Public Welfare
North Carolina

State of North Carolina

REPORT

OF THE

COMMISSION TO STUDY PUBLIC WELFARE PROGRAMS

December 1962

THE COMMISSION TO STUDY PUBLIC WELFARE PROGRAMS

November 29, 1962

Honorable Terry Sanford
Governor of North Carolina
Raleigh, North Carolina

Dear Governor Sanford:

The Commission to Study Public Welfare Programs, established by Resolution 66 of the 1961 General Assembly, herewith transmits to you its final report.

The year 1962 marked the twenty-fifth anniversary of federal-state-county public assistance programs in North Carolina. We feel that this was an appropriate time to review these programs with a view to determining what changes, if any, were necessary or desirable to insure that the present programs are consistent with current public welfare needs, philosophy, and objectives. We have followed your suggestion that the study not be guided by any pre-conceived notions that there were existing deficiencies in our public welfare programs. We have made recommendations as to changes only in those instances where the facts developed indicated to us that a change would be desirable and in the best interest of the State.

We are convinced that we have, basically, a sound program of public welfare in North Carolina. Our public officials with responsibilities for carrying out the public welfare programs are doing a creditable job at both the state and county level. At the same time, we feel that the recommendations set out in this report will, if adopted, serve to make these programs more appropriately meet the public welfare needs of North Carolina today.

In filing this report, we might approximately summarize the activities of the Commission over the past year. Since our appointment we have met at least once, and sometimes twice, each month. Some of our meetings were one day in length, but most of them have been two-day meetings.

We received both factual and opinion information from many people across the State who are interested in and concerned about public welfare programs. We would like to single out for special appreciation Dr. Ellen Winston, Commissioner of Public Welfare, and Mr. John Alexander McMahon, General Counsel, North Carolina Association of County Commissioners. Both Dr. Winston and Mr. McMahon co-operated with the Commission to the fullest extent, furnishing the Commission with all available information requested, and going to great lengths to obtain requested information that was not immediately available.

We would also like to express our appreciation to the many people who appeared before the Commission to give us the benefit of their knowledge and experience with respect to the various aspects of public welfare in North Carolina. In addition to Dr. Winston and Mr. McMahon these included: Mr. Howard Manning, Chairman, State Board of Public Welfare; Mrs. Neil Goodnight, Member, State Board of Public Welfare; Mr. R. Eugene Brown, Assistant Commissioner of Public Welfare; Mr. George Narensky, Regional Representative, Bureau of Family Services, Department of Health, Education, and Welfare; Mr. H. A. Wood, Executive Secretary, State Commission for the Blind; Judge Sam Cathey, Chairman, State Commission for the Blind; Miss Christine Anderson, Supervisor of Social Services, State Commission for the Blind; Mr. Carlton F. Edwards, Budget Officer, State Commission for the Blind; Mr. Claude Caldwell, Merit System Supervisor; Mr. Henry E. Kendall, Chairman, Employment Security Commission; Mr. Hugh Cannon, Director, Department of Administration; Mr. David Coltrane, Special Consultant to Governor on Efficiency and Economy; Mr. O. E. Brown, Assistant Budget Officer, Department of Administration; Mr. Jay P. Davis, Director, Commodity Distribution Program, N. C. Department of Agriculture; Mrs. Annie Mae Pemberton, Supervisor of Services to Aged, State Board of Public Welfare; Miss Elizabeth Fink, Administrative Assistant to the Commissioner, State Board of Public Welfare; and, Mrs. Edith B. Chance, President, North Carolina Association of Nursing Homes.

In addition to the information acquired from the individuals listed above, we sent a lengthy questionnaire to all county commissioners, all county directors of public welfare, and all members of county boards of public welfare. We received what we considered to be a good percentage of returns. We are indeed indebted to the many persons who returned the questionnaires, thereby giving us a large pool of information and opinion from which we could work toward recommendations that we felt would improve the public welfare programs in North Carolina.

After our study was under way, Congress made a substantial number of changes in the federal laws relating to public welfare by the adoption of the "Public Welfare Amendments of 1962." We have included these amendments in our study with a view to determining their effect upon our over-all program, and upon any recommendations we might make. Some of the changes called for by these federal amendments are mandatory upon the states; others are permissive. In those instances in which the change is permissive, we have stated our recommendation as to what course we should follow in North Carolina.

Working with the aid of the Institute of Government of the University of North Carolina, which furnished staff services to the Commission, factual studies of the laws, organization, and practices of the public welfare agencies were prepared for our use. We feel that we have been most fortunate to have had the able and conscientious assistance of Roddey M. Ligon, Jr., Assistant Director of the Institute of Government, who served as Secretary to this Commission. His special knowledge, devotion to duty, and impartial evaluations have been invaluable to us throughout this study, and we gratefully acknowledge our indebtedness to him and the Institute of Government.

Through our service on this Commission we have added greatly to our own knowledge of public welfare programs in North Carolina. We trust that the recommendations which we have made will be understood as efforts to improve a governmental program that is basically sound and progressive, but which needs periodic adjustment in order to meet the need of changing times and new opportunities.

Respectfully submitted,

Mrs. John B. Chase
I. P. Davis
J. Worth Gentry
L. Stacy Weaver, Jr.
Jack Wofford
W. C. Reed, Vice-chairman
Dallas L. Alford, Jr., Chairman

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LEGISLATIVE DIRECTIVE

S. R. 283

RESOLUTION 66

A JOINT RESOLUTION AUTHORIZING THE APPOINTMENT OF A COMMISSION TO STUDY PUBLIC WELFARE PROGRAMS AND TO SUBMIT A REPORT TO THE GOVERNOR AND THE 1963 SESSION OF THE GENERAL ASSEMBLY.

WHEREAS, it has long been the policy of the State of North Carolina to take care of its needy citizens, yet at the same time to encourage all of its citizens to be and remain financially independent; and

WHEREAS, with all governmental programs, it is advisable to analyze them periodically to insure that they continue to pursue basic objectives; and

WHEREAS, a study of public welfare programs in North Carolina, conducted by an impartial group of people, is now necessary and advisable, to the end that these programs may be analyzed to insure that they are achieving basic objectives:

Now, therefore, be it resolved by the Senate, the House of Representatives concurring:

Section 1. There is hereby created a commission to be known as the Commission to Study Public Welfare Programs. The Commission shall consist of not less than three (3), nor more than seven (7) members to be appointed by the Governor, to serve until they make their report to the Governor. The Governor shall designate one of the members as Chairman.

Sec. 2. It shall be the duty of the Commission herein created to make a detailed and exhaustive study of existing public welfare programs. The Commission shall study current investigative techniques, to determine that they insure that welfare rolls include only needy persons; the present safeguards which are designed to insure that recipients spend public assistance grants only for necessary items, and particularly that recipients of grants in aid to dependent children spend such funds for feeding, clothing, and sheltering the children; the family situations of dependent children, to insure the suitability of such situations and their conduciveness to the proper growth and development of the children; the complicated formula now used to determine public assistance grants, to determine whether it accomplishes its purpose or whether some simpler formula would better deal with the situation; and such other problems as may be brought to its attention or as its members may deem appropriate for study.

Sec. 3. The Commission herein created shall, immediately following its appointment, meet at a time and place designated by the Chairman and shall elect a Secretary. The Commission shall meet at such other times as the Chairman may designate. The Commission, with the approval of the Governor, is authorized to employ such clerical help and other assistance as it may deem necessary, to carry out the purposes for which the Commission is created. Per diem, subsistence and travel allowances, incurred by the members of the Commission, shall be the same as is allowed State boards and commissions generally.

Sec. 4. There is hereby appropriated from the General Fund of the State the sum of ten thousand dollars ($10,000.00) for the biennium beginning July 1, 1961, and ending June 30, 1963, for the purposes of paying expenses incurred in the employment of clerical assistance, other types of assistance, per diem, subsistence and travel allowances incurred by the members of the Commission, which items, with the approval of the Governor, shall be paid out of this appropriation.

Sec. 5. The Commission shall submit its recommendation to the Governor, not later than December 1, 1962, for transmission by the Governor to the 1963 Session of the General Assembly.

Sec. 6. This Resolution shall be effective upon its adoption.

In the General Assembly read three times and ratified, this the 21st day of June, 1961.

INTRODUCTION

The North Carolina Constitution of 1868 provided in part that "Beneficent provision for the poor, the unfortunate, and orphan, being one of the first duties of a civilized and Christian State. . . ." The public welfare program of North Carolina is based upon this mandate. Our Constitution also provides that "A frequent recurrence to fundamental principles is absolutely necessary to preserve the blessings of liberty." We have attempted to keep both of these mandates foremost in our mind as we have pursued this study.

In 1917 the General Assembly provided for the basic organization of the present State Board of Public Welfare and the county departments of public welfare and for public welfare services to people throughout the State. In 1937 the General Assembly made possible this State's participation in public assistance programs under the Social Security Act. The State entered into official relationships with the federal government, along with strengthened relationships with county government, to provide basically the public welfare program as we know it today. A review of legislative action indicates that since 1917 every biennial session of the General Assembly has provided new services or extended existing services or both, supporting the oft quoted statement that "public welfare reflects the conscience of the State."

In this brief introduction, it is not possible to summarize the many developments during the past quarter century. These are available elsewhere in published reports. They show an increasing acceptance of responsibility by State government, in association with county government, for the general welfare of the total citizenry. With changing social and

economic conditions, programs must be and generally have been adapted to meet changing needs. The early emphasis on correction of specific problems and on amelioration of destitution has been extended to include in recent years major attention to the provision of preventive, protective, and rehabilitative services. This emphasis on direct efforts to help people to help themselves has made the program more constructive, and must continue to be its primary direction. In these times of relative prosperity and high employment, we are concerned about the poverty that persists in the midst of abundance. If this situation is to improve, we must continue and intensify these efforts toward prevention and rehabilitation, toward alleviating the destitution of a substantial proportion of our population. That such efforts can produce effective results is demonstrated by the thousands of former recipients of aid to dependent children who today are self-supporting tax-paying citizens.

The Public Welfare Amendments of 1962 were presented to Congress as amendments designed to stress prevention and rehabilitation. Congress apparently accepted them on this basis. The President sent a message to Congress early this year strongly supporting these amendments. In his message he made several statements, with which we agree, that we feel merit repeating here. They included the following:

> "Our basic public welfare programs were enacted more than a quarter century ago...But the times, the conditions, the problems have changed -- and the nature and objectives of our public assistance and child welfare programs must be changed, also, if they are to meet our current needs...."
>
> "Public welfare, in short, must be more than a salvage operation, picking up the debris from the wreckage of human lives. Its emphasis must be directed increasingly toward prevention and rehabilitation -- on reducing not only the long range cost in budgetary terms, but the long range cost

in human terms as well...."

