

LEGISLATURE OF NEBRASKA
ONE HUNDREDTH LEGISLATURE
FIRST SESSION
LEGISLATIVE BILL 351

FINAL READING

Introduced by Stuthman, 22; Erdman, 47

Read first time January 12, 2007

Committee: Health and Human Services

A BILL

1 FOR AN ACT relating to the Welfare Reform Act; to amend sections
2 43-504, 43-512, 68-1709, 68-1710, 68-1718, 68-1722,
3 68-1723, and 68-1724, Reissue Revised Statutes of
4 Nebraska, and sections 68-915, 68-1713, and 68-1721,
5 Revised Statutes Cumulative Supplement, 2006; to
6 change provisions relating to time limits, eligibility,
7 and transition payments as prescribed; to harmonize
8 provisions; and to repeal the original sections.
9 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 43-504, Reissue Revised Statutes of
2 Nebraska, is amended to read:

3 43-504 (1) The term dependent child shall mean a child
4 under the age of nineteen years who is living with a relative or
5 with a caretaker who is the child's legal guardian or conservator
6 in a place of residence maintained by one or more of such relatives
7 or caretakers as his, her, or their own home, or which child
8 has been removed from the home of his or her father, mother,
9 grandfather, grandmother, brother, sister, stepfather, stepmother,
10 stepbrother, stepsister, uncle, aunt, first or second cousin,
11 nephew, or niece as a result of judicial determination to the
12 effect that continuation in the home would be contrary to the
13 safety and welfare of the child and such child has been placed in
14 a foster family home or child care institution as a result of such
15 determination, when the state or any court having jurisdiction of
16 such child is responsible for the care and placement of such child
17 and one of the following conditions exists: (a) Such child received
18 aid from the state in or for the month in which court proceedings
19 leading to such determination were initiated; (b) such child would
20 have received assistance in or for such month if application had
21 been made therefor; or (c) such child had been living with such
22 a relative specified in this subsection at any time within six
23 months prior to the month in which such proceedings were initiated
24 and would have received such aid in or for the month that such
25 proceedings were initiated if in such month the child had been

1 living with, and removed from the home of, such a relative and
2 application had been made therefor.

3 (2) ~~Except as provided in subdivision (2)(b) of section~~
4 ~~68-1724, in~~ In awarding aid to dependent children payments, the
5 term dependent child shall include an unborn child but only during
6 the last three months of pregnancy. A pregnant woman may be
7 eligible but only (a) if it has been medically verified that the
8 child is expected to be born in the month such payments are made
9 or expected to be born within the three-month period following such
10 month of payment and (b) if such child had been born and was living
11 with her in the month of payment, she would be eligible for aid
12 to families with dependent children. As soon as it is medically
13 determined that pregnancy exists, a pregnant woman who meets the
14 other requirements for aid to dependent children shall be eligible
15 for medical assistance.

16 (3) A physically or medically handicapped child shall
17 mean a child who, by reason of a physical defect or infirmity,
18 whether congenital or acquired by accident, injury, or disease, is
19 or may be expected to be totally or partially incapacitated for
20 education or for remunerative occupation.

21 Sec. 2. Section 43-512, Reissue Revised Statutes of
22 Nebraska, is amended to read:

23 43-512 (1) Any dependent child as defined in section
24 43-504 or any relative or eligible caretaker of such a dependent
25 child may file with the Department of Health and Human Services

1 a written application for financial assistance for such child on
2 forms furnished by the department.

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

12 (3) The department shall make a finding as to whether the
13 application referred to in subsection (1) of this section should
14 be allowed or denied. If the department finds that the application
15 should be allowed, the department shall further find the amount
16 of monthly assistance which should be paid with reference to such
17 dependent child. Except as may be otherwise provided, payments
18 shall be made by state warrant, and the amount of payments shall
19 not exceed three hundred dollars per month when there is but
20 one dependent child and one eligible caretaker in any home, plus
21 an additional seventy-five dollars per month on behalf of each
22 additional eligible person. No payments shall be made for amounts
23 totaling less than ten dollars per month except in the recovery of
24 overpayments.

