

Budget and Policy Priorities in a report completed in January this year examined the issue very thoroughly and found no convincing evidence that there is a connection between welfare and fertility and out-of-wedlock births. On the contrary, they found the following. While the illegitimate birthrate is on the rise, the value of welfare benefits have fallen in real terms since the early 1970s. ADC benefits are worth only about 53 percent of their level in 1970, with inflation taken into account. Even though ADC benefits and food stamps for a family of three in New Jersey is 58 percent, more than the same family in Mississippi, out-of-wedlock birthrates are about the same. Mississippi, which has the lowest AFDC benefit levels, ranks 12th in the nation in unmarried teen birthrates. This suggests very strongly that ADC does not influence birthrates. The fact that...the facts are that the welfare recipients average less than two children per family, slightly less than the general population. We are not facing an explosion in the number of children eligible for ADC. In fact, the number of families receiving welfare is on the decline in Nebraska. In 1993, we had an average of 17,500 families on ADC. In January of this year, the number was 15,366. Because of the decline in the Governor's budget request...because of the decline, the Governor's budget request asks for almost 7.5 million less on ADC than was appropriated last year. Low income single parents are not necessarily better off under welfare reform despite higher income disregards and transition to work benefits. The child exclusion is likely to have little or no effect on a woman's decision to have additional children. And, finally, the cost of the ADC program is on the decline. There is no ADC crisis. Because there is no good reason to implement the child exclusion, I urge that you adopt this amendment. Thank you.

**SPEAKER W. THEM:** Thank you, Senator Dierks. The Chair would recognize Senator Bohlke, followed by Senators Chambers, Crosby, Day, Beutler and Schimek.

**SENATOR BOHLKE:** Yes, Mr. Speaker, members, I rise in opposition to the Dierks amendment. Senator Dierks and I spoke a little before session this morning and certainly we talked about this as I introduced this to the committee and, quite frankly, we had a lengthy debate last year on LB 1224. I was, I think, as many of you, we are hoping to get to an issue that we haven't been able to debate and that's the cashing out of food stamps. We've had this argument. For those of you who are new, what we have said is that we do not believe this is true, that those people