

March 3, 1982

LB 522

of Welfare Programs, he said that last year what we spent in the state, \$213,426,000 on 14,000 ADC cases. He also says in here that if we turn the welfare over to the state that they can save approximately \$1,500,000. Well that is to be seen. I don't think that is very well possible but I say to you of this \$213 million the state hands out for welfare, if you just take a measly 5% of that that could possibly be fraud, that comes up to a figure of \$10,000 or \$10,000,000 versus the million and a half he is going to save. Now I don't want anybody to think there is not fraud. Here in the World Herald, Saturday, January 16, 1982 it states in here how one woman from Omaha, Nebraska alone just by her very self had frauded the government out of \$34,812. Now in my county that would have been watched by our supervisors up there because we know when a man is coming home and living with his wife and when a man is not coming home and living with his wife whereby he could draw ADC payments or he could not draw ADC payment, and I say to you when we turn it over to the state entirely, we will lose that entirely and we may according to Senator Johnson save a million and a half and we will lose about twenty or thirty or forty million in fraud that we can't have no control over. So I oppose his amendment and his bill entirely. Thank you.

SENATOR CLERK: Senator Haberman.

SENATOR HABERMAN: Mr. President, members of the Legislature, I missed a lot of debate so I would like to ask Senator Johnson one question. How did you say you were going to fund this? You are going to raise the sales and income tax?

SENATOR V. JOHNSON: Yes, in 1983 this would have an effect.

SENATOR HABERMAN: How much?

SENATOR V. JOHNSON: Well, it depends on how we go. The bill right now in 1983 would probably not cost more than \$3 million and that probably wouldn't bump either the sales or the income tax rate. That is because of the phase in of the county medicaid reductions.

SENATOR HABERMAN: Okay, thank you. Now I don't know whether you ever shot any craps, excuse me, shot any dice or not, Senator Johnson, but what you are doing here is you're shooting craps. You want us to approve something, approve a bill, going to cost millions of dollars if we raise the sales tax. Now I noticed some of the people who are in favor of this, Legal Services of Southeast Nebraska, and now as I understand it, the people in Legal Services of