A BILL FOR AN ACT relating to public assistance; to amend section 68-1017.02, Revised Statutes Cumulative Supplement, 2016; to change provisions relating to ineligibility for Supplemental Nutrition Assistance Program benefits as prescribed; and to repeal the original section.

Be it enacted by the people of the State of Nebraska,
Section 1. Section 68-1017.02, Revised Statutes Cumulative Supplement, 2016, is amended to read:

68-1017.02 (1)(a) The Department of Health and Human Services shall apply for and utilize to the maximum extent possible, within limits established by the Legislature, any and all appropriate options available to the state under the federal Supplemental Nutrition Assistance Program and regulations adopted under such program to maximize the number of Nebraska residents being served under such program within such limits. The department shall seek to maximize federal funding for such program and minimize the utilization of General Funds for such program and shall employ the personnel necessary to determine the options available to the state and issue the report to the Legislature required by subdivision (b) of this subsection.

(b) The department shall submit electronically an annual report to the Health and Human Services Committee of the Legislature by December 1 on efforts by the department to carry out the provisions of this subsection. Such report shall provide the committee with all necessary and appropriate information to enable the committee to conduct a meaningful evaluation of such efforts. Such information shall include, but not be limited to, a clear description of various options available to the state under the federal Supplemental Nutrition Assistance Program, the department's evaluation of and any action taken by the department with respect to such options, the number of persons being served under such program, and any and all costs and expenditures associated with such program.

(c) The Health and Human Services Committee of the Legislature, after receipt and evaluation of the report required in subdivision (b) of this subsection, shall issue recommendations to the department on any further action necessary by the department to meet the requirements of this section.

(2)(a) The department shall develop a state outreach plan to promote
access by eligible persons to benefits of the Supplemental Nutrition Assistance Program. The plan shall meet the criteria established by the Food and Nutrition Service of the United States Department of Agriculture for approval of state outreach plans. The Department of Health and Human Services may apply for and accept gifts, grants, and donations to develop and implement the state outreach plan.

(b) For purposes of developing and implementing the state outreach plan, the department shall partner with one or more counties or nonprofit organizations. If the department enters into a contract with a nonprofit organization relating to the state outreach plan, the contract may specify that the nonprofit organization is responsible for seeking sufficient gifts, grants, or donations necessary for the development and implementation of the state outreach plan and may additionally specify that any costs to the department associated with the award and management of the contract or the implementation or administration of the state outreach plan shall be paid out of private or federal funds received for development and implementation of the state outreach plan.

(c) The department shall submit the state outreach plan to the Food and Nutrition Service of the United States Department of Agriculture for approval on or before August 1, 2011, and shall request any federal matching funds that may be available upon approval of the state outreach plan. It is the intent of the Legislature that the State of Nebraska and the Department of Health and Human Services use any additional public or private funds to offset costs associated with increased caseload resulting from the implementation of the state outreach plan.

(d) The department shall be exempt from implementing or administering a state outreach plan under this subsection, but not from developing such a plan, if it does not receive private or federal funds sufficient to cover the department's costs associated with the implementation and administration of the plan, including any costs associated with increased caseload resulting from the implementation of
the plan.

(3)(a)(i) On or before October 1, 2011, the department shall create a TANF-funded program or policy that, in compliance with federal law, establishes categorical eligibility for federal food assistance benefits pursuant to the Supplemental Nutrition Assistance Program to maximize the number of Nebraska residents being served under such program in a manner that does not increase the current gross income eligibility limit.

(ii) Such TANF-funded program or policy shall eliminate all asset limits for eligibility for federal food assistance benefits, except that the total of liquid assets which includes cash on hand and funds in personal checking and savings accounts, money market accounts, and share accounts shall not exceed twenty-five thousand dollars pursuant to the Supplemental Nutrition Assistance Program, as allowed under federal law and under 7 C.F.R. 273.2(j)(2).

(iii) This subsection becomes effective only if the department receives funds pursuant to federal participation that may be used to implement this subsection.

(b) For purposes of this subsection:

(i) Federal law means the federal Food and Nutrition Act of 2008, 7 U.S.C. 2011 et seq., and regulations adopted under the act; and

(ii) TANF means the federal Temporary Assistance for Needy Families program established in 42 U.S.C. 601 et seq.

(4)(a) Within the limits specified in this subsection, the State of Nebraska opts out of the provision of the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996, as such act existed on January 1, 2009, that eliminates eligibility for the Supplemental Nutrition Assistance Program for any person convicted of a felony involving the possession, use, or distribution of a controlled substance.

(b) A person with one or more felony convictions for the possession or use of a controlled substance or a person with one or two felony convictions involving the sale or distribution of a controlled substance
shall only be eligible to receive Supplemental Nutrition Assistance
Program benefits under this subsection if he or she (i) is participating
in or has completed a state-licensed or nationally accredited substance
abuse treatment program since the date of his or her most recent
conviction or (ii) voluntarily submits to a drug test, verified by a
laboratory approved by the Department of Health and Human Services, the
results of which test are negative with respect to any illegal substances
prior to receiving Supplemental Nutrition Assistance Program benefits and
continues to agree to drug tests at random intervals thereafter, no less
than every six months. The determination of participation or completion
of such a substance abuse treatment program or negative drug test results
shall be certified by the treatment provider administering the program or
the laboratory verifying the drug test to the department. A person shall
be ineligible for Supplemental Nutrition Assistance Program benefits
under this subsection if he or she (i) has had three or more felony
convictions for the possession or use of a controlled substance or (ii)
has been convicted of a felony involving the sale or distribution of a
controlled substance or the intent to sell or distribute a controlled
substance. A person with one or two felony convictions for the possession
or use of a controlled substance shall only be eligible to receive
Supplemental Nutrition Assistance Program benefits under this subsection
if he or she is participating in or has completed a state-licensed or
nationally accredited substance abuse treatment program since the date of
conviction. The determination of such participation or completion shall
be made by the treatment provider administering the program.

(c) A person shall be ineligible for Supplemental Nutrition
Assistance Program benefits under this subsection if he or she has been
convicted of three or more felonies involving the sale or distribution of
a controlled substance.

Sec. 2. Original section 68-1017.02, Revised Statutes Cumulative
Supplement, 2016, is repealed.