. Certainly the Federal Government has a widespread knowledge about welfare that is giving us the benefit of their research and their knowledge so that I think it could be handled on the Federal level as well as on a state or county basis.

MRS. BUSH: Well, if it were taken over by the Federal Government, what would then be the status of the county departments? Are you suggesting that they should be eliminated or what part would they play in this. After all, the county knows the cases, they are close to the problem, where otherwise --

MISS DIXON: Well, I think it would have to be set up in such a fashion that they would have local advisory boards which would be similar to our present county welfare boards; that it would have to involve the community in order to function to the best interest of all concerned.

MRS. BUSH: But you're not suggesting that it be brought down to the actual municipal or city level?

MISS DIXON: It would have to be on a community level, whether it be by county, municipality, or regions, depending upon the population involved.

MRS. BUSH: But you are not eliminating the county boards and the county entirely?

MISS DIXON: No, you would have to have some involvement, otherwise you would lose the effect of what you are trying to achieve.

MRS. BUSH: Thank you.

SENATOR MATTURRI: Thank you, Miss Dixon.

Mr. George Baier.

MR. BAIER: I do not have a prepared statement. I will be glad to answer any questions you may have.

SENATOR MATTURRI: Well, Mr. Baier, do you have anything you would like to present to the Commission or are you just here as an observer?

MR. BAIER: Shall I come down front?

SENATOR MATTURRI: Yes, please, if you don't mind. Will you give your name and who you represent?

G E O R G E F. B A I E R: I am George Baier, Middlesex County Welfare Director.

We have a number of problems in Middlesex County, the same as in other counties. One of the things that we find, and this is nothing new but with the increase in cost, general inflation, we find that the rents that we are paying for welfare clients are becoming exorbitant. There are many instances now of large families where nothing can be found for less than \$200 a month. And this is quite a problem based upon the cost.

We have also found that since presumptive eligibility went into effect the first of the year our rolls in Middlesex County have greatly increased. In January of 1968 we had a total recipient roll of 6377; in March, 1969, we have a total roll of 11,351; so that we have increased by 5,000. And as of today, our rolls have practically doubled in Middlesex County.

SENATOR MATTURRI: Mr. Baier, but this didn't come as a result of this new law, presumptive eligibility.

MR. BAIER: It came as a result of presumptive eligibility and as a result of ADCU, that they were greatly increased in Middlesex County and also our County costs were increased.

SENATOR MATTURI: But you made a statement to the effect that as a result of the presumptive eligibility law you increased. I can't imagine how you could increase 5,000 just because of this law.

MR. BAIER: Because of presumptive eligibility and because of ADCU.

MR. COYLE: When you say ADCU, --

MR. BAIER: Unemployed parents.

MR. COYLE: -- are you referring to the 1966 law passed in New Jersey for unemployed parents?

MR. BAIER: Yes, I am. And we find that while the State is now paying 75% and the county 25%, because of the great increase in the number of our cases the county is bearing a larger share of the cost than it did last year. We went up close to \$500,000 in Middlesex County as to county cost.

We would also like the State to pay part of the administration because at the present time the State does not share in administrative costs.

MR. COYLE: Mr. Baier, it is my understanding that at the present time in Middlesex County you have principally four categorical assistance programs on the county level. Is that correct?

MR. BAIER: Five. And we can now count Cuban Refugees

as six.

MR. COYLE: Do you consider that a categorical assistance program?

MR. BAIER: It is today.

MR. COYLE: And will these programs continue to be in existence with the adoption and implementation of Title 19 here in New Jersey on January 1?

MR. BAIER: Yes, they will.

MR. COYLE: Won't they be absorbed into Title 19, these programs, where we will no longer have these programs?

MR. BAIER: Only the medical costs that are provided therein.

MR. COYLE: Well isn't that the major portion of the relief costs that are involved in most counties?

MR. BAIER: No, it is not. I mean rental and living expenses are much greater than the medical costs.

MR. COYLE: And you attribute the increase in the number of recipients in one month, 5,000, solely to the ADC?

MR. BAIER: No, I said that was since the beginning of 1968 to the beginning of 1969, or 1 year's time.

MR. COYLE: In one year's time it increased 5,000.

MR. BAIER: 5,000 recipients.

MR. COYLE: Solely to these two elements, the ADCU and the presumptive eligibility test?

MR. BAIER: Well there would be a normal increase in welfare cases but in Middlesex County we were fairly stable,

we did not have any great jump. While Middlesex County is fifth, populationwise, in the State of New Jersey, we are about eleventh based upon the total recipients of our State. Every county in the State goes up a slight degree but we found that this was the great jump when these two things became effective the first of 1969.

SENATOR MATTURRI: Sir, how do you feel about the State taking over the welfare problem completely?

MR. BAIER: Well I don't see that this is any panacea for welfare. I think that one of the things which is a good factor in all of the counties is to have a local county welfare board. We hear today that the State or some persons in the State are thinking of taking over county welfare board functions. It was only back in 1960 when the State was administering ADC through the Board of Child Welfare, so-called at that time, now the Bureau of Children's Services, that it was turned over to us to handle. And I think that one of the best functions of the County Welfare Board is the fact that it has its citizen members who serve on the Welfare Board.

SENATOR MATTURRI: But, Mr. Baier, you stated that you would like to see the law changed to wherein the State would pay part of the administrative costs.

MR. BAIER: That's correct.

SENATOR MATTURRI: Wouldn't it be more efficient if the State paid all of the administrative cost and leave the control of the welfare problems with the local welfare boards, as Miss Nixon advocated, which would give it the local color and handle the local problems.

MR. BAIER: We would like to still have the county welfare boards and the State is now paying 75-25 of the cost of our programs and we would like them also to pay 75-25, or a larger percentage, of administrative costs.

SENATOR MATTURRI: Thank you, Mr. Baier.

Mr. Greene, Passaic County Welfare Board.

Please give your name and whom you represent.

J O S E P H G R E E N E: I am Joseph Greene, Director of Welfare, County of Passaic.

I, too, have no prepared statement but there are several points that I would like to bring before this Committee due to the fact that we of Passaic County, and when I say "we" I have the permission of our governing group, Passaic County Board of Freeholders, who are advocating changes insofar as the welfare law is concerned.

At a meeting held January 15, 1969, our Board of Freeholders concurred in the action of the State Association of Freeholders in the following resolution:

WHEREAS the State Association of Chosen Freeholders has requested that 100% of all welfare costs be assumed and borne by the State and Federal Governments,

NOW, THEREFORE, BE IT RESOLVED by the members that the Board of Chosen Freeholders of the County of Passaic hereby go on record as favoring and supporting the action of the State Association and do hereby petition the Legislators of the State of New Jersey to enact appropriate legislation providing that 100% of all welfare costs, which

now so heavily burden the property owners of the State of New Jersey and other sister states, be assumed and borne by the State and Federal Governments;

BE IT FURTHER RESOLVED that certified copies of this resolution be forwarded to Honorable Richard J. Hughes, Governor, State of New Jersey; each Assemblyman and Senator of the County of Passaic; and the State Association of Chosen Freeholders.

I might also say, there have been several questions asked of Welfare Directors and I would like to touch on those. The last was regarding if and when the Federal or the State Government were to take over, the administration of welfare programs, what would happen to our welfare boards or the local administration. I feel that whether it's State or Federal the welfare board and its staffing is absolutely necessary.

I point out to you the Social Security which is a national program administered by the Federal Government. It is not just a social service agency but it's a money agency with somewhat of a social service. They have their regional boards just as the welfare board. There is no reason for the abolition because a welfare board or a local agency can feel the pulse of those whom you are serving. They are a necessity. And I don't think any amendments or any legislation that changes the administration from one to another would affect the welfare board or the local administration. It may not be on a county basis, it may be on a regional basis. But that's a necessity.

SENATOR MATTURRI: Well what would they do if you had it on a state or federal level, what would the regional board do then?

MR. GREENE: The same functions as the welfare board.

Might I point out to you, Senator, right at the present time or so the law says that the welfare board shall administer in conjunction with the State the programs of welfare as far as the categorical assistance is concerned. Your welfare boards do not have too much power. The Federal Government makes their regulations and the State must fit in their administrative patterns to the Federal laws, then it comes down to a county level. We are invited by the State to sit in and make recommendations. But in the final analysis, any policies, any radical changes your local welfare board has no authority whatsoever. You must go to the State and to the Federal Government. That's why we are in favor of making those agencies that are actually administering the program assume the responsibility of cost.

SENATOR MATTURRI: Well, the Welfare Board, what is their function now?

MR. GREENE: Just as I said, we are the liaison group for the State.

SENATOR MATTURRI: Yes, besides that. As I understand it, now you correct me because we are here to learn something from you people who have been in the field for many years, - the problem as I see it right now is, we have all these Federal laws which tell us exactly how to administer the welfare, the various categories, and then

we have the State laws which also tell us what to do about our welfare problems. By the time it gets down to the local level, I mean either the municipal or county level, you people have had very little to do but administer it exactly as the Federal government tells you to and the State tells you what to do.

MR. GREENE: That's right.

SENATOR MATTURRI: So actually the Welfare Board is, at the most, a guide to follow the dictates of both the Federal and State laws.

MR. GREENE: We are carrying out the laws of the Federal and State governments.

SENATOR MATTURRI: I think that maybe I would like to see, if it ever went on a State or Federal level 100%, that these boards should have much more to say as to what is going on than they have today. They think they have a lot to say but I think they have very little to say myself.

MR. GREENE: I agree with you. I might also point out that the Legislators last year changed a formula insofar as payment is concerned, welfare payments, from 50-50, after applying federal funds to a 25-25 basis. The Legislature was very good, thank goodness, it was passed. The only thing, we were told or we had assumed that there would be a 50% saving to counties due to that legislation but that has not happened and it has not happened due to the fact with the liberalization of your welfare program on the ADC the influx of additional caseloads. Now we in

Passaic County, as I recall, were supposed to save approximately \$1,800,000 due to this new formula, but the influx of new petitions, new applications, cut that saving down to \$600,000 approximately.

We, in Passaic County, feel that these are federal programs. I think it was Mr. Wescott who mentioned the fact that only yesterday the Federal Government allocated \$2 million for food stamps to be distributed on a free basis to persons earning less than \$30.00 a month. Eventually that's going to come back to the State of New Jersey or the Welfare Boards for administrative purposes. So there again the dictates come.

We are in favor of all of these programs but, on the other hand, my group, my governing group, is responsible to meet the financing of these programs. And I think one of the previous speakers mentioned the fact that if there is no curtailment of expenditures so far as the local level is concerned, those individuals owning property will not be able to keep their properties. These people must and should be assisted. They are unfortunates. They need the help. These are from the Federal Government. They dictate the policies. If they do the dictating of policies, they must assume the responsibility of their cost.

I might also point out that in Passaic County in 1967 - I'm just talking on ADC programs, your other programs level themselves out, it's your ADC program that causes the confusion -- in 1967 we approved 1124 cases; in 1968, 1198 cases, which is a fair increase; but with your new legislation,

your new law, from January 1 to March 31, 1969 we had approved 1,289 cases, in three months. The cost, in 1967, the county share was \$1,800,000, total cost \$7,750,000. That included state, federal and county. In 1968, \$3,378,000, total cost \$13,628,000; in 1969 the Board of Freeholders appropriated \$2,700,000, total cost \$17,000,075.

