



Marion Post Wolcott, 1938

Fifty Years of Service

The Texas Department of Human Services: Early Origins

From the days of the Texas Republic until the 1930s, the responsibility for helping the needy in Texas rested with the local community. Many communities in frontier Texas were fairly self-sufficient

developments in the evolution of public assistance. Out of the desperation of economic disaster arose long-range legislative programs and administrative agencies at all levels of government. For the first time, federal and state governments accepted clear-cut responsibilities for the welfare of the American people. As a result, many emergency programs became permanent functions of government.

The legislation that cemented the federal government's commitment to social services was the Social Security Act of 1935. Although it has been frequently amended and its provisions extended by the states, the law originally provided unemployment insurance, old age assistance and aid to the states in helping orphans, blind people and people with disabilities.

The Texas Legislature recognized the need for centralization by creating several agencies regulated by the Texas Board of Control to oversee new programs, including old age assistance, child welfare, financial relief and education of deaf and blind people. The state became more involved in direct aid when, in 1931, the voters passed what came to be known as "Bread Bonds" to give financial assistance to the poor. The state also established the School Lunch program and other initiatives to feed poor families, using federal agricultural surplus commodities during the 1930s. The commodity distribution program was the forerunner of today's food stamp program.

The availability of federal relief grants from the Reconstruction Finance Corporation in 1932 and 1933 led to the creation of the Texas Relief Commission (TRC) to ensure that the funds were properly distributed. By



Russell Lee, 1938

when it came to taking care of their own. But as early as 1873, there were people throughout the United States interested in welfare reform.

The Great Depression and its aftermath prompted some important

early 1934, millions of dollars in direct relief grants and work relief grants were funneled through the TRC. Direct relief went to people who couldn't work. Work relief, directed by county boards, put needy men and women to work building bridges, courthouses, latrines, parks and roads. Some people canned produce from farms and gardens, part of President Franklin Roosevelt's administrative effort to distribute food to the needy.

The government, through county relief boards and the TRC, equipped the canneries and paid workers. Growers provided the produce free, receiving half of the canned goods as compensation. The other half of the canned foods went to poor families. Because of this program, men and women who had been out of work had incomes, the growers had markets and the poor had food.

The state also recognized the importance of meeting the needs of especially vulnerable populations—the elderly and the young. It created the Old Age Assistance Commission (OAAC) in 1936 to administer federal Social Security funds to needy persons age 65 or older.

Services for children were provided through the Child Welfare Division of the Texas Board of Control. The division acted in the interests of illegitimate, delinquent and disabled children; regulated and licensed institutions and agencies; acted as children's advocates in the courts; and promoted general child welfare to the public. Although the division received state funding for staff and travel, services to children were funded by the counties or by private donations. Existing since 1931, the division did not receive federal money until the passage of the Social

Security Act in 1935. It began to receive direct state funding for services to children in 1937.

These agencies and programs are the ancestors of the State Department of Public Welfare (DPW), established in 1939. The department accepted responsibility for old age assistance, child welfare and coordination with the federal government and its welfare-related programs. The passage of the Public Welfare Act of 1941 and its amendments over the years have refined the face and functions of the department—now called the Texas Department of Human Services.

Supporting Families and Protecting Children

The first federal legislation on behalf of dependent children established the Children's Bureau of the Department of Labor in 1912 to supervise all programs and legislation concerning children's affairs. Federal involvement expanded in 1933, when the Federal Emergency Relief Administration developed a program supervised by the Social Security Board to aid dependent children.

Texas already had in place the Child Welfare Division of the Texas Board of Control, established in 1931. The division did not give financial aid to dependent children; rather, it focused on aiding state institutions, distributing community information, organizing county child welfare boards, referring cases to local agencies, investigating interstate problems with children's records and making sure that the institutions and homes that cared for impoverished children

were operated according to minimum standards. This latter responsibility marked the beginning of the state's child-care licensing program.