> "I recommend that the States be encouraged... to strengthen and broaden the rehabilitative and preventive services they offer to persons who are dependent or who would otherwise become dependent...."

Thus, one of the guideposts we have followed in weighing proposals is their probable effect from the standpoint of prevention and rehabilitation.

Another guidepost we have followed is a recognition that the welfare of our children is of paramount importance to our society. Borrowing again from the speech of the President, he stated:

> "... children need more than aid when they are destitute. We need to improve our preventive and protective services for children as well as adults.... Adequate care for ... children during their most formative years is essential to their proper growth and training."

We wholeheartedly agree and have made recommendations which we hope will, if adopted, promote the welfare of our children.

Still another guidepost we have used in developing our recommendations is our belief that as much responsibility and authority as possible, taking into account the requirements of Federal and State law, should be vested in the county board of public welfare which represents the level of government closest to the people.

Although a majority of the States have a state administered program, we are definitely committed to a State-supervised locally-administered program in North Carolina. Our questionnaires indicated that there was almost unanimous agreement among county commissioners, county welfare boards, and county directors of public welfare that the locally administered system is preferable for our State. They pointed out the desirable effects of local administration to include such things as

more local interest in the program; more support for the program; better interpretation of the program to the taxpayers; keeping the program sensitive to varying local conditions; making a more personal type of service available to the people; and, others.

While we recognize the desirability of as much local responsibility and control as possible, we are also aware of the fact that public welfare is financed co-operatively by the federal government, the state government, and the counties and that this requires co-operative administration. This can best be done with a free flow of information and advice from state to county and from county to state. During the course of our study we have been impressed by the high degree of state-county cooperation now existing. There are undoubtedly instances in which counties have not followed state policy or did not understand state policy, and instances in which state policy affecting counties has been adopted without the full effect on the county having been realized. It is unlikely that all such instances can be avoided but they underscore the necessity for the fullest exchange of ideas and advice between state and county officers and employees involved in these programs. This will provide the counties with an opportunity to advise the state concerning the impact of proposed policies on county operations and finances, and will provide the state an opportunity to explain to the counties the reasons for decisions.

In addition to the guideposts listed above, our recommendations represent our belief that appropriate and adequate help should be provided to people in need; that all persons should utilize their own efforts to the fullest extent; that families able to do so should help their indigent members; and that families receiving public assistance should be assisted to, and expected to, recognize the responsibilities of

parenthood and maintain a clean and moral home for the rearing of the children.

Before moving on to a discussion of our recommendations, we would like to make a few comments about the scope of the public welfare program in North Carolina. It is a desirable and necessary program in our complex modern society. It is a program involving the expenditure of a substantial amount of public funds and touching a large number of people.

We have found that there are many members of our general public who are totally unfamiliar with the requirements which one must meet before he can be found eligible for public assistance. This is evidenced by the statements that are sometimes heard to the effect that anyone too lazy to work can live off of public welfare. This is simply not true. In order for one to be eligible for public assistance, as provided for under the Social Security Act with financing by the federal, state and county governments, he must be in need and either over 65 years of age, or blind, or permanently and totally disabled, or a child deprived of parental support because of the death, physical or mental incapacity of the parent, the continued absence from the home of a parent, or (to a very limited extent) the unemployment of a parent. In addition to this, most counties have a limited general assistance program for short term aid to persons found eligible. The general assistance program is financed entirely by the county. We feel that there needs to be more public awareness of these legal limitations on eligibility.

Notwithstanding these limitations, a substantial number of people are receiving public assistance in North Carolina today. Using round figures, we have approximately 47,000 persons receiving old age assistance

(this represents slightly over 1% of our total population); approximately 28,000 families representing 112,000 persons receiving aid to dependent children (this represents about 2.4% of our total population); approximately 20,000 persons receiving aid to the permanently and totally disabled (this represents about .42% of our total population); and, approximately 5,000 persons receiving aid to the blind (this represents slightly over .1% of our total population). In addition, in an average month approximately 1,600 persons receive general assistance. These programs total over 185,000 persons or over 4% of our total population.

Turning from the recipient count to the dollars, North Carolina appropriated over $26 million for the total public welfare program for the 1961-63 biennium. Although this was about $6 million more than the appropriation for the 1959-61 biennium, the appropriation for public welfare today represents a smaller percentage of the total General Fund Budget than it did a few years ago. It has been as much as 5% of the total General Fund Budget. The 1961-63 percentage was 3.4%. To the $27 million of state appropriations for the biennium there is added $126 million of federal funds, $26 million of county funds, and $343,000 from other sources for a total for the biennium of $179 million.

These statistics demonstrate that public welfare is big business in North Carolina in terms of persons receiving financial aid and the cost of the financial aid. Public Welfare is also big business in North Carolina in terms of non-financial services provided by the 100 county departments of public welfare. Special emphasis is given to non-financial services in this State, as services that do not involve money grants are provided to more men, women and children than all the people who receive financial assistance. This means that public social services

are sought by and made available to individuals from all social and economic groups within the State. This is as it should be because constructive social services help to conserve and strengthen our human resources.

Although we have made several recommendations, we reiterate our finding that we have, basically, a sound and progressive public welfare program. Our program is recognized nationally for its emphasis on preventive, protective and rehabilitative services and for its pioneering work in various constructive programs. Our recommendations are made with the hope that they will serve to help make a good program even better.

SUMMARY OF RECOMMENDATIONS

[Note: An explanation of each recommendation follows this summary, beginning on page 15.]

1. We recommend that the Merit System Council and State Board of Public Welfare go forward as soon as practicable with their proposed plan to study further the classifications, duties and qualifications of caseworkers in order that the best possible matching of caseloads to worker qualifications will result; and, that the study be followed by a re-examination of pay scales in order to determine if the employees in the various casework classifications are receiving the same pay as other employees required to have comparable education, training and experience.

2. We recommend that each board of county commissioners seriously consider making regular legal services available to the county department of public welfare either through the employment of a special attorney or by making the scope of employment of the county attorney sufficiently broad to make him regularly available to the department.

3. We recommend that the 1963 General Assembly approve the "B" budget request of the State Board of Public Welfare calling for an increase in appropriations for state aid to public welfare administration so that the state share can be increased from 12.5% to 15% of the total administrative cost.

4. We recommend that all county boards of public welfare be increased in size from three members to five members; that the manner of appointment be the same as it is at the present time except that the State Board of Public Welfare and the board of county commissioners each appoint two members rather than one; and that the county board of public welfare and board of county commissioners continue to hold joint sessions to determine the number and salaries of employees but without the members of the county board of public welfare having a vote at such sessions.

5. We recommend that legislation be enacted permitting two or more county boards of public welfare to employ jointly one director of public welfare to serve the employing counties.

6. We recommend that the statutory provisions requiring the salary of the Director of Public Assistance to be fixed by the Governor subject to the approval of the Advisory Budget Commission be deleted and that the Director of Public Assistance be brought within Merit System provisions so that his status will be the same as that of all other division directors within the State Board of Public Welfare.

7. We recommend that members of the State Board of Public Welfare be paid the same per diem as is customarily paid to other state boards and commissions.

8. We recommend that the Institute of Government hold an annual conference or school for newly appointed members of county boards of public welfare so as to brief said officials concerning their legal duties and responsibilities, and particularly as to the scope of their authority.

9. We recommend that the state adopt as a part of the state plan the provisions of the Public Welfare Amendments of 1962 that authorize states, in determining need in old age assistance cases, to disregard the first ten dollars of earned income.

10. We recommend that physically and mentally capable children who are sixteen or seventeen years of age should not be included in the aid to dependent children budget of the family unless they are regularly attending school (or unless they are an essential person within the terms of the state plan).

11. We recommend that counties consider making use of community work and training programs of a constructive nature designed to conserve and

develop work skills, and that the ADC-Unemployed Parent Law be extended so as to cover the needy children of persons who are unemployed and who would have been eligible for unemployment compensation benefits except for the fact that they had not worked in covered employment.

12. We recommend that the provisions of the Public Welfare Amendments of 1962 authorizing so-called "protective payments"--i.e., payments to an individual interested in the welfare of the family in those cases where it is found that the parent or relative with whom a dependent child is living is not spending the grant for the welfare of the child--be adopted to the full extent allowed by federal law.

13. We recommend that North Carolina continue the 1961 law authorizing aid to dependent children to children residing in foster homes, and that this be extended to cover children residing in a child care institution if the institution meets federal and state standards and requests to be covered.

14. We recommend that the present policy of the State Board of Public Welfare relating to the contribution by relatives to the needs of old age assistance and aid to the permanently and totally disabled recipients be modified in such a way as to make clear that able relatives are expected to contribute to the support of the assistance applicant or recipient without regard to whether the recipient is living within the home of the relative or living elsewhere. We also recommend greater use of the present laws relating to duties of support where the person to whom the duty is owed is an applicant for or recipient of public assistance.

15. We recommend that the present limitation of five cents on the one hundred dollar valuation on the amount of tax that may be levied for aid to the permanently and totally disabled program be repealed so as to eliminate this limitation.

16. We recommend that home consumption produce not be counted as a resource in preparing public assistance grants.

17. We recommend that legislation be enacted, to become effective upon the appropriation of funds for this purpose by the U. S. Congress, combining the old age assistance and the aid to the permanently and totally disabled programs; and, that the lien law and residence requirements of the old age assistance program be made applicable to the combined program.

18. We recommend that the provisions of the public assistance budget authorizing a maximum of $10 per month for medical expenses be increased to $12 per month.

19. We recommend that county boards and departments of public welfare make continued efforts to solicit the co-operation of the members of the local Medical Society in those areas of mutual interest, particularly in dealing with cases where eligibility is based on disability.

20. We recommend that the present formula for allocating equalizing funds to counties be given further study with a view to arriving at a formula that will better equalize the burden of taxation for public assistance purposes among the counties; that equalizing funds be made available for the program of aid to the permanently and totally disabled; and, that the present statute prohibiting a county from sharing in equalizing funds unless the tax levy for the particular assistance program exceeds ten cents on the hundred dollar valuation be repealed.

21. We recommend that the birth of a third child out of wedlock be made a legal presumption that the mother of such child is an unfit person for the rearing of her children; that such a finding of unfitness be made a basis for removal, by a juvenile court judge, of one or all of the children from the mother for placement in a foster home; that upon such finding

the necessity that the mother consent to the adoption of her children born out of wedlock be eliminated; and, that the presumption herein created could be rebutted by the presentation of sufficient evidence to show that the mother is not, in fact, an unfit person for the rearing of her children.

