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{ REPORT
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OLDER AMERICANS ACT OF 1965

MAY 26 (legislative day, MAY 24), 1965.—Ordered to be printed

Mr. McNAMARA, from the Committee on Labor and Public Welfare,
submitted the following

REPORT

[To accompany H.R. 3708]

The Committee on Labor and Public Welfare, to whom was referred the bill (H.R. 3708) to provide assistance in the development of new or improved programs to help older persons through grants to the States for community planning and services and for training, through research, development, or training project grants, and to establish within the Department of Health, Education, and Welfare an operating agency to be designated as the "Administration on Aging," having considered the same, report favorably thereon with amendments and recommend the bill as amended do pass.

The amendments are as follows:

(1) On page 14, beginning with line 25, strike all of subsection (c) and substitute in lieu thereof the following:

(c) The Secretary shall make no grant or contract under this title in any State which has established or designated a State agency for purposes of section 303(a)(1) unless the Secretary has consulted with such State agency regarding such grant or contract.

(2) On page 15, beginning with line 23, strike all of subsection (c) and substitute in lieu thereof the following:

(c) The Secretary shall make no grant or contract under this title in any State which has established or designated a State agency for purposes of section 303(a)(1) unless the Secretary has consulted with such State agency regarding such grant or contract.

EXPLANATION OF THE AMENDMENTS

H.R. 3708 as passed by the House provided in subsection (c) of sections 402 and 502 that the Secretary shall make no grant or con-

tract under titles IV and V where the State has established or designated a State agency for the purpose of this act, unless such agency has approved such grant or contract. The Senate committee amendments would remove the requirement of State agency approval of grants and contracts under titles IV and V and require only consultation with such State agencies. The reasons for the amendments are:

(1) Titles IV and V relate to grants and contracts with public and nonprofit agencies, organizations, institutions, and individuals for research and development and training projects more national and regional in scope. Grants and contracts for research and development and training projects under titles IV and V will be made primarily with universities and other research centers operating on a national and regional level. The subject matter of the research and development is regionwide and nationwide in scope and significance, with often no reference to State boundaries. Likewise, much of the professional training currently required is for personnel who will work at regional and national levels.

(2) There are a number of significant parallels in other Federal programs dealing with similar projects, where the contracts and grants are not subject to State approval. The National Institutes of Health grant programs, developed over more than 30 years, are conducted on a national basis with national review committees and councils and without State review. Other examples are the Office of Education cooperative research program, the Welfare Administration cooperative research program, the National Science Foundation program, and those of the Defense Department, Veterans' Administration, and the Housing and Home Finance Agency. Similarly, a portion of Office of Economic Opportunity funds are reserved for research and demonstration grants not subject to State review.

It should be noted that title III provides for application by the State for grants for community planning and coordination of programs including demonstration projects and training of specialized personnel to carry out the purposes of the act. Title III also includes the major authorization under the act—\$5 million the first fiscal year and \$8 million the second fiscal year.

Secretary of HEW Celebrezze and other organizations have also stated their objections to the requirement for State approval of grants and contracts under titles IV and V of the House-passed bill.

PURPOSE AND EXPLANATION OF THE BILL

The bill provides for an Administration on Aging within the Department of Health, Education, and Welfare under a Commissioner on Aging, appointed by the President by and with the advice and consent of the Senate. Ten objectives are listed, including income, health, housing, research, and employment. (See sec. 101 of section-by-section analysis.)

The bill authorizes the Secretary of Health, Education, and Welfare to make grants to States for (i) community planning and coordination of programs for older citizens, (ii) demonstration projects, (iii) training of special personnel, and (iv) other programs to carry out the purposes of the act; to make grants and contracts with public or nonprofit agencies, organizations, institutes, or individuals for study, development, demonstration, and evaluation projects; and to make

grants and contracts with any public or nonprofit agency, organization, or institution for specialized training of personnel.

