

*Coverage.*—Some 700 counties are not served at all by a public health nurse—one of the most important services for promoting the health of mothers and children. Estimates of the number of children crippled with handicaps not orthopedic in nature are nearly 10 times the number with orthopedic handicaps, yet they represent less than half the children re-

ceiving physicians' services through State crippled children's programs. Some 1,255 rural counties still do not have available the services of a full-time public child welfare worker.

*Training of personnel.*—The shortage of personnel with professional training is one of the major obstacles in securing and maintaining qualified personnel in the States.

*Research.*—More research studies on the effectiveness of existing programs are urgently needed if full benefit is to be received from the experience of the past and new techniques developed in the light of this experience.

These are only a few of the challenges for the years that lie ahead for these programs.

## Significant Events, 1935-55

### 1935

*January 17:* Report of Committee on Economic Security transmitted to Congress with recommendations for Federal old-age insurance, Federal-State public assistance and unemployment insurance programs, and extension of public health, maternal and child health, services for crippled children, and child welfare services, and vocational rehabilitation. Economic Security Bill introduced.

*April 4:* Social Security Bill introduced (replacing Economic Security Bill).

*August 14:* Social Security Act became law.

*August 23:* Members of Social Security Board named by President: John G. Winant (chairman), Arthur J. Altmeyer, and Vincent M. Miles.

*August 29:* Railroad Retirement Act of 1935 and Carriers Taxing Act of 1935 signed by President (to replace Railroad Retirement Act of 1934).

### 1936

*January 1:* Federal unemployment tax of 1 percent of payrolls first applicable to employers of 8 or more, with credit offset for contributions paid to State unemployment funds.

*February:* Public assistance payments to recipients first made with Federal participation under Social Security Act in old-age assistance (17 States), aid to dependent children (10 States), aid to the blind (9 States).

*March 5:* First Federal grant for administration of State unemployment insurance law (New Hampshire) certified by Social Security Board.

*August 17:* First State unemployment benefit paid in Wisconsin.

*November:* All States, the District of Columbia, Alaska, and Hawaii actively participating in program of maternal and child health services under Social Security Act.

### 1937

*January 1:* Workers began to acquire credits toward old-age insurance benefits. Employers and employees subject

to tax of 1 percent of wages, up to \$3,000 a year. Lump-sum payments first payable to eligible workers, their survivors, or their estates.

Federal unemployment tax payable by employers of 8 or more increased to 2 percent of payrolls.

*May 24:* Constitutionality of old-age and unemployment insurance provisions of Social Security Act upheld by U. S. Supreme Court. (301 U. S. 495, 548, 619).

*June 24:* Railroad Retirement Act of 1937 became law, amending portions of Railroad Retirement Act of 1935.

*June 30:* Unemployment insurance legislation became nationwide with approved laws in all States.

### 1938

*January 1:* Federal unemployment tax payable by employers of 8 or more increased to 3 percent of payrolls.

*June 25:* Railroad Unemployment Insurance Act became law.

*September:* All 51 jurisdictions making old-age assistance payments under Social Security Act.

### 1939

*March 24:* All States, the District of Columbia, Alaska, and Hawaii actively participating in program of crippled children's services under Social Security Act.

*July 1:* Federal Security Agency, set up by President's Reorganization Plan No. 1 of 1939, integrated in one unit the Social Security Board (to which was transferred the U. S. Employment Service), U. S. Public Health Service, Civilian Conservation Corps, National Youth Administration, and U. S. Office of Education.

*August 10:* Social Security Act amended to provide, under old-age and survivors insurance, benefits for dependents and survivors, advance payment of monthly benefits to 1940, revise the benefit formula, modify certain coverage provisions, and hold contribution rates for employers and employees at 1 percent each through 1942; under unemployment

insurance, to modify definition of covered employment and make tax applicable only to first \$3,000 in wages; to increase Federal share of public assistance payments; to raise annual authorization for grants for maternal and child health, crippled children's, and child welfare services and extend these programs to Puerto Rico. For unemployment insurance and public assistance, State personnel merit system made requisite for Social Security Board approval of State plan; also made condition for Federal grants for maternal and child health and crippled children's services.

### 1940

*January:* Monthly benefits first payable under old-age and survivors insurance.

*January 18-20:* White House Conference on Children in a Democracy held.

*June:* All States, the District of Columbia, Alaska, Hawaii, and Puerto Rico actively participating in program of child welfare services under Social Security Act.

### 1942

*February 9:* Social Security Board given certain responsibilities in program for aid to enemy aliens.

*February 26:* Social Security Board authorized to administer monthly benefits, assistance, and services to civilians affected by enemy action.