22. We recommend that legislation be enacted making it clear that licensed physicians and surgeons have authority, after consultations, to perform operations in licensed hospitals for the sexual sterilization of patients who desire the operation, subject to the consent of the spouse of any such patient who is married and subject, in the case of an unmarried minor, to the consent of a parent or guardian and a determination by the appropriate juvenile court that the operation would be in the best interest of the minor.

23. We recommend that present experiments with oral contraceptives on a voluntary basis be carefully studied, and if the results of these experiments show that the procedures followed and drugs administered are medically safe, that other counties be encouraged to follow this procedure as another step toward the reduction of illegitimacy and dependency.

24. We recommend that the State Board of Public Welfare develop a day care program using federal child welfare service funds to the maximum extent possible.

25. We recommend that the state and counties be encouraged to take advantage of the provisions of the Public Welfare Amendments of 1962 relating to demonstration projects.

26. We recommend that the counties not presently participating in the surplus food program re-consider the decision not to participate and that the counties be encouraged to take advantage of this program.

EXPLANATION OF FINDINGS AND RECOMMENDATIONS

Public Welfare Administration

Recommendations number 1 through 8 of the preceding Summary of Recommendations relate to the general area of public welfare administration. In this section of our report we state our reasons for each of these recommendations.

Recommendation No. 1: That the Merit System Council and State Board of Public Welfare go forward as soon as practicable with their proposed plan to study further the classifications, duties and qualifications of caseworkers in order that the best possible matching of caseloads to worker qualifications will result; and, that the study be followed by a re-examination of pay scales in order to determine if the employees in the various case-work classifications are receiving the same pay as other employees required to have comparable education, training and experience.

We attempted to look thoroughly into the general area of public welfare personnel matters. In fact, one of the four broad areas covered on our questionnaires to county commissioners and welfare officials related to personnel matters. We discovered, however, that much of the information that we would need in order to make appropriate recommendations concerning personnel was not immediately obtainable, but that a study which would collect such information was planned and was expected to be carried out in the near future. We learned that the study was planned co-operatively between the Merit System Council and the State Board of Public Welfare, and that the study would cover the classification, duties and qualifications of caseworkers. Thus, we recommend that these agencies go forward with this study as soon as practicable in order

to determine the best possible matching of caseloads to worker qualifications. We feel that this study should result in a better determination of the minimum qualifications necessary for the various types of caseworker positions. It is our feeling that there are, within a given caseload in any county, a certain number of cases that could be appreciably aided toward the gaining or re-gaining of self-support if highly qualified caseworkers with relatively small caseloads were working with these cases. On the other hand, we feel that there are also a number of cases within any given caseload where the primary responsibility of the caseworker is to determine that the applicant or recipient meets eligibility requirements as the recipient (because of age or other circumstances) is not in a position to be rehabilitated through skilled casework services. It is, therefore, our belief that the study could lead to a determination that we need casework classifications calling for highly trained and experienced caseworkers to work with cases requiring skilled casework services, and caseworkers with less training and experience to work with the cases where only routine casework services are required. If our opinion is borne out by the proposed study, it would be possible to alter the Merit System classification plan so that different categories will be provided for the handling of the differing types of cases, and casework qualifications for each category will be as great as, but no greater than, that necessary.

Following this study, it seems to us that there should be a re-examination of the Merit System pay plan in order to determine if the various casework classifications are receiving the same pay as other employees required to have comparable education, training and experience.

We did not consider it appropriate to make recommendations concerning the pay of public welfare employees until the proposed study has been completed.

We recognize that it is not desirable to make a study of this scope at a time when the program is undergoing considerable change, as is the public welfare program at the present time because of the federal amendments and because of the adoption of data processing methods. We do feel that the study should go forward just as soon as it is practicable to do so.

Recommendation No. 2: That each board of county commissioners seriously consider making regular legal services available to the county department of public welfare either through the employment of a special attorney for that purpose or by making the scope of employment of the county attorney sufficiently broad to make him regularly available to the department.

In 1959 the General Assembly enacted G. S. 108-14.01, G. S. 108-14.02, and G. S. 108-14.03. These statutes are as follows:

> "§ 108-14.01. Special county attorneys for welfare matters; appointment or designation of another to perform duties; compensation and expenses.--The board of county commissioners of any county, with the approval of the county board of public welfare, may appoint a duly qualified and licensed attorney who shall serve as a special county attorney for the purposes of §§ 108-14.01 to 108-14.03. In lieu of appointing a special county attorney the board of county commissioners may designate the county attorney, the assistant district solicitor or the solicitor of any court in the county inferior to the superior court as special county attorney and provide for him additional compensation for the performance of the duties imposed upon him as special county attorney. Such special county attorney shall serve as legal advisor to the county director of public welfare, the county board of public welfare and the board of county commissioners in public welfare matters, and provision for his compensation and other expenses may be made in the special tax levy for county welfare administration. Nothing in §§ 108-14.01 to 108-14.03 shall be construed as prohibiting any system or plan by which any county in the State may already have made specific arrangements for specialized legal

services in the nature herein prescribed, or the authority of any county government to retain and compensate special legal counsel for the purposes of discharging all or some of the duties and responsibilities herein set forth, or to impair the validity of the expenditure of public funds for specialized legal services.

"§ 108-14.02. Duties of special county attorneys.--The special county attorney shall have the following duties:

(1) He may represent the county, the plaintiff or the obligee in all proceedings brought under the Uniform Reciprocal Enforcement of Support Act and as a part of such representation shall exercise continuous supervision of compliance with any order entered in any proceeding under said Act.

(2) By direction of the board of county commissioners and by and with the consent and approval of the county attorney, the special county attorney may be assigned and may discharge all of the duties of the county attorney in respect to the old age assistance lien.

(3) He shall be authorized to appear as special prosecution on behalf of the State and to make all necessary investigation preliminary thereto in connection with the preparation and prosecution of criminal cases under article 40 of chapter 14 of the General Statutes, entitled "Protection of the Family".

(4) He shall be authorized to investigate, institute, prepare and prosecute as special prosecution, in cooperation with the solicitor of any court of record, all proceedings authorized under chapter 49 of the General Statutes, entitled "Bastardy".

(5) He shall perform such other duties as may be assigned him by the board of county commissioners.

"§ 108-14.03. Boards of welfare to assist and furnish information to special attorneys.--In performing any of the duties set forth in § 108-14.02, the special county attorney is authorized to call upon any county board of public welfare or the State Board of Public Welfare for such information as is necessary for the performance of such duties; and such boards are hereby directed to assist special county attorneys in the performance of their duties and to furnish necessary information."

The information we have received indicates that a few counties have taken advantage of this legislation and appointed special attorneys to work with the welfare department on the great variety of legal matters affecting the department. This information also indicates that this has been a most worthwhile undertaking and that public welfare funds that have been saved as a result of the work of the special county attorney

greatly outweigh the cost of providing such attorney. Some other counties provide these services through the regular county attorney and this procedure has also proved to be most satisfactory. There are many instances in which wives or children would probably be receiving public assistance funds because of the desertion of a husband or parent, for example, except for the fact that an attorney was available to the department to follow through on information which led to a judicial decree requiring the parent or husband to provide the support. As public welfare grows in size and complexity, the need for specialized legal services available to the welfare department increases. We urge the boards of county commissioners to fulfill this need. Additionally, in our recommendation number 17 we are suggesting that the lien law now applicable only to the program of old age assistance be made applicable also to the program of aid to the permanently and totally disabled. This would necessitate additional legal work in each county and would increase the need for regular legal services.

Recommendation No. 3: That the 1963 General Assembly approve the "B" budget request of the State Board of Public Welfare calling for an increase in appropriations for state aid to public welfare administration so that the state share can be increased from 12.5% to 15% of the total administrative cost.

The cost of administering the four categorical public assistance programs is shared by the federal, state, and county governments. At the time of our study the federal government paid 50% of the cost of administering these programs. On the basis of study, it has been determined that 72% of staff time in the county departments of public welfare is devoted to the public assistance programs. Therefore, federal funds

have been given to each county to meet slightly over one-third of administrative expenses. The State contributed 12.5% in 1962 and the counties paid 51.5%.

Under the Public Welfare Amendments of 1962, the federal government will pay 75% of the cost of certain services provided by the states and prescribed by the Secretary of Health, Education, and Welfare as likely to prevent or reduce dependency. Thus the federal government will pay 75% of the cost of certain services and 50% of the remaining cost of administering the public assistance programs. In order to render the services required to be eligible for 75% matching, more personnel are going to be required by the county departments of public welfare. Consequently, an increase in the federal percentage for this purpose will probably not result in any less expenditure of state and county funds for administration purposes. New federal policies relating to caseloads have already created a need for many more caseworkers in North Carolina. Also, Congress made it clear that the additional federal money was for increasing services and not replacing state and county money. Consequently, the non-federal share of administrative expenses is not expected to be any less than in the past, but in fact will probably be more because of increasing caseloads and programs.

Our study showed that very few states contribute a smaller percentage of the non-federal share of administrative costs than does North Carolina. In 35 states virtually all of the non-federal share comes from state funds. We are aware of the fact that the 1961 General Assembly appropriated additional money for welfare administration so as to bring the state's percentage up from 6.1% to 12.5%, and to decrease the county's percentage from 58.7% to 51.5%. This increase in the state portion is commendable but we feel that a sufficient appropriation to bring this up to 15% would be more equitable. This recommendation would call for an additional state

appropriation of $250,200 for the first year of the biennium and $263,000 for the second year of the biennium.

One of several justifications for an increase in the state percentage is the fact that the local departments of public welfare are more and more being asked to provide services on behalf of the state. For example, the local departments certify eligibility of persons applying for surplus food under the surplus food program; provide certain parole supervision services; provide certain casework services for persons being committed to the state's mental institutions; and, provide other services which the departments are equipped to render but which are provided on behalf of the State. This co-operation is both efficient and economical.

Recommendation No. 4: That all county boards of public welfare be increased in size from three members to five members; that the manner of appointment be the same as it is at the present time except that the State Board of Public Welfare and the board of county commissioners each appoint two members rather than one; and, that the county board of public welfare and board of county commissioners continue to hold joint sessions to determine the number and salaries of employees but without the members of the county board of public welfare having a vote at such sessions.

With two exceptions provided for by local acts, each county board of public welfare is composed of three members: one appointed by the State Board of Public Welfare, one appointed by the board of county commissioners, and a third appointed by the first two (if these two cannot agree upon the third member, he is to be appointed by the resident superior court judge). It is our recommendation that the number of members be increased from three to five because of the growing complexity

of the public welfare programs, and because a larger body of knowledge and experience can be brought to bear upon the decisions to be made by this policy body. One of the primary functions of the county board members is to pass upon applications for assistance. With a greater number of board members, and hopefully more representation from different sections of the county, the members will be more familiar with the situation existing in the various areas of the county and be better able to determine whether or not applications should be approved. Another function of the board is to interpret the program to the public. Five members can do a better job of this than can three members.