So we did, through legislative action, reduce cost so far as the taxpayers were concerned by \$600,000, which was appreciated, I assure you. Now what causes this influx? I might point out to you that that hits the problem right on the head why these programs should be administered on the federal level.

An editorial in the Newark News on Wednesday, April 23, 1967: "United States Supreme Court decision striking down the one-year residency requirement for welfare recipients set up by some states was unexpected in view of the court's demonstrated sympathy for the underprivileged. On humanitarian grounds it is hard to fault the argument that penniless persons should not have to wait a year after migrating to a new state before being housed, fed and clothed at public expense. The decision points up the difficulties inherent in Congress' failure to treat welfare as a national problem." That is borne out by statistics issued by the Federal Government. If these programs were administered on a federal level, you would not have this difference in allotments. The State of New Jersey, I understand the cost per child is \$62.57; the State of Mississippi, \$8.00.

Now I don't think these people migrate to the metropolitan area for the purpose of getting welfare. They come to our areas, the New York and New Jersey areas, because there are greater opportunities for getting work and education. When they get here they are unskilled and not having the proper educational background they are stymied. The result is that we in the northern part of the State have that influx, such as Hudson County, Essex County, Passaic County. They are the three counties that carry the biggest case load because they migrate to New York City or to the State of New Jersey seeking to better themselves but, unfortunately, they don't get what they have been told they would get, resulting in your welfare programs reaching that stage where they are.

I think on the federal administration the State of Mississippi or the State of Pennsylvania or the State of New York or the State of New Jersey will have the same amount.

SENATOR MATTURRI: Mr. Green, I agree with you but I think we better limit our remarks to the State level. Unfortunately we have nothing to do with the Federal Government with the exception that we can voice our opinions. I agree with you myself, personally, that we should be on a national level but our purpose in meeting here is to see what, if anything, the State Legislators must do to enact laws on this.

MR. GREENE: Well, we are in favor of the State administering this on account of taking over the cost and

carrying through on a welfare board basis, whether it's regional or otherwise.

ASSEMBLYMAN DODD: Mr. Greene, you say you are in favor of the County taking over just because of costs, would you agree that if there were no state guidelines and policy that we would set that this would not possibly turn county in competition with county, as we do have in some states now, states against states, whoever can pay the lowest welfare rate, therefore forcing people to migrate from one county to another if there were no state policy. You don't think that would happen?

MR. GREENE: There will be a state policy. Definitely you have to have some guidelines, otherwise you would have that condition that you speak of, administered by the state through county agencies. They are setting the policy at the present time and they will continue.

MRS. BUSH: Mr. Greene, do you think it would give us any relief in New Jersey if we had a one year residency law?

MR. GREENE: Well I think, although years ago I approved of a year's residency, as far as a resident is concerned what will we do with persons that migrate here, meet with misfortunes, and within that year's period they have to apply for welfare? We have to take care of them. We can't just let them starve.

MRS. BUSH: Well, don't you think there are a great many people coming into New Jersey just for welfare? Do you think we would have fewer people?

SENATOR MATTURRI: May I just say this. Do you think that with the Supreme Court Decision, which only came out a couple of weeks ago, that this can even be discussed anymore? The Supreme Court, which is the highest court of our country, has declared very openly that the one year residence is unconstitutional. I don't think - even though my very good friend Mr. Smith is here who advocated that legislation and it passed the Assembly, I am afraid it is going to die for some time unless we change the Supreme Court's opinion on it. I might tell you that with that Supreme Court Decision I don't think your phase of the law can do any good and you're the authority on it because you are the ones who advocated that in the State of New Jersey.

MR. GREENE: I might say, not in defense of Mr. Smith, Mr. Smith in 1959 was one who opposed the transfer of child welfare programs on the county level.

SENATOR MATTURRI: Thank you, Mr. Greene.

MR. COYLE: Mr. Greene, I don't think Mr. Smith needs any defense. I would tend to agree that Mr. Smith's position is correct in his opposition to the transfer of ADC to the county level because I think it has created a tremendous increase in cost to the counties. But that's neither here nor there today. What you recommend basically is that there be a take-over by the State in cost or even possibly the Federal Government. This only shifts the cost burden from one place to another. It doesn't attack the very basic problems of poverty and relief. It generates people making application to the State for help. And until

we have some type of uniform grants throughout the entire nation on a Federal basis, I think we can reasonably anticipate that there will be people who will be coming to New Jersey or California in order to get higher relief payments. Basically, do you see anything wrong with that?

MR. GREENE: Yes and no. Yes for this reason, on a county or municipal level the only source for your governing boards is through a real estate tax. On the State level, the state has many sources through which they can raise funds to meet these obligations, with the result that your agencies would be able to do a better job in providing and giving services. As it is now, as soon as an agency tries to develop a good social service program you have the taxpayer group on your neck. So what are you going to do? Try to get these people off of welfare rolls or are you going to keep down the expense? You have got to relieve the local condition insofar as increased cost in taxes. The State can raise funds easier than what a county can or a municipality.

SENATOR MATTURRI: In addition, there is more of an equalization program and each citizen of the State bears the burden. We from the larger counties who are paying dearly for this know what it means. We know what it means in your county and my county and Atlantic County where we have an influx of people coming in. These are not our problem. It's a state problem and should be borne by other people on an equalization program.

MR. GREENE: My reason for bringing in state and

federal, ladies and gentlemen, is simple. It's simply this, if you try to pass federal legislation today changing the method of administration, you won't pass the legislation; but if the states would pass legislation or resolutions and forward them to Washington you are going to stimulate an interest in it and there is a possibility that you may get federal enactment.

SENATOR MATTURRI: Thank you, Mr. Green.

Miss Catherine Pepitone.

MISS PEPITONE: I will yield to Mr. Ruehmling.

SENATOR MATTURRI: All right. Will you please state your name and whom you represent.

W I L L I A M H. R U E H M L I N G: I am William H. Ruehmling. I am Welfare Director for the Township of Riverside located in Burlington County.

I am not here as an individual but as a representative of the Municipal Welfare Employees Association of New Jersey, expressing the combined sentiments of the majority of Local Welfare Directors that are members of this Association. Last year 238 municipalities held membership in this Association. Personally, I am and have been a local Welfare Director for six years, also currently serving as a member of the Burlington County Welfare Board.

The Resolution creating your Committee certainly expresses the concern of the people of New Jersey and recent legislation involving Aid For Dependent Children of Unemployed Parents and Presumptive Eligibility have caused even more concern to the populace.

The economics of administering this financial assistance to the needy, actually the methods, is what we are primarily concerned with, not the finances. Certainly our large cities have had an extremely huge burden to carry the need for unified financial assistance at the State level and we concur with this.

It has been said by certain persons with authority that many municipalities do not live up to the requirements of Title 44, and this too we agree with. However, what happens when any of the other statutes of the State of New Jersey are violated? Everyone will agree that the nearness to the problems of social welfare gives better understanding and for this reason we present the following recommendations:

1. The first thirty days of Presumptive Eligibility be established at the local municipal level. Reasoning:

- a. This will relieve County offices of the time consuming paper work plus initial immediate investigation for eligibility requirements.

- b. Permits social workers at the county level more time for home evaluation and counseling.

I may say at this time, as an experienced member of the County of Burlington from the Welfare Department, and I think your representative here from our County, Mrs. Bush, will concur that actually we hire college trained record keepers because at least three days of every week is spent with paper work inside the county office.

- c. The most effective welfare can be given by

people either trained or who have proven their ability to -

(1) Know and use local community resources

(2) Participate in needed new resources

(3) Availability to deal with emergencies

(4) Convenience to client. We have been talking about the financial cost and we seem to have forgotten about the client at this point. Removing unnecessary travel, telephone calls, tolls, etc. And in our county, for example, it is nothing for a person making application for the categoricals to have to travel 35 miles to get to the county office.

2. Standardization of forms - and I would ask you to add, and budgets, to my statement, as between county and local welfare departments, thereby eliminating duplication of processing. Uniformity of service and grants is of utmost importance from the state and the national level. Complete state financing and supervision could make this possible.

3. Investigate possibility of "Block Grant" type of Federal Aid for the first thirty days at local level, similar to system used for local school districts under the NDEA Act.

4. Enforce Title 44. Adjust statutes, if necessary, for adherence by all, and I mean all municipalities as to administering sufficient help for the needy. Reasoning:

a. Mandatory and uniform welfare laws for municipalities would prevent migration from one municipality to another because of those who live up to the welfare laws.

This is both a local and a national problem.

5. Advocate the use of Income Statement for all type cases especially those with fluctuating incomes.

6. Welfare supports many families of employed men where the court orders are ignored and with long delays in court action. The man goes on earning while the families remain on welfare. This is a common practice and is used by legally responsible fathers to create further backlogs. If these type persons were ordered to pay back the welfare departments, the word would spread rapidly.

7. Some action should be devised to discourage payment for apartments for young mothers of out-of-wedlock children. I'm talking of those below the age of reasoning when we are talking in terms of 15 and 16 year old mothers when I state this. These young women, in many instances, could be better supervised in the home of their parents. Such apartments become breeding grounds for more children and more welfare. We would recommend a permissive type legislation in this case depending on case background.

8. Uniform court action on paternity cases. Thousands of dollars are lost on hospital bills for out-of-wedlock children. Could any law be devised making the so-called father responsible during the late part of pregnancy as is the responsibility of the husband? Many of these father more than one child and live in a husband and wife relationship, without marriage, ignoring the expenses and responsibilities normally assumed by a husband.

9. Frequent case discussion groups should be held in Trenton to talk about methods and handling certain type cases. We are currently doing this in our county chapters but have long sought the advice of the State. We recently had such a meeting, last week. It was in regard to our two new pieces of legislation and we came out of it with one thing, we weren't the only ones confused.

Summation: Ladies and gentlemen, we feel strongly that the finances involved in current welfare programs far exceed the capabilities of our cities. Yet, we feel even more strongly that the municipality should feel some sort of responsibility for its own, through concern and participation other than the entire financing. Preventive action and plans can often be made at the initial offset to make assistance unnecessary. On occasion, listening is all that is needed. Availability for night calls, abandonment of children, weekend emergencies, all these should be considered. Sheer bigness because of centralization can cause disgruntled persons to react more violently. Lack of adequate and convenient transportation causes a burden on those already overloaded with burdens. Remoteness from the personal knowledge of individual problems should also be given thought.

A local welfare director has a dual responsibility to the client and to the public whose tax monies foot the bill. When welfare grants become so adequate that to work is economically unsound, something is gravely wrong and welfare is then destroying the very people it is designed

to bless. When earned income is practically equal to welfare grants, it is then only an individual's pride, independence and self-respect that persuades him to continue laboring. But foremost, immediate needs must be set with understanding and compassion. The goal must always be kept in sight to help each individual insofar as possible, to achieve his own greatest capacity for self-fulfillment and social responsibility.

