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up to \$5 per month of added social security benefits to individuals by excluding it from income calculated as the base of old age assistance, blind assistance, and other Federal-State welfare programs based on need.

What has been the result?

At the present time, to the best of my information, only 16 States are passing along those benefits, intended to alleviate life a little for the very poorest. Of those 16 some do not allow the full \$5 per month: Arkansas sets the figure at \$3, Georgia at \$4. I am proud to say that my own State of Indiana is one of those few which allows the full amount of \$5 as an exclusion. Let me illustrate how this has worked, because the law does not mandate the States and is permissive only.

Let us suppose that a social security beneficiary has qualified for the minimum \$40 payment in effect before the 1965 change. This elderly person's State—and States fix their own standards of need, which vary widely—has set a minimum need for such a person at \$100. However, as President Johnson pointed out in his January 23, 1967, message on older Americans, and I quote:

Twenty-seven states do not even meet their own minimum standards for welfare payments.

He also stated, incidentally, that in nine States the average amounts paid for old-age assistance are as low as \$50 a month or less.

Let us suppose that this State, with its \$100 per month standard, is one of the 27, so that in fact it allows its very poor, who must apply for public assistance, only \$85. This means that, with no resources other than \$40 social security per month, the poor person applies for old-age assistance, funds for which are also provided under the welfare section of the social security law on a Federal-State basis. The State, therefore, out of these funds provides another \$45 of monthly payments for the \$85 total, even though by its own admission it takes \$100 for such a person to be minimally provided for.

Now the increase brings social security checks for \$44 instead of \$40. Theoretically, it was our intention that this would make it possible for every person even at the lowest levels to pay the \$3 for part B medicare insurance without penalizing his already minimal income. Certainly that was, in part, the reason for the permission to disregard up to \$5 in structuring welfare payments. But we did not require it, only permitted it. So what happens?

The States, which no one denies are pressed for funds, decide that since it is not mandatory, they will refuse to exempt any of the increased social security from the income base to which welfare payments are added. Now the \$85 remains exactly the same; the only difference is that out of it the State welfare agency pays \$41 instead of \$45. In effect, the State has itself taken the \$4 intended for its poor person as a nice Federal gift for its treasury. The poor person, rather than having the \$4 out of which to pay medicare, winds up—if he is to be in the program at all—cutting down still further

on food, clothes, or any other little expense he can live with in order to dig up that monthly \$3. More likely, already cut to the bone—and remember that the total in nine States is \$50 or less—he can not afford to join the program and so forgoes medical care when it is later needed.

This, I submit, is not far from robbing the poor. Certainly it is not in keeping with the intent of Congress in passing the improvements of 1965. It was never our intention to subsidize State treasuries out of these social security increases.

I have been speaking of a case involving the very minimum. The increase at other levels was 7 percent, which in some cases on welfare means considerably more per individual than the \$4. The case of the State of Illinois illustrates the extent of the windfall to the States. With an annual budget of public aid amounting to \$350,000,000, half is supplied by the Federal Government. The gain to Illinois by not passing on the \$5 exclusion amounts to \$110,000 per month, or \$1,320,000 in the course of a year. Do the States need this money more than their poor? Where is the justice in this kind of action?

You will recall that the increase was made retroactive to January 1, 1966, so that when the first checks were issued to the recipients of social security raises they were lump-sum amounts for the accumulated benefits. In five States a quarter of a million persons had their public assistance payments reduced by exactly the same amount as their 8-month accumulation of benefits. One of these States later corrected the situation, however.

How many people are we thus penalizing? While the figure has moved up to 16 States which had adopted the income exclusion privilege by the beginning of this year, some indication may be had from an earlier figure cited by Mr. Edelman in committee testimony. In February 1966, when 11 States only were excluding the increases, the total number of persons in the country receiving both social security payments and welfare assistance was 1,014,000. In the 11 States which, so to speak, were wearing the white hats of the good guys, there were 138,360 such cases. That means that some 910,000 persons throughout the Nation were then receiving none of the intended benefits of the social security increases, not even the \$3 increase which would pay part B medicare. The figure is somewhat smaller now, perhaps, but doubtless still around the three-quarter million mark.

At the time the change was made, a Wall Street Journal reporter, Kenneth G. Slocum, investigated the impact in St. Petersburg, Fla., where 28 percent of the population is 65 or older, as compared with the national average of 9 percent. Here are some comments, in which the meaning of the small additional income is poignantly evident. I quote from that article, which appeared on September 22, 1965, under a heading which read in part "Checks for Retroactive Boost Go for Clothes, Food, Rent":

Gifford Adams, a former bookkeeper, will use his (retroactive payment) check "to put some new rags on the old frame."