The duties of the Administration are to—

- (1) serve as a clearinghouse for information related to problems of the aged and aging;
- (2) assist the Secretary in all matters pertaining to problems of the aged and aging;
- (3) administer the grants provided by this act;
- (4) develop plans, conduct and arrange for research and demonstration programs in the field of aging;
- (5) provide technical assistance and consultation to States and political subdivisions thereof with respect to programs for the aged and aging;
- (6) prepare, publish, and disseminate educational materials dealing with the welfare of older persons;
- (7) gather statistics in the field of aging which other Federal agencies are not collecting; and
- (8) stimulate more effective use of existing resources and available services for the aged and aging.

There is established an Advisory Committee on Older Americans consisting of the Commissioner as Chairman, and 15 persons appointed by the Secretary who are experienced in or have demonstrated particular interest in special problems of the aging.

BACKGROUND AND NEED FOR THE BILL

The background of this bill, which relates to the growing recognition that Government at all levels has a responsibility to help older people solve their problems, can be traced to the First National Conference on Aging held in 1950 at the call of President Harry S. Truman. More than 800 delegates from all parts of the country attended, including representatives of private organizations, professional societies, and State and local groups concerned with aging. In the next 2 years, at least 50 major conferences on aging were held in various parts of the country. By 1952 there was widespread demand for another national conference, this one designed to bring together agencies of the States and Federal Government concerned with the aging and aged. Such a conference was held September 10-12, 1952, in Washington, D.C., under the auspices of the Committee on Aging and Geriatrics of the then Federal Security Agency. Expanding State activity led to the adoption of a resolution calling for a year-long study by the Council of State Governments on the problems of older citizens. A 176-page report entitled "States and Their Older Citizens," including a bill of objectives much like the objectives in this bill, was published.

On March 21, 1956, President Eisenhower summarized recent and proposed actions of the Federal Government affecting older citizens and announced his intentions to create a Federal Council on Aging. Said Council was established in April 1956, composed of representatives of various Government agencies. One of the first actions of the Federal Council was to join with the Council of State Governments in calling another Federal-State Conference on Aging which was held in Washington, D.C., June 5-7, 1956. Following this conference, from June 1956 to June 1958 fact books on aging were compiled by the Senate Subcommittee on Problems of the Aged and Aging. Senate Resolution 65 of the 86th Congress authorized the Committee on Labor

and Public Welfare to examine, investigate, and make a complete study of any and all matters pertaining to the problems of the aging. Pursuant thereto the Subcommittee on Problems of the Aged and Aging, with Senator Pat McNamara as chairman, submitted a report and documents in 1960 representing 8 months as a collection agency for information, as an investigator of conditions, as a sounding board for ideas and recommendations and frequently as a sort of father-confessor to the aged themselves. The subcommittee conducted hearings in Washington and seven cities across the Nation. It gathered testimony from experts, public officials, organizations and individuals. Its recommendations included the objectives stated in this bill. On January 27, 1961, Senator McNamara as chairman of the Subcommittee on Problems of the Aged and Aging submitted a second report pursuant to Senate Resolution 266 adopted March 24, 1960, with recommendations for physical and mental health, opportunity for employment without age discrimination, adequate income in retirement, suitable housing, and an Office on Aging. The investigation of the Subcommittee on Problems of the Aged and Aging was the basis for the White House Conference on Aging Act passed in 1958 which provided for holding a White House Conference on Aging to be called by the President to the United States in January 1961. The White House Conference on Aging convened in 1961 and the conference made 20 special recommendations dealing with a wide range of subject matters. The recommendations pertinent to this bill are as follows:

(1) The existing Federal-State programs that are now providing health care benefits, research, and facilities for the elderly should be preserved and strengthened, since these programs are essential and must be continued and improved whether or not Congress decides to finance health care benefits for other segments of the elderly population through a contributory social insurance system.

(2) To foster more activities in behalf of the aging on a local and voluntary basis, the Federal Government should support small, short-term (2 years) experimental or demonstration action projects proposed by private, local, or State organizations to stimulate and initiate community services.

(3) The Federal Government should expand and refine its various statistical activities to provide more facts and figures on which local and State governments and private groups can base their programs benefiting older people.

