

LEGISLATURE OF NEBRASKA  
ONE HUNDRED FOURTH LEGISLATURE  
FIRST SESSION

**LEGISLATIVE BILL 89**

Introduced by Campbell, 25.

Read first time January 08, 2015

Committee:

- 1 A BILL FOR AN ACT relating to public assistance; to amend section 43-513,
- 2 Reissue Revised Statutes of Nebraska, and sections 43-512, 68-1713,
- 3 and 68-1726, Revised Statutes Cumulative Supplement, 2014; to change
- 4 provisions relating to aid to dependent children; to change
- 5 provisions related to an earned income disregard; to provide an
- 6 operative date; to repeal the original sections; and to declare an
- 7 emergency.
- 8 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 43-512, Revised Statutes Cumulative Supplement,  
2 2014, is amended to read:

3 43-512 (1) Any dependent child as defined in section 43-504 or any  
4 relative or eligible caretaker of such a dependent child may file with  
5 the Department of Health and Human Services a written application for  
6 financial assistance for such child on forms furnished by the department.

7 (2) The department, through its agents and employees, shall make  
8 such investigation pursuant to the application as it deems necessary or  
9 as may be required by the county attorney or authorized attorney. If the  
10 investigation or the application for financial assistance discloses that  
11 such child has a parent or stepparent who is able to contribute to the  
12 support of such child and has failed to do so, a copy of the finding of  
13 such investigation and a copy of the application shall immediately be  
14 filed with the county attorney or authorized attorney.

15 (3) The department shall make a finding as to whether the  
16 application referred to in subsection (1) of this section should be  
17 allowed or denied. If the department finds that the application should be  
18 allowed, the department shall further find the amount of monthly  
19 assistance which should be paid with reference to such dependent child.  
20 Except as may be otherwise provided, payments shall be made by unit size  
21 and shall be consistent with subdivision (1)(p) of section 68-1713.  
22 Payments shall be made as follows:

23 (a) For fiscal years 2015-16 and 2016-17, the maximum payment level  
24 for monthly assistance shall be sixty percent of the standard of need  
25 described in section 43-513;

26 (b) For fiscal years 2017-18 and 2018-19, the maximum payment level  
27 for monthly assistance shall be sixty-five percent of the standard of  
28 need described in such section; and

29 (c) For fiscal year 2019-20 and each fiscal year thereafter, the  
30 maximum payment level for monthly assistance shall be not less than  
31 seventy percent of the standard of need described in such section state

1 ~~warrant, and the amount of payments shall not exceed three hundred~~  
2 ~~dollars per month when there is but one dependent child and one eligible~~  
3 ~~caretaker in any home, plus an additional seventy-five dollars per month~~  
4 ~~on behalf of each additional eligible person.~~

5 No payments shall be made for amounts totaling less than ten dollars  
6 per month except in the recovery of overpayments.

7 (4) The amount which shall be paid as assistance with respect to a  
8 dependent child shall be based in each case upon the conditions disclosed  
9 by the investigation made by the department. An appeal shall lie from the  
10 finding made in each case to the chief executive officer of the  
11 department or his or her designated representative. Such appeal may be  
12 taken by any taxpayer or by any relative of such child. Proceedings for  
13 and upon appeal shall be conducted in the same manner as provided for in  
14 section 68-1016.

15 (5)(a) For the purpose of preventing dependency, the department  
16 shall adopt and promulgate rules and regulations providing for services  
17 to former and potential recipients of aid to dependent children and  
18 medical assistance benefits. The department shall adopt and promulgate  
19 rules and regulations establishing programs and cooperating with programs  
20 of work incentive, work experience, job training, and education. The  
21 provisions of this section with regard to determination of need, amount  
22 of payment, maximum payment, and method of payment shall not be  
23 applicable to families or children included in such programs. Income and  
24 assets described in section 68-1201 shall not be included in  
25 determination of need under this section.

