

COMMITTEE OF THE WHOLE

May 21, 1973

1. PRESIDING OFFICER (SENATOR GRAHAM):

2. The Senate will now reconvene, and for  
3. what purpose does the Senator from Elmhurst  
4. arise?

5. SENATOR KNUEPFER:

6. Mr. President, I rise for the purpose of  
7. making a motion, that being that this Body convene  
8. itself as a Committee of the Whole for the pur-  
9. pose of hearing the testimony and the witnesses  
10. on reference to SB 955, the reorganization of  
11. Social and Health Services.

12. PRESIDING OFFICER (SENATOR GRAHAM):

13. The Senate has heard the Motion of Senator  
14. Knuepfer. All in favor will signify by saying aye.  
15. Opposed? The ayes have it and the Senate will now  
16. resolve itself into Committee of the Whole and  
17. Senator Knuepfer will Chair the meeting. Jack.

18. SENATOR KNUEPFER:

19. ...This meeting of the Senate Committee of  
20. the Whole will come to order. ...We have...this  
21. was the postponed...meeting from two weeks ago, we  
22. had a problem as we told you at the time in  
23. securing the witnesses that we thought could best  
24. present the case for this bill. ...The first witness  
25. I'm going to introduce today is no stranger to you.  
26. ...Most of you who have been in this Legislative  
27. Body...in the past know John Briggs. John has been  
28. in government, spent four years in State government  
29. ...his last job in State government was addressing  
30. himself to the problems of reorganization of State  
31. government and very specifically to the problem of  
32. reorganization of the delivery of Health and Social  
33. Services. Prior to that, John Briggs was with

1. Pete Marwick Mitchell and...prior to that he was a  
2. ...with the Council of State Governments. John is  
3. one of the recognized experts on governmental  
4. administration and governmental reorganization, not  
5. only in this State, but...in the fifty States of  
6. this Country. John is going to address you, first  
7. of all, on the question of the overall reorganization  
8. proposed by this bill. Senator Glass.

9. SENATOR GLASS:

10. Excuse me, Mr. Chairman, I think it might help  
11. if we could have the copies of the bill distributed  
12. ...to the members.

13. CHAIRMAN:

14. If you want a bill in addition to those in your  
15. billbook, Senator? ...Pages, will you see if you can  
16. get some bills for those who are here? Senate Bill  
17. 955. Addressing himself to the question and John...  
18. yeah, I think use the podium there, John, the lower  
19. one. John Briggs formerly with the department...  
20. various departments in the State of Illinois and  
21. now in private practice. Go ahead, John.

22. JOHN BRIGGS:

23. Mr. Chairman, members of the Senate, Senate  
24. Bill 955, proposes the creation of a Department of  
25. Health and Social Services with Cabinet status. This  
26. Department is designed to include the programs and  
27. functions that are carried out by the following  
28. State Agencies: Vocational Rehabilitation, Vocational  
29. and Technical Education, Comprehensive State Health  
30. Planning, The Institute for Social Policy, The Veterans  
31. Commission, The Office of Manpower, The Departments  
32. of Public Aid, Mental Health, Public Health, Children  
33. and Family Services, The Department of Labor, Bureau

1. of Employment Security, The Department of Corrections,  
2. The Governor's Office of Human Resources, The Department  
3. of Personnel, Finance, Management Information Division.  
4. Let me emphasize and identify in these areas that not all  
5. aspects of each of these Agencies is included in the  
6. proposal, but the major programs and functions exercised  
7. or carried out by these Departments are included. The  
8. proposed Department of Health and Social Services  
9. encompasses programs and functions carried out by the  
10. fifteen departments and agencies which have just been  
11. mentioned. It will provide for the structuring and  
12. implementation of a comprehensive unified Health and  
13. Social Services delivery system. This is intended  
14. to minimize overlapping, duplication and excessive  
15. requirements for coordination, all of which have  
16. historically impaired the effectiveness of the delivery  
17. of services. The proposed department is not intended  
18. to be an umbrella agency under which the existing  
19. separate departments and agencies will continue to  
20. exist, rather, the services required to meet the  
21. health and social service...

22. CHAIRMAN:

23. Can we have a little order for Mr. Briggs, please?

24. JOHN BRIGGS:

25. Rather, it is the intent that the services re-  
26. quired to meet the health and social service needs of the  
27. clientele served shall be fully unified in a single  
28. delivery system oriented toward client needs and performance  
29. in terms of solving client problems. It is desirable  
30. to have some rather specific illustration of the kinds  
31. of problems to which this solution is directed. This  
32. can perhaps best be summarized in terms of the numbers  
33. of advisory committees and inter-agency task forces

1. that are interwoven into the State Executive Bureaucracy  
2. along with budgeted agencies which present a picture of  
3. fragmentation and attempted coordination. The best  
4. illustration of the problem is found in the Health  
5. and Social Service fields where there were at least  
6. eleven agencies providing services. These eleven agencies  
7. have been advised by seventy committees, thirty-eight  
8. of which have a statutory basis. There were also fifty-  
9. one interagency task forces and committees attempting  
10. to provide coordination in the health and social service  
11. fields and nineteen of these have a statutory basis.  
12. The representation of the five major health and social  
13. service agencies on various interagency task forces  
14. ranges from twenty-seven task forces for Vocational  
15. Rehabilitation to forty-eight task forces for Public  
16. Health. The interagency task forces each agency was  
17. represented on produces a further indication of the  
18. problem of fragmentation and noncoordination. For  
19. example, the agencies in the health and social services  
20. area were able to identify less than half of the task  
21. forces on which they were represented. The proliferation  
22. that has been documented is a universally recognized  
23. and accepted causation for unresponsive and ineffective  
24. State government. This proliferation has led to unwieldy  
25. and unmanagable organizations for Governors to direct  
26. and has also resulted in the fragmentation of public  
27. services. These results of proliferation have encouraged  
28. recognition of an organization structure as a management  
29. tool capable of bringing State government back to its  
30. proper role as an effective provider of service to meet  
31. citizen needs. This introduction, I'd like now for a  
32. few moments to devote my comments to a more detailed  
33. description of the specific provisions of 955 as they

1. relate...relate to the proposed organizational  
2. structure. It is intended that an Office of the  
3. Secretary of the Department of Health and Social  
4. Services be created. Within the...within the...  
5. Secretary's office, he shall have adequate staff  
6. to perform the overall management policy formulation  
7. review processes. In this connection, he is given  
8. specifically, but not limited to, a general deputy  
9. secretary, an assistant secretary for special  
10. projects, an assistant secretary for volunteer  
11. services and an assistant secretary for legislative  
12. relations. These elements are considered to be  
13. absolutely essential to the Office of the Secretary  
14. if he is to fully discharge his responsibilities and  
15. be held accountable for his success or his failure.  
16. Under the Secretary are a series of undersecretaries  
17. as follows: one for management, one for public  
18. affairs, one for intergovernmental relations, one for  
19. operations, one for program policy, one for legal  
20. services, one for performance evaluation, and one  
21. for regulation. This is basically the policy formulation  
22. mechanism which is designed for the purpose of  
23. executing the responsibilities in the service areas  
24. encompassing comprehensively health and social services.  
25. The service delivery system is decentralized to each  
26. of the seven regions that are uniformly established  
27. in the State of Illinois. Each of these regions is  
28. headed by an administrator, and I might add here that  
29. all of the undersecretaries, the assistant secretaries  
30. and the regional administrators are appointed by the  
31. Secretary. The Secretary is appointed by the Governor,  
32. confirmed by the Senate and there are no prescribed  
33. qualifications in terms of academic regalia or in terms

1. of any particular kind of pedigree. Responsibility  
2. is on, first, the Governor; and secondly, the Secretary  
3. to find and attract qualified people to execute the  
4. responsibilities that are assigned to them. One of  
5. the interesting characteristics of this proposed  
6. structure is the elimination at the top level of  
7. program labels such as mental health, mental retardation,  
8. alcoholism, drug addiction, aging or any other special  
9. client group. The labels identifying programs are to  
10. be applied at the local level in terms of what is  
11. conceived as a program management structure which says  
12. in principal that there are more than one way in which  
13. to satisfactorily solve the social problems confronting  
14. any individual client. Therefore, the program structure  
15. should allow maximum flexibility for those with  
16. management responsibility to determine the best way  
17. to solve the problems of an individual client. The  
18. system is intended to make the service delivery capability  
19. comprehensive. There will be no shuffling between agencies,  
20. there should be considerably less and hopefully none  
21. of the individuals that need service dropping between  
22. the cracks because they become the object of the  
23. partisan interests of separate departments and agencies.  
24. The client will be better served and the system will be  
25. client oriented. With this rather brief discussion...des-  
26. cription, Mr. Chairman, I would like to offer at this  
27. time to answer any questions that anyone may care to ask.

28. MR. CHAIRMAN:

29. ...You will note that one of..things we passed  
30. out while Mr. Briggs was speaking was a proposed organizational  
31. chart that perhaps is a little simpler than looking at  
32. the bill itself. By way of understanding and I should  
33. perhaps have explained this first, this Committee of

1. the Whole Hearing really is an...intended to provide  
2. a forum for most of the questions that hopefully  
3. will be asked or the unknowns in the bill. The bill  
4. will have a somewhat perfunctory hearing in the Senate  
5. Public Health and Welfare Committee. This is the  
6. major hearing and this is the time that I am hopeful  
7. you can ask the questions that you have. We have  
8. some experts here, we have our number one expert  
9. John Briggs. Senator Wooten, did you have a question?  
10. Senator Wooten.

11. SENATOR WOOTEN:

12. A series, really. I must first of all state,  
13. Mr. Chairman, that I come with a healthy anti-management  
14. bias to the extent that I do not believe managers, per  
15. se, are always the best people to administer a specific  
16. businesses, specific departments of government, I  
17. generally preferred people who are well versed in a  
18. particular area. And they can always hire management  
19. expertises. I am a little bit uncertain as to how all  
20. this will articulate. Do I understand these...where...  
21. where do we get down to specific areas such as mental  
22. health and aging and so on? Who handles that? Are...  
23. are those separate departments and categories done  
24. away with?

25. JOHN BRIGGS:

26. They are done away with in terms of having  
27. either departmental or divisional status. At the  
28. lower level of that chart, you'll see the series of  
29. program manager lines. It is recommended that  
30. in each one of the areas, let's say alcoholism,  
31. because of the geographical distribution of the  
32. clientele there may really be five hundred alcoholic  
33. treatment programs administered by the...by the

1. Department of Health and Social Services. Each of  
2. these programs would have a manager by title, his  
3. qualifications may be, he may be a psychiatrist  
4. in one case, a social worker in another, a psychologist  
5. in another, an ex-alcoholic in another. And they  
6. would each at this level, each of these programs would  
7. carry the designation alcoholism treatment program,  
8. or mental retardation program or whatever. So the  
9. program identity is not lost but it is placed at  
10. the client service level as opposed to being placed at  
11. the director level.

12. SENATOR WOOTEN:

13.           ...How much of an increase in bureaucracy  
14. will this provide?

15. JOHN BRIGGS:

16.           It would be my...my estimation that it would  
17. be just the reverse, Senator. It'd be a substantial  
18. reduction in the bureaucracy.

19. SENATOR WOOTEN:

20.           I'm profoundly sceptical. I don't believe that  
21. at all. ...I can understand how there could be a  
22. move for centralized services as in computer, and  
23. perhaps in some areas of bookkeeping, but this looks to  
24. me to be a tremendous inflation of management personnel  
25. rather than a...I don't understand how this is  
26. actually going to cut down. What...what functions  
27. are you going to consolidate that will require less  
28. people rather than more? Because as I look at this  
29. we're adding...we have the Office of the Secretary, his  
30. assistants, these undersecretaries. Under operations, you  
31. come up with administrators and program managers under  
32. them, all this stuff out to the right and left...it  
33. looks to me as if there is a great potential



1. for an inflation in personnel. ...How exactly is  
2. this going to cut down, in what way, practically?  
3. JOHN BRIGGS:

4. All right. If you...if you look at the existing  
5. structure of the State, each one of the major depart-  
6. ments already have a...a in the health and social  
7. services have regional administrators, so you immediately  
8. eliminate that duplication. You eliminate the  
9. department heads that each of the fifteen agencies  
10. currently have and their...and their in house adminis-  
11. trative staff. You eliminate all the necessity of  
12. the...of the holding of a meeting every time a major  
13. problem comes up because a client is partially in  
14. this area and partially in another, the kind of things  
15. I just mentioned in terms of the task forces and  
16. commissions and interagency activities. The...the  
17. fundamental purpose here, and I want to emphasize  
18. one thing, maybe the term management is not an  
19. appropriate one. There is nothing that says that the  
20. Secretary cannot be a medical doctor. There is  
21. nothing that says the Secretary cannot be a psychologist  
22. or a psychiatrist. There's no restriction on the  
23. particular clinical skill the Secretary may have. The  
24. emphasis, however, is that the Secretary is responsible  
25. for making sure that a client gets the total range of  
26. services that he needs in order to solve his particular  
27. problem. Right now we have fifteen people charged  
28. with the same responsibility in conceivably fifty  
29. to sixty percent of the cases of clients we serve. And  
30. we get a lot of people falling between the cracks. What  
31. we're saying here, let's at least in concept and  
32. principle and hopefully in practice, let's say that the  
33. clinical skills required to serve the clients are

1. available where the clients are. That's where the  
2. skill is needed. The clinical skill is not needed  
3. in...in running management functions...let's...  
4. let's get the management skill that is required and  
5. let's make a distinction between...between operation  
6. and policy. Basically what is being done here is  
7. pushing the service delivery system down to the  
8. clients and not letting it rise up to the top into the  
9. bureaucracy.

10. SENATOR WOOTEN:

11. If I thought that would be the practical effect  
12. of this, I would immediately support it. I...I must  
13. say that I think most of our State bureaucracies  
14. are badly overstaffed, and they do that to meet the  
15. political needs of many of us in this Chamber and  
16. other segments of government who have people who  
17. really ought to receive consideration in jobs and so  
18. on. My concern is that a lot of the functions of  
19. State government have become depersonalized and I  
20. deal with people like this in my district office and  
21. right now I can pick up a phone and I know whom to  
22. contact and get some kind of immediate answer as to why  
23. this is happening because they are operating within a  
24. particular sphere, but I can see such an inquiry getting  
25. lost in such a management thicket. ...I have serious  
26. reservations that this will give the immediate kind of  
27. response. When you say there's nothing from preventing  
28. the Secretary from being a doctor, that would be fine  
29. for public health or medical related problems, but I  
30. just wonder where we have that kind of expertise in these  
31. subject areas. Are they to be in the administrator,  
32. the region to administrator would have to be, does he  
33. have to know anything about mental health, about the

1. problems of the aging...all these things or is he  
2. just a manager? And who, along the line, knows  
3. something about these things?