(4) It is recommended that the Federal coordinating agency in the field of aging should be given:

(a) A statutory basis and more independent leadership;

(b) Adequate funds for coordination and other assigned functions through a "line item" appropriation;

(c) Responsibility for formulation of legislative proposals for submittal to Congress; and

(d) Responsibility for periodic reviews of and reports on the various Federal programs, departments, and agencies working in behalf of older people to achieve their effective coordination and operation.

As a followup to this Conference, there was established in May of 1962, by Executive order, the President's Council on Aging. The Council was charged with the task of reporting annually to the President and of making available information of interest to private and

public organizations which are concerned primarily with the problems of the aging.

In transmitting its first report in May 1963, the Council called attention to the situation of some 18 million Americans who collectively share the problems of "the older American."

The figure "18 million" is of special significance when one realizes that included in this group are:

Two ex-Presidents.

Nearly 10 percent of the Nation's population.

Over 2.3 million war veterans.

Nearly 1½ million people living on farms.

More than 3 million people who migrated from Europe to the United States.

There are many among this vast segment of our citizens who have contributed significantly to the position we now enjoy in the family of nations.

And yet we learn from the work of private and public agencies that the older American, who has given so much of himself in the development of this great country, may not be sharing proportionately in the very greatness he has passed on to us.

On February 21, 1963, President Kennedy became the first President ever to send to the Congress a special message relating to our elderly citizens. In his message the President said:

The basic statistics in income, housing, and health are both revealing and disturbing:

The average annual income received by aged couples is half that of the younger two-person families. Almost half of those over 65 living alone receive \$1,000 or less a year, and three-fourths receive less than \$2,000 a year. About half the spending units headed by persons over 65 have liquid assets of less than \$1,000. Two-fifths have a total net worth, including their home, of less than \$5,000. The main source of income for the great majority of those above 65 is one or more public benefit programs. Seven out of ten—12.5 million persons—now receive social security insurance payments, averaging about \$76 a month for a retired worker, \$66 for a widow, and \$129 for an aged worker and wife. One out of eight—2¼ million people—are on public assistance, averaging about \$60 per month per person, supplemented by medical care payments averaging about \$15 a month.

A far greater proportion of senior citizens live in inferior housing than is true of the houses occupied by younger citizens. According to the 1960 census, one-fourth of those aged 60 and over did not have households of their own, but lived in the houses of relatives, in lodging houses, or in institutions. Of the remainder, over 30 percent lived in substandard housing which lacked a private bath, toilet, or running hot water or was otherwise dilapidated or deficient, and many others lived in housing unsuitable or unsafe for elderly people.

For roughly four-fifths of those older citizens not living on the farm, housing is a major expense, taking more than one-third of their income. About two-thirds of all those 65

and over own their own homes—but, while such homes are generally free from mortgage, their value is generally less than \$10,000.

Our senior citizens are sick more frequently and for more prolonged periods than the rest of the population. Of every 100 persons aged 65 or over, 80 suffer some kind of chronic ailment—28 have heart disease or high blood pressure, 27 have arthritis or rheumatism, 10 have impaired vision, and 17 have hearing impairments. Sixteen are hospitalized one or more times annually. They require three times as many days of hospital care every year as persons under the age of 65. Yet only half of those 65 and over have any kind of health insurance; only one-third of those with incomes under \$2,000 a year have such insurance; and it has been estimated that 10 to 15 percent of the health costs of older people are reimbursed by insurance.

These and other sobering statistics make us realize that our remarkable scientific achievements prolonging the life-span have not yet been translated into effective human achievements. Our urbanized and industrialized way of life has destroyed the useful and satisfying roles which the aged played in the rural and smalltown family society of an earlier era. The skills and talents of our older people are now all too often discarded.

A report from the Secretary of the Department of Health, Education, and Welfare follows:

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE,
April 8, 1965.

HON. LISTER HILL,
Chairman, Committee on Labor and Public Welfare,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your request of April 1, 1965, for a report on H.R. 3708, Older Americans Act of 1965, as passed by the House of Representatives.

