

April 28, 1981

LB 522

the State of Nebraska should not be used for such programs as the welfare programs. I think Senator Kahle has a bill dealing with that issue and I certainly support it and I also support Senator Johnson's bill. One point that Senator Johnson brought out I think needs to be expanded on just a little bit. The original intention, I think, of allowing the counties to administer the program was so that counties, through the county commissioners, the county board, would have some control over the welfare program since they were closer to the area and knew the people involved but as it turns out in reality, because of the guidelines imposed by the federal government and some by the state perhaps, the county supervisors, the county boards' hands are tied anyhow. So unless we can somehow change that mechanism which obviously we are not going to be able to, then I certainly think that Senator Johnson has a good idea, that we should fund it from the state and run it from the state. So I would urge this body's adoption of LB 522.

SPEAKER MARVEL: Senator Lamb.

SENATOR LAMB: Mr. President and members, I had a couple of questions of Senator Johnson if he would respond. Would you run through briefly that cost figure you said, in the bill book it is 25 million dollars the second year. I guess my question is, I fail to see how those costs can be substantially decreased by extending it over. Is it an additional year?

SENATOR V. JOHNSON: Well you are absolutely right. Under my bill as I originally wrote I said, come 1982 the state takes over everything. Now in 1982 the cost to the state in taking over everything is about 25 million dollars, but, Senator Lamb, when we spread the take over out over an eight year period of time which is what the committee amendments do, then the costs are less in the initial years but by the time you get to the final year, what with the increase along a Medicaid cost, it is a pretty substantial chunk.

SENATOR LAMB: What would your estimate be of the cost to the state at the end of the eight year period?

SENATOR V. JOHNSON: I have an answer to that and I am going to give it to you but you have got to let me qualify it. The answer that I have right now is that by 1989 the Medicaid cost is expected to be about 71 million dollars which will either be borne by our property tax dollars, by county government or in the alternative, borne by the state out of sales and income tax dollars. It is a high cost by that year.

SENATOR LAMB: Does it compare with the 25 million dollars?

SENATOR V. JOHNSON: Yes, it does.