I have a few more remarks that are not contained in the text. They are not recommendations but food for thought.

Currently there is in use in the local welfare departments an informal reimbursement agreement, should the client be restored to a financial position to do so. We would recommend that based on this some type of formal reimbursement agreement be developed for those who have temporary problems but after they are resolved soon become not only able to maintain themselves but also may have suitable income for reimbursement. Our reasoning is this. Many of these cases develop through this presumptive eligibility at the county level. And may I inform you, it has always been at the local municipal level, there has always been presumptive eligibility. The need was immediate and we were held by law to do this.

I think, gentlemen, that when you move this higher and farther away from the people, just the same as you take a boy away from his family, you are creating a bureauacracy that causes less sensitivity to the problem. Finances are a problem and we concur with this 100%, and

it is evergrowing. We don't want to be an "I told you so" but about 9 months ago when the statement was made that this would save money we went on record saying it would not save money.

We have the availability of local resources and we made that statement in the test. Many, many local welfare directors also are unemployment managers because they go out seeking jobs. This managed to keep the control on the local level in many instances.

I think concern for services to the clients should also be taken into consideration by this Committee when we are talking about finance. Are they being better served at this point? You must answer this. It is your responsibility for your recommendations. Are we helping those now who need the least help presently? Sheer volume with no time to examine problems can also create a climate of discontent.

There is no time at the level now to discover the cause of problems. Don't put federal monies at a remote level and then move the problems at a remote level. If there are problems, let's handle them. Sometimes economics can be saved by solving the problem and not just trying to create more money or to find other places to locate tax money.

Where towns are not doing the job now, many counties are getting into this. We find that after three months of operation things are being passed back to us, if they're complicated things. We are being told now that if it's a one-time hit, local welfare directors really ought to

handle this.

I don't think it's a question any more of where assistance should be rendered, I think it's where are we going to get the funds. The current change was supposed to save this X number of dollars. You've heard many statements from the North Jersey counties, as well as the South Jersey counties, and recently one in the newspaper today, stating that they are going into bankruptcy because of funds. Now, if moving it to the Federal level is going to solve the problem - I would hope that it would - but who pays the money to the Federal government? Who pays the money to the State government? It's still getting back to the same individual who has a problem. I am sure you are not going to move the family's problems to the State or Federal level, and I think the family resolves its problems better with its own finances and its own control.

I am not trying to condemn any one particular program but I am saying if it is at all possible that you may have a good thing going here in the State of New Jersey that is unique to other states, don't change for change sake. If what we have can be rectified and made economical and meet the problem and solution, then retain it, but only change when the necessity is there.

That's all I have.

MR. COYLE: Mr. Ruehmling, you've made a number of statements. I am a little surprised that the municipal welfare directors would be so concerned with the cost insofar as the operation of county programs is concerned.

It is my understanding, and you will correct me, please, if I am mistaken, - it's my understanding that the municipalities administer only emergency relief or general assistance on the municipal level.

MR. RUEHMLING: Correct.

MR. COYLE: And that relief to those people who cannot otherwise qualify for county relief and the State program relief.

MR. RUEHMLING: Correct with exceptions.

MR. COYLE: That the big cost that may be reflected in your taxes in your municipality indirectly comes down to striking the county rate when the entire over-all rate is struck on a county level has gone down to your county, so that if you have an over-all large increase in your county operations, your county cost of welfare programs, you may get a large increase reflected in your tax rate.

Am I correct in what I state?

MR. RUEHMLING: So far with certain limitations.

MR. COYLE: All right. Perhaps you will then instruct me a little further so that I will be more educated in that area.

But the other question I have is, you made a statement that there are people, young ladies apparently, you said below the age of reason and I presume you meant 15 or 16 years old, who are becoming pregnant and having illegitimate children.

MR. RUEHMLING: Right.

MR. COYLE: The fathers are not being identified.

MR. RUEHMLING: It is my understanding that whenever a girl becomes pregnant and is not married that she must reveal the name, if she can, of the father to the County Welfare worker and that this is pursued by the county social worker and they try to determine the putative father of the child in each instance. Is that right?

MR. RUEHMLING: No, it is not correct, sir. It's a philosophy that should be but suppose I had a young lady 17 years old and pregnant and she came into my office and filed for Aid to Dependent Children and I would ask who was the father and she would refuse to tell, what are you going to do about it?

MR. COYLE: Well, there is an old saying that the only person who really knows the father of the child is the mother and sometimes even she doesn't know.

MR. RUEHMLING: How many amazing cases do you think many of the county boards could tell you that "I don't really know who the father is, I didn't know his name and he took off for parts unknown."

SENATOR MATTURRI: Well what if you did know the name, what difference would it make?

MR. RUEHMLING: Well, if you know the name you certainly should bring a support charge against him to help you locate the father.

SENATOR MATTURRI: But only after the child is born.

MR. RUEHMLING: Well this is one of the recommendations we are giving you because we are bearing the extreme heavy cost before that.

SENATOR MATTURRI: But presently, under existing law, you can't do anything about it until after the child is born.

MR. RUEHMLING: That's correct. This is why we are making the request that we do in this report.

MR. COYLE: Then aren't these matters turned over to juvenile authorities when you get a juvenile rather than placing these people in apartments. I find it difficult to believe that a county welfare board or a municipality would place a girl this age with a child in an apartment by herself, unsupervised. This appears to me to be a juvenile matter that should be turned over to the Juvenile and Domestic Relations Court.

MR. RUEHMLING: I'm afraid they are not a juvenile at this point. What do you think you could do about it if you placed it in a Juvenile Court? If I - let's say that I am a female and I have given birth to a child and with my family background, I'm not desirous of being with my family and I take up an apartment, I have my child and I file for ADC. Do you think I would be refused?

MR. COYLE: It's not a question of being refused relief or assistance, the question is, is not the matter referred to the juvenile authorities and the child taken under the jurisdiction of the court as a ward of the State so that proper accommodation be made for this juvenile and her child.

MR. RUEHMLING: Not necessarily in some cases, no. I think you have to look into this. I would say not in all

cases. There has to be a willingness on the part of the girl, I believe, at this point. If she decides to retain her child and retain herself as a family, can you stop this?

MR. COYLE: I am not questioning --

MR. RUEHMLING: I have to pass this back to you. I can't answer that question.

MR. COYLE: I'm not questioning whether she desires to retain custody of her child or not. I am merely questioning the status of this girl, this juvenile. I find it very difficult to comprehend that once she comes under the jurisdiction of a Juvenile and Domestic Relations Court that the Court would condone her being placed in an apartment by herself at that tender age.

MR. RUEHMLING: I don't believe the decision at that time is placed in the court. I believe the decision is that if she already has an apartment and the need is there, I don't think you would decline it. In fact, I'm quite positive because I happen to have cases within cognizance of my own municipality, they are receiving aid and they are under 18 years of age.

MR. COYLE: In their own apartment?

MR. RUEHMLING: Oh, yes, with their child.

MR. COYLE: Could you supply the Committee with this information?

MR. RUEHMLING: I think it would have to come through the County. That's not my authority to divulge. I think it would be worth your while - I'll tell you

another thing I would like to recommend at this time, sir, perhaps this Committee should visit both a city welfare office and a county welfare office and a small municipality welfare office, and really look into any of these possibilities. I don't want to say that there is an extreme amount of people under the age of 18 that does this but there are enough to cause a problem of concern. We feel, once again, that we are not looking at the economics of it what we're looking at is say anyone between the age of 16 and 18 and in this condition, if the family background is suitable, certainly they would be better off with their parents for guidance than they would be living off by themselves because - well, it's a hard statement but I think there have been many of these cases where they are not at the age of reasoning.

ASSEMBLYMAN SMITH: Would you believe that if they were brought into court before a county judge that the austerity of the court would maybe give you a better chance to get the name of the father from that girl?

MR. RUEHMLING: Well, this has to occur in a county court now. Under the present system we are no longer allowed to handle this in a municipal court.

ASSEMBLYMAN SMITH: But they are not doing it to any great extent.

MR. RUEHMLING: Well, I won't say to any great extent, I say to the point that this could happen. I don't have multiples of amounts to give you on this but this can and does happen.

ASSEMBLYMAN SMITH: Wouldn't you say that the court would be more likely to get that information than the case

worker saying to the girl, "Now who is the father?"

MR. RUEHMLING: Let me clarify one thing. Any case worker on the county level, the minute he gets an ADC case the first thing that is required, to the best of my knowledge and experience with that is that they must sign a support order against the father.

ASSEMBLYMAN SMITH: If they get the name of the father.

MR. RUEHMLING: That's right. But now if she doesn't divulge the name of the father --

MR. HALL: I have a couple of questions for the gentleman.

When the State Director appeared before us, as I understood him, he envisioned perhaps the best organizational pattern for the handling of welfare is something on a regional basis, what you might call a welfare or social services supermarket where under one roof, perhaps, all available services would be located for one-stop marketing by clients. This seems to be quite a divergence from the views expressed by you and you seem to feel that the welfare client is better served by keeping the services available to him at the local level where there is local understanding of the problems. Would you care to comment on the State Director's views on that?

MR. RUEHMLING: Well, there are many things that the State Director and I probably disagree with. Regionalization - let me clarify one thing, the organization that I represent here, presently, there are some who have

opinions on regionalization and there is a divided thought between keeping it at the local level and possibly regionalizing it. The only problem, as a personal opinion, that I have with regionalization is, I still get back to the fear that we are dealing strictly in economics and trying to resolve the problem. And I have to get back to the basic thing of a family as the number one social unit and in most cases in society the father and mother can solve their own problems within their family.

I still say that although in many, many instances the financing of this now has become so overburdening for larger cities in particular where these people have migrated to, still there may be 60 large cities with this problem and 500 with other type problems that possibly could be resolved and you've got to weigh the factor of who adjusts for what. And I still feel that the knowledge of your local affairs and knowing what your problem is within your own immediate community, and it may differ from another municipality one hundred percent or even seventy-five percent - this knowledge is there and it can't be lost. And we have got to also realize that we are always talking about the extreme costs. True, they're there and they are a problem, but we also have got to find a way to resolve these problems and certainly by dealing with economics and passing the buck up to a higher level doesn't solve the social problem. And we can't run away from trying to resolve the social problem along with the finances.

What I read today in the newspapers of counties

hollering "We're going to go bankrupt, give this to the Federal Government." Well, who is the Federal Government. It is "we." Who is paying the taxes for this? We are paying the taxes for it, directly or indirectly. There used to be an old common statement here with the State of New Jersey - for every dollar it gets, what does it get back? It has to pay \$3.00 for it.

SENATOR MATTURRI: What county do you come from?

MR. RUEHMLING: The Township of Riverside, Burlington County.

SENATOR MATTURRI: Burlington County. Of course, your problem, Mr. Ruehmling, is much less in Burlington County than they are, for example, in my county, in Essex County where I have the greatest percentage of the relief roll. I have to worry about 42% of the relief. You don't have to worry about that in Burlington.