This bill authorizes appropriations for grants to the States for community planning and coordination, demonstration programs, and training of special personnel for work with older persons. It further authorizes appropriations for grants to public or nonprofit, private agencies, organizations, and institutions for study, development, demonstration, and evaluation projects relating to the needs of older persons and for the specialized training of individuals in carrying out such projects. It also establishes a new administrative unit in the Department of Health, Education, and Welfare under the direction of a Commissioner of Aging to be appointed by the President with the consent of the Senate.

On September 17, 1963, I appeared before the House Select Subcommittee on Education to testify on H.R. 7957, a bill in the 88th Congress almost identical to H.R. 3708. At that time I endorsed wholeheartedly the provision for grants, including those for community planning, services, training, and research. I pointed out that they were in accordance with the recommendations of the President. I also discussed the need for providing opportunities for meaningful use of free time that comes with retirement and recommended that the subcommittee consider including in its bill additional grants for

constructing, equipping, and operating multipurpose activity centers for older people. I also mentioned grant proposals to provide increased employment opportunities for older persons who are able and wish to continue to work.

We would therefore recommend passage of the grant titles of H.R. 3708. We would go even further and recommend grants for multipurpose activity centers and employment opportunities. We would prefer to have the responsibility for the administration of the titles of the bill vested in the Secretary of Health, Education, and Welfare and to leave him with administrative flexibility in its administration. We do not favor the amendments adopted on the floor of the House which would limit the Secretary's authority to make research and development projects and training projects.

We are advised by the Bureau of the Budget that there is no objection to the presentation of this report and that legislation to improve opportunities for older Americans would be in accord with the program of the President.

Sincerely,

ANTHONY J. CELEBREZZE, *Secretary.*

The following letter supporting this legislation was received from the National Association of State Units on Aging:

NATIONAL ASSOCIATION OF STATE UNITS ON AGING,
Sacramento, Calif., May 17, 1965.

HON. PAT McNAMARA,
Committee on Labor and Public Welfare,
U.S. Senate,
Washington, D.C.

DEAR SENATOR McNAMARA: The enclosed resolution was unanimously approved by the National Association of State Units on Aging at its meeting in Washington, D.C., on May 3, 1965.

For your information, the association is a newly formed organization which represents the executives and chairmen of State commissions or State committees on aging from many States and territories of the United States. As persons having great responsibility for the development of programs for the aging at the State and local levels, we appreciate having this opportunity to let you know of our thinking on measures currently pending in your committee.

We hope this has been useful to you.

Sincerely,

BONNY RUSSELL
Mrs. A. M. G. Russell,
President.

JAMES F. McMICHAEL,
Secretary.

Enclosure.

A RESOLUTION

Resolved, That the National Association of State Units on Aging approves and endorses the enactment by the Congress of legislation creating an operating agency known as the Administration on Aging within the Department of Health, Education, and Welfare under the direction of a Commissioner on Aging; and be it further

Resolved, That the association endorses the appropriation of funds for grants to States designed to promote community planning and demonstration and training programs under approved State plans for the development of programs of aid to the aging in the free and independent exercise of individual initiative in planning and managing their own lives; and be it further

Resolved, That the association endorses the appropriation of funds for grants or contracts with public or private non-profit agencies for research, development, and training projects in the field of aging; and be it further

Resolved, That a copy of this resolution be mailed to the chairman of the Committee on Labor and Public Welfare of the Senate of the United States and to each member of this committee by the secretary of the association.

Approved May 2, 1965.

SECTION-BY-SECTION ANALYSIS

TITLE I—DECLARATION OF OBJECTIVES: DEFINITIONS

Section 101. Declaration of objectives for older Americans

The objectives of the act are:

- (1) An adequate income in retirement in accordance with the American standard of living.
- (2) The best possible physical and mental health which science can make available and without regard to economic status.
- (3) Suitable housing, independently selected, designed and located with reference to special needs and available at costs which older citizens can afford.
- (4) Full restorative services for those who require institutional care.
- (5) Opportunity for employment with no discriminatory personnel practices because of age.
- (6) Retirement in health, honor, dignity—after years of contribution to the economy.
- (7) Pursuit of meaningful activity within the widest range of civic, cultural, and recreational opportunities.
- (8) Efficient community services which provide social assistance in a coordinated manner and which are readily available when needed.
- (9) Immediate benefit from proven research knowledge which can sustain and improve health and happiness.
- (10) Freedom, independence, and the free exercise of individual initiative in planning and managing their own lives.

