

and the simple reason for that is that the welfare programs start out as categorical grant programs. They are federal programs. They have all kinds of mandates and guidelines in them. When the State of Nebraska opts to participate in those programs, those programs come to the state with all the federal constraints on them. The state in turn proposes regulations. It adopts the regulations and finally, the county government administers the programs subject to state regulation and when county government deviates one wit, when it deviates one wit from the state regulatory pattern, the state steps in and it overrules what the county has done and the county has been appropriately chastised. We have supposedly state supervision, county administration. Now, the county welfare employees are truly state employees. They are hired under the state Civil Service System. They are part of the Merit Commission and they are paid for by the state with one small exception. We require the counties to contribute between 3 and 5% of the overall county employee administration cost. So there is that little bit of cost sharing that we still impose on the counties. The other major share requirement that we impose is we require at this juncture the counties to pick up 16% of the overall Medicaid costs and as Senator Kahle pointed out and as Senator Wesely pointed out, that cost is being reduced.... LB 39 would reduce the county's share from 16% to 14% to 12% and finally to 10%. The truth of the matter is, we basically have a state welfare program in everything but name. Now it is my opinion that you and I will have better government if we make certain that full responsibility for the operation of our welfare program lies with the state. Right now if you and I have a constituent that has got a welfare problem, we may go to the county and get one answer but in the end it will be the state that will give the final and definitive answer and in the meantime there will be a lot of finger pointing as to who really is responsible for this problem. Is it the state or is it the county? The county operation in the welfare area essentially is an anachronism. We have had county operation in welfare ever since Nebraska became a state. Why? Because that is the way it always has been. That is the way it was done and it was done that way state by state by state until the Depression and in the Depression the federal government created the categorical welfare programs and the federal government said to those states that were coming into the categorical grant programs and said, look, you can either have a state administered program or you can have a state supervised county administered program. We don't care which you have so long as you ensure that the program is being administered uniformly throughout the state. Nebraska chose the latter route. So did a number of other states but over the passage