MR. RUEHMLING: Your problem again, sir, - you're talking finances as your problem. I'm talking about resolving the problem. I concur with you on the financial problem in your county being more of a burden and I concur with you, and we said in the statement that I agree we should have a unified contribution toward this cause. We do not deny this. But pulling everything away and moving it up to the Federal level and the State level without that contact with the social problem is not going to reduce the economics of it, you're still going to pay for it.

SENATOR MATTURRI: I know, but the Director when he testified here at the last hearing, and he is here in

the room now and he can declare his own views better than I can, - to bring this on the State level would give it more uniformity of laws for all of the municipalities to follow.

MR. RUEHMLING: Who creates our laws currently that we're using?

SENATOR MATTURRI: The State. Therefore, why doesn't the State control the whole thing?

MR. RUEHMLING: As to what?

SENATOR MATTURRI: The whole administration of welfare.

MR. RUEHMLING: Do you think that would be more economical?

SENATOR MATTURRI: Yes, it will. There's no question about it.

MR. RUEHMLING: You moved two pices of legislation up to the county level, did it become more economical?

SENATOR MATTURRI: Well, it didn't become economical because we opened the door for more social problems, took care of a category of people that you didn't have before. That was the reason for it. I tell you that I was the prime sponsor of the welfare bill and I thought we were going to save a lot of money. I realize we didn't do it. We didn't do it because we opened the door for other social problems. If we were just interested in economics, we would have said let's present this, 75% to the state and 25% to the counties and municipalities, and then close the door. What we did was open the door and we made more

people eligible for welfare, which is the social problem that you are interested in and the social problem that I'm interested in and I am sure a lot of our people here are interested in because it is a social problem. But I don't say that the economic problem by itself should preclude the social problem. I understand that these problems must be studied together. The only criticism that I might have is that I feel - and I might tell you openly because I've been saying this for years, that I am a strong advocate of the State taking this over because I think it should be administered under one head and we should have uniform laws for all of the State. It may some day go to the Federal Government but I have no control over that here. Senators of the State of New Jersey are limited in their powers. But you can't tell me that putting this on a State level and having uniform laws - because the humane question, the humane phase of the welfare problem is the same in every municipality. I don't think it's any different in your county than in my county with the exception that I have a bigger case load than you have in your county.

MR. RUEHMLING: Mr. Senator, you have other statutes that are uniform and are complied with at the local level, what makes Title 44 any exception to the other statutes?

SENATOR MATTURRI: Because Title 44 is the most complicated phase of the law. And I'm telling you that I, as a Lawyer, have a dickens of a time explaining it. Right now, with all the welfare work, the people that are here right now, if we had to take a test, you would have different

answers right here on this problem.

MR. RUEHMLING: Then let the Legislature adjust the title. But why go through the whole rigmarole of changing everything for the sake of change?

SENATOR MATTURRI: Because what has happened is, in my opinion, the welfare laws have been done piecemeal. As we've come across a problem we've made some laws. I think the time has come now for us to stop for a while and recodify all these laws as we have done in other phases. We've done it in divorce work, we've done it in the uniform commercial code, our criminal code, we did it without Constitution. We have to make certain changes after a certain time that we have enacted laws. Legislators enact laws and then, after a while, they become complicated. I think the time has come for us to clear up some of these problems. That's what I'm advocating.

MR. RUEHMLING: I wouldn't challenge you on that. We on the local level say it's about time that the statute be changed and made a very simple rule. But suppose you are sitting in our seat where you have the desire to try to rectify social problems and then you can't get an answer. As you say, Title 44 is complicated. Fine. But those who are working in social work didn't create Title 44, from the lowest man at the local level all the way up to the county welfare director. He merely has to adhere to it.

SENATOR MATTURRI: I might have misinterpreted your interest but I certainly cannot agree with you if my inference is correct, that presenting the welfare problem

on the State level or even on the Federal level we are going to use the aspects and the essence of our social problems. On that I can't agree with you 100 percent.

MR. RUEHMLING: As a Senator, do you think you can get directly to all of the problems of the individual families within your home town or your county? It's rather difficult to have to come to you because it's too voluminous. Correct?

SENATOR MATTURRI: Oh, I wouldn't try it myself.

MR. RUEHMLING: That's correct.

SENATOR MATTURRI: Because I'm not an expert. But I am going to leave it to people who are supposed to be expert in these field. And that's why we're having these hearings. We want to hear from you people. We, as Legislators, can't know too much about welfare. I assure you I have learned more about welfare since I've become a Senator than I ever knew before in my life. I didn't know they had so many categories. But I have also found out, since I've been a Senator, that your welfare laws are complicated and that you people yourselves do not understand them. Therefore, the time has come for us to do something about it. And I am one to advocate that it's about time to do something about changing these laws so we can all understand these problems collectively.

MR. RUEHMLING: Once again, we do not disagree with this. We concur with you 100 percent, except I still will say that if you have a man living next door to you who has a problem, sooner or later you find it out and

there is a concern. I cannot possibly conceive someone coming in, for example, from Social Security, moving into an area district, perhaps not even live there, and tell me that this man, humanly, is going to have concern. He is going to have an 8 to 4 or 9 to 4 piece of concern but he is not going to have a living concern with the people that he is associating with and the people who have these problems.

Now your problems, once again I'll repeat, in Essex are in multiple times my problems, but for every unique problem that you have, I guarantee you, no longer can you differentiate between small municipalities and large municipalities, only in volume.

There is another fact that hasn't been taken up here too well and that is the new core that's coming into effect where we have large, new municipalities with extraordinarily expensive costs, and these people moving in and at the time being well able to take care of themselves but at the same time living on a day to day basis and then suddenly the bottom falls out and they don't even have one week's backlog or surplus to operate with. These type of people are a deep concern to us. I've heard finances all the way through here and because of finances, change, take it away, move it here, move it up to the Federal Government, get it away from me, it's a problem, I don't want to have any problem. This seems to be the human intent.

SENATOR MATTURRI: I don't agree with you. This is something you are creating in your own mind. I don't think these people who advocate doing this on the State level

or on the Federal level want to run away from the problem; I think what they want to do is have uniformity of laws so that everybody understands.

MR. RUEHMLING: I believe our report advocates uniformity.

SENATOR MATTURRI: It doesn't mean because this has been presented on the Federal level that we in the State must close our eyes to it. We can never do it. And if we bring it up on a State level, we can never close our eyes to it. But I think that many of us who advocate the State taking it over want to do it because we would like to have uniformity, not only from an economic point of view but also from the social problem point of view. And the law should be the same in every municipality. It's ridiculous to have laws which are benefitting the municipality of Newark as against the municipality of Elizabeth. We are then competing against one another, as brought out by Assemblyman Dodd. We don't want to do that. We would like to have uniformity for all the people involving their social problems. And the social problems, gigantic as they may be, can be classified and can be brought down to a category where they can be taken care of.

MR. RUEHMLING: Senator, you are merely stating my paragraph. It has been said by certain persons of authority that many municipalities do not live up to the requirements of Title 44. This too we agree with. However, I go back to the same thing and say, what happens when you violate any other statute? You have what could possibly

be uniformity at this point by enforcement and you are going to have to enforce it if you create it at the State level or wherever you create it. And if you have 238 municipalities adhering to it, or more, - I believe the statement has been made by Mr. Engelman, I believe, that one-third of the municipalities in New Jersey do not adhere to it. Then what is wrong with our laws? Exactly what you said, it should be rectified. What is the criticism of those municipalities that do adhere to it and do manage their social problems, other than the financial economics of it? I don't think there is anything in criticism on it. I think the problem is this, that you took a load and you dumped it in the county welfare director's lap and said, now here do this, and it was a physical impossibility. I know it definitely was in my county. I've heard other counties express it here. I'm not challenging their capabilities. They most certainly are well educated to do their job but you can't dump a ton of coal on top of somebody and tell them to pick the pieces out one by one. And I think when you spread this thing into a lump sum in one bureaucratic fashion instead of fanning it out with the roots to absorb it, it's losing its strength for being the nearness to socializing the problem.

SENATOR MATTURRI: Thank you.

MR. HALL: One further question, Senator.

In your item 9, sir, you seem to express in your thought that perhaps you are - by "you" I mean the county and municipal welfare people are suffering from a lack of

guidance and assistance from the State level at the present time. Could you profit from greater communication, greater training and formal assistance from the State?

MR. RUEHMLING: I feel that I'm not telling tales out of school because Mr. Engelman is not here --

SENATOR MATTURRI: Yes, he is. You might be careful. Everything you say is being recorded and he's here besides.

MR. RUEHMLING: I will repeat a statement that I made at Ocean County Community College when the State Federation of Freeholders was there and Mr. Engelman and I were both there, that unfortunately - and I believe at that time he concurred with me, that we have a three-apartment unit, local welfare, county welfare and State welfare, and, unfortunately, there is not a good stairwell going down and up between the two of them.

I think what has happened - this is a personal opinion now and not the opinion of the Association which I represent. I think what has happened now because of the presumptive eligibility law and the ADCU program that went on to the county level, that between the counties and the local welfare departments now we are getting a nearness because we are being called in on many of these cases now and consulted as to our personal knowledge at the local level, not on the capability as far as the social worker at the county level knowing what to do but as to the familiarity with the people we are serving in our own community. I do not challenge those who are qualified and none of us do, and we concur with Mr. Engelman on the part

that we challenge anybody who is not qualified and we would recommend very strict enforcement by the State as to those who shall be appointed and be qualified. Whoever is not qualified, certainly it is not our fault. It may be the system of politics, it may not be.

SENATOR MATTURRI: Thank you.

Is John Kabala here? Atlantic County Welfare Director.

Will you please give your name and whom you represent.

J O H N K A B A L A: My name is John Kabala and I am Director of Welfare for Atlantic County. I have been employed by the Atlantic County Welfare Board for 14 years. I started as Caseworker, worked as case work supervisor, Deputy Director and recently appointed as Director. I have worked in all phases of our public assistance programs from service to administration.

In this period of time, I have seen the welfare, that's public assistance, costs in Atlantic County rise to \$14 million, which is almost as much as the County of Atlantic spends for its entire operation.

We are second in per capita costs for assistance, only exceeded by Essex County.

With these facts in mind, the local taxpayers view the increase in these costs with alarm, and justifiably so. I have never heard anyone say that they are totally against welfare and assistance to the poor; what they do object to is the seemingly never-ending cycle of welfare recipients

from the same families.

On the other hand, the welfare recipient views their allowances as barely adequate and does not give them a chance to overcome the feeling of just barely existing and they feel that more should be done and more money expended to alleviate their problems.

The Welfare Director, and the Agency are directly in the middle. We must recognize both sides and it is the duty of government to consider them both and make the proper decisions which recognize equities on both sides. These decisions must be made on the federal level as well as on the local level. The poor and poverty will always be with us and it is doubtful whether we will ever see a time when public assistance will never be needed. It may be distributed in another manner or called by another name. We must resign ourselves to the fact that public assistance is and will continue to be an integral part of our society. What must be sought is a way to relieve the local taxpayer with this overwhelming burden.

Many factors must be considered as contributing to the increases in costs and recipients. The major factors that I feel have caused this increase are these:

1. Normal increase in population that have occurred in the past ten years.
2. Declining market for the unskilled worker.
3. Normal increase in allowances in assistance grants to meet the rising cost of living.
4. The increased costs in governmental operation.

