

Legislature - First Session - 2015

Introducer's Statement of Intent

LB89

Chairperson: Senator Kathy Campbell

Committee: Health and Human Services

Date of Hearing: February 6, 2015

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

LB 89 is intended to prevent the unnecessary entry of children into the child welfare system by addressing poverty, which is key to keeping children out of the system. The bill would ensure families are able to provide for their children's basic needs such as rent and clothing through the Aid to Dependent Children (ADC) program. People must have a very low income to be eligible for the program -- for a family of 3, this means earning no more than \$775 per month (after a percentage of gross earned income is disregarded). All able-bodied individuals on ADC must engage in work requirements.

LB 89 would align the ADC allotment with the cost of living. The allotment is determined by two factors: standard of need and maximum payment. Though the standard of need increases every two years by a percentage based upon the cost of living, the maximum payment has not been changed in over 30 years, making it completely out of sync with the cost of living. To correct this, LB 89 would raise the maximum payment every two years until it is 70% of the standard of need.

LB 89 would also change the amount of gross earned income that is disregarded for ADC applicants. Currently the level of cash assistance is determined after disregarding 20% of earned income. Under LB 89, the amount would be 20% during the application process; once eligibility is established, the amount would be 50%.

Principal Introducer: _____

Senator Kathy Campbell