Section 102. Definitions

This section contains the definitions of several terms as used in the bill. "Secretary" will mean the Secretary of Health, Education, and Welfare. "Commissioner" will mean the Commissioner of the new Administration on Aging. The term "State" will include the District of Columbia, the Virgin Islands, Puerto Rico, Guam, and American Samoa. The term "nonprofit institution or organization" will mean one which is owned and operated by one or more corporations or

associations, no part of whose net earnings inures to the benefit of any private person.

TITLE II—ADMINISTRATION ON AGING

Section 201. Establishment of administration

The bill provides for an Administration on Aging within the Department of Health, Education, and Welfare, under a Commissioner on Aging appointed by the President by and with the consent of the Senate.

Section 202. Functions of office

The duties of the administration are to—

- (1) serve as a clearinghouse for information related to problems of the aged and aging;
- (2) assist the Secretary in all matters pertaining to problems of the aged and aging;
- (3) administer the grants provided by this act;
- (4) develop plans, conduct and arrange for research and demonstration programs in the field of aging;
- (5) provide technical assistance and consultation to States and political subdivisions thereof with respect to programs for the aged and aging;
- (6) prepare, publish, and disseminate educational materials dealing with the welfare of older persons;
- (7) gather statistics in the field of aging which other Federal agencies are not collecting; and
- (8) stimulate more effective use of existing resources and available services for the aged and aging.

TITLE III—GRANTS FOR COMMUNITY PLANNING, SERVICES, AND TRAINING

Section 301. Authorization of appropriations

The Secretary shall carry out a program of grants for 5 years commencing with the fiscal year ending June 30, 1966. Authorization for appropriation of \$5 million for fiscal year ending June 30, 1966, \$8 million for fiscal year ending June 30, 1967, and such sums as Congress may authorize for the next 3 fiscal years, for the following purposes:

- (1) Community planning and coordination of programs for carrying out the purposes of this act;
- (2) Demonstrations of programs or activities which are particularly valuable in carrying out such purposes;
- (3) Training of special personnel needed to carry out such programs and activities; and
- (4) Establishment of new or expansion of existing programs to carry out such purposes, including establishment of new or expansion of existing centers providing recreational and other leisure time activities, and informational, health, welfare, counseling, and referral services for older persons and assisting such persons in providing volunteer community or civic services; except that no costs of construction, other than for minor alterations and repairs, shall be included in such establishment or expansion.

Section 302. Allotments

Funds to be allocated to the States in an amount equal to 1 percent of the sum appropriated (the Virgin Islands, Guam, and American Samoa, one-half of 1 percent of such sum), and the remainder allotted to each State on the basis of the ratio of the population aged 65 or over in such State bears to the national population of aged 65 or over. Grants are available for State projects approved by the Secretary in an amount equal to 75 percent of the cost of the project in the first year of such project, 60 percent in the second year, and 50 percent in the third year, provided that any State may request a payment of an amount less than the percent allowed and grants may not be for more than 3 years on such projects or for any period after June 30, 1972.

Section 303. State plans

Criteria for approval of a State plan by the Secretary include—

A single State agency, financial participation by the State or communities in the projects and activities under the plan to insure continuation after termination of Federal financial support, programs, and activities to carry out the purpose of the act, including furnishing services to public or nonprofit private agencies and organizations, set forth principles for determining the priority of projects in the State, methods of administration including personnel standards on a merit basis, approval of projects of public or nonprofit agencies or organizations, and State reports.

Procedure for hearings on State plans before the Secretary and appeal to the U.S. court of appeals is provided.

Section 304. Costs of State plan administration

Ten percent of the State allotment or \$15,000, whichever is larger, is available for paying one-half of the cost of administration of the State plan.

