

October 30, 1981

case the economic future is at best an inexact science, but stifling interest rates, a poor farm and business economy and reports of reduction in employment in more labor sections lead eventually to a corresponding decline in current and future state revenue receipts. I formally inform you now that revenues will not equal current appropriations plus mandatory reserve. In addition, the expansion of the call for this special session was made necessary and has been done. Contained within the many provisions of the federal Omnibus Reconciliation Act of 1981 are two specific requirements that are the cause of the revision of the call for this special session. In general terms, the Secretary of the Department of Health and Human Services was given the authority to continue the certification of states whose laws were not in compliance with the federal law. This authority, however, only continued so long as the state's legislature had not held a session. As defined in the federal law, session meant any regular, special, budget or other session of a state legislature. Our direct contacts with Secretary Schweiker confirmed that we had no option if we were to avoid the loss of certification and the federal funds. The two areas that are being included on the call are changes in our Aid to Dependent Children laws and our child support enforcement program. In the case of ADC, we must change the definition of a dependent child, restrict the benefits to a pregnant woman to the third trimester, disallow benefits to individuals engaged in strikes, and amend our requirements for registering for work. The child support enforcement amendment will allow us to charge an additional 10 percent of the child support delinquencies to absent parents on the application by the parent who has custody of the child. If these changes are not made, this is your prerogative, we run the almost certain risk of losing federal support for our ADC program and the federal funds utilized by the counties to implement our child support enforcement program. The federal law dictates this for your consideration, and another bill will be introduced at my request on this by Speaker Dick Marvel. In closing, an editorial writer of the Norfolk Daily News, in Senator Peterson's District, was right on in an editorial on Tuesday of this week when he said: "It is time for government to react in the way that every householder and private businessman must, to pare spending to meet income. Legislators should be measured on their willingness to help with the task, not on their pronouncements about the accuracy of their earlier projections or their pleas that no cuts can be made because everything state government does is so essential as to be beyond further economies." Ladies and gentlemen of this Legislature, your help is needed, it's warranted. I ask for it. I assure you it will be most sincerely appreciated. Thank you.