And a frail old couple here will use the

money to change hotel rooms. "Instead of a \$10-a-week room with cockroaches on First Street we're getting a clean \$13-a-week room on Sixth Street. . . ."

On Saturday, the prescription drug department at Webb's City reported business was 15% above normal, "indicating that some of these people had been unable to pay for prescriptions until the retroactive checks arrived," says James Webb, executive vice president.

If this is the meaning of the small increases for people who were not confined to the minimums set for welfare subsistence levels, how much greater the meaning for those who are—but who have been deprived of any increase by the loophole in the law to which I have referred.

It is out of this background that my bill has grown. We must not let such an occurrence take place again. Included in those for whom no gains were made are great numbers of the 380,000 estimated blind persons who are not gainfully employed and self-supporting.

My bill, Mr. President, would correct the situation by simply requiring that States must—not may—disregard increases in social security payments dating back to January 1, 1966, and including increases to be passed hereafter, when calculating income for purposes of determining welfare assistance payments under the Federal-State provisions of the social security law. We talk about the need for eliminating poverty, but when we pass a measure to upgrade the poorest of our citizens a little bit in this way we leave a loophole that gives the benefits to the States instead of the poor.

Mr. President, we must do better. We must not let it happen again. We must correct the inequities by passage of this bill, or one which will achieve the same objectives. To do less is intolerable.

URBAN AMERICA, INC.

Mr. MONDALE. Mr. President, the Federal Government has been so active in the field of urban affairs in the past few years that this activity has tended to overshadow the work that has been done by private groups.

One of the most dynamic private groups has been Urban America, Inc., with headquarters in Washington. This organization has attempted to assist cities that are planning for the future, and for a better physical, social, and economic environment in urban areas.

Urban America, Inc., was established in 1965 with the help of a grant from the Taconic Foundation. Later that same year it merged its activities with those of the Action Council for Better Cities. Its success has been due to James Rouse, its president, and this success will be enhanced by the recent appointment of William Slayton as executive director. Mr. Slayton was formerly the Administrator of the Federal Urban Renewal Administration and is one of the leading experts in the urban field.

Urban America, Inc., operates in five areas and seeks to improve: The quality of architecture, the exchange of information between cities, the governmental policies in urban affairs, the interest of the business community in urban programs, and the quality of low-income

housing. One of its most significant activities has been in providing technical assistance to nonprofit sponsors of FHA section 221(d)(3) below the market interest rate insured loans for the construction of units for those of low or moderate income. It has done this by providing technical assistance and information to nonprofit sponsors through its Nonprofit Housing Center. Its publications include *Architectural Forum*, one of the best magazines in the design and environmental field.

This month *Urban America, Inc.*, has launched a new publication, *City*, which will be published bimonthly. This periodical is designed to improve the range of knowledge to the reader by emphasizing the full spectrum of problems which face the city. Its first issue is devoted to an excellent review of the important events of the last year which have affected our cities. I wish to congratulate Mr. Rouse and Bill Slayton for developing this vital publication, and wish them success on this publication as well as in their other activities.

Mr. President, I ask unanimous consent that a section of the first issue of *City* be printed in the *RECORD*. The section deals with the activities and purposes of the organization and the role *City* will play in them.

There being no objection, the section was ordered to be printed in the *RECORD*, as follows:

Urban America, Inc., last September welcomed some 1,000 specialists and citizens to its Washington conference on "Our People and Their Cities." Several of the speakers, in turn, welcomed *Urban America* as what one termed "a catalytic force" for improvement of the urban environment. The conference was called, in part, to bring new ideas and insights into *Urban America's* developing program. It marked a midpoint in the transition from organization to direct involvement in urban problems, a transition now nearly complete.

Urban America began with Stephen R. Currier's concern with the quality of life in cities. It was formed under a Taconic Foundation grant in February, 1965, through the joining of Mr. Currier's goals to the American Planning and Civic Association. In December, 1965, it merged with the Action Council for Better Cities.

Urban America's first 18 months were spent in a wide-ranging examination of urban problems for the points at which intervention could have most effect. By mid-1966, *Urban America's* program had begun to take both substance and a definite style. In June, William L. Slayton, former commissioner of the federal Urban Renewal Administration, was appointed executive vice president, and began to build the professional staff.

Urban America has been organized in five centers of activity. Three of the centers—for policy, design, and information—were established as key elements of the program early in its planning. The other two, for nonprofit housing and for business and development, grew from the Action merger.