5. Addition of new programs.

6. The advocacy program of the Community Action Programs in soliciting neighborhoods for families and individuals appearing to be eligible for public assistance.

7. Increased pressure by welfare rights groups and organizations.

Many of the problems faced by the public assistance agencies are problems that should be faced by the community as a whole. These problems are namely in the field of housing, education, health, child care and employment.

The number one problem is housing. Within our area there is a crucial need for adequate low-income housing. Many of the homes are in such poor condition that it takes an excessive amount of money to heat them, thus during the cold months of winter the public assistance recipient finds it exceedingly hard to provide even for the basic necessities. This puts them in a deeper financial rut. It is useless for them to try to move because housing is not available and the next place may be worse than the present.

The schools are primarily oriented to the college-bound student and the courses are set up with this in mind. There is a dire need for expansion of vocational training and to accommodate the students who must prepare themselves for employment upon graduation from high school.

The business community must recognize its responsibility by providing jobs that pay a decent living wage; provide for advancement for qualified personnel and where possible assure security in the position. Providing

these things through public assistance siphons off more of their profits in the form of taxes and no productivity is realized for this expenditure.

In order for certain individuals to work, it is necessary to provide care for their children. Proper day care facilities must be provided for the caring of these children. Once we can assure them that their children will be cared for, then we can concentrate on training and employment.

Every effort should be made to provide health facilities for the care and treatment of recipients and potential recipients. Much has been said about family planning but if facilities are not established to provide this service all the information and counselling done by case workers is fruitless.

The number one problem that we as an agency encounter is one of recruiting qualified personnel to administer these programs. With the lack of personnel we are reduced to the function of establishing eligibility and providing financial assistance, but with very little service. The inability to provide services will in itself perpetuate dependency. The problem of retaining personnel is one of competition between agencies both public and private. There should be a uniform salary scale for all positions between the counties and a greater opportunity for advancement in the professional grades. This, in all probability, would not be possible unless these programs become state supervised and administered.

Welfare is a national problem and must be recognized as such. There must be a change in the Federal Laws and regulations before any appreciative change can take place on the local level. There must be national standards set up for assistance payments and a change in the matching formula for Federal participation which is equitable to all states. These are the two areas which in my opinion should be changed immediately. Every effort should be made to put pressure upon our legislators in Congress for this change. If certain regulations go into effect very shortly - namely, the ADC freeze - an even greater burden will be put upon the local taxpayer.

In summary, the recommendations that I would suggest for your consideration are these:

1. Press for much needed changes as outlined on the Federal level.
2. Establish one category of assistance based on need and administered by one agency.
3. Provide further financial relief by increasing state matching for assistance and matching funds for administration or complete state take-over of the program.
4. Provide expanded vocational education for those students who go directly into employment so that they are better equipped to obtain and remain employed.
5. Enforcement of the building and health codes and an increased effort to provide low cost housing either by governmental effort or free enterprise.

6. Establishment of a basic minimum living allowance for those on public assistance which would include all items necessary for decent living including rent. This would make public assistance grants more objective.

7. Expand existing local health facilities to provide for family planning.

8. The creation of day care facilities for child care either by government or by assistance to private organizations for this purpose.

9. Provide for uniform and realistic support orders and enforcement of these orders to help relieve the cost of assistance.

I wish to thank you for this opportunity to appear before you and present my views and opinions. These views and opinions in no way reflect the views and opinions of my Board of Freeholders nor the Welfare Board.

SENATOR MATTURRI: Thank you, Mr. Kabala.

ASSEMBLYMAN SMITH: Mr. Kabala, could I ask you a question or two on number 6, page 2, "The advocacy program of the Community Action Programs in soliciting neighborhoods for families and individuals appearing to be eligible for public assistance."

Are there, to your knowledge, any national groups who have gone from house to house in some of the neighborhoods in the County to check to see whether they are on welfare and to tell them what they are entitled to under welfare?

MR. KABALA: I wouldn't consider it a national

welfare rights group. They were employees or they are employees of the Community Action Programs and they call themselves advocates. And as far as their role, a few solicit in these neighborhoods, especially in the so-called ghetto areas, and they distribute a welfare handbook to recipients stating what rights they have and the things that they could receive from public assistance and the public assistance agencies. The ones they felt were eligible for public assistance they would bring in personally and we would register applications for them.

ASSEMBLYMAN SMITH: Mr. Kabala, those groups, were they financed by any Federal funds of any type?

MR. KABALA: Well my understanding is that the Community Action Programs through OEO are federally financed I think by 90%, and they are federally financed programs.

ASSEMBLYMAN SMITH: That in itself frightens me. I don't know whether it does the rest of this Committee, but where we go out looking for things, and I think I read a pamphlet where it said, if you're not satisfied and you don't get these things then you can bring your case worker to Trenton for a hearing and try the case worker.

MR. KABALA: Yes, these are the things that were circulated amongst the public assistance recipients as to what their rights were. I think that a better approach to the whole problem would have been one of cooperation between the Community Action Programs, the County Welfare

Board and the State agencies in writing a pamphlet and distributing a handbook for people on public assistance. And in this way some of the half-prints or misinformation would have been eliminated. It has caused a great problem in the field especially of fair hearings. So far I can say we haven't had any demonstrations and most of the problems we have encountered we have handled and we have taken care of on a local level without any big confrontation with anyone. But much of this misunderstanding could have been eliminated and much of the time of case work staff in trying to explain the half truths or the untruths could have been eliminated.

SENATOR MATTURRI: Mr. Kabala, did some county welfare boards issue a booklet as to the rights of welfare recipients?

MR. KABALA: Yes. You mean the county welfare boards themselves. Yes, I understand they --

SENATOR MATTURRI: As a matter of fact, I think Essex County, if I'm correct.

MR. KABALA: I know that Monmouth County did. I think there has only been a couple of counties.

SENATOR MATTURRI: Well, do you think, the fact that Essex County or Monmouth County or whatever counties there were that issued this booklet, that this makes it detrimental to the welfare recipients, the very fact that we let them know what their rights are?

MR. KABALA: Oh, no. As far as issuing, if you issue the correct information, you issue the correct

procedure, there is nothing wrong with this. They should know how the grants are determined and exactly how eligibility is established. This I agree with, that there should be possibly even more information. And this gets into the point where because of lack of personnel, most of the personnel is just being used for determining grants and determining eligibility, and this is a lack of service, and because of the lack of service this in itself, like I said, perpetuates public assistance because you are not doing anything for them to get them off the public assistance rolls.

SENATOR MATTURRI: Very good.

MR. COYLE: Mr. Kabala, wasn't this one of the reasons for the concept of a declaration of need to bring the social worker to go out and do more social services for people who need help rather than do investigative work?

MR. KABALA: Are you talking on the federal level, the declaration? The theory behind it is fine if this would, in effect, relieve the social workers to go out but just a blanket statement by any individual - it's labeled as many things and I think the latest label is "instant welfare" - without some sort of investigation, I can't buy it because then, when you have to get the permission of the individual before you can investigate their case, how do you know, this may be a greater way of committing fraud with the county welfare boards or in welfare itself.

MR. HALL: One question, Senator.

On your page 4, item No. 6, could you amplify that?
I have thought there was something along that line today
in effect.

MR. KABALA: Yes. No. 6. "Establishment of a basic
minimum living allowance for those on public assistance which
would include all items necessary for decent living including
rent. This would make public assistance grants more objective."

As the budget manual is set up now, there are certain
items, special circumstance items, that can be provided.
These items are telephone, telephone service. These items
are now, I would say, a matter of interpretation by county
welfare boards, by the case workers, by the supervisors.
If a one-figure budget were established to include all basic
necessities of living, such as anyone who works for a salary
or per hour they know how much money they are getting per
week and you can budget yourself according to this, and it
would include rent items as well. And I feel that the
person would seek rentals commensurate with their income.
In other words, if a person is making \$4,000 or \$5,000 a
year, he sure can't afford a \$30,000 home. He will find
housing equal to what his income would be. By setting this,
I feel that possibly the amount of rentals, that are
constantly going up - I think we find in our area now that
the average amount of rent charged to welfare recipients
is anywhere from \$80 to \$115 a month, which is below some
of the rents charged in other areas, but for the housing
it is getting, it is not worth, I would say in my own opinion,
\$80 or \$115. And also regarding housing, we are the first

county that has been made eligible for rent subsidies. We do have now a project, just been completed, and public welfare recipients are in this project of rent subsidies through the Federal Government. These rentals even run \$125 or \$127 a month.

MR. HALL: Is this a figure that is better established by the county agency or by the state agency?

MR. KABALA: No, I would say that the figure should be an over-all state figure based on data and statistics from a state level, taking into consideration all areas of the state and making it equal throughout the State. I don't think it should be left up to each individual county welfare board to set a basic minimum allowance. It should be one figure so that there would be uniformity in 21 counties.

MR. HALL: Do you find it a major problem with many welfare recipients in aiding them to effectively spend what money you do provide them, in terms of budgeting?

MR. KABALA: I would say in the minority of cases, not the majority. I do have a Home Economist on our staff. We utilize her for the cases where there is mismanagement in money. We send her to counsel these cases, as far as buying in the stores, buying clothing, taking care of the home. Also we utilize her where there is a grant that we give in catastrophic events, in case of a fire, for purchase of furniture or replacement items, and she will accompany the individual to the store to assist in picking out items

if they request it; it is not mandatory that she go along with them. This is a service that we do give but it is not mandatory. We let them know we have the service and if they request it then the Home Economist will go along with them and help them get the best buys or help them in marketing.

If there continues to be mismanagement of money, then we will put them on restricted payments or we would have a representative payee put in the case. We do have a few cases of this type where we feel there is gross mismanagement of money, we have tried to work with them but it just continues on, and many of these cases are those with low mentality.

MR. DODD: Mr. Kabala, do you have any figures - I see in your opening remarks here "never ending cycle of welfare recipients from the same families." Do you have any figures or percentages of how many people for how many years have been receiving welfare in your county?

MR. KABALA: We have cases - raw figures and raw percentages, no.

MR. DODD: Just generally.

MR. KABALA: It's even hard to guess because of the fact that some of these families are inter-related by marriage, or cousins and uncles and aunts and nephews, but they are of the same family and it just seems that these families just perpetuate themselves on public assistance. I can think of a couple of cases.

MR. DODD: What I am trying to find out, you have some welfare recipients, say, that have been receiving

welfare for the past 15 years, 20 years.

MR. KABALA: Right. We have had them directly on all categories at one time within the same family. That even included municipal welfare at times before we had the ADCU program.

MR. DODD: Are there quite a few of them in proportion to the over-all picture?

MR. KABALA: Oh, I would say they are in the minority but this is what the people hear and this is what the people object to. This is always the exception to the rule rather than the rule. And when people complain about public assistance, these are the cases that are always brought before you. Actually these are the exceptions to the rule, these people who perpetuate themselves on public welfare generation after generation. I would say they are in the minority. They are the exception. That's why I say in raw figures I couldn't off the top of my head give you any. I can quote from cases.

