

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee February 7, 2019

HOWARD: I think we'll get started. Good afternoon, and welcome to the Health and Human Services Committee. I'm Senator Sara Howard. I represent District 9 in midtown Omaha, and I serve as Chair of this committee. This afternoon, we'll be participating in a series of briefings that we'll be conducting throughout this session. And today's topic is the Division of Children and Family Services, as well as we're really gonna focus on economic assistance programs. Before we get started, I'd like to invite my colleagues to introduce themselves starting on my right with Senator Murman.

MURMAN: I'm Senator Dave Murman, District 38, Clay, Webster, Nuckolls, Franklin, Kearney, Phelps, and part of Buffalo County.

WALZ: Lynne Walz, District 15, Dodge County.

ARCH: John Arch, District 14, Sarpy, Papillion-La Vista.

B. HANSEN: Senator Ben Hansen, District 16, Washington, Burt, and Cuming counties.

HOWARD: And just for the record, these briefings will be aired inside of the building for our colleagues if they're not able to attend. And with that, Director Wallen, you are welcome to tell us about your programs.

MATT WALLEN: Great. Well, good afternoon, and thank you for, for having us here today to, to provide a little bit of a briefing on Children and Family Services. As we talked about, before we get started, I'm going to-- I'm gonna hit a couple highlights of our program in Children and Family Services and then I'm gonna turn it over to Karen Heng to, to give a little deeper dive on kind of the operational and functional aspects of our economic assistance programs which would include TANF, SNAP, LIHEAP, and some of those other programs. So I'm gonna go for just a few minutes, Karen will go for about 15 minutes, and then we'll leave some time for questions and answers at the end. So as was mentioned, I'm the, I'm the director for the Division of Children and Family Services. Our Division has a, has a budget of roughly \$580 million. We have about 1,700 full-time equivalent teammates across the state. We are organized in two really different divisions. We're protection and safety services where we focus on the abused and neglected children and vulnerable adults. And then we have our, our two facilities in Kearney and Geneva, the YRTC's, and then we have the economic assistance side of our shop, if

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you will, and that has eligibility operations with ACCESSNebraska, the economic assistance programs like the emergency assistance LIHEAP, SNAP, TANF, those types of programs and then the Child Support Enforcement as well. So today we're gonna be talking more about the economic assistance programs. At the Department, we every year the last few years we've put together a business plan and that business plan really identified about 20 initiatives that the Department is going to work on. And this, this current business plan that we're under it runs from state fiscal year to state fiscal year. We have four primary CFS initiatives identified in that plan and two of those four initiatives really focus on the economic assistance, the public assistance side of Children and Family Services. So in the slide around economic support business plan initiative the first one with ACCESSNebraska on it, I just wanted to put that one in there so we can put it in our business plan and we really focus on hitting some particular metrics and not just hitting those metrics but continuously making improvements and continuously really trying to improve our customer service to our clients that, that interact and work with eligibility operations in ACCESSNebraska. So I just wanted to call out that we, we had it in our business plan initiative to improve our call wait times by five minutes or less. And we've been really successful in doing that for, for 27 consecutive months. And we say, you know, why is that important? Well, it's important because our customers and our clients that are calling ACCESSNebraska generally have phones in minutes and they can't burn through those minutes sitting on hold for a long period of time and those minutes are, are expensive and very valuable to those families so we really try to make sure we keep those call wait times down. We also want to be timely in our, our processing of applications from how many days it takes for if a family is in crisis and a family needs that type of support. We want to be sure that we're processing and getting those to the families as soon as possible. And then we also want to be as accurate as possible so we don't have to go in and adjust what, what type of assistance we're, we're able to provide a family so we really focus on that, that timeliness and accuracy in our team across the state in both the customer service centers and in our local office as they do a great job in hitting those metrics. We're, we're getting constantly getting better at the number of tasks, how long individual tasks take, and how long we need-- you know, how, how well we need to be resourced to accomplish those objectives. The other area I want to focus on-- the other area in our, our business plan involving economic assistance is really what we're doing for families to, to help them work towards

