

SPEAKER WITHEM: The amendment is withdrawn. Mr. Clerk, the next item.

CLERK: Mr. President, the next amendment to the bill is by Senator Dierks. Senator, I have AM1559 in front of me. (The Dierks amendment appears on pages 1742-43 of the Legislative Journal.)

SPEAKER WITHEM: Senator Dierks.

SENATOR DIERKS: Thank you, Mr. Speaker. Members of the body, this amendment simply strikes the family cap, the family cap provisions of the welfare reform act we passed last year subject to the approval of federal waivers requested to implement those provisions. The family cap or child exclusion, as it's sometimes referred to, states that additional children born to a family more than ten months after first receiving welfare assistance shall not increase the monthly cash benefit. You will hear a lot about how this reduction in benefits is offset by other provisions of the welfare act. Let me take up some of those arguments for you. First, the family cap contains a provision that child support payments shall not be counted in determining the amount of cash assistance to those families affected by the cap. This is a lot like saying that any lottery winnings won't be counted. According to the Department of Social Services, in '94, there were no child support orders for 38.4 percent of the children on ADC in Nebraska. That figure does not include cases where there is a child support order that the absent parent has stopped or is behind in his payments. In '94, only about 52 percent of all child support currently owed is collected by the state. In many cases, a family is forced to turn to ADC precisely because they are not receiving child support. In any event, we have already been required by federal law to disregard the first \$50 of child support received. Understand also that the disregard applies only to child support received on behalf of the child born ten months after participation. Child support received on behalf of other children is not excluded. Even if efforts are being made to collect child support and the changes in the child support system we are making with the welfare reform act and various other legislation actually produce a better rate of child support collection, there will still typically be a period before the ADC family actually begins receiving these payments. In the meantime, that family still has an additional child to care for. Secondly, proponents of the child exclusion will also