MR. DODD: No. Would it be your opinion that this is not in the spirit of welfare itself?

MR. KABALA: Oh, no. I would say definitely not, this is not in the spirit of welfare. And we would have to look into this also, that we ourselves, the Welfare Agency or the system itself might perpetuate them in public assistance. For instance, large families, families of 8, 9 or 10 children that are involved, the parents, the single parent or if both mother and father are in the home, possibly the amount of money they could make in employment would not

even approach what they could receive as a public welfare grant. When a person goes to apply for work to an employer he contracts for a per hour rate, maybe \$2.50 or \$3.00 an hour. The employer doesn't ask him, how many children do you have in your family. In public assistance grants are based on the number of people within the family, which I think is equitable. The more children you have the more money it takes to support them. I don't think that this theory is wrong either. But if you compare employment with assistance grants, then as the family gets bigger of course the assistance grants are going to possibly exceed the amount of money a person could get in employment due to the fact that employers don't ask, how big is your family.

MR. DODD: One final question for my own satisfaction and education and perhaps the benefit of the rest of the Committee. In your own words, could you describe to the best of your knowledge what is welfare and what is the basic intent.

MR. KABALA: In my opinion, to my knowledge I think when the original welfare laws were set up they were set up as emergency, temporary measures to help individuals over crises and to help them in times of need, with the thought that the individual at some time would either rehabilitate themselves or the community itself could rehabilitate them so that they could get back in the mainstream of employment and become sufficient again. I honestly feel that welfare was a temporary measure and should be a temporary measure.

MR. DODD: Thank you.

MR. COYLE: Mr. Kabala, I seem to remember, my

memory goes back to a few years ago, you had a problem in Atlantic County dealing with morale and it seems, as I recall, there were some people on relief who were getting a larger annual income than the people that were working on your staff, the social workers. As a result, that you weren't able to retain your help, you weren't able to get help, and you weren't able, apparently, to do the job that should have been done, at least in your own county, and I am wondering has that problem been resolved.

MR. KABALA: The problem of salaries and compensation, employee benefits, has been resolved. The basic minimum starting salary for case worker is \$6600 a year, as outlined by the State. We provide free Blue Cross, Blue Shield, Major Medical policies, these items we have provided. There is a problem though as there is a shortage of college trained personnel who want to go into these positions now, even at \$6600 per year. And even with this there is a competition. The problem of compensation and the problem of employee benefits have been rectified to the satisfaction of everybody but there is today in the field, especially within my agency, the problem of pressure, the pressure of work, the constant badgering from OEO groups within the community and they get disillusioned and they just leave. I have lost many good employees who are natural for social work just because of the pressures involved.

MR. COYLE: Are you in favor or would you be in favor of a statewide standard for salaries for people in this type of work?

MR. KABALA: Yes, if all conditions were equal, that is, working conditions as far as hours of work and other benefits that go along with it. I agree there should be. Then possibly this competition between agencies would be eliminated. I feel that there should be a uniform plan of annual increments based on experience similar to what the State has.

MR. COYLE: Minimum and maximum?

MR. KABALA: Right, a compensation plan similar to what the State of New Jersey has if it would be retained within the county, within county administration. If it is retained under county administration, I would also have to say that the State should pay some of the administrative costs.

MRS. BUSH: If I may ask Mr. Kabala a question. If welfare's intent originally was to be temporary assistance, how, in your opinion, would the basic minimum living allowance alleviate the welfare roll or reduce the perpetuation of welfare cases or clients? In my county we have had some on welfare for three generations.

MR. KABALA: Number 1, it's hard to say whether a basic minimum allowance would either perpetuate it or get people off of welfare. The idea for a basic minimum living allowance is one to set up an allowance commensurate with decent, healthy safety of the individual, not with the idea of either perpetuating them or getting them off of public assistance. First of all, if they are on public assistance we must present them with at least a decent subsistence, a

decent standard of maintaining themselves. When you do this, then we can concentrate on the factor of rehabilitation. We are in the midst of a WIN program, we are trying, and I say "trying" because we are just starting with the WIN program, to rehabilitate, to get people back in positions of employment and to actually get them off of public assistance. But a basic minimum allowance, a living allowance would not, in my own opinion, either perpetuate or eliminate. It is one of just a decent living, a decent standard of living for these individuals whether they are in employment or whether they are on public assistance. If the amount of money in the State of New Jersey for basic minimum necessities would be X number of dollars, this should be it. If the employers don't pay a salary commensurate with this rate, then either the basic minimum wage in the State of New Jersey should be raised or the employer should take this into consideration.

MRS. BUSH: Well I understand the reasons behind basic minimum income is to give them a decent amount of money to live on but I feel that we should be doing something to try to reduce the welfare rolls instead of increasing them, and to try to reduce the amount of money we are spending on welfare. And no one yet has been able to prove to me that a minimum income is going to do it.

MR. KABALA: Well, we didn't say it was going to reduce the cost. First of all, it would be an objective amount that would be equitable in all 21 counties, it would make grants equal whether in Essex County or Atlantic

County. I don't think anyone said that the cost would be reduced in this at all. We are trying to get a feature of objectivity here that no one could ever say, how come so-and-so in Essex County gets more money or gets these benefits that we don't get in Atlantic County. In other words, we are trying to equalize this all along. Now, with this there should be other services given, services of education, day care facilities, these should be set up so that if there are jobs available the children can be taken care of. With this in mind, you can get people off of public assistance. The grant is just not the panacea for welfare. There are other things involved, the other services that go with the grant. The money part of it is just one part of it. The service part, the counseling, the service part, family planning, the day care facilities, the vocational training, all of these are the other part of it to get the person off of public assistance by giving them a grant but that does not in any way say that they will get off of public assistance.

MRS. BUSH: All right. Now, to leave this, you mentioned just one other thing, if I may, Senator.

SENATOR MATTURRI: Sure.

MRS. BUSH: A moment ago we were discussing rents. Did I understand you correctly to say you felt there should be a uniform rent throughout the State?

MR. KABALA: No. What I said, in the basic minimum allowances there should be an item included for rent, an allowance for rent.

MRS. BUSH: Oh, I see, an allowance for rent.

MR. KABALA: I don't say that in every county the rental is \$100.

MRS. BUSH: I wondered how you were going to do that.

MRS. KABALA: Oh, no. In the basic minimum allowance there should be a rental item. Now if a person can get rent of \$75 a month but the rental item is \$100, fine, they have \$25 a month to spend for some other item that they might need.

MRS. BUSH: Fine, thank you. Now just a point of information. Do you have a very active welfare rights group in Atlantic County?

MR. KABALA: No, not very, very active.

SENATOR MATTURRI: Thank you, Mr. Kabala.

We generally adjourn but since we only have a few more speakers we are going to go right on, if you don't mind, because some of them have to leave a little bit early. I hope it's okeh with our Secretary, that she is not too tired.

Mr. Dougherty from Mercer County Welfare Board.

R A Y M O N D A . D O U G H E R T Y: Mr. Chairman,
my name is Raymond A. Dougherty. I am Director of Welfare,
Mercer County Welfare Board.

First I would like to say that there has been continual
progressive change and innovation in the New Jersey Public
Assistance Program during recent years in an effort to cope
with the ever-expanding responsibilities assigned to this
public service. These changes have been necessary in order
to meet the financial and social needs of people brought about
by the unprecedented socio-economic adjustments which our
society has been experiencing. These innovations include the
introduction of the food stamp program, the work incentive
program, and a long step was taken by the 1968 legislation,
implementing Federal law, concerning the assistance for
dependent children category to include unemployed fathers,
(the ADC-UP Program) and the presumptive eligibility statute.
These and other programmed projects are evidence of these
progressive changes.

As you know, the ADC-UP change is centered on keeping
the family intact and a guard against family disorganization
because of insufficient income on the part of the father.
Uniform assistance standards for the family are now on a state-
wide basis. This change was long overdue in New Jersey.

The presumptive eligibility program permits county
welfare boards to grant immediate assistance when there is
evidence of emergency financial need.

There is concern relative to the financial grants being
made under the employment incentive disregards and the level

of the administrative ceilings on grants under current assistance budgeting procedure. It may be that a re-appraisal as to this procedure may be in order.

The impact of the 1968 legislation: The impact of the ADC-UP and presumptive eligibility programs on the operation of county welfare boards has been considerable. The increase in the number of applications under these new programs has been extensive. The volume of applications and case loads has increased beyond the initial planned projections. We are averaging 270 applications per month. In Mercer County the following information as to the increase in case loads in selected periods may be indicative: In January 1968 there were 3,069 cases, which included 1,815 ADC cases. For January 1969 there were 3,603 cases, which included 2,211 ADC cases. Between December 1968 and March 1969 there has been an increase of 316 cases, of which 202 were ADC. These figures show the rapid growth of the welfare program, principally in ADC.

However, when we are talking about these increases and in connection with the 1968 legislation, we have to keep in mind that the County Welfare Boards took over approximately 75 per cent of the cases that were serviced at the municipal level. Although our projection is taking that into consideration, we feel as though - well, there has always been an extract in there - we didn't know exactly how many cases would be transferred, so that there are more cases being serviced than I really think were anticipated.

Number 2. Administrative Structure. Study of Laws.

It is recommended that a study of the current public assistance and poor laws for the purpose of consolidation and simplification of these laws be made to eliminate misinterpretation and misunderstanding. Public and private welfare agencies have difficulty in arriving at the true meaning of the statutes. Statutes pertaining to general assistance and categorical assistance are a good example of this, and I support that there should be one welfare assistance. I think we are suffering somewhat under the welfare system in that the over-all purpose and the needs of the people could be best satisfied with one welfare assistance program.

At the Federal level there is critical need for the consolidation of the categorical programs into one public assistance program with nationwide equated minimum assistance grants. Because the public assistance program cuts across state lines, sincere consideration should be given toward having the Federal government assume a greater amount of the financing if not all.

Personnel. The great weakness in our efforts to carry out the on-going operation of the program is inadequate personnel staffing. We have never been able to recruit the full quota of caseworkers needed, despite sufficient budget allocations for these vacancies. The result is the caseloads are high and burdensome to the caseworker. Sub-professional personnel is being utilized for financial eligibility purposes in order to meet our obligations.

I feel that there needs to be a re-evaluation of the

current methods and the numerous forms now being used toward simplification in case recording and the financial processing of monthly grants. This cumbersome paperwork infringes upon the caseworker's time which should be used more constructively in the social service phase in working with individuals and families.

Support payments: Some consideration should be given to the collection of support payments made by legally responsible relatives through probation departments. In each situation involving support payments from relatives, the client makes a formal complaint to the appropriate court on the basis of separation or desertion, paternity and support of the illegitimate child.

Although we collect a considerable amount monthly in support payments, there is difficulty in cases where the person does not comply with the court order. This area should be reviewed toward having both filiation and non-support complaints services at the county court level, with adequate staff to assure that support payments are being made as ordered. Where the problem lies, I believe, is that the Domestic Relations Court Judge has too many things to handle and I would subscribe to a plan that would use in the matter of the support payments, a section of the Domestic Relations Court.