25 (4) The amount which shall be paid as assistance with

1 respect to a dependent child shall be based in each case upon the
2 conditions disclosed by the investigation made by the department.
3 An appeal shall lie from the finding made in each case to the
4 Director of Health and Human Services. Such appeal may be taken by
5 any taxpayer or by any relative of such child. Proceedings for and
6 upon appeal shall be conducted in the same manner as provided for
7 in section 68-1016.

8 (5) (a) For the purpose of preventing dependency, the
9 director shall adopt and promulgate rules and regulations providing
10 for services to former and potential recipients of aid to dependent
11 children and medical assistance benefits. The director shall adopt
12 and promulgate rules and regulations establishing programs and
13 cooperating with programs of work incentive, work experience, job
14 training, and education. The provisions of this section with regard
15 to determination of need, amount of payment, maximum payment, and
16 method of payment shall not be applicable to families or children
17 included in such programs.

18 (b) If a recipient of aid to dependent children becomes
19 ineligible for aid to dependent children as a result of increased
20 hours of employment or increased income from employment after
21 having participated in any of the programs established pursuant to
22 subdivision (a) of this subsection, the recipient may be eligible
23 for the following benefits, as provided in rules and regulations of
24 the department in accordance with sections 402, 417, and 1925 of
25 the federal Social Security Act, as amended, Public Law 100-485,

1 in order to help the family during the transition from public
2 assistance to independence:

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

25 (ii) Child care as provided in subdivision (1)(c) of

1 section 68-1724; and

2 (iii) Except as may be provided in accordance with
3 subsection (2) of section 68-1713 and subdivision (1)(c) of section
4 68-1724, medical assistance for up to twelve months after the month
5 the recipient becomes employed and is no longer eligible for aid to
6 dependent children.

7 (6) For purposes of sections 43-512 to 43-512.10 and
8 43-512.12 to 43-512.18:

9 (a) Authorized attorney shall mean an attorney, employed
10 by the county subject to the approval of the county board, employed
11 by the department, or appointed by the court, who is authorized
12 to investigate and prosecute child, spousal, and medical support
13 cases. An authorized attorney shall represent the state as provided
14 in section 43-512.03;

15 (b) Child support shall be defined as provided in section
16 43-1705;

17 (c) Medical support shall include all expenses associated
18 with the birth of a child and, if required pursuant to section
19 42-369 or 43-290, medical and hospital insurance coverage or
20 membership in a health maintenance organization or preferred
21 provider organization;

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

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

1 (f) Support shall be defined as provided in section
2 43-3313.

3 Sec. 3. Section 68-915, Revised Statutes Cumulative
4 Supplement, 2006, is amended to read:

5 68-915 The following persons shall be eligible for
6 medical assistance:

7 (1) Dependent children as defined in section 43-504;

8 (2) Aged, blind, and disabled persons as defined in
9 sections 68-1002 to 68-1005;

10 (3) Children under nineteen years of age who are eligible
11 under section 1905(a)(i) of the federal Social Security Act;

12 (4) Persons who are presumptively eligible as allowed
13 under sections 1920 and 1920B of the federal Social Security Act;

14 (5) Children under nineteen years of age and pregnant
15 women with a family income equal to or less than one hundred
16 eighty-five percent of the Office of Management and Budget income
17 poverty guideline, as allowed under Title XIX and Title XXI of the
18 federal Social Security Act, without regard to resources. Children
19 described in this subdivision and subdivision (6) of this section
20 shall remain eligible for six consecutive months from the date of
21 initial eligibility prior to redetermination of eligibility. The
22 department may review eligibility monthly thereafter pursuant to
23 rules and regulations adopted and promulgated by the department.
24 The department may determine upon such review that a child is
25 ineligible for medical assistance if such child no longer meets

1 eligibility standards established by the department;