4. JOHN BRIGGS:

5. As at the present time in most of these kinds of  
6. ...regional offices that exist, the regional administrator  
7. independent of what his personal qualifications are  
8. has substantively oriented experts that advise him  
9. so that he doesn't get lost. That's intended in here  
10. is reflected in here in terms of the program  
11. policy area where even at the top, the skills  
12. in terms of making policy would be there. I would like  
13. to...to make one comment and then a suggestion, Senator,  
14. would...may...intend to be helpful. The objective, here,  
15. is hopefully to eliminate the need for you getting as  
16. many telephone calls as I know you do, because most of  
17. the telephone calls or many of them certainly come be-  
18. cause the constituent that is calling you is dealing  
19. with an agency could only go...do part of what he needs  
20. in order to solve his problem. And therefore, the agency  
21. cannot do anymore and therefore you run into that  
22. frustration. The intent here is that you would have  
23. fewer of those call, if any, and if you had them you  
24. could call one person and that would be the Secretary or  
25. someone in his office if he designates them if that's  
26. his choice. I think that maybe some of the questions  
27. that you have raised on an experience base might be  
28. answered by...Secretary Roberts from Florida who has  
29. been through four years experience in an organization  
30. similar to what we have proposed here.

31. SENATOR WOOTEN:

32. Actually, most of my calls are not of that nature.  
33. They're complaints that something has been lost in the

1.           bureaucratic process, someone has not responded.  
2.           They've written three times and have had no answer.  
3.           Those are the kinds of calls I get and it's some-  
4.           where in the whole business of management or of  
5.           processing of data and information that it's been  
6.           lost. Those are the complaints I get, I am aware  
7.           of people who fall between the cracks of various  
8.           coverages, but most of my calls are the other  
9.           kind and that's why I'm very leery of the...of the  
10.          whole superstructure of bureaucracy that exists  
11.          now, and I'm afraid that however well intentioned we  
12.          may be, this can turn into something equally as  
13.          formidable, perhaps even more so. But...thank  
14.          you very much.

15.          CHAIRMAN:

16.                 ...Can we...can we provide a forum off the  
17.          Floor for some of the persuasion, friendly persuasion  
18.          going on? Senator Glass.

19.          SENATOR GLASS:

20.                 ...Thank you, Mr. Chairman, I can see the objective  
21.          of course of the bill is to consolidate numerous of  
22.          the existing departments which are generally in the  
23.          health and social services area and I...I wonder about  
24.          the broadness of social services and...For example, I  
25.          ...I'm looking on pages 11 and 12 of the bill and I  
26.          notice that...this is a listing...these pages list  
27.          those powers and duties which will be taken over by  
28.          the department...one of them is the...Board of Vocational  
29.          Education and Rehabilitation. Now...that would...  
30.          that raises a question in my mind, in other words,  
31.          I would think Vocational Education...should stay under  
32.          the...in the educational field and I'm just wondering if you  
33.          could comment on that and also the...the rationale for

1. placing what appears to me to be...perhaps a  
2. broader number of functions under this department  
3. than belong there.

4. JOHN BRIGGS:

5. Yes. The...the reason for that is that the  
6. Board of Vocational Rehabilitation and Education  
7. ...is the one whose programs are primarily designed  
8. to contribute to the rehabilitation of those  
9. individuals that are either...physically or socially  
10. deprived. The philosophical basis for putting this  
11. program together, this agency together this way, is  
12. on the...on the basis of achieving a primary objective,  
13. namely, the...the restoration to the...to an individual's  
14. highest level...maximum level of social and economic  
15. and health independence possible. And what it did  
16. was then to identify those agencies that were pro-  
17. viding services that were inputs into meeting this  
18. objective. Now in some of the agency identifications,  
19. for example, it is not intended that the entire agency  
20. would be transferred but simply some of the functions  
21. of those identifiable agencies.

22. SENATOR GLASS:

23. Well, that...I'm glad to hear that because the  
24. way it reads now...would...it would appear that all  
25. of the rights, powers and duties of these agencies  
26. would be transferred. And I know in the case of Vocational  
27. Ed, and certainly I think in some of the others, these  
28. are agencies that serve not only the deprived citizen  
29. but all citizens. Many young people are now going into  
30. vocational training for example...and so I...as I say  
31. would question the inclusion of that in the...in the bill.

32. JOHN BRIGGS:

33. The point is well taken, I might add that it is

1. not intended to transfer the public vocational  
2. education schools from the Department of Public  
3. Instruction into the proposed Department of Health  
4. and Social Services.

5. CHAIRMAN:

6. ...Senator Rock.

7. SENATOR ROCK:

8. I have two questions, Mr. Chairman, but first I'd  
9. ask leave on a point of personal privilege to introduce  
10. a group from Senator Scholl's District, a group from  
11. Queen of All Saints School...accompanying them or with  
12. them in the group is a young man whose father and I  
13. are associated in the legal practice, Mark O'Toole.  
14. Would the group stand and be recognized. Senator  
15. Scholl is right on the Floor.

16. CHAIRMAN:

17. Senator Scholl.

18. SENATOR SCHOLL:

19. I'd like to thank Senator Rock for introducing  
20. this group...we're very proud of Queen of All Saints  
21. School and we're happy that you're with us today.

22. CHAIRMAN:

23. ...Senator Rock.

24. SENATOR ROCK:

25. Perhaps, Mr. Chairman, this might better be asked  
26. of the sponsor, but as long as we have a willing witness  
27. Mr. Briggs, don't you think that this type of legislation  
28. is what was contemplated by the Constitutional Convention  
29. in section 11 when it calls for the Governor doing this  
30. kind of thing by executive order and then presenting it  
31. to the General Assembly?

32. JOHN BRIGGS:

33. Yes. I might expand on that Senator, though and

1. ...and say that as we looked into this and studied  
2. for over a period of twelve months, this whole  
3. question of executive reorganization. We confronted  
4. that particular issue and came to the conclusion that  
5. while this type of structural change could be  
6. achieved through the executive order process as  
7. provided by the Constitution that because it was of  
8. such a sweeping nature and so basically changed the  
9. operational structure of the State that it would be  
10. appropriate for it to be considered by the Legislature  
11. with the...with the expression of intent tied to the  
12. Constitutional provision that the maintenance of the  
13. organizational structure could then be carried out  
14. through the executive order process.

15. SENATOR ROCK:

16. Well, the...my...my question, Sir, is not that  
17. it is inappropriate for it to be considered by the  
18. General Assembly because I think it would have to.  
19. The problem is a constitutional one. It says the  
20. Governor by Executive Order may reassign functions and  
21. if such a reassignment or reorganization would contravene  
22. a statute, the Executive Order shall be delivered to the  
23. General Assembly. In my opinion, frankly, and it's  
24. only mine...this type of legislation without the  
25. Executive Order having preceded it, is unconstitutional.

26. JOHN BRIGGS:

27. I'm not going to venture a legal opinion, but  
28. just a comment, Senator, there's no question but what  
29. it could be proposed by Executive Order but...I do not  
30. see any prohibition to it being accomplished by Legislative  
31. initiative.

32. SENATOR ROCK:

33. The other question then, Sir, is...that provision

1. which is rather unique, frankly, found on pages 1  
2. and 2 which says that if the Governor, in fact, fails  
3. to make an appointment that the person then acting  
4. in place and stead shall be appointed by operation  
5. of law. I have frankly never heard of such a...such  
6. a method.

7. JOHN BRIGGS:

8. I have no comment on that provision.

9. SENATOR ROCK:

10. We don't know where that came from? I...I just  
11. wondering if, in fact...let's...let's assume this...  
12. this reorganization, this bill is passed, is approved  
13. and the Governor fails to make an appointment. Who's  
14. ...who's acting? Who's going to be appointed by operation  
15. of law? There would be nobody...

16. JOHN BRIGGS:

17. ...If...if the Governor fails to make the initiative  
18. ...initial appointment...to the position of Secretary...  
19. I can't answer that question, Senator, I'm sorry.

20. CHAIRMAN:

21. Senator Graham.

22. SENATOR GRAHAM:

23. I think first if we could...admonish our members  
24. to remove their caucuses it'll help them. I'd like to  
25. ask Mr. Briggs what he thinks this department could do  
26. or would do or how it could be handled in the proposed  
27. take over of what has just been effected in the Illinois  
28. Department of Corrections. Which portion of this  
29. massive work chart would you suggest that this be under  
30. and how?

31. JOHN BRIGGS:

32. I...I...I don't know if I totally understand your  
33. question, Senator.



1. SENATOR GRAHAM:

2. I'm just wondering if a creation of a new  
3. department by the passing of SB 955 would indicate to  
4. us that we're immediately ready to step in once again  
5. and change the direction of an Illinois Department of  
6. Corrections which we have just been changing over the  
7. passed four years?

8. JOHN BRIGGS:

9. I think I understand now. This organization does not  
10. include the proposed 955, does not include the Department  
11. of Corrections. It does include the functions of the  
12. Department of Corrections currently that are associated  
13. with the delivery of primary services outside of the  
14. penal institutions.

15. SENATOR GRAHAM:

16. That's your Pardon and Parole Board?

17. JOHN BRIGGS:

18. Yes, Sir. Not necessarily in terms of the pardoning  
19. process but in terms of services to the...to the correctional  
20. client once he is outside of the institution and into  
21. the community. The answer is yes on that basis.

22. SENATOR GRAHAM:

23. I've always felt, Mr. Briggs, that perhaps the  
24. Pardon and Parole Board didn't necessarily belong with  
25. the Department of Corrections, But I am not entirely  
26. convinced that perhaps it'll rightfully belong to the  
27. Department of Services, this new department. I...I might  
28. be convinced, I don't have a closed mind there, but I'm  
29. wondering if...perhaps the Department of the Pardon and  
30. Parole Board shouldn't be under the Division of the  
31. Attorney General.

32. JOHN BRIGGS:

33. I think you could make a very, very logical case

1. for that Senator. I might make one comment here that  
2. ...the SB 955 proposes the creation of a Department  
3. of Health and Social Services and this is a part of  
4. the total program for executive reorganization, So when  
5. we're looking at one piece of it, we're obviously making  
6. certain kinds of...concessions or partial...recommendations  
7. as opposed to what might be a comprehensive program.  
8. I think what you're suggesting Senator is something that  
9. should be very seriously considered.

10. SENATOR GRAHAM:

11. My...if I'm reading this right and I probably am  
12. not. The Department shall exercise and discharge all rights,  
13. powers and duties heretofore vested in the Parole and  
14. Pardon Board in the Department of Corrections in granting  
15. paroles to persons sentenced or committed, etc, etc.  
16. Now, are we anticipating that the Pardon and Parole Board  
17. will still act as a Pardon and Parole Board but this  
18. Department will be over them?

19. JOHN BRIGGS:

20. The Board, in making its decisions with respect  
21. to those powers and duties would be structured within  
22. the department...am I reading you right? You mean is  
23. the Board going to be abolished in preference to an  
24. executive agency decision?

25. SENATOR GRAHAM:

26. The Parole Board would be abolished and this new  
27. department would then assume the duties heretofore vested  
28. in the Parole Board, I think that is what it...

29. JOHN BRIGGS:

30. Yes. The way...the way it is written at the  
31. present time, yes.

32. SENATOR GRAHAM:

33. You're going to have to do a lot of convincing

1. John. Thank you.

2. JOHN BRIGGS:

3. Thank you, Senator.

4. CHAIRMAN:

5. Senator Wooten, did you have a question or are  
6. you...have you had that resolved?

7. SENATOR WOOTEN:

8. On...section 21, exercise the rights to this  
9. power invested by law and the director of the Department  
10. of Labor an act in relation to the system of unem-  
11. ployment compensation. I'm not that familiar with it  
12. but is it that appropriate to have it that under this  
13. department rather than under the Secretary of Labor?

14. JOHN BRIGGS:

15. The reasoning back of that is that the unemployment  
16. compensation program is...fundamentally an income  
17. maintenance system and it is no different in terms of  
18. its execution or administration than the...the income  
19. maintenance program of the Department of Public Aid  
20. or any other agency. The...distinguishing feature is  
21. of course that the source of funds is dedicated and  
22. separate...but the...purpose of income maintenance  
23. and the mechanics of administration and disbursement  
24. of funds is similar.

25. SENATOR WOOTEN:

26. I would...suggest to the sponsor, if I may, that  
27. it would be interesting, we have this one chart...as a  
28. newcomer to State politics, I cannot get a view of the  
29. complex web of services and structures and so on. It  
30. would be nice if we could get some kind of comparison  
31. ...between what we have now, and what we hope to accomplish  
32. under this in terms of reduction of personnel...flow of  
33. authority, things of this sort...I really, my, my first

1. impulse is that I...I like the idea of computer service  
2. and various bookkeeping services being done in one place  
3. and available to all departments. But I would have to  
4. see what it means in terms of...personnel, reduction of  
5. expenditure and so on and improved efficiency delivery  
6. of services to citizens before I'd be much interested  
7. in going very far down the line. If we could get some-  
8. thing that...for functional illiterates or someone who  
9. can follow graphs and can see some comparative figures  
10. even if they're just projections. I would really like  
11. to see that kind of information.

12. CHAIRMAN:

13. ...Senator Wooten, I will see what can be developed  
14. in that respect, I think...Mr. Briggs is...suggested  
15. earlier that one of the witnessess you are going to bear  
16. later, Secretary Roberts...may address himself to what  
17. the kind of expectations that you can have in terms of  
18. the experience of another State. Are there any further  
19. questions of Mr. Briggs? Thank you...excuse me, go ahead.

20. JOHN BRIGGS:

21. May I just make one concluding comment...I think  
22. the...the...purpose of having this hearing mainly to get  
23. the kinds of reactions that have been coming forth. The  
24. kinds of questions that are unresolved is going to be  
25. helpful because with...in my experience I've yet to see  
26. a major piece of legislation that didn't require some...  
27. modification and clarification before it was acceptable  
28. and in the process greatly improved.

