

SENATOR V. JOHNSON: Yes. Let me now speak just to the bill because the bill is a very clean bill. It says simply that on July 1st, 1983, the State of Nebraska will administer the whole welfare system in our state. The counties will be relieved of all responsibility for welfare administration. It does a lot of things for a lot of counties. Number one, it takes off the property tax any responsibilities that the counties have had for Medicaid. Number two, it takes the counties out of the general assistance program. Douglas County right now has been faced with a whole host of lawsuits concerning the way they operate general assistance. So, too, is Butler County, so, too, have other counties. I understand there has been a decision reached by the county attorney in Banner County which is one of our smallest counties saying that Banner County under the general assistance program is going to have to be responsible for a \$200 thousand medical expense incurred by one of the needy persons in Banner County. That is probably about half their regular budget. The old general assistance program is a true and absolute anachronism. It is a genuine anachronism. It comes from the Elizabethan forelaws created in 1601 in England. It is high time that we make these programs basic state programs. What the state will ultimately do when we have effected a full takeover is this. The state will set up the process of having regional offices. The regional offices undoubtedly will provide, they will undoubtedly provide all of the regular services that are done in the welfare programs. They will probably retain basic outreach offices in virtually every county. That is what Iowa did. Iowa still has basic outreach offices in every one of its counties. They have an intake function but they have reduced staffs. Iowa has effected enormous savings, enormous savings in going to this system. So, too, have many states. Senator VonMinden has talked many times about the function of having the county commissioners involved in terms of eliminating fraud. I have statistics which indicate that basically speaking the errors that occur in welfare administration are a product of agency error and not a product of individual misrepresentations and individual shortcomings and that runs contrary to the national norms. Now nationally most states have a state administration and it seems to me that state administration ensures fewer agency errors. It ensures a basic uniformity in the way the programs themselves are administered and if you have more mistakes occurring at the agency level which we do now, than you do nationally, then you are likely through a state takeover to end up effecting a diminution in improper payments. But most importantly you know what is happening. The Governor came in today. He says we're in an economic crisis. He says we have a lot of problems. The Reagan administration has made major changes to the delivery of human services. We, as a state, have got to be in a position to respond to the changes that are occurring nationally and the changes that are occurring economically