We think that the present method of appointment has worked very satisfactorily and could be continued, with the State Board appointing two, the county commissioners appointing two, and these four appointing a fifth member.

With respect to the joint sessions, the present law provides that the number and salaries of employees of the county board of public welfare is to be determined by the board of county commissioners and the board of public welfare in joint session. This appears to us to be a unique provision and undesirable insofar as the arrangement gives the members of the county board of public welfare a vote. With the members of the county board of public welfare voting on the number and salaries of employees, which in turn affects the amount of revenue that has to be raised, thus affecting the tax rate, the effect is to allow the county board of public welfare to vote on a matter directly affecting the tax rate. We feel that this should be the sole responsibility of the board of county commissioners. The county board of public welfare should make their request for appropriations to the board of county commissioners in

the same manner as the requests of all other departments are made. Although we think it is desirable for the two boards to meet together to discuss the needs and for the board of public welfare to justify its request for funds, we think it would be desirable to eliminate the requirement that the members of the board of public welfare have a vote on this question. No other county department votes upon its budget requests.

Recommendation No. 5: That legislation be enacted permitting two or more county boards of public welfare to employ jointly one director of public welfare to serve the employing counties.

There is no doubt in our mind about the fact that a top administrator is necessary for good supervision. There may be instances in which smaller counties, acting alone, find it difficult to obtain such a qualified administrator. But, if two such counties had authority to share resources and employ one director of public welfare to serve both counties, they might be able to offer a sufficiently high salary and sufficiently broad responsibility to attract a highly qualified person.

There is ample precedent in this state for the sharing of a top administrator. An example is the area of public health where one health director oftentimes serves the health departments of more than one county. We feel that the experience in the field of public health with respect to this matter has proved most satisfactory and that it would also prove satisfactory in the public welfare area. This sharing of an administrator would be entirely permissive on the part of the county boards of public welfare as we would certainly not wish to recommend that counties be required to share a director of public welfare.

Recommendation No. 6: That the statutory provisions requiring the salary of the Director of Public Assistance to be fixed by the Governor subject to the approval of the Advisory Budget Commission be deleted, and that the Director of Public Assistance be brought within Merit System provisions so that his status will be the same as that of all other division directors within the State Board of Public Welfare.

When our public assistance laws were originally enacted in 1937, the position of Director of Public Assistance was created by statute and the statute provided for his appointment by the Commissioner of Public Welfare with the advice and approval of the Governor. It also provided that his salary was to be fixed by the Director of the Budget (subsequently changed to the Governor subject to the approval of the Advisory Budget Commission). Although this section of the law has not been changed since that time, we feel that it should be changed in order to make the director of this particular division within the State Board of Public Welfare subject to the same provisions as the director of all other divisions within the State Board. We do not see any reason why the appointment, status, and compensation of the director of this particular division should be any different from that of the director of any other division within the Board. Moreover, with the recent provision for an assistant commissioner, who is appointed under the Merit System and to whom the Director of Public Assistance is administratively responsible, the 1937 provision is contradictory to good administrative principles.

Recommendation No. 7: That members of the State Board of Public Welfare be paid the same per diem as is customarily paid to other state boards and commissions.

The present law provides that the members of the State Board of Public Welfare are to serve without pay except that they shall receive their necessary expenses. This appears to us to be a most unusual provision as it is customary for state boards and commissions to be paid a small per diem.

We realize that the members of the State Board of Public Welfare are dedicated public servants, that they are devoting their valuable time and energies to a very desirable public service, that they have done a most commendable job, and that they look upon their service as a matter of public service and do so without any expectation of pay. We feel that this attitude is commendable but think it would be appropriate to provide the same per diem for this board as is customarily provided for other state boards and commissions.

Recommendation No. 8: That the Institute of Government hold an annual conference or school for newly appointed members of county boards of public welfare so as to brief these officials concerning their legal duties and responsibilities, and particularly as to the scope of their authority.

The entire area of public welfare has become very complex. It is becoming increasingly more difficult for members of county boards of public welfare, no matter how dedicated, to be informed of all the complicated factors necessary to a proper performance of their function. The returns to our questionnaires and other information received by the Commission indicated that many members of county boards of public welfare needed more information concerning the laws and policies relating to public welfare, and particularly more information concerning the scope of their authority. They actually have more authority than many of them realize they have. As we have indicated previously, it is our feeling that as much responsibility for program administration and decision as is possible should be exercised by the county board. In order for this to become a reality, it is necessary for the board members to recognize

the areas in which they have some discretion and the extent of their authority. We therefore recommend that the Institute of Government, the agency in North Carolina with a primary responsibility for the training of public officials, hold an annual conference or school for newly appointed members of county boards of public welfare so as to inform said persons concerning their legal duties and responsibilities, with particular emphasis upon the areas in which they may exercise some reasonable discretion.

Public Assistance Programs

Recommendations number 9 through 20 of the preceding Summary of Recommendations relate to the general area of public assistance. In this section of our report we will attempt to state our reasons for each of these recommendations.

Recommendation No. 9: That the state adopt as a part of the state plan the provisions of the Public Welfare Amendments of 1962 that authorize states, in determining need in old age assistance cases, to disregard the first ten dollars of earned income.

The Public Welfare Amendments of 1962 authorize, for the first time, states to provide for disregarding some earned income when determining need in old age assistance cases. There has been an exclusion of a certain portion of earned income in aid to the blind cases for many years. The new law provides that (after December 31, 1962) the state agency may, in determining an individual's need and the amount of his payment, disregard not more than the first ten dollars plus one-half of the remainder of the first fifty dollars of earned income, thereby

making it possible to exclude thirty dollars of the first fifty dollars of earned income. The purpose of this federal authorization is to provide an incentive to older persons eligible for old age assistance to make an effort to earn some income. We think that this purpose is a desirable one and feel that North Carolina should take advantage of this incentive program. The earning of some income by an aged person has, we think, a desirable psychological as well as economic effect upon such aged person.

We feel, however, that because of the costs involved North Carolina should not go all the way and authorize the exclusion of thirty dollars out of the first fifty but should (at least as a first step) only provide for the exclusion of the first ten dollars of earned income. It is estimated that this would cost about $87,000 of state funds and $87,000 of county funds during each year of the 1963-65 biennium.

Recommendation No. 10: That physically and mentally capable children who are sixteen or seventeen years of age should not be included in the aid to dependent children budget of the family unless they are regularly attending school (or unless they are an essential person within the terms of the state plan).

The primary purpose of this recommendation is to encourage the sixteen and seventeen year old children to remain in school until graduation. It is our opinion that one of the most serious social problems which exists today is the problem of school "drop-outs". It was reported to us that approximately 50 per cent of our youth do not finish high school. If the sixteen and seventeen year old children are not going to continue in school, and if they are physically and mentally capable to perform work, it is our feeling that they can generally find work and

that this recommendation would encourage them to do so. If they do not have to continue school and do not have to work in order to remain on the aid to dependent children budget, as is authorized at the present time, there is not in our opinion sufficient incentive for them to either stay in school or obtain work. We think that this recommendation could have a desirable effect by supplying the incentive that is missing today.

In this connection we feel that a few additional comments might be appropriate. We feel that the counties should, if they are not doing so, take advantage of the flexibility in the public assistance budget in order to give the children on public assistance necessary funds for school fees which they need in order to stay in school, and to make it possible for them to take industrial or vocational training the same as children not dependent upon public welfare funds.

Another thought that we will only mention in passing is the desirability of a study of the advisability of legislation which would raise the compulsory school attendance age (for those who have not graduated) in North Carolina to 18 years. We would like to see such a study include the question of whether or not the school fees which are now charged should be reduced across the board because of the hardship they impose upon the public assistance families and other families with marginal subsistence incomes.

Finally, we are of the opinion that the school teacher should be ever aware of the psychological damage that can be done to children from public assistance families by identifying the fact that they are children of such families and by treating them differently from the other children. We have received reports that there are instances in which children from public assistance families will, for example, go through a line in which the

children are paying for their lunches and that the public assistance children will pay with a ticket of some description while the other children pay with money; or, that public assistance children go through one line while all other children are going through a different line. It is our feeling that every effort should be made to prevent the children from public assistance families from being identified or segregated or treated differently in any way.

Perhaps the comments made in these last two paragraphs are outside the scope of this Commission's jurisdiction. We certainly have not studied any of them in detail, but do feel that they have an effect upon the over-all public welfare picture and that they merit further study.

Recommendation No. 11: That counties consider making use of community work and training programs of a constructive nature designed to conserve and develop work skills, and that the ADC-Unemployed Parent Law be extended so as to cover the needy children of persons who are unemployed and who would have been eligible for unemployment compensation benefits except for the fact that they had not worked in covered employment.

This is in effect two recommendations combined into one because of our feeling that the first recommendation would be insignificant without the second recommendation. Perhaps it would be best to discuss the second part of the recommendation first.

In 1961 Congress amended the federal law to make possible the payment of aid to dependent children funds to children who had been deprived of parental support because of the unemployment of the parent. This was somewhat of a major departure from previous public assistance directions

because, for the first time, it made federal-state-county public assistance funds available to a family in which the parent was able to work. Prior to this time the only persons eligible for public assistance funds were the blind, the aged, the permanently and totally disabled, and the dependent child deprived of parental care and support for reasons other than the fact that the parent was unemployed. This program was adopted for a period of a little more than one year. In 1962 Congress amended the 1961 law so as to extend this program for an additional five years.

The 1961 General Assembly enacted legislation making this program applicable in North Carolina but only to a very limited extent. The North Carolina law made aid to dependent children available to children of unemployed parents but defined an unemployed parent as follows: "An unemployed parent, within the meaning of this section, is defined as an employable person who is residing in North Carolina; who is registered with the Employment Security Commission for work; who has no employment; who has no social security benefits; and who has received unemployment compensation benefits but has exhausted the full benefits to which such parent was entitled." The General Assembly appropriated $50,000 for the purpose of making funds available for this particular program. However, because of the rather severe limitations placed upon eligibility, only a few persons have been found eligible for assistance under this program and only about $1,200 of the $50,000 appropriation was spent during the fiscal year 1961-62. The recommendation we are making here would provide benefits costing not more than $50,000 and reaching many more people.

