

April 9, 1973

(Start of Belt #5)

and that will go on indefinite until such time that Congress would amend the law and they would have to do it in order to preclude a change in the appropriation they have and will make according to this letter. Is that so?

SENATOR MARVEL: Yes, sir, and I understand and he was quite emphatic in this that any of these funds attached directly to the Social Security Act cannot be withheld by Executive action as other Federal funds. So, these funds are in a different category than other funds. That's my understanding of what he said.

PRESIDENT: Senator Schmit and then Senator Goodrich.

SENATOR SCHMIT: Mr. President and members of the Legislature, I'd like to ask Senator Marvel a question.

SENATOR MARVEL: Yes sir.

PRESIDENT: Senator Marvel, will you yield?

SENATOR SCHMIT: Isn't it correct then, Senator Marvel, that my interpretation was correct and Senator Goodrich's statement that the entire eight million dollars would have to come from the state funds was incorrect when we debated this bill on General File.

SENATOR MARVEL: It's my understanding that the statement that we might have to put up the whole eight million dollars is not true, by virtue of what this letter says. That we would be obligated, in this case, under 235 to put up three, three and a half million dollars and the balance would be put up by the Federal government.

SENATOR SCHMIT: Thank you very much.

PRESIDENT: Senator Goodrich.

SENATOR GOODRICH: Would Senator Marvel yield to another question?

PRESIDENT: Senator Marvel, will you yield?

SENATOR MARVEL: Yes sir.

SENATOR GOODRICH: All right. Now, you have been discussing the Federal level funding.

SENATOR MARVEL: Right.

SENATOR GOODRICH: The formula used by them. Where did your letter come from.

SENATOR MARVEL: It came from the Regional Director and if I might...well, it came from the Regional Director of the Department of Health and Education and Welfare, Max M. Mills.

SENATOR GOODRICH: Kansas City.

SENATOR MARVEL: Yes sir.

SENATOR GOODRICH: All right. What they're discussing is the Federal funding portion of the present state ADC program. They call it AFDC. And what your letter says is that that portion that the Federal government is obligated to pay under the formula we are using now in this state. Those funds cannot be cut back, but if you would check one step further with our own Welfare Department, I believe you will find that we, in the state...Nebraska State Welfare Department, must change the formula that we are currently using. We must