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becoming more self-sufficient, helping their, their, their time that they need state support and state intervention limited so we can really get them the supports they need, get them out of the immediate crisis they may be in, get them the economic supports that they need, and then get them back into-- you know, doing what they need to do and, and going on with their lives without the Department or without government intervention if you will. So we've got three, three pilot programs that we're-- three programs that we're running focused on keeping families together. And the SNAP, it's a SNAP reemployment pro-- program. We're working with our SNAP recipients. And those are, those are recipients that are already employed but trying to get them to more sustainable employment. We also have family-focused case management and that's where we're really working with trying to get families that come into our, our, our system or come to our attention, really get them the poverty supports, get them economic type supports. So maybe they, they would have come in or come to our attention through the protection and safety side of our organization, but they really need the, the economic assistance support from our organization. So it's really working with our whole Division. Much, much better to provide much better customer service. And then we have what we're calling Family Action Support Teams. We have some pilots running in Dodge County and Sarpy County, some other counties throughout the state where we're really trying to do some intensive case management for families to, to, to really identify community supports and try to identify economic supports to keep them out of really the, the child welfare side of the, the shop if you will. And then my last slide that I'll cover is, is some of the accomplishments that we've, we've, we've done in the last year. I mentioned our, our areas in ACCESSNebraska and really the achievements that, that we've done to provide excellent customer service to hit our metrics there. Governor Ricketts' did a proclamation and, and identified the outstanding customer service we provide through ACCESSNebraska. We also have done great outreach to the Food Bank and some other areas to make sure that we're reaching particular populations in some of the areas where those, those populations. I spent some time like at the Food Bank and other areas to, to make ourselves more accessible to them and then also our federal partners, FNS, has identified the good quality work we've done in the SNAP as far as accuracy and timeliness and giving us a bit of a bonus-- a federal bonus award. So I just wanted to call those kind of areas out and maybe teed up a little bit

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and then I'll turn it over to Karen Heng who can talk a little bit more detail about some of our programs.

HOWARD: Thank you.

MATT WALLEN: Thank you.

HOWARD: Good afternoon.

KAREN HENG: Good afternoon. It's a pleasure to be with you today. I enjoy sharing information about the programs and the work we do in helping people get a greater understanding about public assistance programs and how they work. My name's Karen Heng. I'm a deputy director for two divisions, Children and Family Services Division and Medicaid and Long-Term Care Division. My team is responsible for eligibility operations so we do all of the basic front door casework in determining if people are eligible for assistance. And we also have the child support connection with it because it takes multiple sources of income for families to make it. Today, I'm gonna provide a briefing about economic assistance programs including the SNAP program. We'll also cover the ACCESSNebraska delivery system eligibility and how we do eligibility determinations. The DHHS mission is to help people live better lives. ACCESSNebraska service delivery is the front door to economic assistance and Medicaid programs. For vulnerable Nebraskans, there's nothing worse than being in need and having to wait for an answer. Our goal is to provide customer service that is responsive to clients' needs and a method that is accurate and timely. Our team assisted over 300,000 Nebraskans in the last year. The operational structure includes customer service centers which operate as one, meaning calls can be routed to all of the centers and we use cues to direct it to the people that are specifically trained to answer that type of question. We also have 40 local offices in which customers can come in and receive in-person assistance or drop off documents and get questions answered. We have a document imaging center in Omaha and this is where we send all of our mail, e-mail, faxes, and those documents are entered into the system. We have a shift that starts at 1:00 a.m. in the morning because our goal is that all of the daily mail is viewable to staff by the time they come to work in the morning. We have outreach locations, such as the Matt Talbot Center where we offer on-site assistance to help people with applications. One of our goals is to try to make eligibility determinations the same day they are applied for which helps clients get the benefits quickly. In the month of January, 32 percent of our clients received benefits