29. CHAIRMAN:

30. Thank you, Sir. Our next witness is Secretary  
31. Emmett Roberts...Mr. Roberts has had both legislative  
32. and executive experience. He's spent twelve years as  
33. a Legislature...in the Legislator in the Florida House,

1. Following that he was named Secretary for Rehabilitation  
2. and his current job is Secretary of the Department of...  
3. Health and Rehabilitation, I guess it is called. This is  
4. a kind of a general agency which has charge of many of the  
5. social and health services in the State of Florida.  
6. ...As Mr. Roberts will suggest to you, Florida has been  
7. at this for four years...we are very thankful for him...  
8. for him having taken his time this day having come up  
9. here. Florida is in the tail end terminating...their  
10. Legislative Session. The Secretary has some substantial  
11. legislation that he is hopeful of persuading the  
12. Florida Legislature to pass and he took time, one full  
13. day plus of his time, to come up and tell...those of  
14. us in Illinois about the Florida experience. Thank you  
15. very much for your time, Mr. Secretary, and we hope all  
16. of your bills fare well. Secretary Emmett Roberts.

17. SECRETARY ROBERTS:

18. Thank you very much, Mr. Chairman, Senators...  
19. let me first...extend to you a greetings from the State  
20. of Florida and from our Governor, Governor Askew and  
21. to say...I do feel privileged to be able to appear here  
22. ...today and to relate a few of the experiences I think that has  
23. occurred under a reorganization structure...that Florida  
24. went in in 1969. I would like, Senators, to make it  
25. very clear that I'm in no way here to suggest to you what  
26. you should do in any way. I will only say what has been  
27. my experience in my own State, and as you well know what  
28. works in one State may or may not work in another State.  
29. I wouldn't stand here and say to you that everything  
30. was perfect and that there are no problems and that  
31. everything is going along one hundred percent. I think  
32. you will recognize Senators that...that reorganization  
33. in a sense is a continuing process and that we must

1. address ourselves to that to really perfect what  
2. we've started and that they are areas that the very structure  
3. itself that we put together will allow us or should  
4. require us to take another look after a time in order  
5. to improve upon it. And this is what I'm trying to  
6. say to you that we are and will be doing in Florida,  
7. hopefully, to improve our reorganization. In fact, we  
8. had sort of set a five year period from the time  
9. reorganization in Florida was passed to give it a  
10. time to be tried to see what the problems were and  
11. then to come back with recommendations. We're com-  
12. pleting four years now and we had set next year as a  
13. sort of a...goal and we will be in making certain...  
14. suggestions. I think Florida, Senators, was probably  
15. a fairly representative State and a example of the  
16. multi-headed non-system of semi-independent agencies  
17. which had developed over the years for the administration  
18. of state services in this particular area that we're  
19. talking about. Certainly back in 1967, the State's  
20. Executive branch was a most unwieldy structure in our  
21. State comprised of over two hundred and twenty separate  
22. independent administrative units. They were headed by  
23. a variety of boards, commissions, councils, committees,  
24. some composed of the Governor, the elected cabinet  
25. members and appointees, of course, of both current and  
26. former Governors. The lack of clearly defined lines  
27. of administrative authority disbursed accountability  
28. for the action or inaction of any particular agency and  
29. more often than not resulted in a system that was unre-  
30. sponsive both to policy direction that is from the  
31. Governor and the Legislature and, of course, unresponsive  
32. to the needs of the people. And that was the situation  
33. I think that our Legislature faced when they decided to

1. go into the whole question of restructuring the  
2. Executive Department of State Government in Florida.  
3. The need, Senators, for coordination of social services  
4. I think in our State was emphasized by the trend to  
5. develop community based services, community based service  
6. programs and to provide service to families rather than  
7. just service to individuals. For example, correctional  
8. work release centers, rehabilitative facilities, youth  
9. halfway houses, community mental health centers and  
10. public health clinics were and are developing at an  
11. increasing rate and each agency felt that it was uniquely  
12. qualified to treat the family since the most disadvantaged  
13. families, certainly we have experienced, the most dis-  
14. advantaged families suffer from several disabilities, the  
15. overlap of services, and of course, the overlap of facilities is  
16. significant in terms of cost effectiveness of the tax  
17. dollar spent. And I know that's where your interest lies  
18. and that is what we have tried to address ourself to in  
19. Florida in putting together the agency that we put to-  
20. gether. We've not gone perhaps as far as you've gone in  
21. this bill and yet the direction that appears this bill  
22. has taken are some of the things that we will be making  
23. recommendations to further improve I think our reorganization.  
24. I have some bills in the Legislature this time addressing  
25. itself to that point. Now the problem comes down to one  
26. of management whether you are merely establishing another  
27. bureaucratic monster in this...whole area and that...you're  
28. losing the visibility, the identity of...number of these  
29. agencies that over the years of course have gone their  
30. respective ways...and perhaps have their own...self-serving  
31. interest. We've narrowed the problems in this whole  
32. reorganization picture down really to these, we found  
33. of course a duplication of services that do exist and

1. I think you all would admit that. We've found the  
2. gaps and knew that they were in service provided and  
3. in the various client groups. We've found that agencies  
4. played ping-pong with each other and that is that a  
5. individual was bounced back and forth between agencies as  
6. you well know in trying to get services that they should  
7. have and should be provided. And that there was no accountability  
8. for overall service effectiveness. There was no com-  
9. prehensive assessment of needs. There was no compre-  
10. hensive assessment of resources required to meet these  
11. needs. Now in my State, there has been some responses now  
12. as a result of reorganization to these areas and I can  
13. attest to that personally by my presence here and that I  
14. did have the benefit of being on the other side of the  
15. table such as you are and meeting with frustration over  
16. the years in asking agencies to do certain things and  
17. seeing their failure. And now on this side, I can further  
18. attest to the frustrations that I have as the executive  
19. I had in trying to get these things accomplished. But the  
20. 1969 governmental reorganization of health and social ser-  
21. vices in the State of Florida has produced a single depart-  
22. ment of health and rehabilitative services with a single  
23. executive that has pinpointed responsibility in this area.  
24. I can well, in the way we operate there, have this sign on  
25. my desk that the buck passing stops here because now through  
26. all of the programs we have put together and we in this  
27. area account for some thirty-seven percent of all of  
28. Florida's programs in this particular area that I can attest  
29. to the fact that responsibility has been pinpointed. And  
30. the maze of operations that we had prior to this that it  
31. was extremely difficult to pinpoint that...responsibility  
32. Senator. There was...there was a cabinet system in Florida  
33. with the Governor and six cabinet members, our boards and



1. and nowhere could you really...find...found the one  
2. person that may be willing to accept responsibility  
3. and do something about the problem. That is now  
4. accomplished in that area. We abolished the many  
5. boards and commissions. We do have advisory councils  
6. but there is no board now carrying policy making  
7. administrative decisions, we've done that. We've  
8. accomplished and set up eleven coterminous regions  
9. in the State of Florida for administrative and planning  
10. services, and within those regions it was done...  
11. with a rather detailed study to try to plan the flow  
12. of client services where people sought...services and  
13. pinpointed the...the ...in each one of these regions  
14. a more or less center where services were provided...  
15. for the client and we came up with eleven in our State.  
16. And as a result of that eleven, we plan and something you  
17. have in your bill that we think is very needed, is that  
18. local administrator, the regional administrator, because  
19. we can do the best possible job, I've found, in our top  
20. level of coordinating, achieving the cooperation that is  
21. necessary among all of these agencies, but the further  
22. you get down to the grass roots level and where you re-  
23. side and where your interest is that there still needs to  
24. be some one person with the necessary muscle and clout  
25. to deliver the services to pull these agencies together  
26. ...and make them work as a team and to achieve the same  
27. objectives that you're trying at the State level. We've  
28. had a rather exhaustive test of this system in one of  
29. our regions in Florida in which we with Federal help have  
30. had for some two to three years a pilot demonstration  
31. program of the regional administrative concept. And I'm  
32. here to tell you that in my opinion this is what is  
33. needed to effect reorganization and make it work at

1. the grass roots level. We've accomplished a  
2. development of a common application form, all of  
3. these agencies have a different forms of application,  
4. client eligibility as you well know. We tracked for  
5. instance a woman coming into one of the offices...  
6. unemployed, seeking help and found that out of a four  
7. hour time she was in the office she spent three hours  
8. filling out different forms as she was moved about  
9. from one agency to another, just application forms.  
10. We've come up with a overall common application  
11. form from the effort of saving time. We've put  
12. together many of these agenices now under a single  
13. roof because as I stated in the beginning people  
14. today have multi-handicaps as you well know and that  
15. they names crop up on several different agencies, and  
16. by putting these agencies together under a single  
17. roof generally with a common intake and referral  
18. location we've been able to cut down the time of  
19. getting service to these individuals and made very  
20. substantial progress. And I could go on with other  
21. advantages...to putting these agencies together under  
22. a common roof. We have done considerable work in  
23. the development of the department information computer  
24. system. There's no question that this can serve a...  
25. as a very definite advancement in pulling these agencies  
26. together by having a central data bank...furnishing in-  
27. formation for the whole department, working together and  
28. this we have done in Florida and I can attest to that that  
29. it does work, gentlemen and it can...do and perform the  
30. services that you're seeking. We've also been able  
31. to develop under this...structure that we have  
32. a department evaluation and...planning area.  
33.

1. You know in the past, Senators, I think you're well aware,  
2. that there has been no effective evaluation of results under  
3. the social service area. This has been one of the problems  
4. that the Federal Government over the years has never furnished  
5. guidelines as to how effective...accountability for the  
6. various programs that they fund. What are the results? How  
7. far has a person been moved from a point of being self-  
8. dependent or...a person requiring full support to being in-  
9. dependent? Measuring the accomplishments along the way.  
10. And...we're in this age, as you well know, that we need to get  
11. about with a more effective accountability of funds that we're  
12. expending in this area. And I assure you that this common  
13. structure...as we've done in Florida is moving us toward that  
14. particular goal...certainly as a continuing problem that a  
15. more effective and efficient management of resources...should  
16. be made available under this overall health and rehabilitative  
17. area. And, that, as we move toward this increase effectiveness,  
18. hopefully we can attain the goals that we've set about and that is  
19. to rather reduce or hope to reduce or prevent public assistance  
20. and to achieve maximum self-sufficiency and personal independence  
21. for individuals. This structure that I speak about in our State  
22. has helped us move toward developing a single unified State plan  
23. and management system that can administer more effective...these  
24. programs that have been proliferated as you know over the years  
25. with everyone going in their own direction. I think we can look  
26. forward to some more beneficial results in this area, and that  
27. is that we can accomplish a uniform goal structure for pro-  
28. gram accountability by this particular structure. I think we  
29. can identify our State wide needs that would measure program  
30. impact on target groups and that would forecast future service  
31. needs. I think we can clearly through this structure that I  
32. speak about establish executive priorities. And, I think  
33. we can establish measurable program objectives. ...How many

1. people...can be served for how much money? And, I think we  
2. can establish a uniform reporting system from both a cost and  
3. program information standpoint. And hopefully, that we can  
4. then evaluate...these programs to include cost benefit  
5. analysis, an effective analysis. Now, we've come, I think,  
6. a long way in my particular State in this area. I know that  
7. just the mere fact of bringing what used to be some twenty  
8. independent agencies into one department and that placing  
9. them under a various structure that we have regular monthly  
10. meetings of people that sit around the table and discuss  
11. their common problems and common goals is an accomplishment  
12. in itself. And without any criticism of these agency heads  
13. that formerly operated independently and certainly they per-  
14. formed a great service and made great contributions to their  
15. programs in the past, that the biggest problem that I've had  
16. is the continuing desire of course, on their part to maintain  
17. their independence as much as possible and therefore present  
18. blocks at times...to carrying out the ideal...and hopeful...  
19. objectives that we have set for reorganization. This has  
20. been in one sense our biggest problem. We've established a  
21. uniform accounting system. I don't know how it is in  
22. Illinois but these systems, the State had no really set  
23. ...one accounting system, we put together a complete uni-  
24. form accounting system. We have a better personnel overall  
25. functioning system now, under department head. We were able,  
26. Senator, to...to eliminate the complete buildup of bureaucracy,  
27. by an add and delete method. We took from the agencies in order  
28. to establish at a central point...these...positions that was  
29. needed at a top level in order to effect....control. And...  
30. through that means we have moved toward working with the Federal  
31. Government which furnishes about 60% of Florida's funds in this  
32. area. The establishment of the single agency concept where  
33. we dealt in over three hundred and twenty-five program...

1. Federal program areas through forty Federal funding sources  
2. that we can channel it down through the single State  
3. agency in line with your Governor or your top Executive's  
4. priorities and do a better overall job for people. I've  
5. taken more time than was allotted but I wanted to just offer  
6. that, as I said, for what I've found and I hope that you  
7. would sincerely believe that I'm here not as just another  
8. bureaucrat now being on this side of the table, trying to  
9. justify a position that I hold. But, I sincerely believe that  
10. this is a structure whether it's organized exactly the same  
11. in every State, and there will be variations, but, that  
12. good beneficial results will be achieved and I know the citizen  
13. that you are trying to help the most is going to benefit out  
14. of some type of consolidation in this area. Thank you so much.

15. CHAIRMAN:

16. Thank you Secretary Roberts. Senator Wooten, you have  
17. a question?

18. SENATOR WOOTEN:

19. ...Yes, Mr. Secretary, first of all, I want to extend  
20. I'm sure my colleagues' thanks to you for taking time to  
21. appear here this afternoon. I would like to question you if...  
22. I hope perhaps you will recall approximately some figures  
23. or can give us some indication, I'm interested for example in the  
24. size of the appropriation your Department administers now as  
25. against the appropriation of the 20 agencies you replaced. You,  
26. can you give us any estimate?

27. SECRETARY ROBERTS:

28. Well, I think you...Senator would have to realize that in  
29. the last year or two with the Federal increase that it would  
30. be...considerable improvement now we're operating at about...  
31. \$703,000,000 is our total appropriation. When reorganization  
32. we were approximately somewhat better than the total inde-  
33. pendent agencies, around \$600,000,000. But, that increase  
comes about by a better job of maximizing Federal funding

1. through this particular structure. And, it is not all just from  
2. the general revenue of your State by far.