2 (6) For purposes of Title XIX of the federal Social
3 Security Act as provided in subdivision (5) of this section,
4 children with a family income as follows:

5 (a) Equal to or less than one hundred fifty percent of
6 the Office of Management and Budget income poverty guideline with
7 eligible children one year of age or younger;

8 (b) Equal to or less than one hundred thirty-three
9 percent of the Office of Management and Budget income poverty
10 guideline with eligible children over one year of age and under six
11 years of age; or

12 (c) Equal to or less than one hundred percent of the
13 Office of Management and Budget income poverty guideline with
14 eligible children six years of age or older and less than nineteen
15 years of age;

16 (7) Persons who are medically needy caretaker relatives
17 as allowed under 42 U.S.C. 1396d(a)(ii);

18 (8) As allowed under 42 U.S.C. 1396a(a)(10)(A)(ii),
19 disabled persons as defined in section 68-1005 with a family income
20 of less than two hundred fifty percent of the Office of Management
21 and Budget income poverty guideline and who, but for earnings in
22 excess of the limit established under 42 U.S.C. 1396d(q)(2)(B),
23 would be considered to be receiving federal Supplemental Security
24 Income. The Department of Health and Human Services shall apply for
25 a waiver to disregard any unearned income that is contingent upon

1 a trial work period in applying the Supplemental Security Income
2 standard. Such disabled persons shall be subject to payment of
3 premiums as a percentage of family income beginning at not less
4 than two hundred percent of the Office of Management and Budget
5 income poverty guideline. Such premiums shall be graduated based on
6 family income and shall not be less than two percent or more than
7 ten percent of family income; and

8 (9) As allowed under 42 U.S.C. 1396a(a)(10)(A)(ii),
9 persons who:

10 (a) Have been screened for breast and cervical cancer
11 under the Centers for Disease Control and Prevention breast and
12 cervical cancer early detection program established under Title XV
13 of the federal Public Health Service Act, 42 U.S.C. 300k et seq.,
14 in accordance with the requirements of section 1504 of such act, 42
15 U.S.C. 300n, and who need treatment for breast or cervical cancer,
16 including precancerous and cancerous conditions of the breast or
17 cervix;

18 (b) Are not otherwise covered under creditable coverage
19 as defined in section 2701(c) of the federal Public Health Service
20 Act, 42 U.S.C. 300gg(c);

21 (c) Have not attained sixty-five years of age; and

22 (d) Are not eligible for medical assistance under any
23 mandatory categorically needy eligibility group.

24 Eligibility shall be determined under this section
25 using an income budgetary methodology that determines children's

1 eligibility at no greater than one hundred eighty-five percent of
2 the Office of Management and Budget income poverty guideline and
3 adult eligibility using adult income standards no greater than the
4 applicable categorical eligibility standards established pursuant
5 to state or federal law. The department shall determine eligibility
6 under this section pursuant to such income budgetary methodology
7 and subdivision ~~(1)(s)~~ (1)(g) of section 68-1713.

8 Sec. 4. Section 68-1709, Reissue Revised Statutes of
9 Nebraska, is amended to read:

10 68-1709 The Legislature finds and declares that the
11 primary purpose of the welfare programs in this state is to provide
12 temporary, transitional support for Nebraska families so that
13 economic self-sufficiency is attained in as ~~an~~ expeditious a manner
14 as possible. 7 ~~with the goal of attaining such self-sufficiency~~
15 ~~within two years of the initial receipt of public assistance.~~ The
16 Legislature further finds and declares that this goal is to be
17 accomplished through individualized assessments of the personal and
18 economic resources of each applicant for public assistance and
19 through the use of individualized self-sufficiency contracts.