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the same day they applied. The Food Bank for the Heartland and Lincoln Food Bank operate with us to help provide outreach and they have staff that also provides assistance to clients in completing applications and redeterminations. We also have many other community partners who have DHHS program information and are willing to assist clients in accessing our departments. We have several operational metrics. Matt talked about a few of them. We're proud to say that answering the phone in an average of five minutes that we have done that for the last 27 consecutive months. A little bit about our, our phone calls, the economic assistance phone calls average about 2,300 a day. The Medicaid and Long-Term Care calls average about 1,500 a day. On high-call volume days, which are Mondays, the day after a holiday, if a significant weather event occurs, it's like the day after that we get a significant number of calls. Our current capacity is that we handle 300 calls an hour pretty well and underneath the five minutes. If calls get into the 400 to 500 calls an hour, that's when the wait times start to exceed. SNAP applications are determined within the federal guidelines 96 percent of the time. The team has operated at this level for the last 36 consecutive months. All economic assistance applications are processed in an average of ten days or less. This one has challenged the team a bit. Last year we had, we had six months in which we achieved it. The longest average number of days was in November where it took us 12.3 average days to determine eligibility. Our eligibility process is a little bit complex as are each one of the programs. It's because every household, every person has a different scenario of how they live their life and each program has a complex set of regulations that accompany how you address the scenario. We follow the same process for all of our programs. It starts out with an application. We have applications available to be submitted via our Web site. We also do applications via the telephone or by mail-- a paper application received by mail or fax. Several of the programs such as SNAP require an interview. Most of our interviews are done over the phone to gather more information about what is on the application. The next step in the eligibility process is that we require verification of many of the eligibility points. Some points are such as citizenship, income, expenses such as shelter, utilities, child care. We utilize in the verification process several electronic data interfaces. An example of a data interface is us in the Social Security Administration so that we can have Social Security income, disability eligibility at our fingertips. We also have interfaces with our own Department of Labor which gives us state eligibility wage information, as well as unemployment information. We utilize a product

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by Equifax called The Work Number as a source to help verify employment. The Work Number contains thousands of employers, many of the larger ones in the state are on it and that helps us get wage information verified. A lot of positions right now their pay stubs are no longer in paper so that gets harder for them to get that information to us. So after we have all the information verified, we start going through the eligibility points and making decisions as they make the rules and ultimately then a decision is made as are you eligible and if it's for a benefit program with the amount of your benefits are. At that time the client is sent a notice so that they will know how much they're gonna receive and when they'll receive it. If they're not eligible, it'll tell them why they weren't eligible, and the reasons for that. Our benefits are, are not-- are paid on-- like SNAP is on an EBT card. The cash payment program such as ADC can be paid on a ReliaCard or directly to a bank account. For the low-income home heating assistance program, we make the majority of our payments directly to the providers. So once you have eligibility, eligibility is reviewed every six months for most of our programs. We also have to react to changes in circumstance, and changes in circumstance is the majority of our business at the customer service centers because as you know this population has changes in household composition, residence, and income frequently. The economic assistance programs promote well-being for people and provide support to achieve self-sufficiency. Some of the examples of our program are Temporary Assistance for Needy Families, TANF, the Low Income Home Energy Assistance Program, LIHEAP, Child Care Subsidy Program, and the Supplemental Nutrition Assistance Program. Economic assistance also provides administration and oversight to programs such as the Community Services Block Grant and the Nebraska Homeless Assistance Program. The Community Services Block Grant provides services that are delivered through Community Action Agencies throughout the state of Nebraska. Each Community Action Agency offers programs such as Head Start preschools, food pantries, clothing closets, assistance with taxes, and help other community people meet needs. The Nebraska Homeless Assistance Program works with homeless agencies in the state and administers programs and receive funding from the Housing and Urban Development. Many of the programs that I just talked about have the same customers, it's, it's-- most people are not just on SNAP, they might be on SNAP and Energy. So the Temporary Assistance for Needy Families program is a federal block grant program. The purpose is to support the needs of families and children to be cared for in their own homes, assist households with employment and skills, and