3. SENATOR WOOTEN:

4. In other words, you're saying that there are more Federal  
5. dollars being fed into to relief let's say, of Florida citizens  
6. than was the case prior.

7. SECRETARY ROBERTS:

8. Exactly, sir.

9. SENATOR WOOTEN:

10. What's going to happen with the cutback of Federal funds?  
11. Will this necessitate an increase of State funds?

12. SECRETARY ROBERTS:

13. No,...we have in Florida...been able because that cut-  
14. back to a large degree, are really dollars that you didn't have  
15. as far as our experience as yet. We certainly had budgeted,  
16. hoping that this would be a big increase but...they....  
17. were still dollars that had not come down the pike as yet all  
18. together. So, we've just decided we can only do so much. And,  
19. we're doing that with whatever it take our general revenue  
20. dollars from our State.

21. SENATOR WOOTEN:

22. On...in personnel, Mr. Secretary, can you give us some  
23. approximation of what you have in the way of staff from top  
24. to bottom as against the staff the agencies had? I realize there  
25. ...in the course of a few years there is necessarily going to  
26. be an increase, but I would like to know if you have any com-  
27. parative figures on staff.

28. SECRETARY ROBERTS:

29. Well, here again, we have several legislative actions in this  
30. period because of an improvement in staffing at our mental  
31. hospitals...The State Legislature in Florida also took over from  
32. its counties the complete intake and referral service for delin-  
33. quent and dependent youth that used to be accomplished at the county

1. level which added some 25,000 additional employees. Today my  
2. total Department has between 29,000 and 30,000 employees in  
3. Florida and I'd say that's an increase probably of about 4,000.

4. SENATOR WOOTEN:

5. Now, is this an increase over the past four years from  
6. the 20 agencies you replaced?

7. SECRETARY ROBERTS:

8. Yes, that's an increase, but, I did want to point out that  
9. that increase came by additional functions that the Legislature  
10. itself took over, rather than just an increase because of re-  
11. organization.

12. SENATOR WOOTEN:

13. ... I'm also curious, do you have any information as the  
14. percentage of the funds appropriated for your Department? What  
15. percentage of that flows directly to client services and aid  
16. and do you have any idea of how the proportion may differ from  
17. what it was before?

18. SECRETARY ROBERTS:

19. Well, I think, of course, that ... we've done, I can't  
20. give you exact percentage. We're operating about 11 or 12%  
21. administrative ... cost in this and I'm satisfied that prior  
22. to reorganization that if you added all of these various in-  
23. dependent agencies and the way they operated that it would be  
24. at a higher percentage of administrative costs than that.

25. SENATOR WOOTEN:

26. You run about 11 and 12% administrative cost now?

27. SECRETARY ROBERTS:

28. Right.

29. SENATOR WOOTEN:

30. I'm also curious about something you said in your state-  
31. ment about the position of advisory boards, commissions and so  
32. on. Could you take that past me again just briefly? You said  
33. that the boards, councils and commissions use to make policy  
and they don't now?

1. SECRETARY ROBERTS:

2. Well, let me use an example ...

3. SENATOR WOOTEN:

4. Who ... who

5. SECRETARY ROBERTS:

6. For instance, we use to have a State Department of Wel-  
7. fare. This was administered by a board of 13 people appointed  
8. by the Governor of the State for various periods of time. ...  
9. That board employed the Director, they made the policy deci-  
10. sions for new regulations, ... operated the total welfare op-  
11. eration ... in that manner. That's an example of the type of  
12. policy making administrative boards that we had in several  
13. areas in Florida. And, this is what I was referring ... all  
14. that was wiped out.

15. SENATOR WOOTEN:

16. What replaces it?

17. SECRETARY ROBERTS:

18. The Secretary ... I am the ... I am the policy making Body,  
19. fully responsible in all of these programs. Certainly in line  
20. with whatever our ... the Legislature by statute has ordered in  
21. these areas or our Budget Department, of course ... has a voice  
22. in the area of finances of course.

23. SENATOR WOOTEN:

24. ... Mr. Secretary ...

25. SECRETARY ROBERTS:

26. But, I am the person that approves any change in ... in  
27. policy, even though we have the Director of these particular  
28. divisions operating, they're responsible to me and all approv-  
29. al must come through me.

30. SENATOR WOOTEN:

31. ... You would ... you have to be ...this is quite a com-  
32. pliment to you Mr. Secretary, because I would assume you would  
33. have to be quite a generalist to be able to make these kind of  
decisions over a broad spectrum of services , although, as I



1. take it, the spectrum of services in Florida is not quite as  
2. broad as that contemplated in this bill. Is that correct?

3. SECRETARY ROBERTS:

4. Right.

5. SENATOR WOOTEN:

6. Where do you get the input, ... advice, counsel, sugges-  
7. tions? If you don't have, you have some kind of advisory  
8. boards, what kind of input do you have?

9. SECRETARY ROBERTS:

10. Most of these areas have the old administrative board  
11. they had, continued as an advisory Body.

12. SENATOR WOOTEN:

13. I see.

14. SECRETARY ROBERTS:

15. They're still but without any authority to make policy,  
16. they can still advise and they can still serve with expertise  
17. in these areas, and I call on them to give me recommendations  
18. in these particular areas.

19. SENATOR WOOTEN:

20. ... Now moving down from you to lower echelons, all these  
21. people under you have to be generalists in some ... to some  
22. extent to cover all these areas?

23. SECRETARY ROBERTS:

24. Well, of course, as you move into the specific area why,  
25. their area of professionalism of course is more sharp at the  
26. top area. My assistant ... I operate with one Deputy Secretary  
27. ... for instance and we have, in Florida, a series of Division  
28. Directors, and I look to the Division Director for the specific  
29. expertise in his particular area.

30. SENATOR WOOTEN:

31. All right, now, just let me check with the sponsor and you  
32. on Division Director. Are these Divisions directed toward spe-  
33. cific services like Mental Health ... Family and Child ... is

1. that not a difference? Is that not a difference?

2. CHAIRMAN:

3. That ... that is a difference. If you will note on the  
4. chart that you have that we have the Project Directors down  
5. below in the areas. Now, one of the things I think you might  
6. think about ...

7. SENATOR WOOTEN:

8. Pardon me. What is a Project Director, Senator?

9. CHAIRMAN:

10. Those in effect are the program areas.

11. SENATOR WOOTEN:

12. Program Managers?

13. CHAIRMAN:

14. The Program Managers. Yeah.

15. SENATOR WOOTEN:

16. Ok.

17. CHAIRMAN:

18. Those are the ... those are the problems of the aging,  
19. those are the problems of mental health, those are the prob-  
20. lems of retardation, this kind of thing ... If I can re...  
21. and there are some differences but I want to point out that  
22. Secretary Roberts made special note of the fact that he was  
23. hoping that he could go to the system where there is a gen-  
24. eralist at the regional level which is the proposal under  
25. this bill.

26. SECRETARY ROBERTS:

27. Right.

28. SENATOR WOOTEN:

29. But are you not still then required to have someone spe-  
30. cific ... you have three Program Managers, Mr. Chairman, for  
31. example under each Region Administrator, but are there not more  
32. than three programs required?

33. CHAIRMAN:

... Yeah, there are many, many more programs that will pro-  
bably be required, and, we deliberately left this whole area open

1. as...as for a matter of discretion as to the Secretary's Or-  
2. ganization. The Organization may vary substantially between  
3. regions for example. Regions have different problems. The re-  
4. gion encompassing the Chicago District has some very substan-  
5. tially different problems, particularly numerically than other  
6. regions. So, there has been no spelling out of what those pro-  
7. jects are. There will be an amendment to spell out some kinds  
8. of projects that can be encompassed, but, we really, literally  
9. didn't want to tie the Secretary's hands in allowing him to  
10. use maximum flexibility in filling out his organizational skel-  
11. eton.

12. SENATOR WOOTEN:

13. And, then, one more question. When this reorganization  
14. occurred, Mr. Secretary, you had twenty agencies and you men-  
15. tioned that some people who were directing then became Advisory.  
16. In actual fact, how many people were displaced? How many lost  
17. their jobs? Did any lose their jobs in fact?

18. SECRETARY ROBERTS:

19. Well...nobody...lost a job. There's been a phaseout  
20. over a period as vacancies occurred we've been able to...as  
21. we improved a particular structure, instead of just adding bodies  
22. we've been able to utilize people and move them into positions so  
23. no one in effect lost a job. ...But, there has been economies  
24. effected...instead of just adding and adding, and this is  
25. where, I think Senator, you will achieve over a period of time  
26. your greatest savings in this structure. That it's no question  
27. that the independent agency continues every time to increase his  
28. bureaucracy and add down the road. I see in this particular  
29. structure the chance that this will decrease the need for that  
30. rapid percentage of increase if you were still operating sep-  
31. arately. And, this is where you're going to. I would just like  
32. to comment on what was said there, that if we had to do it over  
33. again we...we in Florida, I think, made several areas in  
this. I would prefer to go the direction that has been  
indicated by this bill here as achieving a greater degree of re-

1. sponse and do a better overall job. In Florida, for instance,  
2. they even protected, I think, your division heads by allowing  
3. them to be appointed by the Governor and confirmed by the Senate  
4. of that State. That takes away the authority somewhat of the  
5. Secretary from really having people responsible to him. If  
6. you're going to place the responsibility in the hands of a  
7. person such as a Secretary of this Department, then I think,  
8. he ought to be given the authority to carry out that respon-  
9. sibility fully.

10. SENATOR WOOTEN:

11. Mr. Secretary, thank you. You've been most patient and  
12. I appreciate your answers and I just want to mention, Mr.  
13. Chairman, that I applaud the objectives,... there may be others  
14. with questions, I'm not the only nosey one here, but I applaud  
15. the objective of flexibility which you stated, because that's  
16. one problem in all State Government, we simply don't have flex-  
17. ibility. And, there's nothing more frustrating than to encoun-  
18. ter the rigidity of law and regulation which keeps people fall-  
19. ing between the cracks. And, of course, I don't see how any of  
20. us could be against the modernization and reorganization that  
21. would cut down bureaucracy and save some money and increase the  
22. proportion of dollars that go directly to client services. The  
23. argument of course, is to whether or not this is the best ve-  
24. hicle. But, thank you again, Mr. Secretary.

25. CHAIRMAN:

26. Senator Graham, you have a question. Secretary Roberts  
27. would you stay there a moment?

28. SENATOR GRAHAM:

29. Yes, I'll probably have one or two. Mr. Secretary, from  
30. the leadership of the Senate, I too want to extend you our wel-  
31. come for coming up from Florida today to speak with us and, I'm  
32. only wondering why you didn't bring some of that sunshine with  
33. you? First of all, I'm interested in how your Pardon and

1. Parole Board works under this reorganization, how many do you  
2. have and how do they get to be members of the Parole Board? So  
3. if you can just run through that without any problem, I would  
4. appreciate it.

5. SECRETARY ROBERTS:

6. Florida has a Body of five Commissioners which is in our  
7. Constitution provides for a five man board. That, of course,  
8. has no part of my operation. That's a distinct ... it's called  
9. the Parole and Probation Commission. They ... are charged of  
10. course, with the parole of the inmates and they also have a  
11. field staff that is sort of an aftercare and follow the inmate  
12. if he's let out on parole and perform certain services at that  
13. level. But, that whole function is separate and distinct in  
14. Florida from the Department of Health and Rehabilitative Ser-  
15. vices.

16. SENATOR GRAHAM:

17. Is that something you made reference to sometime before  
18. that you think you would like to have within your Department  
19. in Florida much as it is embodied in 955?

20. SECRETARY ROBERTS:

21. We do not envision the Commission itself and their right  
22. to grant paroles as being in our Department. There is a bill  
23. at this time in Florida, which seeks to take that field staff  
24. of the Parole and Probation Commission, and place it under our  
25. Division of Corrections in our Department in order to get a  
26. better continuity and advantage of the services that we pro-  
27. vide in the Department once the inmate has been let out. There's  
28. been a sort of a feeling down there that with it, that field  
29. staff operating under the Parole and Probation, that once he  
30. gets back home there's not been the tie in or the continuity  
31. of services that the inmate needs. Whether it's V.R. services,  
32. whether it's Mental Health services, whatever the need that we  
33. see a better meshing by having the field staff under our Depart-  
ment. But it just speaks to that field staff and in no way

1. takes away the authority of the Parole and Probation Commission  
2. to issue paroles or probation.

3. SENATOR GRAHAM:

4. I might ramble a little bit here, but, you as the Secre-  
5. tary, you are appointed by the Governor with the advise and  
6. consent of the Senate. Is that correct?

7. SECRETARY ROBERTS:

8. Exactly.

9. SENATOR GRAHAM:

10. Now, as you go on down the line in your organization  
11. chart, the people that are responsible to you are they follow-  
12. ing that same course of action, or do you appoint them?

13. SECRETARY ROBERTS:

14. Up till this session, and there's a bill correcting this  
15. now and I've been assured that it will pass, my Division Di-  
16. rectors of which there were nine have also been appointed by  
17. the Governor and confirmed by the Senate. That is being re-  
18. moved now, and the Secretary, I, will appoint, and these Di-  
19. vision Directors and they will serve at my pleasure. I will  
20. be the only one appointed by the Governor and confirmed by  
21. the Senate. But, everyone else will be responsible to me as  
22. Secretary.

23. SENATOR GRAHAM:

24. Governor Askew is going to subscribe to that?

25. SECRETARY ROBERTS:

26. He is one hundred percent behind this and even suggested  
27. that it be introduced this time.

28. SENATOR GRAHAM:

29. Pretty soon you'll have a bigger army than he does won't  
30. you?

31. SECRETARY ROBERTS:

32. It's his army.

33. SENATOR GRAHAM:

1. Also, there's a condition or provision in this bill that  
2. gives many people much concern, including me, and that is in  
3. our employment and/or unemployment services. Now, do you  
4. really think, of course, our State being different from yours  
5. but unemployment is unemployment wherever, do you think that  
6. this is rightfully a portion of this proposed Department that  
7. it can be handled there or should it be handled by a Depart-  
8. ment directed entirely toward that or ...