20 The Legislature further finds and declares that it is
21 in the best interests of the state, its citizens, and especially
22 those receiving public assistance through welfare programs in this
23 state that the welfare system be reformed to support, stabilize,
24 and enhance individual and family life in Nebraska by: (1) Pursuing
25 efforts to help Nebraskans avoid poverty and prevent the need for

1 welfare; (2) eliminating existing complex and conflicting welfare
2 programs; (3) creating a simplified program in place of the
3 existing complex and conflicting welfare programs; (4) removing
4 disincentives to work and promoting economic self-sufficiency; (5)
5 providing individuals and families the support needed to move from
6 public assistance to economic self-sufficiency; (6) changing public
7 assistance from entitlements to temporary, contract-based support;
8 (7) removing barriers to public assistance for intact families;
9 (8) basing the duration of public assistance upon the individual
10 circumstances of each applicant within the time limits allowed
11 under federal law; (9) providing continuing assistance and support
12 for persons sixty-five years of age or over and for individuals
13 and families with physical, mental, or intellectual limitations
14 preventing total economic self-sufficiency; (10) supporting regular
15 school attendance of children; and (11) promoting public sector,
16 private sector, individual, and family responsibility.

17 Sec. 5. Section 68-1710, Reissue Revised Statutes of
18 Nebraska, is amended to read:

19 68-1710 It is the intent of the Legislature that, with
20 the passage of the federal Personal Responsibility and Work
21 Opportunity Reconciliation Act of 1996, Public Law 104-193, the
22 Department of Health and Human Services ~~no longer be required to~~
23 ~~maintain federal approval to~~ implement the Welfare Reform Act and
24 ~~the waivers enumerated in the act.~~ in a manner consistent with
25 federal law.

1 Sec. 6. Section 68-1713, Revised Statutes Cumulative
2 Supplement, 2006, is amended to read:

3 68-1713 ~~(1)~~ The Department of Health and Human Services
4 shall submit a waiver request or requests to the United States
5 Department of Health and Human Services and the United States
6 Department of Agriculture as necessary for federal authorization to
7 implement the provisions of the Welfare Reform Act. The Department
8 of Health and Human Services may include the provisions of sections
9 68-1718 to 68-1726 in its waiver requests and shall designate
10 counties for implementation on or after July 1, 1995, of such
11 sections for recipient families in the aid to dependent children
12 program. It is the intent of the Legislature that such designated
13 counties include at least one county with a population of not
14 more than thirty-five thousand inhabitants and one county with a
15 population of at least one hundred fifty thousand inhabitants but
16 not more than three hundred thousand inhabitants.

17 (1) The Department of Health and Human Services shall
18 implement the following policies:

19 (a) Permit Work Experience in Private ~~for Profit~~
20 for-Profit Enterprises;

21 (b) Permit Job Search;

22 (c) Permit Employment to be Considered a JOBS Program
23 Component;

24 (d) Make Sanctions More Stringent to Emphasize
25 Participant Obligations;

- 1 (e) Alternative Hearing Process;
- 2 (f) Permit Adults in Two-Parent Households to Participate
- 3 in ~~JOBS~~ Activities Based on Their Self-Sufficiency Needs;
- 4 (g) Eliminate Exemptions for Individuals with Children
- 5 Between the Ages of 12 Weeks and Age Six;
- 6 (h) Providing Poor Working Families with Transitional
- 7 Child Care to Ease the Transition from Welfare to Self-Sufficiency;
- 8 (i) Provide Transitional Health Care for 12 Months After
- 9 Termination of ADC if funding for such transitional medical
- 10 assistance is available under Title XIX of the federal Social
- 11 Security Act, as amended, as described in section 68-906;
- 12 ~~(j) Cap Family Benefits Based on the Number of Children~~
- 13 ~~in the Unit at the Time of Initial Eligibility;~~
- 14 ~~(k)~~ (j) Require Adults to Ensure that Children in the
- 15 Family Unit Attend School;
- 16 ~~(l)~~ (k) Encourage Minor Parents to Live with Their
- 17 Parents;
- 18 ~~(m)~~ (l) Establish a Resource Limit of \$4,000 for a single
- 19 individual and \$6,000 for two or more individuals for ADC;
- 20 ~~(n)~~ (m) Exclude the Value of One Vehicle Per Family When
- 21 Determining ADC Eligibility;
- 22 ~~(o)~~ (n) Exclude the Cash Value of Life Insurance Policies
- 23 in Calculating Resources for ADC;
- 24 ~~(p) Permit the Self-Sufficiency Contract Assessment to~~
- 25 ~~Substitute for the Six-Month ADC Redetermination Process;~~