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increasing self-sufficiency. TANF works to build strong families so children have a chance, a chance to thrive. TANF has three main programs: Aid to Dependent Children, Employment First, and Emergency Assistance. Aid to Dependent Children is our cash assistance program. An example is that if you're a household of two and you have no income, you would receive \$378 to support your household. If you're a household of four with no income, you would receive \$522. Aid to Dependent Children participants that are able to work are referred to our Employment First program. This program, we have a contract with ResCare and it helps people establish an employment plan utilizing several paid sources or unpaid sources to try to do a minimum of 30 hours a week of work activity. Emergency Assistance is a one-time, per year crisis assistance program. This program is used to overcome barriers that are not covered by other DHHS programs. Examples include: housing costs to avoid eviction, transportation issues, furniture needs, such as beds. The maximum amount that can be authorized is the same as the grant amount for the household so \$522 for a household of four. The current monthly spending for this program is \$10,115. The annual spending was \$121,859. We serve about 273 families annually. The Low Income Home Energy Assistance Program is a federally funded program. The program is delivered and that 90 percent goes directly to the aid of the participants and 10 percent is the administration cost. This is an annual program with benefits redetermined for each heating and cooling season. The program also provides crisis assistance, deposit assistance, furnace repair and replacement, a fan program, and weatherization services. Nebraska Energy Office is a partner in offering weatherization services. Energy payments made last year was 27-- a little bit over \$27 million and 69.5 percent of these payments go to the big five providers in Nebraska which are NPPD, OPPD, MUD, LES, and Black Hills Energy. The Supplemental Nutrition Assistance Program is a federal program administered by USDA Food and Nutrition Services. As I stated earlier, the benefits are loaded onto an EBT card. The benefits are a 100 percent federally funded direct by USDA Food and Nutrition Services. Nebraska receives a 50/50 match on administrative costs. The purpose is to offer nutrition assistance to low-income families. Nebraska's current eligibility criteria is that it has a two-pronged income test. The first prong is that you have to be under a 130 percent of the gross income. The second prong is that once your expenses and deductions are allowed you have to be at a 100 percent net income. So an example of that is a family of four, the gross income limit is \$2,720. The net income level is \$2,092. The maximum benefit is \$642 if

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no income is available. SNAP eligibility considers conviction for drug-related offenses has a requirement. Those who have attended a treatment program post-conviction can be eligible for SNAP. In Nebraska, approximately 75 percent of the ineligible household members with a drug conviction are living in a household where other members of the family are receiving SNAP benefits. Children for example. Nebraska issues an average of \$18.2 million dollars in SNAP benefits monthly. The majority of this is spent at Nebraska retailers. In spring and summer, many utilize SNAP benefits at farmers' markets. In the month of January, we were working with the federal outage which impacted Food and Nutrition Services. So we issued the February monthly allotment early. This went out on January 20. So now we're preparing for people to make the next step. So for the month of March, we usually do a staggered issuance where you get your benefits the first through the fifth. We're changing March's issue and so Nebraska's full issuance will go on the first of March to try to minimize the number of days in between issuances. The SNAP program also has several work programs that are associated with it. We also offer work with the schools on the free lunch program. And we have a SNAP Education program which goes throughout the state to provide education on good nutrition, how to cook proper meals and that. There's a map in your packet about our employment programs. Our SNAP Next Step program, that's our program where we help people who are already employed get on a career path, offer some career coaching. We've had quite a bit of success with this program. The majority of our participants have seen an annual income increase of \$11,000 by participating. Thank you for the opportunity to brief you on economic assistance. I'm happy to answer questions.

HOWARD: Thank you. Are there questions from the committee? Senator Arch.

ARCH: You mentioned EBT cards, and I know other states have struggled with the fraud associated with those cards. Is the state of Nebraska experiencing that? To what degree? How do, how do we know the reselling of those, the reselling of those cards at discount?

KAREN HENG: Sure. So we have a phone number which you can report any type of fraud or, or misuse as does the USDA. And so when we get reports then we follow up with them. We have a section which contains investigators and they investigate every incident that we had reported. And I do know in the past year we have had some instances where we have taken to the county attorneys and that have been

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prosecuted for the selling of SNAP. So program integrity and following up on misuse is an important part of our program as is we also have a section of our agency that helps us determine if an error was made and there's an overpayment in a case. Sometimes you can get an overpayment if you forgot to tell us you got a job and we need to put that in. So we, we work on that, too. Last year, I know in the overpayment section we established about \$2.1 million in overpayment.

ARCH: Thank you.

HOWARD: I want to make sure everybody gets a chance to ask questions, so Senator McCollister, is it OK if we start about five minutes late for your hearing?

McCOLLISTER: Yes.

HOWARD: Thank you. Senator Cavanaugh.

CAVANAUGH: So I forgot what my question was.

HOWARD: That's OK.