Each center has its own staff and its own particular constituency. But the lines of responsibility are thoroughly interlaced. *Urban America* has been made a flexible instrument, responsive to the changing problems and opportunities presented by the cities. The following are some to which *Urban America* responded in its first full year of operation.

DESIGN

In a remarkable appendix to the Logue report on the development functions of New

York City, Architect-Planner David Crane of University of Pennsylvania examined with surgical precision the reasons design quality is so low on the list of concerns of those who build cities. Simply stated, the reasons were two: first, that design is regarded as an optional extra and has no established place on the agenda of developmental decision-making; and second, that designers are untrained and unpracticed in working at bigger-than-building scale.

The Urban Design Center, now in the process of completing its staff, will direct its program to the removal of both these obstacles. It will not itself undertake design, but will work to inject design concern into the decision-making structure. It will seek to develop new techniques, and refine old ones, for the selection and application of design talent to urban-scale projects. At the same time, it will encourage the preparation of designers, and of the design process, to deal competently with these larger and vastly more complicated tasks.

Architectural design and its application to the urban scene were, of course, the subjects of the first project undertaken by *Urban America, Inc.*: publication of *The Architectural Forum*. The relationship between *Forum* and *Urban America* is a unique one. The magazine enjoys complete editorial independence, within the broad charter of helping prepare the architectural profession for a more effective role in shaping the urban environment. It has used that independence to become a lively, often controversial editorial force—and the nation's most thoroughly read and respected journal of architectural and urban design.

In addition to presentation and criticism of major buildings, *Forum* regularly covers broader environmental issues. Thus, in the past year, it was the first national magazine to examine—and deplore—the single-mindedness of the Bay Area Rapid Transit System's planners. "Unless changes are made in its procedures," said *Forum*, "BART's shiny trains will pass through an environment that is worse, not better, for its presence." Two months later BART's design consultants resigned, making some of the same charges in their departing statements.

FORUM also published the first detailed report on the Summer Study on Science and Urban Development, sponsored by HUD and others at Woods Hole, Mass. Its continuing series of analyses of significant urban design projects ranged from the Lower Manhattan Plan and Philadelphia's Market East to what it termed a "mini-core" for the small community of Rockville, Md. *FORUM's* reach also extended to the social problems of the city: in November, it found a direct link between design and the conflict that surrounded the opening of Intermediate School 201 in Harlem over the issues of integration and community control.

DEVELOPMENT

At its mid-January meeting, *Urban America's* Board of Trustees approved creation of a Business and Development Center as an expansion of the Redevelopment Division that had been part of *ACTION*. More than just a minor matter of organization, the change signified the current search for new forms of private involvement in urban development. Previously, private capital had entered the city-building process mainly through the urban renewal program and the activities of their developers. Now other corporations were entering the process in other ways.

A prospectus outlining the need for the new Center recognized "the infusion of new resources into the job of building and rebuilding *America*: large amounts of capital and managerial and research talent from large corporations." The prospectus said that the Center's program of analyses, publications, and information services would attempt to show how the needs of cities could be made a market for business innovation. The objective would be "to build bridges be-

tween planning and development, private initiative and governmental power, the technician and the layman, the profit and nonprofit operation."

The agenda of the Center's annual development forum in January suggested the scope of its activities. At that two-day session, more than 120 delegates got a glimpse of the "state of the art" of new town building, plus insight into techniques for adapting the systems approach to community development. George Bogard of General Electric described the rationale for his company's decision to build new cities of 100,000 population; John Eberhard made a strong appeal to industry to help broaden the research base for the next stage of technological development and thus enhance the physical plant we leave for the next generation; investment banker John G. Heimann suggested how new sources might be tapped to take the peaks and dips out of the flow of money for housing loans.

Early in 1966, the Center organized a task force to review FHA procedures on multifamily mortgage insurance. Task force members visited 11 FHA local offices, and produced eight recommendations for streamlining the agency's procedures.

The Center held lecture-workshops last year at Berkeley, Calif., and Princeton, N.J., that were attended by more than 300 builders, developers, lawyers, architects and representatives of nonprofit organizations. These sessions provided briefings by authorities on the intricacies of financing housing for lower-income families under the federal 221d3 and rent supplement programs and on public-housing innovations such as the turnkey and leased-housing programs. Superior urban design for renewal projects was the goal of a separate lecture-workshop at Princeton.

Administrative responsibility for the National Action Council also belongs to the Business and Development Center. The Council, made up of more than 100 prominent business and professional men, was established as a forum for the debate of national urban issues.