1 ~~(q)~~ (o) Establish Food Stamps as a Continuous Benefit
2 with Eligibility Reevaluated with Yearly Redeterminations;

3 ~~(r)~~ (p) Establish a Budget the Gap Methodology Whereby
4 Countable Earned Income is Subtracted from the Standard of the Need
5 and Payment is Based on the Difference or Maximum Payment Level,
6 Whichever is Less. That this Gap be Established at a Level that
7 Encourages Work but at Least at a Level that Ensures that Those
8 Currently Eligible for ADC do not Lose Eligibility Because of the
9 Adoption of this Methodology;

10 ~~(s)~~ (q) Adopt an Earned Income Disregard of Twenty
11 Percent of Gross Earnings in the ADC Program and One Hundred
12 Dollars in the Related Medical Assistance Program;

13 ~~(t)~~ (r) Disregard Financial Assistance Received Intended
14 for Books, Tuition, or Other Self-Sufficiency Related Use;

15 ~~(u)~~ (s) Culture: Eliminate the 100-Hour Rule, The Quarter
16 of Work Requirement, and The 30-Day Unemployed/Underemployed Period
17 for ADC-UP Eligibility; and

18 ~~(v)~~ (t) Make ADC a Time-Limited Program. +

19 ~~(w)~~ Eliminate Self-Initiated Training as a JOBS Option;
20 and

21 ~~(x)~~ Other Waivers: Statewide Operation of the
22 Demonstration Project.

23 At the end of the first year of implementation, the
24 department shall identify any adjustments or adaptations that may
25 be needed before the policies of the Welfare Reform Act are

1 ~~implemented in other areas of the state. Such review shall include~~
2 ~~an evaluation of the impact of such policies. The department shall~~
3 ~~implement the policies in additional counties as necessary to~~
4 ~~complete statewide implementation.~~

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

15 Sec. 7. Section 68-1718, Reissue Revised Statutes of
16 Nebraska, is amended to read:

17 68-1718 (1) At the time an individual or a family applies
18 for financial assistance pursuant to section 43-512, an assessment
19 shall be conducted. Eligibility determination shall begin with a
20 comprehensive assets assessment, in which the applicant and case
21 manager collaborate to identify the economic and personal resources
22 available to the applicant. Each applicant shall work with only one
23 case manager who shall facilitate all service provision.

24 (2) Each applicant's personal resources shall be
25 assessed in the comprehensive assets assessment. For purposes

1 of this section, personal resources shall include education,
2 vocational skills, employment history, health, life skills,
3 personal strengths, and support from family and the community. This
4 assessment shall also include a determination of the applicant's
5 goals, employment background, educational background, housing
6 needs, child care and transportation needs, health care needs, and
7 other barriers to economic self-sufficiency.

8 (3) The comprehensive assets assessment shall structure
9 personal resources information and control subjectivity. The
10 assessment shall be used:

11 (a) To develop a self-sufficiency contract under
12 section 68-1719 and promote services which specifically lead to
13 self-sufficiency; and

14 (b) To determine if the applicant should be referred to
15 other community resources for assistance.

16 (4) Periodic assessments, including an exit assessment
17 prior to implementation of the ~~two-year~~ time limit on cash
18 assistance as provided in section 68-1724, shall be conducted
19 with recipients to establish if the terms of the self-sufficiency
20 contract have been met by the recipient family and by the state.

21 Sec. 8. Section 68-1721, Revised Statutes Cumulative
22 Supplement, 2006, is amended to read:

23 68-1721 (1) Under the self-sufficiency contract developed
24 under section 68-1719, the principal wage earner and other
25 nonexempt members of the applicant family shall be required to

1 participate in one or more of the following+ ~~Education~~, approved
2 activities, including, but not limited to, education, job skills
3 training, work experience, job search, or employment.