CAVANAUGH: Oh, I know. It, it actually is maybe something that I would need to follow up on separately because you talked about the school food program and SNAP. So I guess my question is, can I follow up with you on that further--

KAREN HENG: Sure.

CAVANAUGH: --because I have a lot of questions about that?

KAREN HENG: Sure.

CAVANAUGH: Thank you. Sorry.

HOWARD: Other questions? Senator Walz.

WALZ: So I was just curious if you could kind of take me through the process. First of all like, what's the average caseload that a person has when they're trying to determine eligibility, the ACCESSNebraska? What's the average caseload--

KAREN HENG: So--

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WALZ: -- of, of a person who is working there?

KAREN HENG: OK. So in 2010, we operated under the caseload per person method. And what was happening, was the caseload number assigned to people was growing so large that people couldn't handle that volume of work to timely get the benefits out. So in 2010, we implemented ACCESSNebraska service delivery which is a task-based delivery system. And so we do very few cases by the caseload. Sometimes complex situations, situations that require frequent Department contact are assigned to a, a caseload. But the majority of our work is done task-based. We ask all of our staff that determine initial eligibility to do at least a 100 determinations a month. We ask people who handle the phones to answer 300 phone calls a month are the standards we currently work toward.

WALZ: Three hundred a month. And then the other question I have is, is there any follow up once you're off the phone and you've given them like a referral to a community program or does that--

KAREN HENG: Sure. All of our programs have-- if it's one of ours, we require reporting programs. We also have frequent meetings if I've referred to a Community Action Agency where we can follow up and, and make sure people are getting the assistance that we've referred for.

WALZ: OK, thank you.

HOWARD: Any other questions? All right. Seeing none, thank you so much for visiting with us today. We really appreciate the information. All right, you ready? OK. Good afternoon, and welcome to the Health and Human Services Committee for your Nebraska Legislature. I'm Senator Sara Howard and I represent the 9th Legislative District in Omaha and I serve as Chair of the Health and Human Services Committee. I'd like to invite the members of the committee to introduce themselves starting on my right with Senator Murman.

MURMAN: I'm Senator Dave Murman, District 38, Clay, Webster, Nuckolls, Franklin, Kearney, Phelps and part of Buffalo County.

WALZ: Lynne Walz, District 15, Dodge County.

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WILLIAMS: Matt Williams, Legislative District 36, from Gothenburg, Dawson, Custer, and the north portions of Buffalo County.

CAVANAUGH: Machaela Cavanaugh, District 6, west central Omaha in Douglas County. And my guest today is Barrett.

B. HANSEN: Senator Ben Hansen, District 16, Washington, Burt, and Cuming counties.

HOWARD: And we're joined today by our legal counsel, Jennifer Carter, and our committee clerk, Sherry Shaffer. And we have one committee page with us today, Maddy. Just a few notes about our policies and procedures. We ask that you turn off or silence your cell phones. And this afternoon we'll be hearing three bills and we'll be taking them in the order listed on the agenda outside of the room. On each of the tables near the door to the hearing-- doors to the hearing rooms, you'll find green testifier sheets. If you're planning to testify today, please fill one out and hand it to Sherry when you come up to testify. This will help keep an accurate record of the hearing. If you are not testifying at the microphone but would like to go on record as having a position on the bill heard today, there are white sign-in sheets at each entrance where you may leave your name and other pertinent information. Also I would note if you are not testifying but would like to have written testimony submitted for the record, this committee's policy is that all letters for the record must be received by the committee by 5:00 p.m. the day prior to the hearing. Any handouts submitted by testifiers will also be included as part of the record as exhibits. We do require ten copies. And if you have multiple handouts, we ask that you try to collate them before handing them into us. We do use a light system in HHS committee so each testifier receives five minutes for testifying. So you'll get four minutes with a green light, one minute with yellow, and when you see the red light we'll ask that you try to wrap up your final thoughts. When you come up to testify please begin by stating your name clearly and into the microphone and then please spell both your first and last name. The hearing on each bill begins with an introducer's opening statement, then we'll hear from proponents, then opponents, anyone wishing to testify in a neutral capacity, and then the introducer will be given an opportunity to make closing statements if they wish to do so. We do have a strict no-prop policy in this committee. And with that, we'll open the hearing on LB255, Senator McCollister's bill to change

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provisions relating to the Supplemental Nutrition Assistance Program.
Senator McCollister, welcome.