9. SECRETARY ROBERTS:

10. Senator, I, of course, hate to ... since you've asked me  
11. the question I will respond. We don't have it, of course, in  
12. our structure. There was a strong effort made hopefully to  
13. bring it in but there wasn't sufficient strength to ... to  
14. do it.

15. SENATOR GRAHAM:

16. In other words, you don't have it.

17. SECRETARY ROBERTS:

18. We don't have it. Let me just comment, there are many  
19. serious problems in this area though. And, with all due respect,  
20. and I've told them in my State our employment people that his-  
21. torically they have not been responsive toward that indigent  
22. person your welfare people have been blamed for the fact that  
23. they don't push people into going down and applying at the  
24. employment office for a job, they've done it time and time  
25. again. The employment office has not responded to that person.  
26. It's been historically a referral type of a program. And, ...  
27. we see some evidence of change in this, but somewhere along the  
28. line, I think, employment if we're to correct this unemployment  
29. situation hopefully can get some people off of the rolls, they've  
30. got to be more responsive. And this is all I'm trying to say  
31. to you, whether they do it better outside with some additional  
32. pressure or whether the system could improve with them in the  
33. system, I really don't know.

1. SENATOR GRAHAM:

2. One last question in this...I'm not going to ask too  
3. many but I think we have another...not so many minutes to go.  
4. Do you visualize this proposed new Department then? Injecting  
5. itself into this large area of Public Aid where unemployment  
6. is rampant and where, maybe, those that are unemployed are not  
7. too anxious to be employed. Do you...do you anticipate some  
8. forward step in that by the creation of this and incorporating  
9. employment and unemployment in the same division?

10. SECRETARY ROBERTS.

11. Well, what I'd like to envision this whole structure as  
12. being able to concentrate better in the areas of retardation,  
13. mental health. I think it's been a real problem that I know  
14. from Congress' stand point that all of these programs in  
15. social services we have in the state are looked upon as welfare,  
16. a type of...of...programs or public...assistance, direct  
17. payments type of thing. Wherein, you know Senator, if we do a  
18. better, good job in retardation, if we can do a better job in  
19. mental health, if we can help by delinquent youth, I think, to  
20. be a better citizen, we're going to...to do a lot of work, I  
21. think improving in keeping people off the welfare rolls. So  
22. I think the structure that I am strongly in support of can have  
23. a lot of effect in...in...in...programs effecting employment.  
24. Certainly, I feel that everything could be done by this Department  
25. in directing that there be an active, hard hitting program at  
26. the grassroots level to remove people from the welfare roll and  
27. put them in a position of being...self-supporting.

28. SENATOR GRAHAM:

29. Thank you, Mr. Secretary. I could talk to you a long time  
30. but I know that I shan't do that. You want to get on your way  
31. back South and looking outside I can't blame you. Sometime  
32. this interim, when I'm going down to Titusville, I shall stop  
33. by Tallahassee and I'll take a good look at your operation.  
Thank you very much.



1. WITNESS:

2. I certainly hope so. ...You will do that and if I can  
3. furnish any additional information, Senator, please call upon  
4. me. Thank you so much.

5. CHAIRMAN:

6. Just a minute Director...Senator Saperstein has a question,  
7. Mr. Secretary. Senator Saperstein.

8. SENATOR SAPERSTEIN:

9. Yes. Thank you very much. Mr. Secretary, I'm interested  
10. in number one, how you establish policy especially in reference  
11. to your new anticipated structure in Florida, when you tell us  
12. the new undersecretaries will be appointed by you and responsible  
13. only to you? Number two, what room is there for flexibility  
14. policy? And then my third and last question is, how do you  
15. utilize the region offices? Are they an extension of the  
16. state offices, or do you use the local community offices in  
17. order to implement the services of the state?

18. WITNESS:

19. Well, as far as a policy, we have...nine division directors  
20. that really constitute a personal staff. Each one of those  
21. directors representing a particular area or program area.  
22. Normally when policy comes to me, it's developed in that particular  
23. area by either the advisory council to that particular area, or  
24. the director of that particular program area has seen the need  
25. for it. It has come up maybe from the grassroots. He brings  
26. it to me and we take a look at it. If he recommends it, the  
27. advisory council has recommended it, and it doesn't conflict,  
28. of course, with any of our goals or projectives, then I accept  
29. that recommendation and authorize the policy to be put into  
30. effect. Now we have policy recommendations, I think, coming from  
31. several sources. There's a lot of flexibility. The fact that  
32. I can make the policy or authorize the policy, I think, allows  
33. the policy to be more quickly placed in effect to respond to a

1. particular need. In the old system that we had where the  
2. separate boards...that sometime, you know; a problem would  
3. be kicked around a long time. They couldn't get...maybe if  
4. they had to go to the Governor or the cabinet...it just took  
5. time to get decisions. What I'm trying to say to you, that I  
6. think that this particular structure has improved upon the  
7. decision making and in so doing it is allowed for a far  
8. quicker response to a particular program that will serve the  
9. citizens in a better manner. Now in Florida, in our region, each  
10. of one of our program areas have Regional Representatives with  
11. local offices, whether it's the local welfare office, whether  
12. it's the local Mental Health Board, or the vocational  
13. rehabilitation. Representatives of those particular program  
14. areas are under this Regional Administrator, this one person.  
15. And that Regional Administrator has the line authority from  
16. the Secretary from my office to effectly co-ordinate the  
17. programs at the regional level. . So he brings together, you  
18. see, the Regional Representatives of all these program areas  
19. that's within our department. And then he has that necessary  
20. muscle and clout...which is given to him through line of  
21. authority from me, as Secretary, to carry out any policy or  
22. co-ordination, or co-operation that is necessary to see that  
23. a particular program, or a particular client gets the service.  
24. There's a client that's falling through the crack there because  
25. one agency has said, well we can't help him and another agency  
26. says, well I can't help him. And the fellas...if we could  
27. bring the two agencies together they could stop him from falling  
28. through that crack. And that is the job of that regional  
29. administrator and he has the authority given to him by the Secretary  
30. to knock heads if you will, and sometimes it takes that to make  
31. these agencies stop playing ping-pong with each other.

32. SENATOR SAPERSTEIN:

33. I was interested in your comment, Mr. Secretary, when you

1. related the...the policy structure. What you're saying to  
2. me, if I understand, policy is made on the undersecretary  
3. level, it goes up to you, and policy can also be made by  
4. you to go down to them. Right?

5. WITNESS:

6. Right.

7. SENATOR SAPERSTEIN:

8. What happens to the Governor?

9. WITNESS:

10. Well, you know, if the Governor has a suggestion that...

11. SENATOR SAPERSTEIN:

12. Excuse me I...

13. WITNESS:

14. If the Governor, certainly if the Governor felt strong  
15. about a particular problem or something, he would really  
16. contact me, you know, that he thinks this. I certainly  
17. would...would give it attention and...

18. CHAIRMAN:

19. Can the House baseball team quiet down for a moment?

20. WITNESS:

21. I would give that, you know, the Governor's suggestion  
22. a recommendation, every attention. And if it's certainly  
23. worthwhile, while we would place it in effect. He has that  
24. ...he certainly has that status, of course, to recommend any  
25. suggestion or policy that he thinks would be useful in this  
26. area. But I'm trying to tell you that...at my level I'm the  
27. person that is responsible for placing it into effect. Now  
28. that recommendation can come to me from the Governor or it  
29. can come from my division heads or from my advisory council,  
30. or I can develop it myself with my own and House staff.

31. SENATOR SAPERSTEIN:

32. Just one more question.

33. CHAIRMAN:

Senator Saperstein.

1. SENATOR SAPERSTEIN:

2. And then your undersecretaries who are the planners for  
3. say, mental health, or public health, etc. etc., do not confer  
4. with the Governor, they confer with you?

5. WITNESS:

6. Right.

7. SENATOR SAPERSTEIN:

8. Right. Thank you.

9. CHAIRMAN:

10. Are there...are there any...further questions of the witness?  
11. The...thank you very much, Mr. Secretary, and we do appreciate  
12. your long trip to come here and help us out. The next gentleman  
13. that I want to introduce to you is Mr. Allen Dean, who is special  
14. advisor to the Undersecretary of Health, Education and Welfare.  
15. Prior to this role he was involved in the reorganization of  
16. H.E.W. He was formerly the co-ordinator of the President's  
17. Departmental Reorganization Program from 1970 to 71. And  
18. from 1967 to 1970 he was Assistant Secretary and one of the  
19. organizers of the Department of Transportation. Mr. Allen  
20. Dean from our Federal Agency, H.E.W.

21. ALLEN DEAN:

22. Mr. Chairman, members of the Senate, as an official of the  
23. Federal Government, I wish to express appreciation for being  
24. invited into this fine hall and have an opportunity to talk with  
25. you concerning how we, at the Federal level, have undertaken to  
26. organize and manage some of the programs covered by the bill  
27. now before the Committee as a whole. We faced, many years ago  
28. as the programs of the Federal Government became more numerous  
29. and complex in the social areas, the challenge of consolidation.  
30. In fact, as long ago as 1938, the Federal Security Agency was  
31. created by President Roosevelt through reorganization plan  
32. pulling together, the then existing agencies, concerned with  
33. Health, Education, Social Security, and miscellaneous welfare

1. services. This experiment was an extremely controversial  
2. move and was achieved only after some resistance. Yet  
3. some 15 years later, in 1953, it was determined that these  
4. functions now warranted consolidation in a federal executive  
5. department. And the Department of Health, Education, and  
6. Welfare, was established by a reorganization plan of  
7. President Eisenhower. Again the functions placed in this  
8. new department were basically those previously pulled  
9. together in the predecessor agency, the Health programs of the  
10. Federal Government, the Welfare programs, Social Security,  
11. and Education. During the years subsequent to the formation  
12. of H.E.W, the concept is continued to be under some challenge.  
13. For example, there are still advocates in and out of the  
14. Congress of the United States for a dismantling of the  
15. Department of Health, Education, and Welfare. Many of these  
16. advocates feel that a separate Department of Education and a  
17. separate Department of Health, and a separate Department  
18. of Welfare, would provide a degree of concentration and  
19. leadership which they allege is difficult to achieve within  
20. the Department of Health, Education and Welfare. But these  
21. efforts have not succeeded and they have not succeeded for  
22. two primary reasons. One, the evident, inner relationships  
23. between these various activities and secondly, that if we  
24. were to remove the Secretary, Health, Education, and Welfare  
25. it would be the President of the United States who would  
26. have to undertake the burden of co-ordination. And in our  
27. judgment, the President is slightly more occupied than is the  
28. Secretary of Health, Education and Welfare. But we are by no  
29. means satisfied with the present arrangements. In 1971 the  
30. President recommended a fundamental realignment of the domestic  
31. executive departments grouping the bulk of domestic programs in four  
32. new major purpose departments. One of these would be the  
33. Department of Human Resources. The Department of Human Resources,

1. that's proposed by the President, would consist of all functions  
2. of Health, Education and Welfare plus the manpower training  
3. and development functions of the Labor Department. And that  
4. department's functions relating to employment security and  
5. unemployment compensation. Also, consumer protection functions,  
6. now in the Agriculture Department, would be placed in the  
7. Department of Human Resources. In short, what the President  
8. now proposes, after many years of experience, is to go even  
9. further in consolidating programs impacting upon the individual  
10. and the family unit under a single cabinet secretary, fully  
11. accountable for results in the entire range of Human Resources  
12. programs of the Federal Government. Now we realize that it has  
13. been said that the present Department of Health, Education and  
14. Welfare is too large, it's too difficult to manage. Let me  
15. assure you that as we work with that department, we are  
16. convinced that the deficiency of the past are capable of being  
17. overcome in the future. The systems of management, the  
18. concepts of organization, the introduction of decentralization,  
19. which we envisage for the Department of Human Resources will  
20. make it possible to manage that large department effectively and  
21. efficiently in the service of the people of the United States.  
22. Now related to the bill before the Senate, is the fact that  
23. we also contemplate a decentralized administration of federal  
24. programs relating to Human Resources operating through our  
25. 10 regions, one of which is situated in Chicago, the Department  
26. of Health Education and Welfare is moving rapidly. To place  
27. authority in the hands of field officials, and reduce the  
28. congestions and delay which flow from over centralization in  
29. Washington. This is compatible with our desire to make it  
30. easier for the state governments and for the cities to work  
31. easily and effectively with the Field Representatives of the  
32. Department of Health, Education and Welfare. And we hope in  
33. the near future the Department of Human Resources when it

1. succeeds it. Now in the federal service we have by no means  
2. the conviction that state government should pattern federal  
3. organizations. States has special problems and each state  
4. needs to organize to meet its own needs. I think it is  
5. relevant, however, just as many states have considered in the  
6. area of transportation that as they undertake to organize their  
7. programs they take indoor count what the federal structure is  
8. at the present time and the directions of which it is tending.  
9. Just as when we approach task of federal reorganization, we  
10. routinely check to see what is developing at the state level  
11. which would be of value to us as we try to improve the structure  
12. for federal administration. This, Ladies and Gentlemen of the  
13. Senate, is a brief summary of where we stand in federal organization  
14. and the areas covered by the bill before you. I would be happy  
15. to answer any questions.

16. CHAIRMAN:

17. Thank you very much, Mr. Dean. Are there any questions  
18. of Mr. Dean? Senator Rock, do you have a question?

19. SENATOR ROCK:

20. Yes Mr. Chairman, a comment and then a question. Mr.  
21. Dean, I wish on behalf of the Democratic members to extend our  
22. welcome to you and also to commend you for your courtesy which  
23. has been shown to our Lieutenant Governor. I understand he's  
24. been working closely with your Department and that the courtesy  
25. exhibited to him with his proposal is second to none, and we  
26. appreciate that very much. My understanding sir with regard  
27. to H.E.W. is that it is now in the process of dismantling again.  
28. That we have the thrust...when it was organized under one  
29. great big agency was to centralize much as this one is, and now  
30. they're branching out again. Can you...do you care to comment  
31. on that?