4 (2) Education shall consist of the general education
5 development program, high school, Adult Basic Education, English
6 as a Second Language, postsecondary education, or other education
7 programs approved in the contract.

8 (3) Job skills training shall include vocational
9 training in technical job skills and equivalent knowledge.
10 Activities shall consist of formalized, technical job skills
11 training, apprenticeships, on-the-job training, or training in the
12 operation of a microbusiness enterprise. The types of training,
13 apprenticeships, or training positions may include, but need not be
14 limited to, the ability to provide services such as home repairs,
15 automobile repairs, respite care, foster care, personal care, and
16 child care. Job skills training shall be prioritized and approved
17 for occupations that facilitate economic self-sufficiency.

18 (4) The purpose of work experience shall be to improve
19 the employability of applicants by providing work experience and
20 training to assist them to move promptly into regular public or
21 private employment. Work experience shall mean unpaid work in a
22 public, private, for-profit, or nonprofit business or organization.
23 Work experience placements shall take into account the individual's
24 prior training, skills, and experience. A placement shall not
25 exceed six months.

1 (5) Job search shall assist adult members of recipient
2 families in finding their own jobs. The emphasis shall be placed on
3 teaching the individual to take responsibility for his or her own
4 job development and placement.

5 (6) Employment shall consist of work for pay. The
6 employment may be full-time or part-time but shall be adequate
7 to help the recipient family reach economic self-sufficiency.

8 Sec. 9. Section 68-1722, Reissue Revised Statutes of
9 Nebraska, is amended to read:

10 68-1722 The Legislature finds that the state has
11 responsibilities to help ensure the success of the self-sufficiency
12 contract for each recipient. The Department of Health and Human
13 Services shall employ case management practices and supportive
14 services to the extent necessary to facilitate movement toward
15 self-sufficiency within the ~~two-year~~ time limit on participation
16 as provided in section 68-1724.

17 The department may purchase case management services.
18 It is the intent of the Legislature that any case management
19 utilized by the department shall include standards which emphasize
20 communication skills; appropriate interviewing techniques; and
21 methods for positive feedback, support, encouragement, and
22 counseling. The case management provided shall also include a
23 recognition of family dynamics and emphasize working with all
24 family members; shall respect diversity; shall empower individuals;
25 and shall include recognizing, capitalizing, and building on a

1 family's strengths and existing support network. It is the intent
2 of the Legislature that generally a case manager would have a
3 family caseload of no more than seventy cases.

4 Supportive services shall include, but not be limited
5 to, assistance with transportation expenses, participation and
6 work expenses, parenting education, family planning, budgeting,
7 and relocation to provide for specific needs critical to the
8 recipient's or the recipient family's self-sufficiency contract.
9 For purposes of this section, family planning shall not include
10 abortion counseling, referral for abortion, or funding for
11 abortion. If the state fails to meet the specific terms of
12 the self-sufficiency contract, the ~~two-year~~ time limit on cash
13 assistance under section 68-1724 shall be extended. ~~for an~~
14 ~~additional period of not more than two years.~~

15 Sec. 10. Section 68-1723, Reissue Revised Statutes of
16 Nebraska, is amended to read:

17 68-1723 (1) Cash assistance shall be provided only while
18 recipients are actively engaged in the specific activities outlined
19 in the self-sufficiency contract developed under section 68-1719.
20 If the recipients are not actively engaged in these activities, no
21 cash assistance shall be paid.

22 (2) Recipient families with at least one adult with
23 the capacity to work, as determined by the comprehensive assets
24 assessment, shall participate in the self-sufficiency contract as
25 a condition of receiving cash assistance. If any such adult fails

1 to cooperate in carrying out the terms of the contract, the family
2 shall be ineligible for cash assistance.