McCOLLISTER: Thank you, Senator Howard.

HOWARD: Whenever you're ready.

McCOLLISTER: Good afternoon, Chair-- Chairperson Howard and members of the committee. I am John, J-o-h-n, McCollister, spelled M-c-C-o-l-l-i-s-t-e-r, and I represent the 20th Legislative District in Omaha. Everyone agrees that when people work hard they should be able to get ahead and that there should be no barriers to taking a raise or getting a better job. Unfortunately, for years we have allowed barriers to continue to exist for people who want to move ahead, particularly for those working families that participate in the Supplemental Nutrition Assistance Program or SNAP. What I'm referring to is commonly known as the cliff effect which remains unaddressed in SNAP. Eligibility for this work support program is based on income. Eligibility standards for this program are currently set at a gross income limit of 130 percent of the federal poverty level with benefits phasing out as earnings increase. I gonna repeat that last phrase, with benefits phasing out as earnings increase. The unintended consequence of this design either creates a disincentive to work toward economic mobility or it leads to a situation in which the parent or guardian is working harder but is financially worse off. Today, I'm introducing LB255 to address the cliff effect in SNAP by allowing working, working families to accept raises or other small increases to their income without losing the vital support of SNAP. LB255 would accomplish this critically important change by increasing the gross income eligibility limit while keeping the current net income limit in SNAP unchanged. More specifically, SNAP rules apply a two-pronged income test both before and after deductions like child care, healthcare, and housing costs. Nebraska's gross income standard before deductions is currently 130 percent of the federal poverty level. Nebraska's net income standard after deductions is currently 100 percent of the poverty level. LB255 would modestly increase the gross income limit to 140 percent of the federal poverty level while retaining 100 percent net income limit. With this adjustment, families that successfully demonstrate expenses like child care that can still prevent them from able to afford food to feed their families would still be eligible for SNAP. Here's some facts to keep in mind as we consider policy changes about Nebraska's SNAP benefits and families who rely on them. When 100 percent of the aid costs for SNAP are fully

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funded by the federal government, fully funded by the federal government, the administrative costs for SNAP are split 50/50 between the federal government and our state. The administrative costs are the only cost to the state of Nebraska. You received a handout that depicts child hunger in your own legislative district. I'm grateful, I'm grateful to the Voices for Children for providing this valuable information. The data varies by district, but this problem exists in all parts of the state. In Nebraska, 74 percent of Nebraska families who receive SNAP benefits have children under 18. This is higher than the national average of 68 percent. Twenty-nine percent of Nebraska families include members who are elderly or disabled, while 48 percent of the families have members who are working, 48 percent of the families are working. SNAP provides incentives-- or services to the poorest Nebraskans. Only 17 percent of SNAP recipients earn an income above a 100 percent of the federal poverty level. Average monthly benefit for a household member in 2017 was \$115. This breaks down to \$1.25 per person, per meal. At 100 percent of the federal poverty level, gross income for a family of four is \$32,000. At 140 percent of the federal poverty level, the gross income would be around \$34 to \$36,000. In 2017, SNAP benefits generated \$241 million of economic activity in Nebraska communities throughout the state. According to a fall 2016 USDA analysis during an economic downturn, a \$5 increase in SNAP benefits generates \$9 of economic activity. Another USDA study commissioned under President George Bush-- George W. Bush found that \$1 in SNAP benefits equals a \$1.84 in GDP, a finding collaborated by Moody's economic-- economy, which found that a \$1 in SNAP benefits equals a \$1.73 in GDP increase. The current cliff effect creates a disincentive for job advancement. Often even a small raise does not make up for the loss of benefits. This forces workers in SNAP households to turn down raises and promotions. Children who are in families struggling to make ends meet and have access to SNAP are 16 percent less likely to be obese as adults and 18 percent more likely to graduate from high school than children with similar backgrounds and no access to the program. As I mentioned already, the only cost to the General Fund in this for this legislation would be 50 percent of the administrative costs. The legislative fiscal note indicates a General Fund cost of \$145,272 for fiscal year 2019-20, and \$144,540 for fiscal year 2020-21, 2020-21. This would allow the Department to hire four additional social workers and one case aide to address any workload increase. This seems to me to be a reasonable estimate and a small cost for helping Nebraskans to get a raise or a new job. I understand times are tight with the budget right now, but I'm

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committed to working with this committee and the Appropriations Committee to see whether we can find this relatively small sum to improve the lives of Nebraskans. Thank you.