The primary reason for this recommendation is to eliminate discrimination between hungry children. The children of an employable parent who

is seeking work but is bona fide unemployed, and whose prior employment was not covered under the Employment Security Law, get just as hungry and have needs for minimum clothing and shelter to the same extent as children of an unemployed parent whose prior work record was in employment covered by the Employment Security Law. In other words, the child of a parent who is laid off by his governmental, agricultural, insurance, or religious foundation employer (for example) gets just as hungry as the child of the parent who is laid off by his textile or other industrial employer. It is for this reason that we recommend that these two be placed on a par, and that the definition of unemployed parent be amended so as to include all of the present restrictions except the restriction that he receive unemployment compensation benefits, and that there be substituted language to indicate that he would have received unemployment compensation benefits except for the fact that the type of work he did was not covered under the Employment Security Law. The necessity for a substantial work record and for a minimum amount of earnings within a specified period would continue to be eligibility requirements. The fact that the individual did not actually receive unemployment compensation benefits would not be an eligibility factor. This would seem to us to be a much more equitable arrangement.

There is another factor to consider in connection with this recommendation. It is alleged that there are many instances in which a parent becomes unemployed, and is not eligible for public assistance under our present law, who deliberately deserts his family in order to make his family eligible for aid to dependent children benefits. We agree that the incentive to desert under these circumstances exists. Such incentives

do not promote and support our basic social institution--the family. We feel that this recommendation will substantially decrease the incentive to desert.

We have been advised that this extension could be provided within an appropriation of $50,000, so that no additional appropriations over and above the amount provided by the 1961 General Assembly would have to be provided by the 1963 General Assembly for this purpose.

As to the first part of this recommendation relating to community work and training programs, we feel that this will be very helpful if the ADC-Unemployed Parent Law is extended as suggested above. The community work and training program authorization is a part of the Public Welfare Amendments of 1962. This new legislation makes it possible for localities to maintain, with federal and state financial help, community work and training projects for unemployed people receiving public welfare payments. Under such a program, unemployed people on public welfare would be helped to retain their work skills or learn new ones, and the local communities would obtain additional manpower on public projects. We feel this is very desirable as we must find ways of returning far more of our dependent people to independence and to a participating and productive role in the community.

Federal financial participation is conditioned upon satisfactory evidence that the work will serve a useful community or public purpose, will not displace regular employees, will not impair prevailing wages and working conditions, and will be accompanied by certain basic health and safety protections. Provisions must also be made to assure appropriate arrangements for the care and protection of children during the absence from home of any parent performing work or undergoing training.

States must participate financially in the program, and federal funds may not be used for materials, equipment or job supervision. Counties may decide whether or not to have such a program but it must be administered by or under the supervision of the State Board of Public Welfare. The co-operation of public employment agencies and vocational and adult education agencies must be obtained.

We have some families in this State, particularly in rural areas, earning less than the highest public assistance grants in industrial and urban areas. As public assistance grants are at bare subsistence levels, we do not suggest that the grants be lowered. This does suggest to us that we need to provide more training of our people for jobs that will provide them with a decent income. The community work and training program may help to supply this need.

This seems to us to boil down to a program whereby a county could, at its option, provide an approved work and re-training program by which a person over eighteen years of age included in an aid to dependent children budget could perform useful work in order to earn the amount of his public assistance check. As stated previously, this seems to us to be a very desirable program as it is our opinion that we have now reached a point in our society in which it is not possible for all persons who are able to work to obtain work. We are confident that most people would much prefer to work for their assistance check than to receive it as a gratuity.

These two recommendations are tied together because the only persons likely to be eligible for a community work and training program with federal participation are persons able to work, and without an extension of the ADC-unemployed parent program we are not likely to have persons capable of working who are receiving public assistance. With the extension of the ADC-unemployed parent program, we should have a sufficient number of persons eligible to justify a work and re-training program.

Recommendation No. 12: That the provisions of the Public Welfare Amendments of 1962 authorizing so-called "protective payments"--i.e., payments to an individual interested in the welfare of the family in those cases where it is found that the parent or relative with whom a dependent child is living is not spending the grant for the welfare of the child--be adopted to the full extent allowed by federal law.

We feel that one of the major criticisms of the public welfare program today--and this was borne out by the returns to our questionnaire--is the situation in which an ADC parent is reported to be spending the money for purposes other than that for which it was intended, namely, the support of the child. We have had in North Carolina for the past few years a law authorizing the appointment of a personal representative for the sole purpose of handling the public assistance check of a payee not capable of managing the check for himself. This arrangement has worked very successfully in most counties, but has been little used in other counties. Perhaps one of the difficulties is that this does require a legal proceeding (although much more streamlined than the normal proceeding for the appointment of a legal guardian) in order to get the personal representative appointed. We feel that the provisions of the Public Welfare Amendments of 1962 which authorize the payment to be made to an individual who is interested in the welfare of the family, for the use of the family, will be very helpful in complementing the personal representative law. The person so appointed should be required to keep some records of expenditures so that there would be some accountability for these funds.

Federal law restricts this use of protective payments to instances in which there is a determination by the public welfare agency that such

payments are necessary because the relative with whom the child is living is so unable to manage the funds that making payments to him is contrary to the welfare of the child. The federal law also requires a periodic review of the situation to determine the need for continuing such payments, terminating them if not necessary, and seeking the appointment of a guardian or personal representative if the need for such payments continues beyond a period specified by the Secretary of Health, Education, and Welfare. We feel that these provisions should be adopted in North Carolina to serve as a useful addition to the present personal representative law. If the case appears to be one in which the caseworker, working with the family, can bring about a correction of the situation so that the protective payments will only need to be made for a relatively short period of time, these provisions authorizing the appointment of an individual interested in the family without a judical procedure would be appropriate. On the other hand, if the situation is such that the need for someone to handle the funds is likely to exist over a prolonged period of time, our present personal representative law would be appropriate. The federal law restricts the number of individuals for whom protective payments are made in any month to 5 per cent of the total number of recipients under that program.

It will be recalled that the General Assembly of 1959 enacted a law providing for the supervision of assistance expenditures by the superintendent of public welfare when the grant was not being spent for the purposes intended. This law was held by the Secretary of Health, Education, and Welfare to be out of conformity with federal law and this holding, under the express provisions of the North Carolina law, made our law inoperative. The new federal legislation authorizing protective payment will, we

feel, go a long way toward allowing the intention of the 1959 General Assembly in enacting the supervision section to be carried out.

Recommendation No. 13: That North Carolina continue the 1961 law authorizing aid to dependent children to children residing in foster homes, and that this be extended to cover children residing in a child care institution if the institution meets federal and state standards and requests to be covered.

In 1961 Congress amended the law to make federal matching funds available to a child removed from his own home under court order and placed in a foster home, if such child was receiving an aid to dependent children grant at the time of such removal. Prior to that time the child had to be residing with a close relative in order to be eligible. The Public Welfare Amendments of 1962 have made permanent the 1961 law authorizing aid to dependent children to children in foster homes. The law still requires that the child be in a family receiving aid to dependent children, be removed from the home by the juvenile court upon the determination that it is in the best interest of the child, and be placed in an approved foster home. The child under these circumstances can continue to receive aid to dependent children but the parent or other relative with whom the child has been residing would not, of course, be eligible to receive aid to dependent children unless eligible because of some other child in the home. We feel that this is a very desirable provision and should be continued in North Carolina.

It seems to us that the real significance of this provision is that it makes possible federal participation for a limited period of time in the support of children who would have to be removed from the home irrespective of the source of support. There are many instances in which the juvenile court deter-

mines that it is in the best interest of the child to remove him from his own home. Without the federal matching funds, the expense of maintaining such child in the foster home has to be borne by the state and the county. The new law, which North Carolina enacted in 1961, makes it possible to receive federal matching funds for this purpose.

In addition, the Public Welfare Amendments of 1962 provide for federal financial participation in payments for foster care in child care institutions under the same conditions as described for foster family care. We feel that most of our child care institutions are doing a good job and that if it is found to be in the best interest of the child to remove him from his home and place him in a child care institution, and if the institution meets state and federal standards, we feel that the child should continue to be eligible for aid to dependent children although residing in a child care institution rather than a foster home. We therefore recommend that our law be amended to make eligible those children removed from their home and placed in a child care institution if the institution meets federal and state standards and requests to participate in this program.

The portion of the federal law which authorizes aid to dependent children payments to a child in a child care institution is to expire on September 30, 1964 unless extended by Congress. Consequently, any law enacted in North Carolina authorizing aid to dependent children in child care institutions should be so worded as to automatically expire when the federal law expires.

Recommendation No. 14: That the present policy of the State Board of Public Welfare relating to the contribution by relatives to the needs of old age assistance and aid to the permanently and totally disabled

recipients be modified in such a way as to make clear that able relatives are expected to contribute to the support of the assistance applicant or recipient without regard to whether the recipient is living within the home of the relative or living elsewhere. We also recommend greater use of the present laws relating to duties of support where the party to whom the duty is owed is an applicant for or recipient of public assistance.

The present policy of the State Board of Public Welfare provides that if an old age assistance or aid to the permanently and totally disabled applicant or recipient is living with a son or daughter, or if an aid to the permanently and totally disabled applicant or recipient is living with parents, ability to contribute to the person's needs will be determined in accordance with a table taking into account the size of the contributor's family and his income.

It should be noted that although the policy of the State Board of Public Welfare provides that it is important to contact sons and daughters not living in the home to ascertain the amount of any contributions they are making or may be able to make, there is no set standard for determining their ability to contribute as there is in the case of a recipient living within the home. It appears to us that the policy of specifying the amount of a relative's income available to assist the assistance

recipient when the recipient is living in the home, and no corresponding standard when the recipient is not living with the relative, leads to a situation which encourages the able relative to find some place for his needy parent or child to reside other than his own home. The policy seems to us to penalize a child who desires to keep his parents in his own home. We think that it is desirable and proper that children should make every effort to keep their needy parents, or parents to keep their disabled children, in their own home rather than attempting to send them elsewhere for living arrangements. Therefore, it seems to us that there should be a fixed standard that would be applicable when the applicant or recipient is living with the parent or child or living elsewhere. We feel that the standard provided should be reasonable in order that the parent or child will not be expected to make contributions which will force his own family below a level of living compatible with decency and health, or make it impossible for them to provide against their own dependency or for the education of their children.

We also feel that if the applicant or recipient is living in the home of the parent or child, the amount of food, shelter, or other items contributed to the applicant or recipient should be considered as a contribution when making a determination as to whether or not the parent or child has complied with the standard we suggest be spelled out in the state policy. In other words, if the state policy contained a table stating that under a given set of circumstances the parent or child would be expected to contribute fifty dollars per month toward the support of the needy applicant or recipient, that support could be in dollars if the applicant or recipient was not living in the home or could be in terms of room and board furnished if the applicant or recipient was living in the home.

We feel that although there should be a fixed standard in the Public Assistance Manual to be used as a guide, the local boards of public welfare should be authorized to make exceptions to the fixed standards when there is a reasonable basis for an exception. The present policy provides that the table takes into consideration only usual family expenses and that careful consideration should be given unusual expenses in the family, in determining the ability to support, in order to avoid undue hardship. This discretion, we think, should remain with the local board of public welfare.

