

April 28, 1981

LB 404

What it does do is require that the state be involved in the funding formula. Now the second thing that 404 did is that originally it did mandate services and it did mandate services statewide by 1986. That was taken out of the bill or would be taken out of the bill if the committee amendments are adopted. If the committee amendments are not adopted, 404 will, in fact, be a mandate for state and local government to provide these services across the state by 1986. Senator Cullan and the Health and Welfare Committee scaled back 404 considerably when they struck the section that there shall be services and in so doing there no longer is a mandate in 404 for services statewide by 1986. So with the committee amendments, 404 sets up a structure for a program that is in existence, a program that is now using 9 million dollars in state, local and federal government. It establishes a role for state participation which does not exist now. It does not increase significantly county participation but it does not decrease county participation with the committee amendments and the original bill did, in fact, reduce some of the share to counties. So the committee amendments are, in fact, a scaling back of LB 404. They reduce the fiscal impact both to state and local government and they maintain essentially the current funding relationship between federal dollars and local dollars and do require state participation. Now when the study committee on 404 had hearings across the state and we had five hearings, what we discovered is a major inequity in the State of Nebraska. We found that there were some counties that would have a complete range of community services for the elderly, a community like Lincoln, for example. We would find other counties where there were little or no services and why is that? It is because the state has not moved in as a partner in these programs and LB 404 sets up a mechanism for that partnership. But with the committee amendments it does not mandate or require services by a certain date and so with adoption of the committee amendments LB 404 is scaled back considerably. We would not have statewide services across the state by 1986 and in so doing the committee amendments reduce the 2 million dollar estimated fiscal impact of LB 404. And again, I apologize for not having explained the bill before we discussed the committee amendments and I hope that maybe that clarifies some of the questions that people have. The reason the County Officials Association are supporting LB 404 and did testify for 404 at the hearing is that they see the need for the state to be written into this partnership so that we can provide community services for the elderly. I think that the committee amendments should be adopted. It does not go as far as I had originally hoped 404 would do but I think they are a realistic approach, given the fiscal situation that we