32. ALLEN DEAN:

33. I would be happy to comment on that. One, we're not

1. dismantling H.E.W. There are some changes in program emphasis.  
2. Some programs, such as hospital construction, are being  
3. reduced. We're taking on, under recent welfare legislation,  
4. very substantial, additional responsibilities. The result  
5. is, the Department of Health, Education and Welfare, far  
6. from disappearing or being dismantled, is growing both in the  
7. size of its budget and the magnitude of its programs. With  
8. regard to decentralization, to which I referred, we do not  
9. mean the loss of effective control of the department by the  
10. Secretary. All we mean is placing authority placed in  
11. headquarters subordinates of the Secretary in the hands of  
12. our regional directors who are closer to the state and local  
13. governments being served, and who are in a better position to  
14. act quickly in response to their needs.

15. SENATOR ROCK:

16. Thank you. That's all I have Mr. Chairman. Thank you,  
17. Mr. Dean.

18. CHAIRMAN:

19. Are there any further questions? Senator Saperstein.

20. SENATOR SAPERSTEIN:

21. Thank you very much. While you were speaking, I was thinking  
22. of the different functions or differently...that a Federal Government,  
23. a state and municipality operates. You have the structure on a  
24. federal level. The umbrella organization...it sets the policy  
25. under these individual agencies or divisions. Right?

26. ALLEN DEAN:

27. We have a Secretary at the head of the Department.

28. SENATOR SAPERSTEIN:

29. Yeah, right. But the Federal Government does not provide  
30. direct services the way a state does or a municipality, or  
31. township, or county. Therefore, don't you think that its  
32. structure...would necessarily have to be different?

33. ALLEN DEAN:



1. Senator, first I would have to take exception with part of  
2. your statement. The Federal Government does render direct  
3. services. Even in Health, Education and Welfare the largest  
4. single group of employees are in the Social Security Administration  
5. where the service is directly rendered to the individual  
6. recipient of benefits. This is also true of the way in which  
7. the Food and Drug Administration carries out its functions. It  
8. is true that we also administer grant and aid programs under which  
9. funds are placed in the hands of state governments or local  
10. governments to carry out an indicated purpose. I would be the  
11. first to say, as I intended to in my opening remarks, that there  
12. are differences in the way in which you need to organize for  
13. a mixture of grant and direct service programs when you have  
14. 110 thousand people and 87 billion dollars in annual expenditures,  
15. from how you might approach the specifics at say a municipal level.  
16. I think, however, that it is instructive for the federal government  
17. to observe how the states successfully administer their programs  
18. and reciprocally the states can often benefit from observing  
19. the kind of relationships which can most productively be set up  
20. with the federal agencies.

21. SENATOR SAPERSTEIN:

22. At one time...another question?...

23. ALLEN DEAN:

24. Go ahead, Senator. Yes, certainly.

25. SENATOR SAPERSTEIN:

26. Thank you very much. At one time I think it was during  
27. the sixties, the late sixties, we also had a Department of  
28. Welfare. And this was a kind of an umbrella organization  
29. here in the State of Illinois. It included the services  
30. for children, for adults, the mentally ill, public aid, all  
31. under welfare, and subsequently we divided into the Department of  
32. Children and Family Services, to make it visible that this  
33. kind of service exist in the State of Illinois. The Department

1. of Mental Health...the...the Department of Public Aid, and so  
2. these are more visible. The citizens of the State of Illinois  
3. they recognize that this is where they may go if they wish  
4. services. It bothers me, a little bit, that we are now, you  
5. know, reversing ourselves and going back to a consolidation  
6. ...that...would certainly prevent any visibility on the part of  
7. the State to...to its citizens. It certainly would not  
8. clarify the position of the State.

9. ALLEN DEAN:

10. I appreciate your raising that question, Senator Saperstein  
11. because it's a fundamental one in reorganization. The  
12. tendency is always to press towards fragmentation.

13. SENATOR SAPERSTEIN:

14. For what?

15. ALLEN DEAN:

16. To press towards fragmentation. Breaking up agencies on  
17. the theory that each function deserves, quote, to report to  
18. the President or report to the Governor, or to have visibility.  
19. Let me simply say, that route is the route to political and  
20. administrative chaos. The states in the country in many  
21. instances, let themselves drift into as many as 100 separate  
22. departments and independent agencies. Largely to make certain  
23. that each little function had this visibility. I once served in  
24. a very large independent agency in the Federal Government,  
25. the F.A.A. and it had a lot of visibility. But after seven  
26. years of experience, we concluded that we would be better  
27. off in a Department of Transportation. Why? Because if  
28. you have one responsible Secretary with all the related  
29. programs under his supervision, he then has the tools to  
30. get results. He also has the leverage and clout, both  
31. with the Chief Executive and the Legislature, needed to  
32. get results. The heads of small independent agencies in  
33. the Federal Government end up reporting to 3rd level technicians

1. in the office of Management and Budget. They don't end up  
2. with higher visibility. So the tendency in modern reorganization  
3. is to group executive agencies and usually, only a small number,  
4. a dozen at the most, of major departments and then they try to  
5. structure internally so that each function is properly attended  
6. to.

7. SENATOR SAPERSTEIN:

8. I...I don't mind the consolidation of services under a  
9. department which is directed to serve and under these services,  
10. but I am worried, less we lump unrelated...unrelated departments.  
11. Which I think would add to the confusion not only of the state  
12. government, but also on the local level. This is what I'm  
13. concerned with.

14. ALLEN DEAN:

15. I agree completely with the Senator. We should never  
16. consolidate unrelated functions just for the sake of  
17. consolidation.

18. SENATOR SAPERSTEIN:

19. Thank you.

20. CHAIRMAN:

21. Are there any other further questions of the witness?  
22. I've got to put my three witnesses on an airplane to get them  
23. back to Washington, Tallahassee, and other points East. Are  
24. there any questions of the three before we call the opponents  
25. of the bill? So be it. The first opponent I have here is  
26. Director Joel Edelman, Illinois Department of Public Aid.  
27. Director Edelman.

28. DIRECTOR JOEL EDELMAN:

29. Mr. Chairman, Senators, the Health and Social Services  
30. Re-organization Act proposes to create a unified, social,  
31. and health services delivery system by combining the powers,  
32. rights, structures, and functions of a wide range of state  
33. agencies and governmental units. The bill seeks to interrogate

1. into a single office of a Secretary of Health and Social  
2. Services, the statutory and administrative authority  
3. presently vested in 13 department and agency directors and  
4. establishes a regional health and social services delivery  
5. system through program directors who carry out the specific  
6. tasks of services delivery. The theory apparently behind  
7. the reorganization act, asserts that one super social...  
8. social and health services agency can respond better to  
9. interrelated human needs than can a multiplicity of  
10. individual departments and other state agencies. And that  
11. bringing the services of these agencies together at a  
12. regional level will assure decentralization and coordination.  
13. The most serious problem in the delivery of health and social  
14. services is not really addressed in SB 955, in my opinion.  
15. Reorganization, at this time of the Health and Social Services,  
16. would be premature and would serve only to exacerbate existing  
17. conditions of confusion and ineffectiveness. Indeed,  
18. reorganization now would entail avoiding rather than addressing.  
19. The most fundamental problems that exist in the Health and Social  
20. Services arena are referred to the absence of a set of clear  
21. and coherent policies that reflect in turn a set of objectives  
22. in the Health Service...Health and Social Services Fields.  
23. Objectives which would treat relations of the State to the  
24. Federal and to the local governments, relationships of the  
25. State to private agencies and relationships of the State with  
26. consumers of services. A statute requiring a comprehensive  
27. State Human Resources Plan is on the books in Illinois and  
28. apparently has never been developed. I refer to Chapter 127,  
29. page 1616, and I quote, "An act in relation to comprehensive  
30. state-wide planning for the development of the States' human  
31. resources requires that there shall be prepared by January 1st  
32. of each odd numbered year a comprehensive plan or series of  
33. interrelated plans providing for the optimum use of resources

1. for the development of the States' human resources," unquote.  
2. Were such a plan available...

3. CHAIRMAN:

4. We're getting a little noisy. Can those who are trying  
5. to persuade, persuade a little less softly, or outside of the  
6. room please?

7. DIRECTOR JOEL EDELMAN:

8. Were such a plan available, the State would then be  
9. better prepared for the next logical step which would be  
10. reorganization of its agencies and its departments presently  
11. involved in human resources. And the single objective of  
12. reorganization, it would seem to me, would be to make these  
13. agencies and departments effective instruments for the  
14. execution of a clear State policy. Hence a criticism of the  
15. bill is that it would divert energy and time away from the  
16. most needed tasks of the moment. Namely, goal setting. For  
17. not only does the State need to develop a coherent human  
18. resources plan, but it must bring to completion some vital  
19. and unfinished business in existing departments. For  
20. example, the Department of Public Aid has unfinished work  
21. in its task of creating an effective income maintenance system.  
22. The character and quality of its income maintenance system works  
23. great influence on the demands placed on its social services  
24. delivery system. Presently the State Department of Public  
25. Aid is faced with the very considerable problems of installing  
26. this new income maintenance system of designing and installing,  
27. in addition, a separate social services delivery system. At the  
28. same time preparing for the federalization of the adult  
29. categories, aged, blind, and disabled. And at the same time  
30. keeping the State in compliance with the new Federal regulations  
31. effecting assistance payments and social services. Until I.B.P.A.  
32. is able to accomplish these efforts, its inclusion in a super  
33. agency will not necessarily enhance the quality and delivery

1. of human services to Illinois citizens. It should be noted that  
2. efforts have been undertaken to improve the delivery system.  
3. Utilizing the basic State Government structure as it currently  
4. stands. For example, working with the Illinois Department of  
5. Public Aid, Children and Family Services, and other agencies, a  
6. Tri-County demonstration project was set up by the Illinois  
7. Institute for Social Policy to operate in Woodford, Tazewell,  
8. and Peoria Counties. Each service office is staffed by a team  
9. of specialist and community workers. The service office acts as  
10. a filter to determine eligibility for services and to refer  
11. people in need to the appropriate public and private agencies.  
12. A sophisticated information system has been developed and  
13. follow up is achieved to determine the quality and effectiveness  
14. of the services rendered. A coordinator of State Human Services  
15. for the Tri-County area was appointed. While this project  
16. has not yet been completed, it seems to point to the feasibility  
17. of coordinating services without significantly altering the  
18. structure of agencies involved in delivering those services.  
19. But simply by providing a triage or sorting unit, which is  
20. consumer oriented and which serves to direct people to proper  
21. services and which functions as a watch dog to make certain that  
22. services are delivered effectively and without unnecessary  
23. duplication and waste. The role of consumer advocate on a  
24. regional basis can then impact on the delivery system even in  
25. the absence of major structural change, if in fact, the early  
26. findings of the Tri-County project ultimately stands up to  
27. closer scrutiny. In addition to my concerns that a major  
28. reorganization may be premature, that is that it should be built  
29. upon clearly set goals and objectives, I have several concerns  
30. about certain technical aspects of the bill as follows: One,  
31. program advocacy, that is the ability and motivation to advance  
32. the cause for mental retardation, or the poor or the battered  
33. child for example, is placed at the 3rd and 4th echelons in  
the new agency. At the level of the Regional Program Director  
at all levels above the Regional Program Director, the emphasis

1. is placed on management and technical skills rather than  
2. management technical skills...rather than the program skills.  
3. Secondly, recently in revised proposed regulations, HEW has  
4. placed new burdens on the single State agency to carry out  
5. the State's responsibility for the delivery of social  
6. services. There is a heavy emphasis on accountability in  
7. terms of those eligible for service and the coordination of  
8. those services. While I admit that many of these technical problems  
9. will exist regardless of the form of our departments and agencies,  
10. I do believe that the bill can be improved to better recognize  
11. these new emerging Federal requirements. The bill provides  
12. that fragments of certain existing departments and agencies  
13. will be transferred to the new department. Some of these  
14. pieces do not clearly relate in a substantial way to health and  
15. social services, such as unemployment compensation, while at  
16. the same time others are left out, including such important  
17. State functions as environmental protection with it's notable  
18. impact on public health and the entire education system with  
19. it's major impact on all human resources. I believe the bill  
20. has served a vital purpose. It has stimulated our reassessment  
21. and our objective introspection. I believe your existing  
22. departments can and should be challenged to develop on  
23. a demonstration basis an operating system to achieve the  
24. laudatory goals of SB 955 in the areas of coordination  
25. of effort and accountability. My colleagues are prepared  
26. to present a plan for the development of such a demonstration  
27. project, the results of which can be evaluated by the  
28. Legislature to help determine the need for total reorganization  
29. and to shed new light on the ways and means by which  
30. improved services can be delivered to people in need  
31. at the local level. Thank you.

32. CHAIRMAN:

33. Are there any questions of the Director? Director,

1. I have one. The Service Access System that you referred  
2. to in Peoria as being a notable experiment, is that in  
3. the new budget?

4. DIRECTOR EDELMAN:

5. We are going to fund that Senator to it's conclusion.  
6. It requires about sixty more days of staff time.

7. CHAIRMAN:

8. Well, my question Director is, if it was so valuable,  
9. why was it not included as a part of either your budget  
10. or someone else's budget and in fact, why not expanded?  
11. You suggested that this is a very valuable device and  
12. yet it isn't, as I read the budget, it isn't even in next  
13. year's budget. So obviously, it couldn't be too valuable  
14. if you're going to drop it.

15. DIRECTOR EDELMAN:

16. Well, the intent is not to drop it if it proves up,  
17. Senator. The point of the matter is that the Institute  
18. on Social Policy was never meant to be an operating agency,  
19. but rather a research entity. If their findings are  
20. valuable, we will incorporate those in our operational  
21. protocol for our department, and in fact the cooperation  
22. with the other departments.

23. CHAIRMAN:

24. Secondly, I'm kind of curious, your department took  
25. a stand on another bill the other day and that is the bills  
26. on aging. Now, those bills obviously would have taken  
27. some part of your department away and this particular bill  
28. provides a larger department for...in total scope. You  
29. opposed anything being taken away and you are opposed to  
30. being put into a larger agency. Could it be said that  
31. the status quo suits you fine?

32. DIRECTOR EDELMAN:

33. No sir.



1. CHAIRMAN:

2. Lastly, you suggested that this was premature.  
3. Premature means the idea whose time has not as yet  
4. come. Can you suggest when that time might be?