3 (a) Adult members of recipient families whose youngest
4 child is between the ages of twelve weeks and six months shall
5 engage in an individually determined number of part-time hours
6 in activities such as family nurturing, preemployment skills, or
7 education.

8 (b) Participation in activities outlined in the
9 self-sufficiency contract shall not be required for one parent of
10 a recipient family whose youngest child is under the age of twelve
11 weeks.

12 (c) ~~The two-year time limit on cash~~ Cash assistance under
13 section 68-1724 shall be extended: (i) To cover the twelve-week
14 postpartum recovery period for children born to recipient families;
15 and (ii) to recognize special medical conditions of such children
16 requiring the presence of at least one adult member of the
17 recipient family, as determined by the state, which extend past the
18 age of twelve weeks.

19 (d) Full participation in the activities outlined in the
20 self-sufficiency contract shall be required for adult members of a
21 two-parent recipient family whose youngest child is over the age of
22 six months. Part-time participation in activities outlined in the
23 self-sufficiency contract shall be required for an adult member of
24 a single-parent recipient family whose youngest child is under the
25 age of six years.

1 ~~(e)~~ Full participation in the activities outlined in
2 the self-sufficiency contract and the two-year time limit on cash
3 assistance under section 68-1724 shall begin for a minor parent
4 when: ~~(i)~~ The minor parent graduates from high school; ~~(ii)~~ the
5 minor parent receives his or her General Education Development
6 diploma; or ~~(iii)~~ the minor parent reaches nineteen years of age.

7 ~~(f)~~ (e) In cases in which the only adults in the
8 recipient family do not have parental responsibility which shall
9 mean such adults are not the biological or adoptive parents
10 or stepparents of the children in their care, and assistance
11 is requested for all family members, including the adults,
12 the family shall participate in the activities outlined in
13 the self-sufficiency contract as a condition of receiving cash
14 assistance.

15 ~~(g)~~ (f) Unemployed or underemployed absent and
16 able-to-work parents of children in the recipient family may
17 participate in self-sufficiency contracts, employment, and payment
18 of child support, and such absent parents may be required to pay
19 all or a part of the costs of the self-sufficiency contracts.

20 (3) Individual recipients and recipient families shall
21 have the right to request an administrative hearing (a) for the
22 purpose of reviewing compliance by the state with the terms
23 of the self-sufficiency contract or (b) for the purpose of
24 reviewing a determination by the department that the recipient
25 or recipient family has not complied with the terms of the

1 self-sufficiency contract. It is the intent of the Legislature that
2 an independent mediation appeal process be developed as an option
3 to be considered.

4 Sec. 11. Section 68-1724, Reissue Revised Statutes of
5 Nebraska, is amended to read:

6 68-1724 (1) Cash assistance shall be provided for a
7 period or periods of time not to exceed a total of ~~two years~~
8 sixty months for recipient families with children subject to the
9 following:

10 (a) If the state fails to meet the specific terms of
11 the self-sufficiency contract developed under section 68-1719, the
12 ~~two-year~~ sixty-month time limit established in this section shall
13 be extended; ~~for an additional period of not more than two years;~~

14 (b) The ~~two-year~~ sixty-month time period for cash
15 assistance shall begin when the self-sufficiency contract is signed
16 or when any children born into the recipient family prior to the
17 initial ten months of assistance reach the age of six months,
18 ~~whichever is later;~~ within the first month of eligibility;

19 (c) When no longer eligible to receive cash assistance,
20 assistance shall be available to reimburse work-related child care
21 expenses even if the recipient family has not achieved economic
22 self-sufficiency. The amount of such assistance shall be based on a
23 cost-shared plan between the recipient family and the state which
24 shall provide assistance up to one hundred eighty-five percent
25 of the federal poverty level for up to twenty-four months. A

1 recipient family may be required to contribute up to twenty percent
2 of such family's gross income for child care. It is the intent
3 of the Legislature that transitional health care coverage be made
4 available on a sliding-scale basis to individuals and families
5 with incomes up to one hundred eighty-five percent of the federal
6 poverty level if other health care coverage is not available; and

