

SPEAKER MARVEL: Senator Cullan.

SENATOR CULLAN: Mr. President, members of the Legislature, I rise to support Senator Dworak and Senator Warner who cannot be with us today and the Appropriations Committee in this move to hold LB 39. As you know, the Public Health and Welfare Committee did advance LB 39 to the floor. I have supported this bill to this stage in the legislative process and I do support the concept of reducing the counties involvement in the funding of welfare. In fact, I more actively support LB 522. I think it is time for us to realize that the counties do nothing but pay the bills and have very little, if any, significant control over the operation of the welfare programs in the state. So I really do not support the current system and I do support the philosophy of LB 39 but I believe that this is a time for us to be very cautious and very prudent so far as tax rates are concerned. We do not know what the changes in the federal level are going to be but we do know they are going to be significant and we know they are going to have a tremendous impact on welfare programs in particular and we may have to do some significant changes in the structure of the welfare system in the State of Nebraska in the near future. From my understanding other states are taking some action this year to significantly cut welfare cost and to cut many of the options the state has. Many of you may not know this but Nebraska has one of the most comprehensive welfare programs in the United States as far as Medicaid is concerned. We have adopted virtually every option that is available in this area and the Health and Welfare Committee took a look at cutting some of those things a couple of years ago and decided not to. The point I am trying to make is that there are many things that are going to change in the near future. It will not be that serious if we hold this bill until we see what those changes are and I think it would be wise of us to keep tax rates at the current level this year so that if we need to react in a major way next year to the changes at the federal level, we can do so without having to tremendously increase the state budget and the operations of the State of Nebraska. This is the same reason that for the first time I have decided to, this year, that I am not supporting an increase in state aid to education for the same reason. I think this year we need to maintain those tax rates as best we can so that we are in a position to react to the many changes at the federal level. I would urge you to bracket LB 39, to leave this bill until next year so that we can handle the changes in the welfare program more appropriately.

SPEAKER MARVEL: Senator Vard Johnson.

SENATOR V. JOHNSON: Mr. Speaker, members of the body, I