Congress expanded services to children in rural areas and to homeless, dependent and neglected children with passage of the Social Security Act of 1935. The act established the Aid to Families with Dependent Children (AFDC) program and provided funding to the states for developing and administering services.



Russell Lee, 1939

Since the Depression, amendments to the Social Security Act have affected the scope and delivery of AFDC services. Chief among them was the Work Incentive (WIN) program, established in 1967 to provide

employment opportunities for mothers of AFDC children. The WIN program was replaced by the Job Opportunities and Basic Skills (JOBS) program established by the Family Support Act of 1988. The new JOBS program will offer a wide range of educational, training and employment services to AFDC recipients.

State legislative actions kept pace with federal program and funding changes over the past half-century. In 1935, the state constitution was amended to provide for aid to the aged, the blind, and dependent children. In 1939, the Legislature created the DPW and transferred the responsibilities of the Division of Child Welfare to the department. In 1941, legislation defined eligibility requirements and provided both tax money and administrative authority for AFDC, Old Age Assistance (OAA) and Aid to the Blind (AB). In 1945, a constitutional amendment increased the limits on the amount the state could spend on AFDC so funding could meet the maximum allowed under the Social Security Administration, beginning a period during which limits were raised regularly.

The Legislature combined all state regulations dealing with families, family relationships and children in need of supervision and created the Texas Family Code, which became effective in 1974. The code held DPW responsible for overseeing adoptions and protecting children from physical abuse and neglect. It also required that all instances of child abuse be reported. Within a year, that action quadrupled the number of reported cases of abuse and neglect. Legislative actions since that time have been aimed at expanding health services and increasing benefits for needy children and their families.

Feeding the Hungry

The beginnings of the modern food stamp program are rooted in the federal Surplus Relief Commodity program, established in 1933 under the authority of the U.S. Department of Agriculture (USDA). The USDA purchased sheep, cattle and goats to keep ranchers from going broke and the poor from going hungry. The program distributed food to schools, institutions and individuals. Although the USDA put up the money to buy the livestock, TRC workers hired and supervised the cowboys, who drove the animals to railheads where they were shipped first to slaughter houses and then to canneries. The meat, along with canned fruits and vegetables, was distributed by TRC from 27 commodity distribution points across the state.

The first federal use of food stamps began in 1939 through a pilot project designed to help farmers by increasing the demand for their products and to feed the underprivileged by providing them with surplus food. The stamps made it possible to use regular commercial markets as the outlets for surplus products. Although the program was short-lived, it allowed the government to test solutions to potential administrative and eligibility problems.

Meanwhile, the commodity distribution program, which decreased substantially during World War II, expanded during the 1950s and early 1960s. States were required to administer the program, so the Legislature established the Commodity Distribution Division of the Department of Public Welfare in 1953. This

division administered the commodity program in the state for 20 years.

In 1961, the USDA began a second pilot food stamp program. This larger project, with 43 survey areas in 22 states, improved recipients' diets while stimulating food sales in the retail stores of the test areas. The project continued until 1964 when Congress passed the Food Stamp Act to eventually replace USDA commodity distribution to individuals.

In compliance with the 1973 law requiring all states to participate in the food stamp program, Texas stopped giving commodities to individuals through the Commodity Distribution program. However, commodities are still distributed to authorized institutions.

Caring for the Sick

Health care for the poor also stems from the Social Security Act of 1935, which provided for medical assistance payments directly to elderly people. Texas began using public funds in 1936 to pay for medical care for those covered by its OAA program. Recipients' medical costs were included in the monthly old age assistance payment up to a maximum of \$6.

In 1960, Congress sharply increased the amount of federal funds available to the states for medical care programs for recipients of old age assistance. Federal matching funds were increased to 80 percent from 50 percent, based on a state per capita income formula. In 1961, the Texas Legislature allowed state funds to be used to pay for medical care for the aged, and AFDC and Aid to the Permanently and Totally Disabled (APTD) recipients.

