Re-molding the Federal Budget

While Congress passed its first budget resolution for FY 1981 on June 12, still ahead lie three months, several appropriations bills, a second budget resolution, and the uncertainties of the current recession. Several national low income coalitions will spend these next few months working to change the priorities reflected in the resolution.

Two issues dominated this spring's federal budget debate: military spending and balancing the federal budget. The June 12 resolution provides for a real growth in military spending at 5% above inflation. The rest of the budget suffers a real decline of 3%.

Elimination of the states' share of general revenue sharing and cutbacks in CETA, low income fuel aid, health, social services, and welfare reform programs will increasingly limit a state's revenues and program options, and hurt its poorer residents (*Update*, March 31).

The June 12 resolution is but one step in the annual Congressional budget process. In March and April, the House and Senate Budget Committees reported out their proposals. A first concurrent resolution was due by May 15, but wide disparities between military expenditures in the two documents prolonged the conference until the June date.

A second, more detailed concurrent resolution is being developed and is due out by September 8. At the same time, the Appropriations sub-committees are independently preparing their reports. Any discrepancies between the budget resolution and the appropriations bill will be resolved through a reconciliation bill in late September.

"The Appropriations and Budget committees are engaged in a battle *royale* over reconciliation," said Bob Mollica of Lt. Governor O'Neill's staff. The Budget Committee's position will be weakened by the recession."

Observers agree the severity of the recession has broken the momentum of the balanced budget. "Nobody in Washington is talking anymore about a balanced budget," according to John Moriarty, the head of the state's Office of Federal Relations.

The slowdown sets the stage for a tug of war between proponents of a tax cut to stimulate the economy and advocates of expanded government spending in targetted program areas.

There is a value in this arena to coordinated grassroots and national activity aimed at influencing Congress. This was demonstrated twice in the first budget resolution's food stamps and housing allotments.

This spring, the Food Research and Action Center in Washington successfully coordinated a nationally-networked effort that generated local rallies throughout the country (including Boston) and lobbied members of Congress to extend the food stamp allocation over the summer. The campaign won the supplemental funding. It did so by impressing Congress with the extent of support for food stamps. Despite some changes in eligibility, the program has withstood severe cutbacks so far.

The National Low Income Housing Coalition, consisting of regional and national, local and statewide housing organizations such as Citizens Housing and Planning Association (CHAPA), spearheaded a drive to save the budget for Section 8 (increasingly unpopular in D.C.) and public housing. The Conference Committee's $31.2 billion figure (representing 276,000 units) favors the higher Presidential and House budget figure.

Efforts such as these will increase over the summer.

The Coalition for a New Foreign and Military Budget's (CNFMB) approach is to free up funds from defense spending and find creative ways to use them for social programs. Locally CNFMB members CPPAX and Mobilization for Survival are sponsoring Peace initiatives on the ballot, calling for a bi-lateral U.S.-Soviet ban on weapons construction and for a transfer of funds away from military budgets.

Many items cut in the resolution affect Massachusetts and its residents. Energy and jobs are two important ones.

Of special concern to Northeast and Midwest states is federal fuel assistance, budgetted at $1.8 billion in the June resolution. This year's formula favors southern states (Massachusetts, for example, would receive $12 million less than last winter—*Update*, June 7). The advocates in this case are the Governor, Lt. Governor, and the Mass. CAP Directors' Association (through the National CAP Directors Association), who are working to change this. They want the Appropriations Committee to add a "hold harmless" provision guaranteeing that states will receive at least as much assistance as they did last year.

The budget resolution slashes CETA Titles IID and VI, Public Service Employment (PSE). Massachusetts loses over $80 million, more than 5,000 jobs. As employment climbs towards 8%, pressure heightens for Congress to recognize the recession-induced hardships and re-expand jobs programs.

Groups in D.C., such as Jobs Watch and the National Employment Law Project (NELP), are supporting specific jobs legislation. NELP advocates expanding PSE CETA and extending the Youth Employment Demonstration Act to a five-year, $2 billion entitlement program for poor youths in or returning to school.

Locally NELP is active through the Youth Employment Advisory Council (YEAC) and the CETA Coalition.

Advocates in Washington agree that action is important.

"Get involved with local organizations. Urge the state Congressional delegation to go against the grain of cutting and to plan long-range programs solutions," said Larry Glanz of NELP.

The Massachusetts delegation is well-placed. Congressmen Early (Worcester) and Conte (Pittsfield) sit on the Appropriations sub-committee that can affect the fuel assistance and CETA budgets. Representative Boland (Springfield) is the number two ranking member of the full committee.

"The thing we're hearing over and over again," warned Lucy Williams of Mass. Law Reform Institute, who would like people to join her in working on the YEAC, "is that our representatives aren't hearing from people. They hear only from a few people, to balance the budget. Even the more liberal reps are afraid to go out on a limb without hearing from their constituents."