Section 305. Payments

Payments under this title may be made (after necessary adjustment on account of previously made overpayments or underpayments) in advance or by way of reimbursement, and in such installments, as the Secretary may determine.

TITLE IV—RESEARCH AND DEVELOPMENT PROJECTS

Section 401. Project grants

Grants and contracts are authorized by the Secretary with public or nonprofit private agencies, organizations, institutions, or individuals for study, development, demonstration, and evaluation projects for the following purposes:

(a) To study current patterns and conditions of living of older persons and identify factors which are beneficial or detrimental to the wholesome and meaningful living of such persons;

(b) To develop or demonstrate new approaches, techniques, and methods (including multipurpose activity centers) which hold promise of substantial contribution toward wholesome and meaningful living for older persons;

(c) To develop or demonstrate approaches, methods, and techniques for achieving or improving coordination of community services for older persons; or

(d) To evaluate these approaches, techniques, and methods, as well as others which may assist older persons to enjoy wholesome and meaningful living and to continue to contribute to the strength and welfare of our Nation.

Section 402. Payments of grants

The Secretary may require contributions by the recipient and payments may be made in advance or by way of reimbursement and in such installments and on such conditions as the Secretary may determine.

TITLE V—TRAINING PROJECTS

Section 501. Project grants

Grants and contracts are authorized by the Secretary with any public or nonprofit private agency, organization, or institution for specialized training of personnel to carry out the purposes of the act.

Section 502. Payment of grants

The Secretary may require contributions by the recipient and payments may be made in advance or by way of reimbursement and in such installments and on such conditions as the Secretary may determine.

TITLE VI—GENERAL

Section 601. Advisory committees

There is established an Advisory Committee on Older Americans, consisting of the Commissioner as Chairman, and 15 persons appointed by the Secretary, who are experienced in or have demonstrated particular interest in special problems of the aging.

For the purpose of carrying out the activities in titles IV and V, there is authorized \$1.5 million for the fiscal year ending June 30, 1966, and \$3 million for the fiscal year June 30, 1967, and such sums as Congress may appropriate for the next 3 fiscal years.

Each member of the Committee shall hold office for a term of 3 years. However, the terms of office of the members first taking office shall expire as designated by the Secretary of HEW at the time of appointment, five at the end of the first year, five at the end of the second year, and five at the end of the third year after the date of appointment. The Secretary is further authorized to appoint without regard to the civil service laws such technical advisory committees as he deems appropriate.

Members of the Advisory Committee or of any technical advisory committee appointed under this section, who are not regular full-time employees of the United States, shall, while attending meetings or conferences of such committee or otherwise engaged on business of such committee, be entitled to receive compensation at a rate fixed by the Secretary who appointed them, but not exceeding \$75 per diem, including travel time, and, while so serving away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5 of the Administrative Expenses Act of 1946 (5 U.S.C. 73b-2) for persons in the Government service employed intermittently.

Section 602. Administration

(a) In carrying out the purposes of this act, the Secretary of Health, Education, and Welfare is authorized to provide consultative services and technical assistance to public or nonprofit private agencies, organizations, and institutions; to provide short-term training and technical instruction; to conduct research and demonstrations; and to collect, prepare, publish, and disseminate special educational or informational materials, including reports of the projects for which funds are provided under this act.

(b) In administering their respective functions under this act, the Secretary of Health, Education, and Welfare is authorized to utilize the services and facilities of any agency of the Federal Government and of any other public or nonprofit private agency or institution, in accordance with agreements between the Secretary concerned and the head thereof, and to pay therefor, in advance or by way of reimbursement, as may be provided in the agreement.

Section 603. Authorization of appropriations

The Secretary shall carry out titles IV and V of this act during the fiscal year ending June 30, 1966, and each of the 4 succeeding fiscal years. There are hereby authorized to be appropriated \$1,500,000 for the fiscal year ending June 30, 1966, and \$3 million for the fiscal year ending June 30, 1967, and for the fiscal year ending June 30, 1968, and each of the 2 succeeding fiscal years, such sums may be appropriated as the Congress may hereafter authorize by law.

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