The Medicaid program, created by Congress in 1965, extended medical services to needy aged, blind and disabled people and dependent children. The federal government also raised its matching funds as the states' per capita incomes rose.

In 1967, Congress established a set of nursing home licensing regulations and required states to offer five basic services to Medicaid clients, including inpatient care, outpatient care, laboratory and X-ray services, skilled nursing home care and physicians' services.

DPW delegated the responsibility for medical and quality-of-care regulatory functions to the Texas Department of Health in 1977. Two years later, the focus of the state's medical aid to the aged shifted to alternative care services to delay or prevent the institutionalization of elderly Texans.

Over the past decade, health care services have continued to expand to include poor children and pregnant women, as well as some unemployed, income-eligible two-parent families.

Aiding the Elderly and Disabled

In 1974, the federal government began a new program for direct payments to the aged, blind and disabled, replacing the state programs for OAA, AB and APTD. Supplemental Security Income (SSI), created to ensure uniform assistance from state to state, is administered by the Social Security Administration and funded through general federal tax revenues.

Those who are eligible for SSI are also eligible for Medicaid. SSI payment amounts are periodically adjusted by the federal government to reflect increases in the cost of living.

When SSI was implemented, it failed to include allowances for social care, which provided in-home personal needs care for elderly and disabled people in Texas' assistance programs. So this benefit would not be lost, the Legislature in 1974 authorized the creation of three state-administered services to provide social care for SSI recipients. Texas lawmakers initially appropriated \$3 million in state dollars, matched three-to-one by federal funds, for adult foster- and day-care services and in-home services. Since 1974, a spectrum of in-home and out-of-home services, as well as protective services and case management services, have been added to the program.

As evidenced by this short history of the Texas Department of Human Services, the agency is a flexible organization. As client needs change, so does the agency's structure for meeting those needs. The importance placed on existing programs may intensify or diminish. New services may be created while others may be eliminated. But the dynamics and the purpose of this agency remain the same: helping vulnerable and needy Texans, with the goal of enabling them to become self-sufficient. ■

Recollections: The Kerrville Stampede



Austin History Center

You've heard about the Dust Bowl during the Depression years. But did you ever hear about the Kerrville Stampede and the department's cattle buying program? It took place in the early 1930s.

The drought was so severe at that time that ranchers throughout the West couldn't feed their cattle and couldn't sell them. There was no market, no money for feed, and the ranchers were desperate. So, in cooperation with the Triple A (Agricultural Adjustment Administration), the BAI (Bureau of Animal Industry), and the Relief Administration, we were appointed as agents to receive the cattle purchased from ranchers in desperate circumstances. We were to ship

the cattle to processing plants. Through a rather simple process, though it seemed pretty complicated to me at the time, I was to arrange shipment at the railhead in Kerrville.

It was a unique situation because it was, indeed, a railhead. It was the end of the line from San Antonio. The engine would be unhooked from the train, put on the turntable, and turned around by hand so it could be hooked back up at the head of the train and go back to San Antonio. There were cattle pens there which could hold 200 or 300 head.

Well, it all shaped up into quite an experience. We received guidance from the Triple A and the BAI, and veterinarians were sent out to inspect the cattle.

The veterinarians would either condemn the cattle or certify them for shipment.

I had to go out and hire cowboys. I hired one of the best and made him my superintendent at the cow pens—superintendent of the cattle program. Heaven knows, I didn't have any idea how far being a relief administrator was going to go!

The cattle would be driven to us from all around, sometimes from 30 or 40 miles, so they would need a place to spend the night enroute. Automobiles were already hogging the roads so it wasn't easy, even though the roads were not like they are today. We arranged for traps, as they were called, 20- or 30-acre holding pens beside the road where the cattle could be penned up overnight in a fenced area. The traps had water, and the cattle were given hay.