Finally, I would say that poverty is a real problem. Many problems of the welfare program will not be solved within the context of the welfare program itself. They are rooted in unemployment, education, bad housing, dismal and decayed neighborhoods, crime, family life that is often unstable, and the

feelings of despair, apathy and hopelessness harbored by so many who are trapped in such environments. Poverty itself is the enemy, and it will take a good deal more than changes in the welfare system to conquer it.

SENATOR MATTURRI: Thank you, Mr. Dougherty. Are there any questions?

MR. HALL: I have one, Senator. Several of our witnesses have set forth the idea that the professional welfare workers are having to spend an undue amount of their time in processing papers rather than giving ample service to their clients. Does this paperwork rise from State or Federal laws or State and Federal rules and regulations, are they of your own making, or where do they come from?

MR. DOUGHERTY: I think it is a combination of both. I think it was initiated at the Federal level and under the State plan which the State must conform to in order to participate in Federal funding that they have to conform to certain Federal regulations, and then it came down to us. I do think that the State Division is aware of this. We have talked about it a few times and they are trying to do something about it. They are so many things that have to be done that it hasn't been accomplished yet, but I think this is a real critical need, to cut out some of the paperwork that our caseworkers are obligated to complete.

MR. HALL: When you combine the chore of handling the papers plus the lack of professionally trained workers, you have a problem I can see.

MR. DOUGHERTY: Well you see, here is what we are working toward in the County Welfare Board as I see it. There are three areas. One is money payments, one is social service, and the other is placing people in training and employment. Now we are on a very good start on that with our WIN program, because every person who applies and who has a potential is referred to the Division of Employment Security. We have representatives right in our office working with us on this program. There could be better use made of what we call the sub-professionals, the casework Aides, where a person who has had two years of college could be used in making financial eligibility determination, and this is what we are working toward. I think this would help the problem but still, I think, that the number of forms that we have to complete, etc. should be surveyed again .

MR. HALL: There has been a proposal made to the Legislature in the field of probation that sub-professional people be used in all this work and in the community to assist the full-professional qualified probation officers, etc. Could something be developed along that line?

MR. DOUGHERTY: Representatives of the County Probation Department work with the County Welfare Boards?

MR. HALL: No. In the use of the personnel in a sub-professional nature to help the Probation Officers work within the community and do their paper shuffling and so on.

MR. DOUGHERTY: I think that could be done.

MR. HALL: This to me offers some prominence in another difficult where personnel are not available.

MRS. BUSH: Mr. Dougherty, I am interested in your remarks about the Probation Department in regard to support payments and having a group of Referees of the court handle it. This is a considerable problem, I am sure, in most counties. I know that it is in our county where there is a several weeks' backlog of support payments to be processed by the Probation Department. Would you think that the municipal courts could do a better job of this, handling this at the municipal level?

MR. DOUGHERTY: I think it would be too fragmented. From the servicing of a case from the County Welfare Board approach, there would be too many communities or units that we would have to contact. If it were centralized in the Domestic Relations Court, then we could deal with all cases in a more orderly manner.

MR. COYLE: I would like to ask a question. I would like to state also that I was surprised to hear a County Welfare Director say some nice things about the new program, the ADCU and the presumptive eligibility test even though apparently there has been some increase in the rolls in Mercer County. But you make a statement that you have not been able to recruit a full quota of caseworkers, despite sufficient budget allocations for these positions.

MR. DOUGHERTY: Right.

MR. COYLE: Can you tell us why? If the money is available, why can't you get the caseworkers?

MR. DOUGHERTY: The money is available and the salary range is the same as at the State level - \$6684, which is

comparable to the State - Plan B. But here in Mercer County we are in a very peculiar situation because we are surrounded by State departments who are looking for college graduates. We do have many people come with us; we have a high turnover. However, they leave us for other jobs with the State, more or less. And this has often been said - that we are training grounds for other departments, because a person may have a degree fresh out of college who doesn't have the experience and may come to work with us for a year which makes him eligible for an exam with the Rehabilitation Commission, the Bureau of Children's Services, or other departments.

MR. COYLE: Why would they want to move to another department?

MR. DOUGHERTY: Well, the job of a caseworker in the County Welfare Department is not the easiest job in the world. It is very exacting and I think you really have to have a liking to work with people. This is a big difference.

MR. COYLE: Basically then you feel that the only way to resolve the problem of recruiting people for this type of work, social workers, and keeping them in the welfare field, the welfare department, is by paying them higher salaries competitively than other State divisions?

MR. DOUGHERTY: Well, if we were able to recruit a sufficient number of people and had better caseloads, we could do a better job on an individual basis and I think this would be something that would interest the people.

Another thing in the personnel structure, and this is why I would support a single welfare system, is that it would be a career personnel program so that these people could move up more rapidly within their own structure; in other words, we do have these salary ranges comparable to the State but we don't have the positions. I would like to have the positions we have at the State level, but if we had one system then the investment we had in training people, etc., they would be staying with us and they wouldn't be going off somewhere else.

MR. COYLE: The Federal recommendation, I think, is 60 cases per worker. Do you know offhand what the average caseload per worker is in your county?

MR. DOUGHERTY: Yes. It is around 90 to 100 cases. Now, of course, you have to take into consideration the avalanche of applications and cases we had since the first of the year. During 1968 we were down to about 70 cases per worker. We couldn't keep up with it; we couldn't recruit enough people, etc., but we are trying to meet that problem by reorganization of caseloads, etc., and the further use of the non or sub-professionals - let them do a lot of the financial determinations and other paperwork that will free the caseworker to do other jobs.

SENATOR MATTURRI: Thank you, Mr. Dougherty. Is there a representative of the City of Newark here? I notice there are three names here on behalf of the City of Newark. Who is going to speak? Mrs. Grace Malone? [Not present] It looks as if I'm the only one here from the City of Newark. Is Mr. Young here from the Jersey City Welfare Board?

J A M E S F . Y O U N G :

MR. CHAIRMAN, MEMBERS OF THE COMMITTEE:

WE ARE HERE TODAY TO REVIEW THE OPERATION OF THE WELFARE AND RELIEF LAWS IN THE STATE OF NEW JERSEY - 1969.

YES, GENTLEMEN, 1969. THEREFORE, FIRST DIRECT YOUR ATTENTION TO THE CURRENT RELIEF LAWS WHICH ARE PRESENTLY IN EXISTENCE, EFFECTIVE SINCE DEC. 20, 1937 (31½ YEARS AGO), I. E.: TITLE 44.

SINCE ITS INCEPTION THESE LAWS HAVE BEEN INTERPRETED, CLARIFIED AND ELABORATED UPON IN ORDER TO KEEP ABREAST OF CHANGING TIMES. EVEN MOST OF ITS ORIGINAL TERMS HAVE BECOME ANTIQUATED, FOR INSTANCE "OVERSEER OF THE POOR", "ALMSHOUSE" "WELFARE-HOUSE", "SUPERINTENDENT OF WELFARE", ETC.

THE GROWTH OF WELFARE PROGRAMS HAS SEEN, IN EFFECT, A DUAL WELFARE SYSTEM - COUNTY WELFARE AND MUNICIPAL WELFARE. BOTH FUNCTIONING UNDER THE LAWS, RULES AND REGULATIONS OF THE DEPARTMENT OF INSTITUTIONS AND AGENCIES, DIVISION OF PUBLIC WELFARE, YET STRUCTURED IN SUCH A MANNER THAT IT APPEARS AT TIMES TO BE OPERATING AS SEPARATE ENTITIES CAUSING UNDUE BURDENS UPON THOSE IN NEED OF ASSISTANCE AND THE TAXPAYERS.

AS THE SO-CALLED "MANUALS" HAVE BECOME MORE VOLUMINOUS, ADMINISTRATIVE COSTS CONTINUE TO INCREASE, STAFFING OF PROGRAMS BECOMES MORE DIFFICULT AND THE DEFINITION OF THE WORD "NEED" (AS IT RELATES TO WELFARE STANDARDS) IS NOW MISUNDERSTOOD BY THOSE APPLYING FOR ASSISTANCE, THOSE ALREADY RECEIVING ASSISTANCE AND THOSE PROVIDING THE WHERE - WITH - ALL; THE TAXPAYER, IT IS APPARENT THAT COMMUNICATIONS AND MUTUAL UNDERSTANDING IS GROSSLY DEFICIENT.

I THEREFORE SUBMIT FOR YOUR CONSIDERATION THE FOLLOWING RECOMMENDATIONS WHICH WILL HAVE THE EFFECT OF CONSOLIDATING THE ENTIRE WELFARE INTENT AND PURPOSE, PROVIDE MORE EQUITABLE SERVICE TO THOSE IN NEED AND IN THE LONG RUN AFFORD A MEASURE OF RELIEF TO OUR TAXPAYERS:

1) THE CONCEPT AND IMAGE OF SO CALLED "WELFARE OR RELIEF DEPARTMENTS OR DIVISIONS" SHOULD BE CHANGED. I RECOMMEND THAT STATE, COUNTY AND MUNICIPAL DEPARTMENTS OR DIVISION BE REFERRED AS " DEPARTMENTS OR DIVISIONS OF SOCIAL SERVICE." TOO MUCH EMPHASIS HAS BEEN PLACED ON THE " WELFARE " GRANT OR CHECK, WITH TOO LITTLE EMPHASIS ON ACTUAL " SOCIAL SERVICE."

AT THE STATE LEVEL THE "DIVISION OF PUBLIC WELFARE" HAS SUCH A TREMENDOUS RESPONSIBILITY, WHICH PROMISES TO BECOME EVEN MORE COMPLEX IN THE FUTURE, I RECOMMEND THAT IT BE DESIGNATED A SEPARATE DEPARTMENT OF THIS STATE. I FURTHER SUGGEST THAT THE " STATE DEPARTMENT OF SOCIAL SERVICE " ESTABLISH TWENTY-ONE (21) DIVISIONS OF SOCIAL SERVICE - ONE IN EACH COUNTY. THIS STRUCTURE WOULD BE SOLELY RESPONSIBLE FOR THE ADMINISTRATION OF ALL OUR WELFARE, RELIEF AND SOCIAL PROGRAMS. OUR PRESENT MUNICIPAL WELFARE OFFICES SHOULD BE MAINTAINED AS "SATELLITES" TO THE COUNTY DIVISION OFFICES.

THE BASIC FUNCTION OF EACH WOULD BE:

- a) STATE - ESTABLISH RULES, REGULATIONS AND ADMINISTRATIVE DIRECTIVES. ALSO SUPERVISION AND ESTABLISHING TRAINING PROGRAMS.
- b) COUNTY - ADMINISTER THE STATES' PROGRAM AND PROVIDE SORELY NEEDED " SOCIAL CASE WORK".
- c) MUNICIPAL - PROVIDE THE LOCAL ROUTINE PAPER WORK FOR

THE STATES PROGRAM: (APPLICATIONS, INVESTIGATIONS, RE-INVESTIGATIONS, JOB REFERRALS, INCOME VERIFICATIONS, RESIDENCY VERIFICATIONS, ETC.) THE MUNICIPAL WELFARE DEPARTMENTS WOULD ALSO BE RESPONSIBLE FOR ANY WELFARE ASSISTANCE NOT PROVIDED FOR BY EXISTING CATEGORIES OR PROGRAMS.