*April 29:* Rhode Island enacted first cash sickness insurance law, providing temporary disability benefits to those covered by State unemployment insurance law.

*August 28:* Emergency grants to States authorized for programs for day care for children of working mothers under plans approved by Children's Bureau and Office of Education, administered by Work Projects Administration.

*October 21:* Old-age and survivors insurance contribution rates frozen at 1 percent through 1943.

### 1943

*March 18:* Medical and hospital care for wives and infants of enlisted men in the four lowest grades of Armed Forces authorized to be administered by Children's Bureau, through Federal grants to State health departments.

*March 24:* Wartime coverage under old-age and survivors insurance provided for seamen employed by or through War Shipping Administration.

*June 30:* With liquidation of projects of Work Projects Administration and student work program of National Youth Administration, Federal financial participation in public aid limited to public assistance under Social Security Act.

*December 22:* Rise in old-age and survivors insurance contribution rates to 2 percent each for employers and employees on January 1, 1944, postponed for 60 days.

#### 1944

*February 25:* Scheduled increase of old-age and survivors insurance contribution rates to 2 percent further postponed throughout 1944. Title II of Social Security Act amended to authorize appropriation to trust fund of any additional amounts required to finance benefits.

*June 22:* Servicemen's Readjustment Act of 1944 (G.I. Bill of Rights) approved. Provided for special placement services through U. S. Employment Service and readjustment allowances for unemployed and self-employed veterans.

*July 1:* Public Health Service Act repealed title VI of Social Security Act, expanded Federal-State public health programs, and raised annual amount for grants for general public health services.

*October 3:* Federal unemployment account established in the unemployment trust fund from which, up to July 1947, States might borrow when their own unemployment funds dropped to a certain level.

*December 16:* Old-age and survivors insurance contribution rates frozen at 1 percent each for employers and employees for 1945.

#### 1945

*November 8:* Old-age and survivors insurance contribution rates frozen for 1946 at 1 percent each for employers and employees.

#### 1946

*July 16:* Under the President's Reorganization Plan No. 2 of 1946, Social Security Board abolished and its functions transferred to the Federal Security Administrator, who established the Social Security Administration to carry on programs of Social Security Board and those of the Children's Bureau. The Children's Bureau (except for its child labor functions) transferred to Federal Security Agency by same plan.

*July 31:* Railroad Retirement Act and Railroad Unemployment Insurance Act amendments established monthly survivor benefits and sickness and maternity benefits; Social Security Act in effect amended by provision making wages in railroad employment applicable for survivor benefits under old-age and survivors insurance.

*August 10:* Social Security Act amended to provide monthly benefits under old-age and survivors insurance for survivors of certain World War II veterans, coverage of private maritime employment under State unemployment insurance, temporary unemployment benefits to seamen with wartime Federal employment, permission for States with employee contributions under their unemployment insurance laws to use such funds for temporary disability insurance benefits, greater Federal sharing in public assistance payments for a specified period, and larger grants for maternal and child health and child welfare, as well as extension of these programs to the Virgin Islands.

#### 1947

*August 6:* Social Security Act amended to hold old-age and survivors insurance contribution rate for employers and employees at 1 percent for 1948 and 1949 and to schedule increases to 1½ percent each for 1950 and 1951 and to 2 percent each in 1952 and thereafter. Increased Federal share in public assistance programs extended through June 1950. Authorization for appropriations to special Federal unemployment account, from which States may borrow when their funds are low, extended through 1949.

#### 1948

*April 20:* Social Security Act amended to exclude certain newspaper and magazine vendors from coverage under old-age and survivors insurance and under the Federal Unemployment Tax Act.

*June 14:* Definition of "employee" as used in the Social Security Act clarified and Federal participation in public assistance payments increased.

*July 29:* Administration of Federal Credit Union Act transferred to Federal Security Agency, and Bureau of Federal Credit Unions established in Social Security Administration.

#### 1949

*August 20:* Bureau of Employment Security transferred from Social Security Administration to Department of Labor.

*June 30:* Termination of emergency maternity and infant care program administered by Children's Bureau in cooperation with State health departments.

#### 1950

*January 1:* Old-age and survivors insurance contribution rates increased to 1½ percent each for employers and employees.