Some of the men from the cattle pen force and I would drive out to see how the cattle were doing and check them over after a day's drive. Through the checkups, scheduling delivery of the cattle, providing hay and feed and controlling the speed of the drive, we tried to prevent the cattle from being completely wasted away by the time they got to the shipping pens.

It was quite a romantic era for all of us. A picture out of the old west. The last of the trail drives. It was quite an adventure.

One particular evening the pens were jammed as full as they could be, and we were

waiting for a train to come up the next day to take a shipment. I had gone to the local movie theater that night. Of course, in a small place like that everybody knows who's in the movie and who's not . . . who's anywhere in town, for that matter. Well, sir, in the middle of the movie, up comes a cowboy and puts his hand on my shoulder.

"Mr. Atlee, we've got to talk to you! We've had a stomped."

That's what he said; that's what they called it.

"And, Mr. Atlee, they're all over town!"

Well, we went out there and what had happened took a little time to find out. The cattle had been in the pens, and they were restless. The cowboys got them quieted down. They would actually sing to the cattle and talk soothingly to them to get them quieted.

Across the railroad tracks, about 100 yards away, there was an old diesel electric power plant. I think it was the first electric power in Kerrville. That old engine went pump . . . pump . . . pump . . . pump as regular as clockwork. The cattle had been in that pen for a day or two, or longer, and they were used to it. And then that engine stopped!

Can't you just see that old lead bull in there getting up and saying, "Girls, what's that!!" They all got up at once and started milling, and they broke right through those corral fences. Broke out. You could see

horns broken off, and broken boards and debris all over the ground.

The cowboys got their horses and rounded the cattle up from all over town. They got them out of people's rose gardens and front yards and drove them out of the town to an open area where they held them the rest of the night and until we could rebuild the corral. We got an emergency authorization for more timber and went to work. We tripled the size of those pens because they weren't big enough.

The cattle were shipped to animal processing plants, where the BAI had arranged to have them slaughtered and canned for surplus commodities to help in the total relief effort. The cattle that were canned were edible, good meat. The ones that didn't pass inspection were destroyed.

The condemned animals were skinned, and the hides had to be delivered to us so we could account for every animal that was purchased. Although I talk about cattle, it wasn't just cattle. We had sheep and Angora goats. The sheep and goat ranchers were in distress, too.

A cattle hide, a goat pelt or a sheepskin—I had to learn the terminology. We had a big warehouse full of hides, and because we were hiring people on relief, we had a job there for a man to be in charge of hides. I wouldn't have the job, no one I knew would have it, but the man working with all those raw

hides, said, "Mr. Atlee, it was pretty bad the first day, but it doesn't bother me a bit now. I can sit right here and enjoy my apple and never notice it. Doesn't bother me a bit."

Those hides were just as green as they could be!

We shipped the hides by the carloads to Wisconsin or Minnesota—someplace where they were made into jackets. Mrs. Roosevelt wanted to settle Alaska by getting volunteers who would move up there. They had the idea of making those hides into jackets that could be given to the volunteers. And that certainly didn't hurt our project any. ■

James Atlee, Marble Falls

Key Events in the Department's History

1931 Child Welfare Division of the Board of Control was established by the Texas Legislature.

1932 First relief funds were distributed in Texas. Federal funds were provided by the Reconstruction Finance Corporation and distributed by chambers of commerce.

1933 Texas Relief Commission was created by executive order to take over distribution of relief funds. Constitutional amendment authorized the use of state funds for relief purposes and \$20 million in "Bread Bonds" were issued.

1935 Federal Social Security Act became effective. In accordance with its provisions, assistance programs were later established to be state and federally funded. Amendment to Texas Constitution authorized payment of Old Age Assistance grants.

1936 First Old Age Assistance grant was made in Texas. Constitutional amendment authorized Aid to the Blind and Aid to Dependent Children (ADC). Maximum monthly grant to blind recipient was \$15 in state funds. Maximum monthly grant for each ADC child was \$8 in state funds.

1937 \$1.5 million constitutional ceiling placed on state funds for ADC.