As to the second part of our recommendation, there exists at the present time several statutes making it a crime for a person owing a duty of support to fail or refuse to support the person to whom the duty of support is owed when such failure or refusal is willful. We feel that if we had stricter enforcement of these criminal provisions many persons who are now receiving public assistance would not be required to do so. The statutes we refer to include:

(1) G. S. 14-322 which makes it a crime for a husband to willfully abandon his wife without providing her with adequate support, or for either parent to willfully neglect or refuse to provide adequate support for his or her child or children;

(2) G. S. 14-326.1 which provides:

> "If any person being of full age, and having sufficient income after reasonably providing for his or her own immediate family shall, without reasonable cause, neglect to maintain and support his or her parent or parents, if such parent or parents be sick or not able to work and have not sufficient means or ability to maintain or support themselves, such person shall be deemed guilty of a misdemeanor, and, upon conviction, shall be fined or imprisoned in the discretion of the court.
>
> "If there be more than one person bound under the provisions of the next preceding paragraph to support the same parent or parents, they shall share equitably in the discharge of such duty.";

(3) G. S. 49-2 which makes it a misdemeanor for a parent to willfully neglect or refuse to support or maintain his or her illegitimate child and G. S. 49-5 which provides that proceedings under the Bastardy Chapter may be brought by the mother or her personal representative, or, if the child is likely to become a public charge, the director of public welfare or such person as by law performs the duty of such official in said county where the mother resides or child is found; and,

(4) G. S. Ch. 52A which provides for the enforcement of duties to support under the Uniform Reciprocal Enforcement of Support Act.

With respect to the Uniform Reciprocal Enforcement of Support Act, we note that G. S. 52A-8.1 provides that:

> "Whenever a county of this state furnishes support to an obligee, it has the same right to invoke the provisons hereof as the obligee to whom the support was furnished for the purpose of securing reimbursement for such support and of obtaining continuing support with the exception of the term obligee as used in this section shall not apply to children owing the duty of support to their parents."

We would like to see greater use of this section by the county departments of public welfare, and specifically note that the regular legal services which we recommend be made available to the public welfare department would be very helpful to the director of public welfare in making use of the provisions of this section.

Also, we feel that the last part of G. S. 52A-8.1, which provides that the county cannot recover where the duty of support is that owed by a child to a parent, should be deleted. The county should be allowed to enforce all duties of support under our law when the circumstances indicate that this is appropriate.

We are not unmindful of the fact that federal statistics show that North Carolina is doing an outstanding job in terms of obtaining contri-

butions from relatives for the support of their needy parents or children. We are not satisfied,to say, however, that because of this we should sit back and make no changes designed to obtain further contributions from relatives who are able to make such contributions. We would like to see more and more parents and children who are able to do so assume their moral and legal duty of supporting their needy parent or child. Notwithstanding our good record, the existing laws and policies should be such that all possible support from those with a legal duty to support is obtained. We do not mean to suggest that the relatives should be required to support under circumstances which would create an undue hardship upon the relative's own family.

There appears to be a trend here and elsewhere toward aged and disabled persons moving out of the homes of their children and into group care facilities. While this is undoubtedly the best plan in many instances, we do not feel that generally it is in the best interest of society for families to break up. Rather, we feel that it is in the best interest of society for them to stick together and provide for the needs of all members of the family to the extent possible. We feel that the policies we have recommended above will tend to promote a reversal of the present trend toward group care as opposed to family care, and will help to strengthen family life.

Recommendation No. 15: That the present limitation of five cents on the one hundred dollar valuation on the amount of tax that may be levied for the aid to the permanently and totally disabled program be repealed so as to eliminate this limitation.

The present law does not restrict the amount of taxes which the board of county commissioners may levy for purposes of public welfare

administration, the old age assistance program, the aid to dependent children program, and the aid to the blind program. It does impose a five cents on the one hundred dollar valuation limitation upon the aid to the permanently and totally disabled program. It is our belief that this limitation was placed in the law at a time when the General Assembly contemplated a program of general assistance (as this is what the title of the article under which the aid to the permanently and totally disabled program operates is entitled). We do not feel that the General Assembly would have imposed this limitation had the legislature at the time had in mind the program of aid to the permanently and totally disabled rather than the program of general assistance. We do not see why there should be a statutory limitation upon the amount of tax that may be levied for this program and not for the other public assistance programs. Furthermore, we are advised that it is necessary for some counties, in order to raise the county's share of funds for this program, to levy a tax for more than is needed for one of the other categorical public assistance programs and then transfer funds from that category to the aid to the permanently and totally disabled program. The General Assembly has authorized transfers from one program to another. It seems illogical to us to require the counties to do in a round about way what they should be authorized to do directly.

Recommendation No. 16: That home consumption produce not be counted as a resource in preparing public assistance budgets.

The present policies of the State Board of Public Welfare provide that any produce grown in an applicant's or recipient's garden for his own use must be valued, and that this value must be counted as a resource thereby reducing the amount of the grant by the amount of this resource.

Consequently, we believe that there are many aged or disabled people who are capable of working a garden, and for whom a garden would be good therapy, but who do not do so because their public assistance check would be decreased. We feel that one of the incentive programs that ought to be adopted is a program that would encourage these elderly and disabled persons to work a garden and attempt to produce some food for their own consumption. This could be encouraged by eliminating this as a resource in the public assistance budget. Of course, any amount that they produce in excess of their own home consumption needs, and which is therefore available for sale, should be counted as a resource.

Also, the determination of the amount to be included in the public assistance budget because of home consumption produce necessarily involves many subjective factors. Although the Public Assistance Manual goes into considerable detail in an effort to make this as objective a determination as possible, it nevertheless is, by its nature, so subjective a matter that it could lead to considerably different treatment of different individuals. That is, if the policy of the particular local department is to be very strict and keep grants down, a liberal valuation may be placed upon home consumption produce; if the policy is to be liberal with regard to grants, a conservative valuation may be placed on the home consumption produce. The elimination of home consumption produce as a resource will provide a desirable incentive to the aged and disabled, and also eliminate the necessity of making this subjective determination in the budget process.

Recommendation No. 17: That legislation be enacted, to become effective upon the appropriation of funds for this purpose by the U. S. Congress, combining the old age assistance and the aid to the permanently

and totally disabled programs; and, that the lien law and residence requirements of the old age assistance program be made applicable to the combined program.

The Public Welfare Amendments of 1962 authorize the states to combine the programs of old age assistance, aid to the permanently and totally disabled, and aid to the blind; or, in the alternative, the programs of old age assistance and aid to the permanently and totally disabled. We feel that the State Commission for the Blind, a separate agency concerned with the over-all work of the blind (including the public assistance aspects) has done an outstanding job for the blind people of this state and that the aid to the blind program should, therefore, remain with the State Commission for the Blind. It is our opinion that it would be in the best interest of the state, however, to take advantage of the new federal law authorizing a combination of the old age assistance and aid to the permanently and totally disabled programs. This would seem to us to have the advantage of simplifying administration by having fewer categories to deal with.

More important, however, is the fact that the federal law permits the percentage of federal contribution applicable to the old age assistance program for vendor payments for hospitalization to become applicable to the combined program. The effect of this in North Carolina would be to increase from 65% to 80% the percentage of federal contribution to the payments for the hospitalization of needy permanently and totally disabled persons. The federal government currently pays 80% of the cost of hospitalization of old age assistance recipients, but only 65% of the cost of hospitalization of aid to the permanently and totally disabled cases.

Under the combined category the federal government would pay 80% of the hospitalization cost for all recipients within the combined category. It is estimated that this would amount to an annual saving of approximately $175,000 to the state and $175,000 to the counties.

This recommendation calls for legislation which would have to be so worded that this combination would not come about until Congress had appropriated funds for this purpose. The supplemental appropriations for the various public welfare titles in the Social Security Act were not acted on by Congress. Thus no funds may be spent under this combined program until Congress clarifies the appropriation situation. It is expected that Congress will be requested to appropriate funds for the combined program in early 1963. The chances of approval would appear to be reasonably good as Congress authorized the combination and would be expected, we think, to make the funds available to carry out what they have authorized. It is our opinion that North Carolina should go forward with the enactment of contingent legislation providing for the combined program so that the combined program could be put into effect as soon as the federal appropriation is made.

The federal law requires that if the old age assistance and aid to the permanently and totally disabled programs are combined, the provisions with respect to lien and residence requirements must be consistent. In North Carolina, there is a lien placed upon any real property owned by a recipient of old age assistance to the extent of the assistance received. There is no similar lien in the case of aid to the permanently and totally disabled. Also, in the case of old age assistance the applicant must have been a resident of North Carolina for one year before he is eligible for assistance. There is no similar residence requirement for aid to the

permanently and totally disabled. It is our opinion that the lien law and the residence requirements both serve a desirable purpose and that they should both be made applicable to the combined program. The lien law was first made applicable to old age assistance cases in 1951. Immediately upon its becoming effective, a large number of persons receiving old age assistance withdrew from the program. We are confident that there are many other persons who would today be receiving old age assistance except for the fact that to do so would require that a lien be placed upon their real property for the amount of the assistance. We think the lien is desirable because it encourages children to support their aged parents in order that the children may inherit the realty of their aged parents. We feel that if the child of a needy person with some real property is able to support his needy parent he should do so and then inherit the property free of any liens for public assistance. Even if the child is unable to provide for the support of the needy parent and the public has to assume this obligation, then it seems to us that the public should be reimbursed from the property upon the death of the needy parent before it passes on to the child.

With respect to the residence requirement, the aid to the permanently and totally disabled program is the only one of the categorical programs in North Carolina which does not have a residence requirement. It is also our largest program, comparatively speaking (that is, the percentage of our total population receiving aid to the permanently and totally disabled exceeds the national average to a greater degree than any of the other three programs). We feel that one of the reasons for this is the absence of any residence requirement.

We would favor the absence of a residence requirement when dealing

with an applicant who comes from a state which does not have a residence requirement and there is, therefore, reciprocity between the two states. But we do not feel that we should begin paying public assistance immediately to a person who comes from a state which would not do the same thing for a North Carolina resident moving to that state. Public assistance recipients coming from another state into North Carolina should be treated on the same basis as a North Carolina public assistance recipient would be treated if he went to such other state. As most states do have at least a one-year residence requirement for aid to the permanently and totally disabled cases, we feel that North Carolina should have a similar requirement.

Recommendation No. 18: That the provisions of the public assistance budget authorizing a maximum of $10 per month for medical expenses be increased to $12 per month.