7 ~~(d) After receiving cash assistance under this section~~
8 ~~for two years at a monthly payment level not exceeding that~~
9 ~~provided in section 43-512, families shall receive no further cash~~
10 ~~assistance pursuant to this section for at least two years after~~
11 ~~the assistance period ends, and~~

12 ~~(e) (d)~~ (d) The self-sufficiency contract shall be revised
13 and the ~~two-year~~ time period for cash assistance extended when
14 there is no job available for adult members of the recipient
15 family. It is the intent of the Legislature that available job
16 shall mean a job which results in an income of at least equal
17 to the amount of cash assistance that would have been available
18 if receiving assistance minus unearned income available to the
19 recipient family.

20 The department shall develop policy guidelines to allow
21 for cash assistance to persons who have received the maximum
22 cash assistance provided by this section and who face extreme
23 hardship without additional assistance. For purposes of this
24 section, extreme hardship means a recipient family does not have
25 adequate cash resources to meet the costs of the basic needs of

1 food, clothing, and housing without continuing assistance or the
2 child or children are at risk of losing care by and residence with
3 their parent or parents.

4 (2) Cash assistance conditions under the Welfare Reform
5 Act shall be as follows:

6 (a) Adults in recipient families shall mean individuals
7 at least nineteen years of age living with and related to a
8 child eighteen years of age or younger and shall include parents,
9 siblings, uncles, aunts, cousins, or grandparents, whether the
10 relationship is biological, adoptive, or step;

11 (b) The payment standard shall be based upon family size;
12 ~~Any child born into the recipient family after the initial~~
13 ~~ten months of participation in the program shall not increase~~
14 ~~the cash assistance payment, except that child support or other~~
15 ~~income received on behalf of such child or children shall not~~
16 ~~be considered as countable income to the recipient family in~~
17 ~~determining the amount of their cash assistance payment;~~

18 (c) The adults in the recipient family shall ensure that
19 the minor children regularly attend school. Education is a valuable
20 personal resource. The cash assistance provided to the recipient
21 family may be reduced when the parent or parents have failed to
22 take reasonable action to encourage the minor children of the
23 recipient family ages sixteen and under to regularly attend school.
24 No reduction of assistance shall be such as may result in extreme
25 hardship. It is the intent of the Legislature that a process be

1 developed to insure communication between the case manager, the
2 parent or parents, and the school to address issues relating to
3 school attendance;

4 (d) Two-parent families which would otherwise be eligible
5 under section 43-504 or a federally approved waiver shall receive
6 cash assistance under this section;

7 (e) For minor parents, the assistance payment shall be
8 based on the minor parent's income. If the minor parent lives
9 with at least one parent, the family's income shall be considered
10 in determining eligibility and cash assistance payment levels for
11 the minor parent. If the minor parent lives independently, support
12 shall be pursued from the parents of the minor parent. If the
13 absent parent of the minor's child is a minor, support from his or
14 her parents shall be pursued. Support from parents as allowed under
15 this subdivision shall not be pursued when the family income is
16 less than three hundred percent of the federal poverty guidelines;
17 and

18 (f) For adults who are not biological or adoptive
19 parents or stepparents of the child or children in the family,
20 if assistance is requested for the entire family, including the
21 adults, a self-sufficiency contract shall be entered into as
22 provided in section 68-1719. If assistance is requested for only
23 the child or children in such a family, such children shall be
24 eligible after consideration of the family's income and if (i)
25 the family cooperates in pursuing child support and (ii) the minor

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1 children of the family regularly attend school.

2 Sec. 12. Original sections 43-504, 43-512, 68-1709,
3 68-1710, 68-1718, 68-1722, 68-1723, and 68-1724, Reissue Revised
4 Statutes of Nebraska, and sections 68-915, 68-1713, and 68-1721,
5 Revised Statutes Cumulative Supplement, 2006, are repealed.