

the opinion, that would respect a certain commodities poor persons actually pay more than more affluent people do. For example in Omaha, without any question, when poor people are essentially confined to a certain geographic part of the city they will make their purchases from markets which tend to charge higher prices than in other parts of the city. So I felt that if the kind of study reflected that poor persons were paying more for certain of these commodities that require pricing then the standard of need should reflect that. But inasmuch as the committee saw fit to delete that kind of delineation then my definition of poor persons is no longer necessary and inasmuch Senator Murphy as I needed to have something to base a definition on, I just arbitrarily picked a 125% federal poverty guideline.

SENATOR MURPHY: Do you in your own mind, I am assuming that you are not saying that if this study is conducted and if these standards are determined particularly in view of the general tenure of the bill which provides things which I think a lot of people who are going to be paying for them for someone else do not have, but none-the-less this would result in an increase in cost of the various services that you recommend the total cost to the state and assuming the counties don't manage to weasel out of their share of it that it is going to increase the general cost of this type of service, is it not? If your standards are adopted whatever they may end up being? They certainly are not going to lower the cost, are they.

SENATOR JOHNSON: No. The answer to your question would be yes to the extent that the bill has a provision which says a standard of need once adopted by the Nebraska Department of Public Welfare shall absolutely control who is eligible and who is not eligible for public assistance. But one of the things that I had stated to the Public Health and Welfare Committee and one of the things that I did intend was to make certain that we the Legislature still had final control over the appropriational process and that we would not unwittingly find ourselves in a position of authorizing greater payments for assistance than we wanted to authorize. To clarify that I prepared an amendment, it should be on your desks, which says, by golly if the Welfare Department has a high priced standard of need and if we only appropriate a fixed number of dollars which wouldn't sustain that full standard of need then the Welfare Department may effect a percentage reduction of the standard of need to keep within the amount of money that we appropriated. So in the end Senator Murphy the amount of dollars that are spend on welfare programs will be in your hand, until you complete your term, and it will be on my hand.

SENATOR MURPHY: Thank you.