5. DIRECTOR EDELMAN:

6. I can't suggest it in terms of chronology, but  
7. I can in terms of the spirit of what I think SB 955  
8. represents. I think the Executive branch, myself  
9. included should be challenged to study this proposal  
10. to demonstrate with the spirit of the proposal in a  
11. specific project form and to come back with the findings  
12. and if those findings strongly suggest reorganization  
13. we would be part party to it and we have some specific  
14. proposals for the form of that reorganization. I think  
15. we need a little more time as new Acting Directors and  
16. Directors to understand our departments better and to  
17. study them and to come back with some very specific  
18. information.

19. CHAIRMAN:

20. Are there any further questions? Senator Sommer.

21. SENATOR SOMMER:

22. Yes sir. Is it my understanding that the Service  
23. Access Centers are going to be phased out?

24. DIRECTOR EDELMAN:

25. The purpose of the Institute's work was not to set  
26. up a separate delivery system but merely to demonstrate  
27. in this Tri-County area the feasibility of some changes  
28. and what the impact of those changes would be. It would  
29. be my intent, assuming that the conclusions of the study  
30. hold up, to incorporate this into our system of delivery  
31. of service.

32. SENATOR SOMMER:

33. Can I tell all of those people in my District who

1. ask me or write me about this that the Governor has  
2. chopped this out of the budget.

3. DIRECTOR EDELMAN:

4. I'm not sure what he's chopping out of the budget,  
5. because in fact we have a Department of Public Aid and  
6. several other departments prepared to learn from the  
7. study. It's...

8. SENATOR SOMMER:

9. Are the Service Access Centers going to be closed  
10. in Pekin and Eureka?

11. DIRECTOR EDELMAN:

12. I assume they will be. Yes, in their present form.

13. CHAIRMAN:

14. Are there any further questions of the Director?  
15. Thank you very much, Director.

16. DIRECTOR EDELMAN:

17. Thank you sir.

18. CHAIRMAN:

19. You've got to watch that last step, that's always  
20. a danger to every witness. Next, Dr. Mark Lepper,  
21. representing Comprehensive State Health Planning.  
22. Doctor, when you step up be careful and when you step  
23. down, be even more careful.

24. DR. LEPPER:

25. ...Senators, in order to conserve your valuable  
26. time, I have been asked to speak for the Acting Directors  
27. of three of the department and/or agencies among those  
28. most directly involved in the proposed reorganization.  
29. Dr. Lashof, one of those department directors, Department  
30. of Public Health is here and will be happy in the question  
31. and answer period to answer any questions you wish her  
32. to directly. I, of course, will be happy to go into more  
33. detail in those areas in my agency and others with

1. which I might be more familiar. I believe the nature of  
2. this presentation is a functional example of the dedication  
3. of each of us for whom I am speaking to the coordination  
4. of the activities of departments and agencies. Indeed,  
5. we have pledged that to the Governor in accepting his  
6. nomination and of course pledge it equally to the Senate  
7. and to the people of this State. In fact, it is most  
8. encouraging to know of your interest in changing the system,  
9. and indeed, if this bill is passed it will be your consensus  
10. that a truly radical change is necessary. Moreover, it  
11. is our understanding that there is a great need to work just  
12. as top cooperatively and closely with numerous other  
13. departmental agencies, boards and their directors, since  
14. the health and social service activities are widely  
15. spread throughout the government. In addition, the  
16. definition of health service and social services inter-  
17. relate with each other and with other fields particularly  
18. education, so that they are dependent to a large extent  
19. upon a new understanding and a new knowledge. In fact, I  
20. am sure that all of the reorganizational patterns in this  
21. State and others as well Federally, are based on a gradual  
22. understanding of the interrelations of health, education  
23. and welfare and the whole of the correctional systems and  
24. otherwise. Thus, each of us share with you the Legislature's  
25. concern over trying to develop the optimal working  
26. relationship and organizational patterns to provide  
27. for the health and welfare of the people of this State.  
28. Within this frame of reference I should like to talk  
29. more specifically about our reactions to the proposed  
30. bill. Basically this bill calls for major changes at  
31. the top and prescribes the process of regionalization  
32. as the means by which formal organization will assure  
33. appropriate interpersonal activities. To date our experiences

1. indicate that it is relatively easy and to get agreement  
2. and goals at the top. It is also possible and profitable  
3. to work through a regionalized system which we currently  
4. are. But, it is still very difficult with the size of our  
5. regions to get comprehensive services easily available to  
6. the consumers of them in a coordinated system that is free  
7. from duplication. Here is where we have our major  
8. reservations to some of the proposals of SB 955, and we  
9. have reservations that it will therefore be able to  
10. impact on the major problems as effectively as a much  
11. less extensive, a more evolutionary rather than  
12. revolutionary change, and one that would be based on  
13. operationally feedback system which would allow major  
14. misconceptions, if there should be some, to be answered  
15. more rapidly in a briefer period of time. Several  
16. aspects of the reorganizational proposed in the bill  
17. and in the report beyond bureaucracy which many of the  
18. provisions of the bill are based are indeed innovative.  
19. Hence, they are somewhat experimental, and thus they  
20. are subject to the real risk of incomplete success.  
21. With such extensive changes over such a short period of  
22. time one might be fearful of the price of such an  
23. incomplete success. There are at least four major areas  
24. of concern that we would like to enumerate. First and  
25. foremost, and I believe listening to the previous speakers  
26. and whatnot, most of these have been alluded to in one  
27. way or another and I will not belabor you with a great  
28. deal of detail. But first and foremost, the de-emphasis  
29. of the programmatic operations activity in relationship  
30. to a major emphasis on program policy and evaluation  
31. may well lead to ambiguity in the definition of the problem  
32. and the implementation of innovative potential solutions  
33. based upon the input from the implementors and the

1. consumers. In short, I think that it came out in the  
2. previous discussion, and we are quite concerned of  
3. the fact that this bill really calls for having your  
4. first professional bi-legislation in any of the fields  
5. at the level below the regional administrator. Now,  
6. there...it is not at all clear at the present time  
7. what undersecretary's offices will look like. There  
8. is not much evidence on the problems of what the policy  
9. undersecretary, what kind of staff, what kind of professionalism  
10. he'll have in that area. So that we have grave concern if  
11. perhaps, even though professionals have made a mess out  
12. of many things and some of us certainly would agree  
13. with our critics who say this. I believe there's such  
14. a thing as having them at too low an echelon. In short,  
15. if indeed the lack of professionalism should produce  
16. at the top a gap similar to that now existing at the  
17. consumer level, this would appear to be at least equally  
18. bad and make it more difficult to answer the problem at  
19. the local level. The second, is the level of regionalization  
20. specified will not easily reach the consumer level,  
21. nor necessarily lower the confusion of services at the  
22. local level. The Comprehensive State Health Planning  
23. Agency of course was one of the agencies which was  
24. instrumental in the calling for the regionalization  
25. and the coterminous regionalization of this State. It  
26. is also one that has attempted to deal with it's problems  
27. through that mechanism. It is quite clear that  
28. the regions in this State as contrasted...smaller  
29. states are quite large to be functional at the level  
30. of the types of services that are needed in the health  
31. and social services area. For this reason we feel  
32. that the intermediate regions may be too large at least  
33. in health and for some of the social services to

1. assure that the coordination at the local level will  
2. be any better. And in a sense the regions become a  
3. sort of smaller sub-state and one has to start building  
4. there a new form of intermediate government before the  
5. problems at the local level can be touched. There  
6. are the several experiments going on. The Tri-County  
7. experiment has been mentioned. There is a contract  
8. with Comprehensive State Health Planning Agency has  
9. with Region 5 on the development of a series of local  
10. services, integrating all of the State's resources in  
11. that area to achieve if you can the one stop, one sheet  
12. of paper, simplified process of getting the interrelated  
13. services necessary. Actually, the essence of the CHP  
14. process, the Comprehensive Health Planning process itself,  
15. is one of a series of regionalization and sub-regionalization.  
16. So that our Agency at least is in the process of trying  
17. to accomplish the subarea development under the region-  
18. alization that will allow us to understand what is  
19. the most appropriate balance system of health and in  
20. many respects because of the overlap the social science  
21. aspects of the social services. The consumers at  
22. the local level are most important, because they  
23. help in the orientation of the program. They are the  
24. ones who know whether it is easy or difficult. Those  
25. are the ones who will tell you what the gaps are. The  
26. consumers at the regional level and indeed our State  
27. Advisory Board are much more apt to be much more  
28. sophisticated in their approach to problems. They are very  
29. apt to be interested because part of their educational  
30. and experience background had been in a professional  
31. kind of a capacity, even though at the present time  
32. they may classify as consumers. So that one of the  
33. problems in doing only top down which this act calls for

1. and rather de-emphasizing some of the advisory boards, is  
2. the fact that consumer input might well be lost. The  
3. third major point is that the selection of government  
4. units and functions should be transferred into new  
5. department does not accomplish a melting of the health  
6. and social sciences services as completely or as  
7. effectively as it might appear, considering the magnitude  
8. of this proposal. The selection of certain parts of  
9. other departments, besides the four being merged into  
10. an organizational structure that is non-categorical in  
11. its orientation might well often their activities even  
12. more than they are at present. Failure to include  
13. some other important services may well negate the  
14. other possible developing relationships between those  
15. units that are left behind and not merged at this time.  
16. This is a quantitative problem. The overlap between  
17. services on the one hand with those that will be in  
18. the same agency and those in other agencies, and the  
19. larger you make the single agencies, I suspect, the  
20. more permanent or the more binding the boundry will  
21. become between them. In a sense, what we need most  
22. at this point is the data base of the type that you  
23. gentlemen have supported that the State is trying to  
24. build so we can get reasonable quantitative data on  
25. the degree of overlap between the various services,  
26. as well as the qualitative data which one can get  
27. from experience in the field. Certainly, some of the  
28. elements of the licensure process in the professions  
29. is a very logical kind of thing to put into an agency  
30. of this kind, I...if we're going to have it. It's very  
31. difficult to see why the professional licensure would  
32. not be a major element of such a department since it  
33. is the quality control for the whole thing. One of the

1. problems of HEW of course has been that it is too large  
2. and there have been various speaker indicated ways of  
3. fragmenting it. But one of the ones that hasn't been  
4. proposed is that we have only health and welfare stay  
5. together and take education out of it. Because in some  
6. respects education is the crux of the matter as far as  
7. health and welfare on either side, and I think the E  
8. in HEW is not just for euphemistic purposes. The fourth  
9. point I would like to make, that is in general, evolution  
10. of a successful relationships of the type being torn...  
11. proposed, really are going to be more based on a  
12. sequence of successful demonstrations, and we have now  
13. in this State seven regions, each of which in a sense  
14. is it's own laboratory. We will have also have numerous  
15. subregions in the area of health, each of which can be  
16. a laboratory. We would hope that out of that we could  
17. find many more bits of evidence as to what fits together  
18. in what way the best. Because in the long run to get  
19. integration of ideas applied to people, means education  
20. of the people who are going to do the application. And  
21. what we need to find are those elements which we must  
22. put in our training programs so that the people who are  
23. working in our offices, wherever they are, and hopefully  
24. they will be most often housed together and in fact the  
25. individuals will be educated in such a way that they  
26. can give the totality of services being sought. Mr.  
27. Chairman, I might say, I was asked on the sheet to put  
28. down whether your for or against. I checked against  
29. because we do have grave reservations about whether we  
30. are moving too far, or too fast. It does not mean that  
31. we oppose a change. As a matter of fact, I think we  
32. would welcome many of the ideas in the change. But  
33. what I'd like to encourage is a less extensive and



1. rapid change. But the work of a body like the transition  
2. group prescribed in the Act could be over a longer time.  
3. There should be particular study of the details of the  
4. discussion that went on behind the report so that we all  
5. understand it. I believe that the department directors  
6. for whom I am speaking would pledge ourselves to this  
7. change by evolution, with faunal changes not ruled out,  
8. that is, we don't want to stall and procrastinate. We  
9. really want to try to move as rapidly as possible. It  
10. seems to us that anyone of the type of positions that we  
11. now are currently occupying, anyone who would accept that  
12. either from the government and/or the Legislature should  
13. be willing to pledge to you that they want to see the  
14. reorganizational process studied and the most effective  
15. way designed. In short, we should not depend on indi-  
16. viduals to determine the nature of the process. In short  
17. then we should try with the individuals whomever they  
18. may be to work out from the bottom up the nature of our  
19. problems. I would thank you for your time, and I would  
20. indeed be pleased to answer any questions.

21. CHAIRMAN:

22. Dr. Lepper, let me start by asking a couple of  
23. questions. I take it one of your objections is based  
24. on the fact that it goes a little bit...it's going in  
25. the right direction, you say you want evolution, not  
26. revolution. And from what I read you, you say that it's  
27. going in the right direction, it's going a little bit  
28. too fast. Now, if we provided a longer transition period,  
29. for the various agencies to work out their inter-  
30. agency problems, do you think that would help it?

31. DR. LEPPER:

32. Yes sir, I think increasing length and perhaps  
33. a little less specific job...which presupposes some of

1. the things the transition committee might want to change  
2. would also be helpful. In other words, I believe that  
3. some of the decisions to move certain of the agencies  
4. and not to move others, a transition committee as it  
5. gets into it may wish to do some other kinds of recommend-  
6. ations on realignment. I would hope and expect that each  
7. of us would try to get as much data from the field as  
8. well as to continue to work in trying to upgrade the  
9. data base available to this State to see if we can  
10. describe somewhat better the quantitative relation-  
11. ships between the various programs.

12. CHAIRMAN:

13. You know Director, I don't think this Legislative  
14. Body would be too disturbed by that kind of a concept,  
15. that if the transition committee met and determined that  
16. there had been some particular error, in some departmental  
17. transition and maybe it had to be moved that we could back  
18. up on that thing. The other thing I'd like to question  
19. you about, in one sense you suggested we were moving too  
20. fast, and secondly in truth suggested that we in truth  
21. didn't go anywhere far enough, because you suggested that  
22. education as well ought to be a component of this.  
23. Now education is not a component of this bill, so in  
24. effect we're moving too fast, but our goals are not  
25. broad enough.

26. DR. LEPPER:

27. Well, I think that I have tried to express the  
28. reservations of myself and of some of my colleagues as  
29. I hear them, is that when I say moving too fast, and I  
30. think perhaps Director Edelman said prematurely. It's a  
31. matter of how solid are the data on which one is recommending  
32. this type of change and what are the consequences, if  
33. indeed we make the wrong choices. And I think some of us

1. are apprehensive that making the choices without more  
2. detailed study of their potential implications we may well  
3. end up with, for the time being at least, hindering rather  
4. than helping getting the services that all of us are  
5. seeking.