26 (b) If a recipient of aid to dependent children becomes ineligible  
27 for aid to dependent children as a result of increased hours of  
28 employment or increased income from employment after having participated  
29 in any of the programs established pursuant to subdivision (a) of this  
30 subsection, the recipient may be eligible for the following benefits, as  
31 provided in rules and regulations of the department in accordance with

1 sections 402, 417, and 1925 of the federal Social Security Act, as  
2 amended, Public Law 100-485, in order to help the family during the  
3 transition from public assistance to independence:

4 (i) An ongoing transitional payment that is intended to meet the  
5 family's ongoing basic needs which may include food, clothing, shelter,  
6 utilities, household goods, personal care items, and general incidental  
7 expenses during the five months following the time the family becomes  
8 ineligible for assistance under the aid to dependent children program, if  
9 the family's earned income is at or below one hundred eighty-five percent  
10 of the federal poverty level at the time the family becomes ineligible  
11 for the aid to dependent children program. Payments shall be made in five  
12 monthly payments, each equal to one-fifth of the aid to dependent  
13 children payment standard for the family's size at the time the family  
14 becomes ineligible for the aid to dependent children program. If during  
15 the five-month period, (A) the family's earnings exceed one hundred  
16 eighty-five percent of the federal poverty level, (B) the family members  
17 are no longer working, (C) the family ceases to be Nebraska residents,  
18 (D) there is no longer a minor child in the family's household, or (E)  
19 the family again becomes eligible for the aid to dependent children  
20 program, the family shall become ineligible for any remaining  
21 transitional benefits under this subdivision;

22 (ii) Child care as provided in subdivision (1)(c) of section  
23 68-1724; and

24 (iii) Except as may be provided in accordance with subsection (2) of  
25 section 68-1713 and subdivision (1)(c) of section 68-1724, medical  
26 assistance for up to twelve months after the month the recipient becomes  
27 employed and is no longer eligible for aid to dependent children.

28 (6) For purposes of sections 43-512 to 43-512.18:

29 (a) Authorized attorney shall mean an attorney, employed by the  
30 county subject to the approval of the county board, employed by the  
31 department, or appointed by the court, who is authorized to investigate

1 and prosecute child, spousal, and medical support cases. An authorized  
2 attorney shall represent the state as provided in section 43-512.03;

3 (b) Child support shall be defined as provided in section 43-1705;

4 (c) Medical support shall include all expenses associated with the  
5 birth of a child, cash medical support as defined in section 42-369,  
6 health care coverage as defined in section 44-3,144, and medical and  
7 hospital insurance coverage or membership in a health maintenance  
8 organization or preferred provider organization;

9 (d) Spousal support shall be defined as provided in section 43-1715;

10 (e) State Disbursement Unit shall be defined as provided in section  
11 43-3341; and

12 (f) Support shall be defined as provided in section 43-3313.

13 Sec. 2. Section 43-513, Reissue Revised Statutes of Nebraska, is  
14 amended to read:

15 43-513 (1) The standard of need for aid to dependent children  
16 payments shall be adjusted on July 1 of every second year beginning July  
17 1, 1997. The adjustment shall be made on the basis of the rate of growth  
18 of the Consumer Price Index as determined by the United States Department  
19 of Labor, Bureau of Labor Statistics, for the two previous calendar  
20 years.

21 (2)(a) The aid to dependent children payment made shall not be  
22 greater than the amount specified by section 43-512.

23 (b) The aid to dependent children payment shall not be lower than  
24 the payments described in subsection (3) of section 43-512 as such  
25 section existed on January 1, 2015.

26 Sec. 3. Section 68-1713, Revised Statutes Cumulative Supplement,  
27 2014, is amended to read:

28 68-1713 (1) The Department of Health and Human Services shall  
29 implement the following policies:

30 (a) Permit Work Experience in Private for-Profit Enterprises;

31 (b) Permit Job Search;

- 1 (c) Permit Employment to be Considered a Program Component;
- 2 (d) Make Sanctions More Stringent to Emphasize Participant
- 3 Obligations;
- 4 (e) Alternative Hearing Process;
- 5 (f) Permit Adults in Two-Parent Households to Participate in
- 6 Activities Based on Their Self-Sufficiency Needs;
- 7 (g) Eliminate Exemptions for Individuals with Children Between the
- 8 Ages of 12 Weeks and Age Six;
- 9 (h) Providing Poor Working Families with Transitional Child Care to
- 10 Ease the Transition from Welfare to Self-Sufficiency;
- 11 (i) Provide Transitional Health Care for 12 Months After Termination
- 12 of ADC if funding for such transitional medical assistance is available
- 13 under Title XIX of the federal Social Security Act, as amended, as
- 14 described in section 68-906;
- 15 (j) Require Adults to Ensure that Children in the Family Unit Attend
- 16 School;
- 17 (k) Encourage Minor Parents to Live with Their Parents;
- 18 (l) Establish a Resource Limit of \$4,000 for a single individual and
- 19 \$6,000 for two or more individuals for ADC;
- 20 (m) Exclude the Value of One Vehicle Per Family When Determining ADC
- 21 Eligibility;
- 22 (n) Exclude the Cash Value of Life Insurance Policies in Calculating
- 23 Resources for ADC;
- 24 (o) Establish the Supplemental Nutrition Assistance Program as a
- 25 Continuous Benefit with Eligibility Reevaluated with Yearly
- 26 Redeterminations;
- 27 (p) Establish a Budget the Gap Methodology Whereby Countable Earned
- 28 Income is Subtracted from the Standard of the Need and Payment is Based
- 29 on the Difference or Maximum Payment Level, Whichever is Less. That this
- 30 Gap be Established at a Level that Encourages Work but at Least at a
- 31 Level that Ensures that Those Currently Eligible for ADC do not Lose