HOWARD: Thank you, Senator McCollister. Are there questions? Senator Cavanaugh.

CAVANAUGH: Thank you, Senator, for your testimony and for this bill. You said that the fiscal note was to hire additional staff.

McCOLLISTER: Yes.

CAVANAUGH: Was that five additional staff, four social workers and one other?

McCOLLISTER: Yes.

CAVANAUGH: OK. So I just wanted to-- I did the math. If you just averaged that out the salary would be \$28,000, so we are not talking about high-paying positions here, but just reiterating--

McCOLLISTER: I should, I should point out the fiscal note from the Department is a little higher.

CAVANAUGH: Well, that's, that's actually good. Hopefully, we're paying people a little bit better so they're not part of the program they're serving. But I just wanted to get that on the record. Thank you.

McCOLLISTER: Thank you.

HOWARD: Other questions? Seeing none, will you be staying to close?

McCOLLISTER: I certainly will.

HOWARD: All right. Thank you, Senator McCollister. We'll now invite our first proponent testifier. And just because I think we might have a lot of testifiers today, if, if you'd like to come to the front before you testify that way we can kind of get you up very quickly. Good afternoon.

KATHY SIEFKEN: Good afternoon, Chairwoman Howard and members of the committee. My name is Kathy Siefken, K-a-t-h-y S-i-e-f-k-e-n. I'm the executive director of the Nebraska Grocery Industry Association. I am-- and also their registered lobbyist here today in support of LB255. We appreciate the fact that Senator McCollister brought this

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bill. The reason we're here in support of the bill is because our members have experienced the cliff effect when they offer a promotion or a raise to their employees. There is a labor shortage throughout Nebraska and once employees develop additional skills, retailers offer raises and promotions in an effort to retain those employees. Employees are actually refusing to work additional hours and they're refusing promotions because it would place them above the eligibility threshold and they would lose their SNAP benefits. The additional wage doesn't cover the lost SNAP benefits, hence the cliff effect. This bill would allow employees to earn more money without losing those benefits. When the lost benefits are equal to the amount of the additional earned income, our employees will be able to leave the benefit system and work their way into higher paying positions. We understand that there is a fiscal note to this bill. However, we do believe that moving people up and out of the system will eventually compensate for the cost. And we ask you to move LB255 out of committee. I'd be happy to answer any questions. Thank you.

HOWARD: Thank you. Are there questions? All right. Seeing none, thank you--

KATHY SIEFKEN: Thank you.

HOWARD: --for your testimony today. Our next proponent testifier. Good afternoon.

DAVID HOLMQUIST: Good afternoon, Senator Howard, members of the Committee. Chair Howard and members of the Health and Human Services Committee, my name is David Holmquist, D-a-v-i-d H-o-l-m-q-u-i-s-t. I am here testifying today in support of LB255 on behalf of AARP Nebraska as-- in the position of state president of AARP Nebraska. AARP is a nonprofit, nonpartisan organization that works across Nebraska to strengthen communities and advocates for the issues that matter most to families such as healthcare, employment and income security, retirement planning, affordable utilities, and protection from financial abuse especially as it relates to the 50-plus population. It's the policy of AARP that food benefits should be increased to ensure nutritional adequacy, adequacy and prevention of malnutrition for most vulnerable Americans. According to a 2018 AARP public policy report, in 2016 over 21 million households participated in SNAP across the nation. In Nebraska, 20 percent were Nebraska households with adults age 50 to 59 or 15,179 households, while 17 percent or 13,535 were households with adults age 60-plus. Despite