*August 28:* Social Security Act amended to extend coverage under old-age and survivors insurance to about 10 million more persons, liberalize the eligibility conditions, improve the retirement test, provide wage credits of \$160 a month for military service from September 1940 to July 1947, increase benefits substantially, raise the wage base for tax and benefit computation purposes, pro-

vide a new contribution schedule, and eliminate 1944 provision authorizing appropriations to trust fund from General Treasury; in public assistance, to establish program of aid to the permanently and totally disabled, broaden for Federal matching purposes aid to dependent children to include relative with whom child is living, and extend Federal matching provisions to aged and blind persons in certain public medical institutions and to payments made directly to doctors, hospitals, and others supplying medical care to recipients; to approve, for a specified period, certain State plans for aid to the blind, and, in States making assistance payments to persons in institutions, to require standards for such institutions; in the programs for maternal and child health, crippled children's, and child welfare services, to raise maximum authorizations for grants. Old-age and survivors insurance and public assistance programs extended to Puerto Rico and the Virgin Islands.

*October:* First payments made under the Federal-State program of aid to the permanently and totally disabled.

*December:* Midcentury White House Conference on Children and Youth held.

#### 1951

*February:* Number of aged persons receiving old-age and survivors insurance greater than number of old-age assistance recipients for the first time.

*October 20:* Revenue Act of 1951 authorized certification of grants for public assistance to States with laws specifying conditions for public access to assistance records if such legislation bars the use of information thus obtained for commercial or political purposes.

*October 30:* Railroad Retirement Act amended to further extend coordination of the railroad retirement and old-age and survivors insurance programs by providing for transfer to old-age and survivors insurance of wage records of workers who die or retire with less than 10 years' railroad employment and provide for financial interchanges between systems so that old-age and survivors insurance trust fund will be placed in the same position it would have been in if railroad employment had always been covered under old-age and survivors insurance; and to reduce retirement annuities for persons also getting old-age benefit under old-age and survivors insurance if service before 1937 is used in railroad annuity computation.

#### 1952

*July 18:* Social Security Act amended to increase benefits under old-age and survivors insurance, to extend the period of wage credits for military service through December 31, 1953, to liberalize the retirement test, and to change, for a 2-year period, the grant formula for public assistance payments to make additional funds available to the States.

## 1953

April 11: Reorganization Plan No. 1 abolished Federal Security Agency and transferred all its powers and functions to Department of Health, Education, and Welfare.

May: With approval of Nevada's plan for aid to the blind, all 53 jurisdictions administering such programs.

August 5: Federal Unemployment Tax Act to cover Federal seamen under unemployment insurance.

August 14: Old-age and survivors insurance wage credits of \$160 a month provided for active military service performed after 1953 and before July 1, 1955.

## 1954

January 1: Old-age and survivors insurance contribution rates increased to 2 percent each for employers and employees.

June 16: Railroad Retirement Act amended to repeal 1951 provision barring dual receipt of benefits under that program and under old-age and survivors insurance if service before 1937 is used in railroad annuity computation.

August 3: Vocational Rehabilitation Act amended to call for cooperation of vocational rehabilitation agencies with State public assistance agencies, the Bureau of Old-Age and Survivors Insurance, and other public agencies pro-

viding services related to vocational rehabilitation services.

August 5: Employment Security Administrative Financing Act provided that excess of collections of Federal unemployment tax over employment security administrative expenditures be used to maintain permanent reserve of \$200 million in Federal unemployment account, which will lend funds to States with depleted reserves and return amounts over \$200 million to States for benefit payments or administrative costs.

August 31: Railroad Retirement Act amended to reduce to 60 the eligibility age for survivor benefits for widows, dependent widowers, and parents and to raise the wage base for contributions and benefits to \$350 a month. Railroad Unemployment Insurance Act amended to increase unemployment and sickness benefits.

September 1: Social Security Act amended to extend old-age and survivors insurance coverage to farmers, self-employed members of specified professions, additional farm and domestic employees; on a voluntary group basis, to members of State and local government retirement systems; and, at the election of the individual, to ministers and members of religious orders; raise to \$4,200 the wage base for tax and benefit computation purposes and raise ultimate contribution rates; increase benefits; liberalize the

retirement test; permit a dropout of 4 or 5 years of lowest earnings in computing benefits; and protect benefit rights of disabled persons through a disability freeze provision. Extended to September 30, 1956, the Federal matching formula for public assistance payments and extended for 2 years approval of certain State laws for aid to the blind.

Social Security Act amended by addition of new title XV to provide unemployment insurance benefits for Federal civilian employees financed by Federal funds and paid by State agencies under their own benefit formulas.

Federal Unemployment Tax Act amended to include firms employing 4 or more in 20 weeks, after January 1, 1956. Permitted experience-rating tax reduction to new or newly covered employers after 1 year's experience (instead of 3).

## 1955

February: Old-age and survivors insurance beneficiaries numbered 7 million

July: First old-age and survivors insurance benefits payable that reflect increases resulting from exclusion of periods of disability from benefit computation under 1954 "freeze" provision.

Nevada's plan for aid to dependent children became effective; all 53 jurisdictions are now administering such programs.

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