Some other groups working to change national budget priorities are:

—Coalition of American Public Employees (AFSCME, NEA, American Nurses Association) for revenue sharing, health

—Public Employment Department, AFL-CIO, for general issues

—National Association of Social Workers, for health, mental health, and human services

Guest Column

The Case Against Youth Secure Facilities

The number of youngsters in Massachusetts who have committed serious crimes is surprisingly small. The radical movement nearly a decade ago to force basic reform by shutting down the juvenile training schools did not produce a new wave of juvenile delinquency. In fact, the rate of juvenile violence has dropped.

Nevertheless, an appalling number of youngsters—nearly 2,300 each year—are locked up in grim, jail-like facilities called secure detention centers. That number is totally out of proportion to any need for public protection, though the cost to Massachusetts taxpayers is staggering: nearly $4 million a year.

In human terms, the cost is incalculable. One of the best documented findings in the field of corrections is that incarceration in and of itself serves no rehabilitative function whatsoever. The understanding of that truth is what propelled the state to embark on its bold and courageous effort to deinstitutionalize its youth correctional system in the first place.

Yet while the training schools were replaced with a vast network of community-based service programs, the detention centers remained firmly in place, the most heavily locked and barred facilities of all, and the last to be touched by reform. Over the last ten years, as the idealism of the 1960's and early 70's has given way to economic hard times and social and political conservatism, the juvenile detention centers have assumed an increasingly ominous function as the "hidden closets" of an otherwise open juvenile justice system. These are the places where problem children—regardless of their involvement in violent crime—can be simply locked up.

A recently released report by the Massachusetts Advocacy Center, entitled *Delinquent Justice—Juvenile Detention Practice in Massachusetts*, documents the abuses and occasional illegalities perpetrated on youngsters by the juvenile courts and by the state's Department of Youth Services (DYS). The report lays bare some distressing realities.

One of its most significant findings is that the secure detention units, intended as short-term holding facilities for youths awaiting trial, no longer perform that function. Instead, more than 70 percent of the youngsters held in secure detention in Massachusetts are *not* detainees awaiting hearings, but are children who have already been found delinquent by a court and are awaiting treatment in an appropriate program.

Detention, it should be noted, is explicitly *not* intended as a substitute for treatment. The detention centers are housed in some of the most deficient and dilapidated institutions in the Commonwealth, where only the most rudimentary form of custodial care is provided.

Why are so many committed youngsters allowed to ping-pong in and out of detention and to languish there for months at a time? Some are there because they disrupt the more open programs in the community; some are there because they are chronic runaways; some are there because they have emotional problems; and some are there simply because judges and other officials consider their homes to be unfit. They are placed in detention inappropriately and arbitrarily. They remain there because there is a pervasive shortage of appropriate residential programs in the community.

It is lamentable that resources desperately needed to strengthen the still struggling network of community-based facilities are currently being needlessly funneled back in the direction of institutional care.

Our research raises a host of disquieting questions about the extent to which detention is being used as a hidden form of institutionalization and about the larger failings of our youth-serving institutions generally. It is our hope that this report will stimulate a long-delayed public debate about the present status and future prospects of Massachusetts' juvenile justice system.

Sharland Trotter, co-author with Elizabeth Vorenberg of *Delinquent Justice*, is on the staff of the Mass. Advocacy Center. Copies of the report are are available from the Center, 2 Park Square, Boston, 02116, for $4.75 plus 60¢ postage.

Rate Setting Commission

continued from page one

their rates the maximum allowed; the remaining two-thirds raised charges an average of 14% and 11% those years.

Kirsch replied that patients cannot always "choose" a hospital and may end up in one of the one-third.

Moreover, Kirsch said, charges for hospital services may vary widely: Ludlow Hospital increased its operating room charge for two hours 50%, to $705, while Farren Memorial Hospital only increased 26%, to $540. He said the price of drugs at Baystate Medical Center went from cost plus a 212% markup to cost plus a 360% markup; at Addison Gilbert it was cost plus 100% to cost plus 200%.

Kirsch implied hospitals are not strict enough about cutting extra-bed waste because they can easily pass on the added expense. He cited low-occupancy levels at Farren (50%), Union of New Bedford (54%) and Hahnemann of Boston (55%). The state may sell Pondville State Hospital because of the expense of similar underbedding problems (*Update*, June 23.)

Kirsch also suggested charge-paying patients may subsidize other patients by as much as 15%. He added that cross-subsidization means that some charge-paying patients exceed actual costs of their specific care by as much as 37%.

If the legislation is not passed this year, hospitals will be allowed to increase charges by as much as another 25%, according to the RSC.

While most observers feel the RSC succumbed to political pressure, some have said they don't feel the RSC has lost all its credibility. They point to battles in the past where the Commission managed to increase its powers despite hospital opposition.

Others noted that Secretary Mahoney may have been eager to soothe the hospitals' anger from earlier defeats this year on General Relief Hospitalization reimbursement (see earlier *Updates*) and Administratively Necessary Days (AND), which reimburses the hospitals below cost for use of hospital beds by mostly elderly patients awaiting nursing home openings.

The fear is, however, that a toothless Rate Setting Commission could have serious effects on the cost of present health care.