

Farm Security Administration, USDA, and its background pertinent to its rural health programs development

april 1965
I
A

*See p. 4
for migration
through
AUHAI
Program
for farm
families
in general
had to be
modified
to ~~for~~ serve
migrants*

Farm Security Administration, USDA, and its background pertinent to its rural health program development

1. By the end of 1933, more than 1 million farm families were on relief rolls. Drought of 1934 led Administration to develop "rural rehabilitation" activity.
2. Federal Emergency Relief Administration, under Appropriation Act of 1933 (48 Stat. 55) made grants to States for purpose of furnishing relief and work relief. Part of funds were earmarked for States for rehabilitation purposes and later administered through State Rural Rehabilitation Corporations which were created by State emergency relief administration in most States. (46 corporations were formed and Federal funds were made available to 43.)
3. Resettlement Administration - established under section 4 of the Emergency Relief Appropriation Act of 1935 (49 Stat. 115); organized under Executive Order No. 7027 dated April 30, 1935 made money available for loans for the purchase of farm land and necessary equipment for farmers, farm tenants, croppers, and farm laborers.
4. Emergency Relief Appropriation Act of 1936 (49 Stat. 1608) carried on substantially same program. Did not authorize purchase of land.
5. Exec. Order No. 7530, dated December 31, 1936, transferred rehabilitation program to USDA on January 1, 1937.
6. Emergency Relief Appropriation Act of 1937 (50 Stat. 352) provided "This appropriation shall be available for expenditure by the Resettlement Administration for such loans, relief, and rural rehabilitation for needy persons as the President may determine, including such cost of administration as the President may direct."

Compiled by Helen Johnston, 1965
for Margaret Klein, NYC.

(11/26/65)

7. Bankhead-Jones Farm Tenant Act (7 U.S.C. 1000 et seq.) enacted in 1937 took over resettlement projects, rural rehabilitation projects for resettlement purposes, and land development and land utilization projects.

8. After passage of Bankhead-Jones Farm Tenant Act in 1937, the old land-utilization program and the new programs authorized by the Act were transferred by Secretary of Agriculture to Bureau of Agricultural Economics. At about the same time the name of the Resettlement Administration was changed to Farm Security Administration.

9. Farm Security Administration extended credit to low-income farm families based on careful estimates of probable ability of borrower to repay; and the useful life of the items for which funds were borrowed. Loans were supervised through FSA supervisors who provided information and assistance to family in facing its problems, planning realistically, and carrying out plans throughout each year.

The Farm Security Administration recognized that "families must eat, be clothed, and maintain their health if they are to continue as successful farm operators." The extension of sound credit on this basis was considered to require careful planning with the family as to the amount to be spent for family living as well as farm operating expenses.

10. From the beginning of the rehabilitation program, loans to individual farmers to cover the costs of participating in existing cooperative services and facilities were regular FSA loan practice where participation was considered essential to rehabilitation of borrowers. Where needed cooperatives did not exist, the FSA could

make loans to associations -- "really rehabilitation loans to groups of small farmers." These were not made unless other sources of credit were unavailable.

11. By June 30, 1944, the number of cooperative associations totaled 4,083, most of which were given technical advice, only, by FSA.

The total included 1,563 medical, dental and environmental sanitation associations. These associations constituted the FSA health program.

12. The Rural health program for low-income farmers who were Farm Security Administration borrowers recognized the need of families for medical care, and for insurance against big doctor and medical bills that follow emergency illnesses. The program was considered necessary to protect FSA Farm Production Loans. In 1936 a voluntary group health insurance plan was started with the help of local doctors to provide medical services for FSA borrower families at a cost families could afford.

By June 1936 plans were operating in eight counties in three States. By June 1939, medical and dental plans operated in 519 counties in twenty-five States.

By June 1942, plans operated in 1,141 counties in 41 States. Membership totaled more than 117,000 families - more than 615,000 persons. Separate dental plans were organized in 252 counties in cooperation with county dental societies. More than 242,000 people were covered by dental care prepayment.

Local associations were governed by members who selected a committee or board of directors to represent their interests. Doctors selected

a committee to handle problems of medical nature. FSA helped to establish plan, and included in a family's loan the amount needed to pay its membership fee.

FSA also assisted borrowers to provide themselves with sanitary privies, protected domestic water supplies, and adequately screened homes. Made grants for materials in return for which families agreed to perform certain work.

13. A separate rural health program for migrant farm workers was developed because the prepayment program for residents did not fit their situation. FSA financed a nonprofit corporation in 1938 to provide medical care to migrants in Arizona and California - the Agricultural Workers Health and Medical Association. It was administered by a board representing the State health department, State medical association, and State dental association in California and the Arizona State Medical Association. FSA had minority representation. The program was conducted through agreements between the Association and organized professional groups in both States. Necessary medical care and hospitalization, prescribed drugs, and limited dental services were provided through clinics to migrants housed in farm labor supply centers and on a referral basis by local practitioners.

14. By December 1941, Farm Security Administration operated 74 migrant farm labor camps. Medical care was provided for laborers, both resident and nonresident, "in cases of necessity."

15. P.L. 45, approved April 29, 1943, set up Farm Labor Supply Program but prohibited use of funds under the law to fix, regulate

or impose minimum wages or housing standards...except with respect to workers imported into the United States from a foreign country and then only to the extent required to comply with agreements with the government of such foreign country. During that year the program was transferred to the War Food Administration.

16. P.L. 229, February 14, 1944, charged War Food Administrator with responsibility for farm labor supply program including use of limited sums for construction of labor supply centers and for providing health and medical services to families housed in labor supply centers and to migrant agricultural workers and families in areas served by centers where other medical services were not available. The Administrator was to enter into agreements with the State Extension Services for this purpose but to take direct action where satisfactory agreements could not be negotiated.

17. Appropriation bills from 1944 to April 1946 continued program. P.L. 731, April 14, 1946, provided for liquidation of labor supply centers as soon as they were no longer needed or within six months after the end of hostilities.

18. P.L. 76, May 26, 1947, provided for final liquidation including sale of labor supply centers.

SOURCES:

1. Farm Security Administration, Hearings...pursuant to H.Res. 119, part 3. U.S. Govt. Print. Off. 1944.
2. Rasmussen, Wayne D. A history of the emergency farm labor supply program, 1943-47. Agr. Mono, No. 13. 1951
3. Mott, Frederick and Roember, Milton. Rural Health and Medical Care. New York: McGraw-Hill. 1948.

Note: In addition to the county associations of FSA borrowers, during the mid-1940's the FSA instituted a half-dozen county-wide associations without such restrictions on membership to provide prepaid medical care to all those who wished to participate. The plan incorporated a subsidy for support of the local associations to supplement the "sliding-scale" prepayment fees paid by member families and geared to family income.

At about the same time that the migrant farm workers' health program was liquidated, along with the farm labor supply centers and other activities of the War Food Administration, the name of the Farm Security Administration was changed to Farmers Home Administration and the agency's activities in the health field were almost completely eliminated.