One of the most frequent responses to our questionnaire to county commissioners, welfare board members, and directors of public welfare, regarding any changes that should be made in the public assistance grants, was that the amount authorized for medical expense should be increased. The general comment was to the effect that the present maximum of $10 authorized for medical expense was far too low since we are dealing with persons who are aged or disabled or who are dependent children. The State Board of Public Welfare has requested, in its "B" budget, sufficient funds to raise this maximum authorization to $12. We recommend to the Advisory Budget Commission and the General Assembly the approval of this request. This would cost the state approximately $194,000 for each year of the biennium and the counties approximately $162,000 for each year of the biennium. The State figure includes equalizing funds.

Recommendation No. 19: That county boards and departments of public welfare make continued efforts to solicit the co-operation of the members of the Medical Society in those areas of mutual interest, particularly in dealing with cases where eligibility is based on disability.

There are many areas of public welfare work in which the co-operation of the members of the local medical society is essential. The factors upon which a determination of disability may be found are normally established by a physician in aid to the permanently and totally disabled cases. And, the disability of a parent is normally required to be determined by a physician when an aid to dependent children application is based upon the deprivation of parental support because of the disability of the parent. Thus, we recommend that these groups work co-operatively. We do not suggest that there has been any lack of co-operation in the past, but rather we point out the continuing need for this co-operation. There have been planned co-operative programs in some counties which appear to us to have worked very satisfactorily. A necessary ingredient in any co-operative program is that the medical information is determined with sufficient promptness that the application for assistance is not unreasonably delayed. We also feel that a plan which would call for the examination of an applicant by one other than his regularly attending physician (but perhaps in consultation with the regularly attending physician) might have some value in eliminating the personal factors, as opposed to the medical factors, which might be involved in making the determination.

Recommendation No. 20: That the present formula for allocating equalizing funds to the counties be given further study with the view to arriving at a formula that will better equalize the burden of taxation

for public assistance purposes among the counties; that equalizing funds be made available for the program of aid to the permanently and totally disabled; and, that the present statute prohibiting a county from sharing in equalizing funds unless the tax levy for the particular assistance program exceeds ten cents on the one hundred dollar valuation be repealed.

We have considered at great length the present formula for the allocation of equalizing funds to the counties. This has been one of the most complicated and difficult problems we have had to face. We are not happy with the present formula and it appears that the same is true of many of the commissioners, welfare board members, and welfare directors from whom we received answers to our questionnaire. The formula was often criticized as being too complicated and too difficult to understand. It has also been criticized as being a formula that is sometimes not actually followed. We believe that any formula should be easy to understand. We believe that the formula should help those who need help, with the amount of help being directly related to the amount of need. We also believe that it should be sufficiently automatic in application to avoid any taint of favoritism. And, we believe it should encourage competent administration.

As indicated above, we have considered several suggested formulas based upon public welfare work load and ability to carry that work load. However, we have not been able to work out all of the detailed information on the application of each proposed formula to each county in order to select one as the one we should recommend. It will take a considerable amount of time to determine the exact effect upon every county of all proposed formulas. For this reason, we feel that the matter of revising the present formula should be a separate study in and of itself. We

therefore propose that the State Board of Public Welfare and the counties, the parties most vitally concerned, give priority to a study of the problem of an appropriate formula. We are convinced that the present formula should be changed, and we suggest that the Commissioner of Public Welfare, the State Board of Public Welfare, and the North Carolina Association of County Commissioners work toward establishing a satisfactory formula, beginning with some of the formulas we have considered and utilizing statistical services available in the state office. More information should become available from the state office when the data processing procedures, mentioned above, have gone into operation.

We are convinced of several matters arising from our study of the equalizing funds and now set those out as recommendations. We believe the equalizing fund should include aid to the permanently and totally disabled, just as it now includes both old age assistance and aid to dependent children. It seems to us desirable to attempt to equalize the burden of taxation for the aid to the permanently and totally disabled program just as it is desirable to equalize the burden of taxation for the old age assistance and aid to dependent children programs. Likewise, we feel that the present law which prohibits a county from receiving any equalizing funds unless the county has levied a tax of at least ten cents on the one hundred dollar valuation for the old age assistance or aid to dependent children program should be repealed. There is such a variety of assessment ratios being applied by the counties throughout the state that it seems to us inappropriate to make eligibility for equalizing funds contingent upon any given tax rate. One county could be levying five cents on the one hundred dollar valuation for old age assistance, for example, and this would be a much greater burden in that county than

a tax rate of eight cents in another county because of the difference in assessment ratios. This is presently a statutory requirement and should, in our opinion, be removed from the statutes, and also be excluded from any consideration in the preparation of an appropriate formula.

Finally, we suggest that the State Board of Public Welfare and the N. C. Association of County Commissioners, in attempting to work out a satisfactory formula, attempt to use a population base which will exclude persons who are not domiciled in the particular county (such as military persons who reside on a military installation and college students who reside in a university dormitory).

Child Welfare Matters

Recommendations number 21 through 24 deal with the general area of child welfare. Before getting into the specific recommendations, we should point out that the area of child welfare is one that gave us considerable concern. Although we interpreted the Resolution creating the Commission as calling for primary emphasis on the public assistance programs, we have devoted considerable time to certain child welfare problems that affect directly the public assistance programs.

The problem of the child born out of wedlock is, in our opinion, one of the great social problems existing today. It should, and does, shock the public conscience. We have considered it in our report because of its effect upon public welfare but we do not consider it to be solely

a public welfare problem. It is a problem affecting the entire community and calling for the marshalling of all of the resources of the community in an effort to combat it. That it is not strictly a public welfare problem is borne out by the statistics which show that about 9% of all children in North Carolina are born out of wedlock, and that the children receiving aid to dependent children represent about 9% of the non-institutional children born out of wedlock. The statistics also show that a very small percentage of mothers with children receiving aid to dependent children funds had another child born out of wedlock while receiving such funds. According to one survey, only 1.7% of the children receiving aid to dependent children were born out of wedlock after their mother started receiving such funds. This same survey indicated that about 9% of all children in the State born out of wedlock are receiving aid to dependent children funds. These two figures indicate to us that skilled casework services can help to combat illegitimacy among this group of mothers. These cases would be among those that we felt could be benefited by intensified skilled casework services in our comments under recommendation number one.

In our study we came across information concerning efforts of a Negro physician in Pitt County, a Dr. Andrew A. Best, to reduce illegitimacy among the Negro citizens of that county by promoting sex education in the Negro high school of the county. We were advised that his efforts had proved very successful in combating this social problem in Pitt County. Education is most certainly one of the resources that must be brought to bear on this problem.

We realize that the recommendations set out below will fall far short of solving this serious social problem. They will however, if adopted, we think, be significant steps in the right direction for dealing with the total problem, and not just the 9% receiving public assistance.

Recommendation No. 21: That the birth of a third child out of wedlock be made a legal presumption that the mother of such child is an unfit person for the rearing of her children; that such a finding of unfitness be made a basis for removal, by a juvenile court judge, of one or all of the children from the mother for placement in a foster home; that, upon such finding, the necessity that the mother consent to the adoption of her children born out of wedlock be eliminated; and, that the presumption herein created could be rebutted by the presentation of sufficient evidence to show that the mother is not, in fact, an unfit person for the rearing of her children.

Let us point out that what we are recommending here applies to all mothers with three children born out of wedlock irrespective of whether or not they are recipients of public assistance; and, that our recommendation is that the birth of a third child out of wedlock would merely raise a presumption that could be rebutted by the mother presenting evidence that she is not in fact an unfit mother.

As mentioned before, we feel that the problem of illegitimacy is one of the most serious social problems facing us today. It appears to us that if nothing is done to remove children from the home environment

and the tutorage of a mother whose morals are such that she has three children born out of wedlock, we will have repeated generations of immoral and dependent children. The prevention of future adult poverty and dependency must begin with the care of dependent children. Making it easier to remove children from an unfit mother and placing them in foster homes where they can be taught to prescribe to basic moral standards will, we think, be a step in the right direction.

It is our recommendation that the removal from the home take place only upon a finding by the juvenile court judge that the mother is an unfit mother. The presumption we suggest would be an aid to the juvenile court judge but could be rebutted. It seems difficult to us to presume that the child is not in the care of a morally unfit mother when the mother has had three children born out of wedlock. Although the presumption we are suggesting would come into existence upon the birth of the third child out of wedlock and would be applicable to all three children, legislation to effect this recommendation should be prospective only, and should not apply to mothers with three children born out of wedlock before the effective date of such legislation.

We do not anticipate that this recommendation will do much more than make a small dent in the over-all illegitimacy problem, but even a small dent in this problem is a significant factor. The principal tool which we desire to present to the juvenile court judge, upon petition of the public welfare director or any other person concerned with the well-being of the children (and proof of the third birth out of wedlock) is a presumption that the mother who continually has children out of wedlock, as evidenced by a third such child, is a morally unfit person and thus to

authorize the removal of said children unless the mother can overcome the presumption.

Regarding the second part of this recommendation, we feel that once the juvenile court judge has determined that the mother is morally unfit and that the children should therefore be removed from her custody and control, it should be possible to place them for adoption, and appoint some appropriate person to give or withhold consent, without the necessity of the mother consenting. It is hoped that this recommendation would lead to children being removed from an undesirable environment into an environment in which they can grow up to be well adjusted and healthy children.

Recommendation No. 22: That legislation be enacted making it clear that licensed physicians and surgeons have authority, after consultations, to perform operations in licensed hospitals for the sexual sterilization of patients who desire the operation, subject to the consent of the spouse of any such patient who is married and subject, in the case of an unmarried minor, to the consent of a parent or guardian and a determination by the appropriate juvenile court that the operation would be in the best interest of the minor.

The present North Carolina law, G. S. 35-36, provides for the eugenical sterilization or asexualization of any mentally diseased, feeble-minded or epileptic inmate or patient of any penal or charitable institution supported by the state or any subdivision thereof provided it is found to be in the best interest of the mental, moral, or physical improvement of the patient or inmate or for the public good as determined by the North Carolina Eugenics Board. G. S. 35-37 provides for operations on the same categories

of persons listed above when the individual is not residing in an institution. Both of these sections state: "Provided, however, that no operation described in this section shall be lawful unless and until the provisions of this article shall first be complied with."

Another statute, G. S. 35-52, provides that nothing contained in this article shall be construed so as to prevent the medical or surgical treatment for sound therapeutic reasons of any person in this state, by a physician or surgeon licensed in this state, which treatment may incidentally involve the nullification or destruction of the reproductive function.