2) THE AFOREMENTIONED STRUCTURE WOULD PROVIDE FOR STANDARDIZATION OF APPLICATIONS, FORMS AND PAPER WORK IN GENERAL, THUS ELIMINATING DUPLICATION OF WORK AND EFFORT.

3) COUNTY WELFARE BOARDS AND LOCAL ASSISTANCE BOARDS SHOULD BE REQUIRED TO HAVE APPOINTED TO THEM AT LEAST ONE (1) MEMBER OF THE LOCAL, RECOGNIZED ANTI-POVERTY AGENCY OR WELFARE RIGHTS ORGANIZATION.

4) THE STATE SHOULD PROVIDE AND REQUIRE "SOCIAL SERVICE" TRAINING TO ALL PERSONNEL THAT DEAL WITH CLIENTS. THE EMPHASIS SHOULD BE ON SENSITIVITY OR EMPATHY EXPERIENCE, IN ADDITION TO A COMPLETE KNOWLEDGE OF STATE REGULATIONS AND AVAILABLE SERVICES IN THE COMMUNITY.

5) THE ONLY CONDITION THAT SHOULD BE ATTACHED TO THE "PRESUMPTIVE ELIGIBILITY AFFIDAVIT", IN A CASE OF IMMEDIATE EMERGENCY ASSISTANCE, SHOULD BE A VERIFICATION OF ADDRESS.

6) IN VIEW OF THE FACT THAT THE RESPONSIBILITY FOR FAMILY CASES WHICH REPRESENTED 85% OF THE GENERAL ASSISTANCE CASELOAD 1968 HAVE NOW BEEN VESTED INTO THE COUNTY PROGRAM, I WOULD RECOMMEND

THAT THE DOMESTIC RELATION COURTS BE DIRECTED TO ASSIGN AT LEAST ONE JUDGE TO SIT ON HEARINGS FOR WELFARE CLIENTS ONLY ONCE OR TWICE A WEEK. THESE WOULD BE FOR PATERNITY, DESERTION, AND/OR NON-SUPPORT COMPLAINTS. A WELFARE COURT REPRESENTATIVE SHOULD BE PRESENT AT EACH HEARING IN ORDER TO ADVISE THE JUDGE AS TO THE FAMILY BUDGET SO THAT HIS AWARD WOULD BE EQUITABLE TO THE CLIENT AND THE DIVISION OF SOCIAL SERVICE. THIS WOULD EASE THE PRESENT DOMESTIC COURT CALENDAR, AND REDUCE THE AMOUNT OF FINANCIAL ASSISTANCE GRANTED BY THE STATE UNTIL THE CASE IS HEARD.

I WOULD ALSO RECOMMEND THAT PAYMENTS BE DIRECTED BY THE COURT TO BE MADE THROUGH THE COUNTY SOCIAL SERVICE OFFICE, ON WELFARE CLIENTS ONLY, SO THAT A MORE ACCURATE, UP-TO-DATE RECORD COULD BE KEPT. IMMEDIATE CONTEMPT-OF-COURT COMPLAINTS COULD BE INITIATED IF AN ORDER WERE IGNORED AND WHERE SUPPLEMENTARY ASSISTANCE IS NEEDED IT COULD BE ADJUSTED WITHOUT DELAY.

7) IT IS MY EARNEST BELIEF THAT THE MAJORITY OF PRESENT WELFARE CLIENTS ARE SINCERE, HONEST, AND IN REAL NEED OF ASSISTANCE. THEIR NEED HAS BEEN CAUSED BY CIRCUMSTANCES BEYOND THEIR CONTROL; THE SOLUTION REMAINS IN EITHER FINANCIAL HELP, OR GUIDANCE.

OUR PRESENT SYSTEM DOES PROVIDE SOME FORM OF FINANCIAL RELIEF, BUT IS THIS THE ANSWER? IS THIS OUR JOB? IF YOUR ANSWER IS YES, IF MY ANSWER IS YES, THEN NEITHER OF US UNDERSTAND THE UTTER FRUSTRATION, THE COMPLETE DEHUMANIZING EXPERIENCE IT IS TO APPLY TO A TOTAL STRANGER FOR HELP. NOT ONLY THE

APPLICATION, BUT THE CONTINUOUS REALIZATION THEREAFTER, THAT "I AM ON RELIEF", IS BAD ENOUGH FOR THE ADULTS AND THE PARENTS, BUT FOR YOUNGSTERS GROWING UP IN OUR SO-CALLED AFFLUENT SOCIETY BECOMING AWARE THAT THEY CARRY A PUBLIC IMPOSED STIGMA OF A "WELFARE CHILD" IS A MORAL DISGRACE.

LET US, THEREFORE, AFTER PROVIDING FOR THE FAMILIES BASIC NEEDS (REASONABLE RENT, FOOD, HOUSEHOLD NECESSITIES, PERSONAL INCIDENTALS, HEAT, GAS & ELECTRIC, MEDICATION, HOSPITALIZATION, AND CLOTHING), ARRANGE AND MAKE ALLOWANCES FOR SERVICES (BUDGETING DIRECTION, FAMILY PLANNING, REHABILITATION, TRAINING, HEAD-START, ETC); EXEMPTIONS OF INCOME, IN FAMILY WELFARE BUDGETS, FOR YOUNGSTER OF SCHOOL AGE WHO MAY HAVE PART-TIME JOBS OR SUMMER EMPLOYMENT. CASH ALONE WILL NOT BREAK THE WELFARE CYCLE. GRANTED WE MUST PROVIDE A LIVING CASH STANDARD, HOWEVER WE MUST PROVIDE INCENTIVES FOR THE CLIENTS AND THEIR YOUNGSTERS TO HELP THEMSELVES. WE CANNOT PERPETUATE THE CLIENTS AT THE POVERTY LEVEL AND CONTINUE TO REMIND THEM THAT THEY ARE PUBLIC CHARGES AND FOURTH-RATE CITIZENS. LET US CHANGE THE WELFARE IMAGE, LET US CONCENTRATE ON THE YOUTH, LET US INVEST IN THE FUTURE OF ALL OUR CITIZENS. IT WILL NOT BE AN EASY ROAD, IT WILL NOT BE INEXPENSIVE, "AT FIRST", BUT THE INVESTMENT NOW WILL RETURN DIVIDENDS IN THE FUTURE IN BREAKING THE WELFARE CYCLE, COMBATING DISPAIR, REINSTATING PRIDE IN BOTH SELF AND COMMUNITY BY PROVIDING FUTURE, SELF SUSTAINING CITIZENS.

THE TOOLS ARE IN YOUR HANDS ONLY, GENTLEMEN, MAY ALMIGHTY GOD HELP AND GUIDE YOU IN ALL YOUR ENDEAVORS AND DELIBERATIONS. THE FUTURE AND DESTINY OF THOURSANDS REMAINS WITH YOUR FINAL DECISIONS.

SENATOR MATTURRI: Are there any questions?

ASSEMBLYMAN DODD: I would like to ask Mr. Young, as I asked before: Mr. Young, what is your interpretation, your personal opinion of what the intent of relief and welfare is, or what is its meaning?

MR. YOUNG: The intent of relief and welfare, I believe, is a little bit different from what is indicated in the dictionary. The Dictionary would say that it is a group or organization joined together to render assistance and to aid an individual in distress. Basically this is true but, according to the sociologic changes in the United States, I believe that welfare today is assisting those who, No. 1, cannot assist themselves either one way or another, either as a disability or as a youngster who may be left without a figure-head in the family, without parents, someone who cannot sustain himself for any number of reasons. Where there is a need for this individual, welfare should either be a temporary measure or a permanent measure. As a temporary measure, I get back to the fact you are not going to do it with cash. I feel it has to be done with services, and I feel that too much emphasis has been placed on cash.

ASSEMBLYMAN DODD: Would there be any connection or correlation with collecting unemployment, say?

MR. YOUNG: I would say that if the check that an individual receives would not be sufficient for the individual to sustain himself and his family, that income should be supplemented by welfare. That is the only connection where I

would see welfare and social security hooking up together. I feel that social security grants are highly inadequate in very many cases. I would say that most of your disability, your aid to the blind, all of these programs, I believe, could be hooked up into social security and there should be a more equitable grant at the social security level.

SENATOR MATTURRI: Thank you, Mr. Young.

Are there any others who wish to testify here today?

I am rather shocked that there is nobody here from the City of Newark because the City of Newark is the largest city in the State and the one that we hear the most about in the paper recently, particularly that the legislators are not doing anything for the City of Newark. I might say that I resent it because I come from the City of Newark myself and I'm a taxpayer in the City of Newark, and here we find they don't come here to testify, so they should not criticize the legislature on this thing here.

W I L L I A M H. R U E H M L I N G: Mr. Chairman, in defense of Mrs. Grace Malone who is not here today and who is the Director of Welfare in the City of Newark, she did take off sick; she has been on sick leave for at least a week, I believe, with the City of Newark. I have been in contact with her and I believe it was her intent and desire to defer her opinions to the New Jersey Welfare Employees Association which I spoke in representation of.

SENATOR MATTURRI: I might read for the record - there is a letter here from Mrs. Malone, dated April 21, 1969, in which she states: "However, Newark has a welfare problem

peculiar to large urban centers. I have reported to the city administration, the local assistance board, the governing authority of the City of Newark, the Division of Public Welfare to consider preparing statements from Newark. You may hear either from Mr. Biunno, the City Business Administrator, or Mr. Galante, Chairman of the Local Assistance Board, if Newark will accept the invitation to speak at the scheduled public hearing."

I notice that these are the people who are also very ready to criticize the Legislature for not doing anything for urban aid. Now here's their opportunity and I don't mind telling you I think it's a reflection on the members of this Committee that they haven't been here. There has been criticism in the newspapers about the fact that the Legislature won't do anything for the City of Newark. It happens that I am from Essex County and I notice my colleague, Assemblyman Dodd who is also from Essex County, although not from Newark, is here and is interested in urban programs like I am, and I am sure he feels that they should be represented here as I do.

MR. RUEHMLING: Was there contact with Mr. Biunno or Mr. Galante directly by the Commission, Senator?

SENATOR MATTURRI: Well, we sent out an invitation from the Commission -

MR. RUEHMLING: I would just like to clear for the record whether Mr. Biunno or Mr. Galante were invited personally by the Commission or was the onus on Mrs. Malone to contact them, and did she contact them?

SENATOR MATTURRI: Well, I don't know. The only thing I know is -

MR. RUEHMLING: I would just like to clarify that. I was merely speaking from Mrs. Malone's viewpoint, sir.

SENATOR MATTURRI: We invited Mrs. Malone, and I might also tell you that I spoke to Mrs. Faulks only the other day and she told me that she would have somebody here.

MR. COYLE: Mr. Chairman, might I suggest that we invite again the people from Newark to our next meeting and perhaps they can appear at that time and give us their viewpoints on the problems of one of the largest urban areas in the State.

SENATOR MATTURRI: Suppose we adjourn and have a meeting of the Commission. We will stand adjourned.

Thank you all for appearing.

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