1 Eligibility Because of the Adoption of this Methodology;

2 (q) Adopt an Earned Income Disregard described in section 68-1726 of  
3 ~~Twenty Percent of Gross Earnings~~ in the ADC Program, One Hundred Dollars  
4 in the Related Medical Assistance Program, and Income and Assets  
5 Described in section 68-1201;

6 (r) Disregard Financial Assistance Described in section 68-1201 and  
7 Other Financial Assistance Intended for Books, Tuition, or Other Self-  
8 Sufficiency Related Use;

9 (s) Culture: Eliminate the 100-Hour Rule, The Quarter of Work  
10 Requirement, and The 30-Day Unemployed/Underemployed Period for ADC-UP  
11 Eligibility; and

12 (t) Make ADC a Time-Limited Program.

13 (2) The Department of Health and Human Services shall (a) apply for  
14 a waiver to allow for a sliding-fee schedule for the population served by  
15 the caretaker relative program or (b) pursue other public or private  
16 mechanisms, to provide for transitional health care benefits to  
17 individuals and families who do not qualify for cash assistance. It is  
18 the intent of the Legislature that transitional health care coverage be  
19 made available on a sliding-scale basis to individuals and families with  
20 incomes up to one hundred eighty-five percent of the federal poverty  
21 level if other health care coverage is not available.

22 Sec. 4. Section 68-1726, Revised Statutes Cumulative Supplement,  
23 2014, is amended to read:

24 68-1726 Based on the comprehensive assets assessment, each  
25 individual and family receiving assistance under the Welfare Reform Act  
26 shall reach for his or her highest level of economic self-sufficiency or  
27 the family's highest level of economic self-sufficiency. The following  
28 eligibility factors shall apply:

29 (1) Financial resources, excluding the primary home and furnishings  
30 and the primary automobile, shall not exceed four thousand dollars in  
31 value for a single individual and six thousand dollars in value for two

1 or more individuals;

2 (2) Available resources, including, but not limited to, savings  
3 accounts and real estate, shall be used in determining financial  
4 resources, except that income and assets described in section 68-1201  
5 shall not be included in determination of available resources under this  
6 section;

7 (3) Income received by family members, except income earned by  
8 children attending school and except as provided in section 68-1201,  
9 shall be considered in determining total family income. Income earned by  
10 an individual or a family by working shall be treated differently than  
11 unearned income in determining the amount of cash assistance as follows:

12 (a) Earned income shall be counted in determining the level of cash  
13 assistance after disregarding an amount of earned income as follows:  
14 ~~equal to twenty percent of earned income or other incentives to work;~~

15 (i) Twenty percent of gross earned income shall be disregarded to  
16 test for eligibility during the application process for aid to dependent  
17 children assistance; and

18 (ii) For aid to dependent children program participants and for  
19 applicants after eligibility has been established, fifty percent of the  
20 gross earned income shall be disregarded;

21 (b) Financial assistance provided by other programs that support the  
22 transition to economic self-sufficiency shall be considered to the extent  
23 the payments are intended to provide for life's necessities; and

24 (c) Financial assistance or those portions of it intended for books,  
25 tuition, or other self-sufficiency-related expenses shall not be counted  
26 in determining financial resources. Such assistance shall include, but  
27 not be limited to, school grants, scholarships, vocational rehabilitation  
28 payments, Job Training Partnership Act payments, income or assets  
29 described in section 68-1201, and education-related loans or other loans  
30 that are expected to be repaid; and

31 (4) Individuals and families shall pursue potential sources of



1 economic support, including, but not limited to, unemployment  
2 compensation and child support.

3 Sec. 5. This act becomes operative on July 1, 2015.

4 Sec. 6. Original section 43-513, Reissue Revised Statutes of  
5 Nebraska, and sections 43-512, 68-1713, and 68-1726, Revised Statutes  
6 Cumulative Supplement, 2014, are repealed.

7 Sec. 7. Since an emergency exists, this act takes effect when  
8 passed and approved according to law.