1939 The State Department of Public Welfare was created. The department absorbed the duties and responsibilities of three former state agencies under the direction of the state Board of Control—the Old Age Assistance Commission, the Texas Relief Commission and the Child Welfare Division.

1941 The Public Welfare Act of 1941 was passed.

1945 \$35 million ceiling was placed on all assistance programs, excluding aid to the disabled.

1953 Voters raised the ceiling from \$35 million to \$42 million for all programs, excluding the disabled. Department was given responsibility for state's commodities program.

1956 Constitutional amendment provided Aid to Disabled program a ceiling of \$1.5 million in state funds.

1957 Voters raised the ceiling for all programs from \$42 million to \$47 million.

1958 Constitutional amendment created the Medical Assistance Program. (Texas Legislature authorized the program in 1961.)

1961 Voters raised the ceiling from \$47 million to \$52 million for aid to the blind, to children and to the aged. Ceiling on state funds for the disabled was raised from \$1.5 million to \$2 million.

1962 First medical assistance payments were made.

1963 Voters raised the ceiling on assistance programs from \$52 million to \$60 million, including the disabled.

1965 Department tested first food stamp program.

1967 Medical Assistance Act provided for state administration of Medicaid. Work Incentive program (WIN) established by federal legislation.

1969 Voters raised the ceiling from \$60 million to \$80 million for all four assistance programs.

1971 Funds were appropriated to implement the Vendor Drug program.

1972 Statewide, federally financed food stamp program, authorized by the Texas Legislature, was initiated.

1973 Department reorganized into three functional areas, each headed by a deputy commissioner. Food stamp implementation was completed in all Texas counties. Department began a family planning program and health screening for children.

1974 Adult financial assistance programs were transferred to Supplemental Security Income. An investigation division was formed to probe welfare fraud. Department assumed responsibilities for child support enforcement.

1975 Federal regulations on social services changed eligibility requirements and reorganized the social services offered by the department. Statewide campaign for the prevention of child abuse and neglect was launched.

1976 Forums to protect and enhance children's rights were held around the state as a special bicentennial project. New minimum standards for licensed child care went into effect.

1977 A blue-ribbon Medicaid task force made numerous recommendations to improve Medicaid services and keep costs low. The department's name was changed to Texas Department of Human Resources.

1980 Department was reorganized along lines which correspond to the two major client groups served—Families and Children and Aged and Disabled Persons.

1981 Voters created a flexible ceiling for welfare funding, not to exceed 1 percent of the state's budget.

1983 Child Support Enforcement was transferred to the Attorney General's Office. Aid to Families with Dependent Children received its first grant increase since 1969.

1984 Medicaid eligibility was expanded to cover the additional low-income groups of pregnant women and children in two-parent families.

1985 The department's name changed to Texas Department of Human Services. Medically Needy program was implemented with funds allocated by the Texas Legislature through the Indigent Health Care and Treatment Act. Children's Trust Fund of Texas was created.

1987 National nursing home care reforms passed by U.S. Congress. The Texas Legislature added definitions of child abuse and neglect to the Texas Family Code and added a penalty provision in the Human Resources Code for failure to report abuse, neglect or exploitation of elderly or disabled people.

1988 The federal Medicare Catastrophic Coverage Act of 1988 expanded eligibility and services under the Medicare and Medicaid programs. Congress passed the Family Support Act of 1988, known as welfare reform, requiring expansions in Medicaid, day-care services, AFDC benefits and employment services. AFDC Employment Services program was renamed REFOCUS and redesigned to emphasize client training and education as paths to self-sufficiency. Two studies of Child Protective Services policies and procedures were completed.

1989 Medicaid coverage expanded to cover low-income pregnant women and children up to age 2. Texas lawmakers raised the nursing home and community care income eligibility cap from \$715 to \$1,104 a month. The Texas Board of Human Services expanded from three to six members at the direction of the Texas Legislature.