6. CHAIRMAN:

7. Well, I for one would certainly invite any study  
8. on behalf of any of the State Agencies of these concepts.  
9. You use the word innovative in terms of the bill. Some  
10. twenty states presently have this concept in one form or  
11. another, so I think perhaps innovative is not quite true  
12. any more. You, if you were here, you heard Secretary...  
13. Roberts discuss the Florida program, and that's been in  
14. effect for four years. California has had a program,  
15. a number of other states have had it...So, it really isn't  
16. too innovative and if we want to study it we can certainly  
17. go to other states and see what mistakes they've had...  
18. what mistakes they've made. Lastly, in reference to the  
19. size of the region. I don't think there's any great magic  
20. in the size of the regions that have been established.  
21. I'm certain that if the Governor felt that instead of  
22. seven regions we needed eleven regions, or four regions,  
23. or any other number there could not be a very substantial  
24. agreement...disagreement on the part of this Legislative  
25. Body. Now, so much for my piece. Are there other questions  
26. Senators? Any other questions of Dr. Lepper? Thank you  
27. very much Doctor. Be careful when you step down, you  
28. go backward quickly. Now, Director Miller, Department  
29. of Children and Family Services. Director Miller here?  
30. Does he wish to testify? No, you're just registering an  
31. opposition Director and no need to...

32. DIRECTOR MILLER:

33. ...I'd be willing to answer any questions.

1. CHAIRMAN:

2. Ok. He will be willing to answer any question.  
3. I have one question, Director. Do you have any idea  
4. how many interagency committees your department is  
5. represented on?

6. DIRECTOR MILLER:

7. Could I hear the question again, Senator?

8. CHAIRMAN:

9. Yeah. Do you have any idea how many interagency  
10. committees your department is represented on?

11. DIRECTOR MILLER:

12. No sir, I haven't. I might say Senator, that I would  
13. agree with the concept of this bill, having come to Illinois  
14. from a State where this particular piece of legislation in  
15. almost identical form is at present before the Legislature.  
16. I can't oppose the idea. I think that, however, I can  
17. oppose the timing of the bill, particularly with the  
18. new administration and the...some of the specifics as  
19. to how this bill would develop. Particularly the fact  
20. that as is presently written, it does exclude the  
21. possibility of firm community control in this. It  
22. does seem to be more of a management from the top-  
23. down sort of bill. I can't quarrel with the need to  
24. coordinate services between agencies, and however, at  
25. this time coming into a single agency which in itself  
26. is quite a bureaucracy. This would add major problems  
27. as we try to reorganize internally our own agency to  
28. give better services. Our own agency at present,  
29. printed last year some ten million forms, some eight  
30. hundred different forms, for use within our own agency.  
31. So, there's no question of a need to cut back on much  
32. of this bureaucracy. I just can't agree that this is  
33. particularly the way to do it.

1. CHAIRMAN:

2. Thank you very much Director. You're...your suggesting,  
3. that you...we want a little longer look at it. I might  
4. point out that pertinent to this bill one of the things that  
5. ...one of the components of this bill is really the  
6. maximum participation of the present agencies in the  
7. direction in which the Department will go, insofar as  
8. the transition committee is composed of no legislators  
9. whatsoever, only professionals, only people who have  
10. expertise. So that we have provided the possibility for  
11. those of you in the Executive branch to utilize your  
12. talents and your energies for whatever direction you may  
13. deem best rather than we the Legislature imposing some  
14. specific directiOn on you that you may not agree with.

15. DIRECTOR MILLER:

16. I appreciate that Senator. If I might make a more  
17. specific suggestion, there is within the law now, Chapter  
18. 127, Section 431, the Development of Human Resources,  
19. as you know, the Chapter, which states that a plan is to  
20. be prepared by the Governor and submitted January 1st  
21. of each odd numbered year, which would be a comprehensive  
22. plan for coordination...and delivery of services among  
23. the Human Services. In this legislation specifically  
24. refers to most of the Departments mentioned in the legislation  
25. before the Senate. It mentions the Department of Public  
26. Aid, Voc Rehab, Voc Education, Public Instruction, Children  
27. and Family Service, Corrections, Mental Health, Public  
28. Health, etc. I would suggest that the Senate might  
29. consider pushing...this legislation that is already on  
30. the books be implemented and that along with it the  
31. agencies, the various agencies show good faith in terms  
32. of developing some coordinated plans in a specific  
33. program. And I'd like to refer again to the Tri-County

1. project, that the Director Edelman referred to which has  
2. been going as a demonstration project for quite some time,  
3. but it seems as well has not had the clout to force...  
4. coordination of services, if you will between the agencies.  
5. And I think that if this sort of project were given  
6. higher priority by the various departments, and I think  
7. the present department heads would be willing to do that,  
8. that one could develop a working sort of system and  
9. then come back to amend legislation such as presently  
10. proposed, so that we might see how we might develop a  
11. specific project that would fit the needs of the people  
12. in Illinois.

13. CHAIRMAN:

14. Well, Director, Chapter 170, 27 has been on the books  
15. for a long time. To the best of my knowledge no Governor  
16. has implemented it. One of the suggestion the present  
17. Governor made to this Legislative Body in a Joint Address  
18. is that he would welcome legislative initiatives. And this  
19. is a legislative initiative. Obviously the Governor sits  
20. behind this and can do with it what he wants when and if  
21. it finally gets to him. But this is an initiative, to  
22. suggest that we have a proposal Governor and here it is.  
23. Any other questions of the Director? All right. Next  
24. we have Dr. Lashof, Director Lashof. Do you wish to  
25. testify Director, or just to register an opposition?  
26. Director Lashof.

27. DIRECTOR LASHOF:

28. ...answer questions, just briefly, I would say that  
29. the major concern of our Department is that the professional  
30. input is very low down, at the regional program level  
31. on the scope of the functions both regulatory and service  
32. functions of the department are so broad that we would find  
33. it very difficult under that organizational structure.

1. We also are dedicated to work with the other agencies  
2. on a re-organizational structure which will allow  
3. us to deliver services at the local level, and indeed  
4. we meet regularly Public Health, Mental Health and  
5. Public Aid. We're meeting almost weekly in looking  
6. at our programs and finding the areas of overlap and  
7. coordination. And I'd like...I'd be very happy to  
8. answer any questions.

9. CHAIRMAN:

10. One question, Director. Do you happen to have any  
11. idea how many interagency task forces your Agency is  
12. represented on, or is charged with...participating in?

13. DIRECTOR LASHOF:

14. I know of three that I can think of off hand, but  
15. I'm not sure that's all of them.

16. CHAIRMAN:

17. Thank you. Are there any other questions of  
18. Dr. Lashof, Director Lashof? Thank you very much,  
19. Director. Next, Russell Bartley, representing the  
20. Division of Unemployment Compensation and Illinois  
21. Manufacturers Association.

22. MR. RUSSELL BARTLEY:

23. Mr. Chairman, and members of the Committee, I'm  
24. speaking in opposition to certain parts of the SB 955,  
25. on behalf of the Division of Unemployment Compensation  
26. and the Illinois Manufacturers Association. And  
27. this is a big day in history, I've also been asked to  
28. represent the Illinois Federation of Labor, CIO. When  
29. Stanley Johnson wasn't able to appear here, he  
30. asked me to speak for him. I am...the appointed  
31. employer-member of the Board of Review in the  
32. Unemployment Compensation Department as well as having  
33. been with the Illinois Manufacturers Association for

1. many years. There may be merit to many of the provisions  
2. of this bill. But I am objecting to including the  
3. Bureau of Employment Security in the proposed Department  
4. of Health and Social Services. The Bureau of Employment  
5. Security includes the division of Unemployment Compensation  
6. and the Illinois State Employment Service. It is now a  
7. division of the Department of Labor, as is true in most  
8. States. In a few States it's a separate agency. SB 955  
9. would place the administration of the Employment Service  
10. and Unemployment Compensation under the same authority  
11. as the administration of Public Aid, Public Health, Mental  
12. Health and other social welfare programs. I want to emphasize  
13. that Unemployment Compensation and the Employment Service are  
14. not welfare or social programs. Welfare and unemployment  
15. security operate under entirely different philosophies.  
16. Welfare is paid on the basis of need, and is financed  
17. out of general taxes, while unemployment compensation is  
18. paid as a matter of right. The Employment Securities  
19. programs are paid for entirely by the employers of Illinois.  
20. The administration of the Employment Service and Unem-  
21. ployment Compensation is paid out of the Federal tax  
22. imposed upon employer payrolls. Unemployment benefits  
23. are paid out of the trust fund created by payroll taxes  
24. paid to the State by the employers. The Division of Unem-  
25. ployment Compensation is a tax collecting agency, as well  
26. as an agency which pays benefits. The U. C. program is  
27. based on insurance principles. Benefits are paid to  
28. workers who are out of work through no fault of their  
29. own, and who qualify under a number of strict eligibility  
30. requirements. The amount of benefits they receive is  
31. based upon wages which they earned in previous employ-  
32. ment. There is prescribed procedure set forth in the  
33. law for determining eligibility and for adjudicating



1. claims which are contested by either the claimant or  
2. the employer. The Illinois Employers have an important  
3. stake in the U.C. program. The experience rating pro-  
4. visions give employers the incentive to reduce their  
5. tax rate through good management and stabilization of  
6. employment. Employers do not want to lose experience  
7. rating. I've been told that one of the principal objectives  
8. of this proposal, to transfer the Bureau of Employment  
9. Security to the Health and Welfare social services depart-  
10. ment is to eliminate duplication of efforts to find jobs  
11. for unemployed persons. Or that at least the Employment  
12. Service should be in the new department. In all of the  
13. States employment service and unemployment compensation  
14. are in the same Agency. They should not be separated.  
15. Due to the nature of their activities, their work must  
16. be closely coordinated and they cannot fulfill their  
17. statutory duties unless they are in the same Agency  
18. and work closely together. There must be constant  
19. direct communication between the two agencies and they  
20. must...in the great majority of locations in Illinois,  
21. Unemployment Comp and Employment Service are in the  
22. same location. When a person applies for UC benefits,  
23. he must also register for work with the Employment Service.  
24. He is referred to job offers by the Employment Service  
25. and his response to such offers effect his eligibility  
26. for unemployment compensation. This is called the work  
27. test. It appears to me that the transfer of the Bureau  
28. of Employment Security from the Department of Labor to  
29. a new Department of Health and Social Services might have  
30. been an afterthought, and without consideration of the  
31. consequences or the reasons for it. In Section 1 of  
32. SB 955, setting forth the purpose of this Act of this  
33. Bill, there is no reference to the Employment Services or

1. the U.C. program. In Section 27 of the Bill, the powers  
2. of the Department of Health and Social Services are  
3. enumerated. There are 37 subsections, all of them  
4. related to Public Health, Mental Health, and similar Wel-  
5. fare services. There is not one word concerning employ-  
6. ment security in these 37 subsections. Section 29, page 25,  
7. and Section 33, page 25 would eliminate the Employment  
8. Security Advisory Board, which consists of three representa-  
9. tives each of employers, labor and the public. This Board  
10. has performed a very valuable service for over thirty years  
11. in studying the administration of the law and the develop-  
12. ment of agreed bills and amendments to improve the Act.  
13. We object to the elimination of this Advisory Board. Like-  
14. wise in the publication entitled Beyond Bureaucracy, a  
15. Program for Restructuring the Executive Branch of the  
16. Illinois State Government which appears to have been the  
17. ...contain the justification for SB 955. There are no  
18. reasons for including employment security, nor in the list  
19. of State and Federal government officials, or in the bib-  
20. liography of books and articles that are listed there,  
21. there were no Employment Security officials or publications  
22. listed. For these reason, I urge to adopt an amendment  
23. to SB 955 to delete all reference to the Bureau of Employ-  
24. ment Security, Unemployment Compensation, and the Employ-  
25. ment Security Advisory Board from SB 955. Thank you.

26. CHAIRMAN:

27. Mr. Bartley, if those recommendations were adopted,  
28. would you then have a position on the bill?

29. MR. RUSSELL BARTLEY:

30. I have no position on the other parts of the bill.

31. CHAIRMAN:

32. Thank you. Are there any question, Mr. Bartley?

33.

1. Thank you very much. Mr. Leonard Day, representing the  
2. Illinois State Chamber of Commerce. The IRA, the IMA,  
3. the IRMA, excuse me, the AEI and CACI, I forgot half of  
4. your titles.

5. MR. LEONARD DAY:

6. Mr. Chairman, I just like to say that on behalf of five  
7. of the major employer associations...

8. CHAIRMAN:

9. Senator Graham.

10. SENATOR GRAHAM:

11. I think it's fair for the rest of the senate, to  
12. have an idea how long this meeting is going to continue.  
13. We had an idea that we could get in some work, but I  
14. think it's unfair to request that some of those who want  
15. to leave must stick around if we're not ultimately going  
16. to do any work anyway. How many more witness do you have?

17. CHAIRMAN:

18. Senator, I have one more witness after Mr. Day  
19. who says he will take no more than one minute. And that  
20. should bring an end to the testimony.

21. SENATOR GRAHAM:

22. Thank you.

23. MR. LEONARD DAY:

24. Mr. Chairman, I just wanted to state that five  
25. other employer associations feel exactly as Mr. Bartley  
26. just testified concerning the Bureau of Employment Se-  
27. curity.

28. CHAIRMAN:

29. Any question of the witness? Okay. Thank you very  
30. much, Mr. Day. Father Weishar, representing the Illinois  
31. Catholic Hospital. And if you will present your case  
32. as briefly as you can Father, we would appreciate it.  
33. And we can get on to other business.

1. FATHER WEISHAR:

2. I shall be most brief. The bill has merits. I  
3. think however that it should be referred to a study  
4. committee with the report to be given within twelve  
5. months.

6. CHAIRMAN:

7. Any questions of the witness? No question of  
8. the witness, will somebody make a motion that the  
9. Committee of the Whole be adjourned. Senator Wooten  
10. moves that the Committee do arise...excuse me, I have  
11. got the wrong terminology, the Committee of the Whole  
12. has now arose, I guess, I...thank you very much for  
13. your patience.

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