POLICY

Last November, the electorate took a sharp turn to the right. Analysts added up the projectable attitudes of the 90th Congress, and concluded that the model cities and rent supplement programs, were they to be introduced this year rather than last, would have virtually no chance of passage. Prospects for the funding of these programs and the launching of new ones seemed glum; only the nation's mayors were talking determinedly about pressing for further urban advances, and they were vulnerable to the charge of special pleading.

In January, *Urban America* invited the mayors of a cross-section of major cities to a series of Washington meetings from which emerged two plans for action. One was for the formation of an urban coalition, composed of groups that share a major stake in cities. The other was for the creation of an Urban Economic Council which would examine and evaluate the impact of economic policies on urban areas.

Urban America is now working with a steering committee of mayors to bring together spokesmen for components of the coalition—business, education, civil rights groups, labor unions, and religious organizations. Meetings with each of these groups are aimed at developing an agenda for an increased national commitment—federal, state, and private—to the cities.

The Urban Economic Council will be made up of three nationally recognized economists. It will be asked to establish a two-way channel between national and local economic policies. On one hand, it will provide a detailed analysis of urban needs and propose the necessary administrative and budgetary measures to meet them. On the other hand, it will translate the potential effects of

alternative national policies on local programs.

The Council will appraise the allocation of economic resources and priorities for federal expenditures, assigning the relative importance of urban programs to other national needs. It also will appraise the economic importance of the programs and expenditures of local governments to the national economy, and the potential impact of business fluctuations on cities.

The Council's first report, to be prepared by an established private, nonprofit agency, will provide quantitative estimates to 1975 of urban expenditures and urban requirements under a variety of possible situations. The study will trace historical trends of federal, state, and local expenditures on programs that are totally urban, such as mass transit; those that are totally non urban, such as defense; and those that have characteristics of both, such as highways.

Reports of the Council will be issued from the Urban Policy Center, which will coordinate the research and writing with assistance from consultants. The Policy Center, last of Urban America's components to be staffed, will focus attention on other major issues as well. It might, for example, seek ways to channel metropolitan development in coherent patterns; or propose policies to encourage urban growth in optimal locations; or ask publicly how it might be possible to achieve equitable distribution of population in metropolitan areas by race and income. Through seminars and papers, the Center will invite to such issues national discussion and debate.

HOUSING

Steadily, in recent years, the flow of federal encouragement to nonprofit sponsors of low- and moderate-income housing has increased. Today, nonprofit sponsors have a wide and flexible range of assistance programs to use in building, and they are using them: some 60 percent of all housing constructed under the Section 221d3 program of low-rate mortgage loans is the work of nonprofit sponsors. Some have become expert in the process, or have readily available expertise they can tap. Others, particularly first-time sponsors, are lost in the jungle of complications surrounding housing development.

The prime objective of the Nonprofit Housing Center is to help the latter group, and help it does: in the period covered by its latest bimonthly report, it responded to 170 letters asking information or technical assistance. A growing number were from communities interested in organizing private development funds or nonprofit housing corporations.

The Center was created in 1965 as the Local Development Services Division of ACTION under a Ford Foundation grant that was renewed last fall. In October, it entered into an agreement with the United Church of Christ, the United Presbyterian Church in the U.S.A., the Protestant Episcopal Church, and the Methodist Church to encourage and assist religious groups interested in housing sponsorship, with each denomination contributing \$25,000.

The Nonprofit Housing Center is the most fully operational of Urban America's components, with four regional offices in addition to its headquarters staff. Requests for its technical assistance come from a wide range of organizations in major metropolitan areas—and also from places such as Mercedes, Texas (population 15,000), where the Roman Catholic diocese is sponsoring a 100-unit rent supplement project. In the Watts area of Los Angeles, the Center is working with a group of nonprofit sponsors on a development plan and program for construction of new housing on a vacant 116-acre site.

In addition to local church and community groups, the Center's clientele extends

from the National Association of Manufacturers to the Southern Christian Leadership Conference headed by Dr. Martin Luther King. NAM's Center for Independent Action asked assistance in studying the feasibility of a privately financed rehabilitation program in Indianapolis, Indiana. For Dr. King's organization, the Nonprofit Housing Center is investigating the possibility of establishing a Southeastern Housing Development Corporation to sponsor low-income dwellings in an eight-state area. Preliminary discussions also are being held with the Appalachian Regional Commission on a multi-state housing program, and with the Office of Economic Opportunity on its efforts to form housing development corporations with direct involvement of the poor themselves in their operation.