We understand that this combination of statutes, when construed together with the provisos contained therein, causes some surgeons to be reluctant to perform sterilization operations (even upon competent adult individuals who request such operation) because of doubt as to whether or not they have legal authority to do so. We think this doubt is justified. We also feel that the attorneys who advise such surgeons would conclude that this combination of statutes leaves some uncertainty as to the authority of a surgeon in this area. It is our opinion that all such doubts should be resolved, and that we should have legislation specifically authorizing such operations where the individual requesting such operation is competent and the other safeguards spelled out in our recommendation above are complied with. It is our feeling that there are mothers, both married and unmarried, who have as many or more children than they can adequately raise into responsible adulthood; that many of these mothers would like to be sterilized; and, that there are surgeons who would be willing to perform the operation if all doubt as to their legal authority to do so were removed. The basic purpose of this recommendation is to remove those doubts.

We do not propose that the present law concerning eugenical sterilization or sterilization for sound therapeutic purposes be altered. The only purpose is to make it clear by legislative enactment that surgeons may perform these operations on individuals consenting to such operation when such individuals are competent, without regard to whether or not the operation is for sound therapeutic purposes.

Our proposal here is modeled after a statute enacted by the Commonwealth of Virginia in 1961 pursuant to recommendations made, after exhaustive study, by the Virginia Advisory Legislative Council. It might be helpful in attempting to point out the reasons for, and limitations upon, this recommendation to quote a few sections from the report of the Virginia study commission. We approve what they say in these sections. ". . . Where there is actually a disease of the reproductive organs, surgical treatment of which will destroy the ability to procreate, the physician's right and duties are clear. Similarly, if the bearing of children will place the life of the potential mother in grave danger, there is no problem. But when it is a question of the effect of the production of children by persons who are plainly not equal to the responsibilities of parenthood, or of adding to the size of a family, where the parents are unable physically or otherwise to provide adequately for children they have already had, physicians and surgeons are much more hesitant in assenting to the performance of such operation.

"We believe that the principle in law which, in cases involving children, indicates that the welfare of the child is of paramount importance, should serve as a guide in such cases. We therefore recommend that the law be so changed as to make it clear that in cases where the well-being of a child who might be conceived or of children whom the parents may have

already produced is involved, the question of the performance of sterilization operations should be left to the discretion of the individuals concerned, if adults, and the physicians or surgeons to whom the cases have been committed for care.

"However, those who have advocated a voluntary sterilization law have suggested, and the evidence presented to support such advocacy indicates, that safeguards should be incorporated into the law so that it will not sanction sterilizations performed casually, or merely because of the convenience or desires of the individuals concerned. We therefore believe that sterilization should only be permitted under conditions which will insure not only that it is the considered judgment of the individual to be sterilized that it should be done but that more than one competent doctor concurs in this judgment."

The conditions which are included in the Virginia statute, and which we recommend be included in the North Carolina legislation to carry out this recommendation, would include:

(1) the consent of the patient;

(2) the consent of the spouse of the patient, if married;

(3) a full explanation by the physician to the consenting parties of the nature and effect of the operation;

(4) a mandatory period of thirty days between consent to the operation and the performance of the operation during which time the patient would have an opportunity to think the matter over;

(5) a requirement that the operation only be performed in a hospital licensed by the Medical Care Commission;

(6) a requirement that there be consultation between two or more physicians or surgeons before the operation is performed; and

(7) the consent, in the case of a minor, of the minor and the parent or guardian of such minor, plus a determination by the appropriate juvenile court that the operation is in the minor's best interest.

Finally, in order to make it perfectly clear that the licensed physicians or surgeons are authorized to perform such operations under the conditions specified above, we feel that a provision should be included to the effect that the physicians or surgeons are not to incur any liability because of the performance of the operation in accordance with the requirements set out herein so long as such operations are performed in a non-negligent manner.

Recommendation No. 23: That present experiments with oral contraceptives on a voluntary basis be carefully studied, and if the results of these experiments show that the procedures followed and drugs administered are medically safe, that other counties be encouraged to follow this procedure as another step toward the reduction of illegitimacy and dependency.

This Commission has studied with interest the pilot project that has been going on in Mecklenburg County with respect to use of oral contraceptives on a voluntary basis by the mothers of ADC recipients. The program is being carried out as a co-operative effort between the Department of Public Welfare and the Department of Public Health. We think that this program or a similar program offers the possibilities of being of great significance to the prevention of dependency and the stabilization of family life.

In a letter to the directors of public welfare dated December 28, 1961, the Director of Public Welfare of Mecklenburg County stated, in part: ". . . The pilot project started in November, 1960 was for the

purpose of satisfying ourselves that public welfare clients would voluntarily and could successfully make use of 'the pills.' After one year's experience without a pregnancy among the women volunteers, who were accustomed to frequent pregnancies, we are ready to say that our initial project with women of the lower economic class is successful.

"Within a short time we hope to make Enovid (or some equally successful drug) available to an increased number of women who are currently receiving public assistance but who do not want additional children, who cannot care for more children, and whose physical and mental health is endangered by too frequent pregnancies. After one year's experience we are receiving numerous requests from clients 'to be referred to the pill clinic.' Such a program is rapidly gaining enthusiastic public support not only for the reasons listed, but also because of the dollar fact that it is currently costing probably less than 1/25 as much to prevent unwanted births as it costs the public to support the children."

The Acting Director of Public Health for the Mecklenburg County Health Department issued a report dated January 1, 1962 in which she gave the following summary: "One hundred and one patients desiring to receive an oral contraceptive were certified as financially eligible for the clinic by the Department of Public Welfare. Two were not accepted because they were already pregnant. Fourteen patients were discharged: two because of side reactions to the drug; eleven because they no longer needed the service; and one moved away. Thirteen patients ceased taking the medication. These patients gave no definite reason for their action. Seventy-two patients are currently using the medication with satisfaction and no pregnancies have been observed. It is noted that these ninety-nine patients had had from one to twelve pregnancies each, for a total of 533

pregnancies, prior to voluntarily accepting the oral contraceptive."

A few other counties have a program similar to the one in Mecklenburg County. Generally the programs operate in about the same manner, with the public welfare department certifying to the health department clinic public assistance or other low income cases who volunteer for the program. At the health department clinic a public health nurse and a board certified obstetrician hold the planned parenthood clinic once a week for such patients. The health department procures the drug with funds appropriated to the public welfare department. This program is considered by both departments as only a segment of the total program of planned parenthood.

While we think these experiments offer most desirable possibilities, we are not willing to recommend at this time that all counties immediately undertake such a program. The program is, in our opinion. still in an experimental stage and without sufficient accumulated knowledge as to all of the long-range effects. We do, however, recommend that these experiments be watched closely, that the results be evaluated, and that if the doctors find them to be absolutely safe other counties join in the program. We are convinced that there are many mothers, a number of whom are recipients of public assistance, who are continuing to have children but who in fact do not want more children because they realize that it is not in the best interest of themselves, their children, or the public. If a medically safe procedure can be established whereby these mothers may receive, free of charge, voluntary assistance in the prevention of pregnancy, the public good will be sustained.

Recommendation No. 24: That the State Board of Public Welfare develop a day care program using federal child welfare funds to the maximum extent possible.

We favor the principle that people able to do so should work for

their living rather than looking to the public for it. We also favor the principle that children should have an opportunity to grow up as healthy (both physically and socially) citizens able to provide for their own needs. It is our feeling that both of these principles will be advanced by providing good day care facilities where children can be properly provided for while the mother, who might otherwise be a recipient of aid to dependent children, is working. The Public Welfare Amendments of 1962 make federal funds available to the State Board of Public Welfare for a day care program.

Miscellaneous

Recommendations number 25 and 26 of our Summary of Recommendations, not falling into any one of the prior sub-sections of this portion of our report, are set out here as miscellaneous recommendations.

Recommendation No. 25: That the state and counties be encouraged to take advantage of the provisions of the Public Welfare Amendments of 1962 relating to demonstration projects.

The Public Welfare Amendments of 1962 foresee the desirability of encouraging states and counties to develop new ideas and new approaches to the problems applicants and recipients bring to the public welfare departments by experimenting with new methods of providing assistance and social services. They authorize the Secretary of Health, Education, and Welfare to waive federal requirements for demonstration

projects undertaken by the states or counties which are designed to carry out the objective of constructive experimentation. For instance, a demonstration project does not have to be on a state-wide basis. The legislation authorizes up to $2,000,000 per year of federal funds appropriated for public assistance to be used to assist in paying that portion of the cost of projects not already subject to federal particpation.

We strongly believe in experimentation to determine the best ways of doing things. We think that the portion of federal law authorizing states and local governmental units to develop possible ways of improving the carrying out of the public assistance programs should be taken advantage of by our state and counties.

Recommendation No. 26: That counties not presently participating in the surplus food program re-consider the decision not to participate, and that the counties be encouraged to take advantage of this program.

While we feel that the decision to participate or refrain from doing so should remain within the discretion of each board of county commissioners, we think that this is a very fine program and offers the counties an opportunity to meet an urgent need at a very small cost.

Information furnished to us by the Director of the North Carolina Department of Agriculture Commodity Distribution Program indicated that 37 counties were distributing food under the program in August of 1962; that between 30 and 40 thousand families were receiving food in these 37 counties; and, that approximately 164,000 persons were receiving food in March of 1962 (the figures for the summer months are expected to show that this number dropped to about 115,000 during those months). We were also furnished information concerning the cost to the county of operating

the county warehouse used for distribution of surplus food. This information was based upon questionnaires from 27 reporting counties and covered the period July 1, 1961 to December 30, 1961. It showed the following:

Percentage distribution cost is of retail value of food . . . 2.31%
Cost per pound distributed. . . . . .$.0077
Cost per person served. . . . . .$.17 per month
Weight of food distributed per person . . . . . 22 lbs. per month
Cost of warehouse operation . . . . . .$678.00 per month
Number of persons served. . . . . 3,908 per month
Value of food distributed . . . . . .$29,310 per month.

The most significant figure, it seems to us, is the one indicating that the cost to the county of distributing the food is approximately 2.31% of the retail value of the food distributed. This figure does not include the cost to the welfare department of certifying eligibility. In some counties it has not been necessary to add any additional workers for this purpose but others have found it necessary. It is our belief that most counties could save the cost of distributing this food by the reduction it would bring about in normal general assistance expenditures, and at the same time help make available a balanced diet to many marginal income families in the county.

We frankly have some difficulty in understanding why a majority of the counties refuse to take part in the surplus food plan when the cost to the county is so small in comparison to the value of the food distributed

and the good that can be accomplished. So long as we have a surplus of food and people who are hungry, methods need to be devised to get the surplus food to the hungry people. We feel that the plan that has been devised in North Carolina warrants the very serious consideration of every board of county commissioners.

We also note with interest the fact that Nash County has been selected as one of the counties in the United States to participate in the "food stamp plan." There are many who feel that this will prove to be an even better method of accomplishing the objective of getting surplus food into hungry mouths. We feel that this project warrants the attention of all counties, and if an evaluation of the results indicates that it is a more desirable approach, its adoption on the federal, state, and local level should be supported.