To extend its assistance beyond what a single staff can provide on a project-by-project basis, the Center maintains a program of publications and conferences. It is about to begin a series of six regional meetings of potential nonprofit sponsors, with cooperation of the Federal Housing Administration. The sessions will deal with a variety of new housing tools, and will include case studies on local projects.

To expand the nation's stock of expertise, the Nonprofit Housing Center and the church-supported Urban Training Center of Chicago are investigating the possibility of holding one-week orientation sessions and intensive two-week seminars in federal housing programs. The Nonprofit Housing Center and the U.S. Office of Education also are exploring the prospect of developing a national training program for nonprofit housing sponsors and corporations, in cooperation with several universities across the country.

INFORMATION

The services that the city requires of its professionals increasingly are cross-disciplinary services. The model cities program, with its demands for the melding of social concern with physical planning and design, only formalizes a trend toward realization that one set of skills is not sufficient in dealing with the complexity of development problems. But collaboration among disciplines requires that each know the thinking, the mode of practice, the state of research in the others. There are at present few effective means of exchanging this information, except under the pressures of the problem at hand.

In an attempt to fill this need, the Urban Information Center will launch *City*, a bimonthly review of urban affairs. This annual report is, in a sense, the first issue of *City*, introducing its size, typography, tone, and range of content. The annual report is more heavily illustrated, however: *City's* plus-or-minus 24 pages per issue will consist mainly of relatively brief reports and summaries, organized by sections.

City will be the major headquarters publication of Urban America, reporting its activities in the context of urban events and thought, and prime outlet for the information-gathering function that is the Center's basic task. The Center also will continue Urban America's series of special reports, which in the past year have included a *Chart Book* of graphically depicted statistics on the urban environment; *Five Speeches*, reproducing in permanent form major addresses from the September conference; *The Troubled Environment*, the paperback proceedings of an important 1965 symposium; and a series of guidebooks and analyses produced by the Nonprofit Housing Center.

Issued concurrently with this annual report are Wilfred Owen's colorful *Fable* on urban transportation; and John G. Helmann's paper *The Necessary Revolution in Housing Finance* from the January forum of the Business and Development Center. In

preparation are publications on topics ranging from open space, to the reorganization of urban governments, to the design and workings of fountains, to case histories of low- and moderate-income housing, to a colloquy on urban design that was part of the legislative history of model cities.

These publications, and *City*, are mainly directed to urban specialists. To increase and inform the interest of the general public, the Center acts as a reference service for the press, radio, and television. Regular contact is maintained with urban affairs editors and writers on newspapers throughout the nation. The reference function of the Center also serves as a resource for Urban America's 80 Local Group Associates, the citizens' and business organizations that are on the firing line of urban issues. Plans are now under way both to increase the number of these affiliates and the exchange of information among them through Urban America.

THE PROGRESSIVE MAGAZINE

Mr. NELSON. Mr. President, one of the finest journals of public opinion in the United States is the Progressive magazine. Founded in 1909 by the late Robert M. La Follette, it has continued to be unruffled by the—at times—more popular majority view. It has continued to serve for almost 60 years as a source of independent, thoughtful, and responsible comment on public issues facing our Nation.

I am proud to say that the Progressive, ably edited by Mr. Morris H. Rubin, is still published in Madison, Wis. Through the publication of its editorials and articles the Progressive magazine has certainly lived up to the tradition endorsed by the late Senator La Follette as stated at the beginning of each lead editorial: "Ye shall know the truth and the truth shall make you free."

In the July issue appear articles worthy of being read by my colleagues. "War and Peace in the Middle East" is a brilliant editorial analysis of the Arab-Israeli conflict. I suggest that an article by my distinguished colleague, Senator Young of Ohio, entitled "The New Democracy in Vietnam," should be read by the entire Senate. A short editorial entitled "Morgan Moves Up" calls attention to the loss of Edward P. Morgan to the radio networks. Mr. Morgan leaves a void which will not be easily filled when he moves to National Education Television on a 2-year leave of absence. The Progressive correctly states that his 12 years of broadcasting for the AFL-CIO stand as "models of perception, clarity, and courage."

I ask unanimous consent that these articles be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Progressive magazine, July 1967]

WAR AND PEACE IN THE MIDDLE EAST

Hostilities in the Middle East had come to an end as this was written. Israel arms were brilliantly triumphant on every front. Greatly outnumbered and forced to fight simultaneously on three or four fronts, the Israelis destroyed much of the shiny new military hardware given the Arabs by the Soviets and, in the process, shattered the morale of the Arabs who, only a few days before, had been whipped into a frenzied mob clamoring for a holy war to exterminate Israel.