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over \$28,000 households in Nebraska with adults age 50 and older participating in SNAP, other analyses found that the SNAP participation rate is substantially lower among older adults than among younger age groups across the country. Possible reasons for this include a lack of awareness about the program, confusion about eligibility, a burdensome application process, negative, negative experiences, and stigma associated with a government program. It's widely known that a food-- that food insecurity can be detrimental for everyone. But as people age, food insecurity can have serious long-term effects. While the effects are less documented than the 50- to 59-year-old category, there is vast knowledge on the effects of food insecurity and, and the effect it has on adults aged 60 and older. For example, older adults 60 or older who experienced food insecurity are significantly more likely to be in poor health and who have limitations in activities of daily living or ADL. Food insecurity is associated with greater use of healthcare services, increased office visits, longer overnight hospital stays, and more emergency room visits. There are other documented consequences to food insecurity, including impairment in physical function, diminished immune response, depression, and social isolation. In this AARP Foundation report, food insecurity among older adults, the differences in health outcomes between food insecure and food secure persons 50 to 59 years old became evident. Food insecure, 50- to 59-year-old adults were almost twice as likely to be diabetic, 19 percent versus 10 percent; were far less likely to be in excellent or very good health, 17 percent versus 44 percent; were much more likely to suffer from depression, 16 percent versus 3 percent; and were more than twice as likely to have at least one ADL limitation, 52 percent versus 21 percent. Disability rates were also higher among food insecure 50- to 59-year-olds. One in two 50- to 59-year-olds experiencing either food insecurity or very low food security was disabled. The research concluded that intakes of most major nutrients were lower among the food insecure 50- to 59-year-olds compared to food-- for food secured adults in that [INAUDIBLE]. According to the SNAP Access Barriers April 2013 report, aging Americans, and these are 50-plus age group, have become especially vulnerable to food insecurity. Many in this, in this group have been plagued by high unemployment and underemployment. Some are too young for Social Security and Medicare and often ineligible for other assistance programs. The Supplemental Nutrition Assistance Program, Assistance Program, SNAP, is the only nutrition assistance program available to most individuals in this group. And studies have shown that participation in SNAP reduces the likelihood

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of being food insecure. SNAP is criti-- critical to our aging population. We strongly support LB255 and ask the committee to advance the bill. Thank you for the opportunity to comment on this bill. And I'd be happy to answer any questions as I am able.

HOWARD: Thank you. Are there questions? Seeing none, you were very thorough. Thank you.

DAVID HOLMQUIST: Thank you.

HOWARD: Our next proponent testifier. Good afternoon.

KENT ROBERT: Good afternoon, Senator Howard, members of the HHS committee. My name is Kent Rogert, K-e-n-t R-o-g-e-r-t, and I'm here today to support LB255 on behalf of LeadingAge Nebraska. We are an association about 70 nonprofit and government owned long-term care facilities and service providers all across the state. We are some small and very rural and some very large and urban. So we have a little bit of everything. I submitted a letter on behalf of Immanuel Communities outlining their support as well. They are one of our members. This has been an issue before this committee for more than a decade and we've always supported it. We have a work force shortage for long-term care across the state especially in rural Nebraska. And we do have folks that, just like Miss Siefken said, they have to refuse pay increases and they can't work more hours because if they do that they're gonna lose their benefits under SNAP and they can't afford to. It does provide the opportunity to work more hours, and be paid at a higher level, to make-- you know, funds additional for themselves and their families to invest back in Nebraska economy. And I can tell you that it's something I've dealt with personally with people that I know back in my hometown, there's people at the grocery store, people at the bank, people in a nursing home that I know that would love to work more hours but they just can't afford to do it. I'd be happy to answer any questions.

HOWARD: Thank you.

KENT ROBERT: Thank you.

HOWARD: Are there any questions?

KENT ROBERT: Thanks, guys.

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HOWARD: Seeing none, thank you. Our next proponent testifier.

STEVE SHERIDAN: Good afternoon, Senator Howard,--

HOWARD: Good afternoon.

STEVE SHERIDAN: --the committee. I'm losing my voice a little bit here so I'll try to speak up. My name is Steve Sheridan, S-t-e-v-e S-h-e-r-i-d-a-n. And I'm standing in for Chris Funk today, she came up ill so she asked me to stand in and present today. My name is Steve Sheridan, I'm the deputy director of the Center for People in Need here in Lincoln. And I'm here to express our strong support for LB255. The Center for People in Need is a nonprofit organization that provides programs and services for low-income people in the Lincoln area. Our largest program is our neighborhood food program where we distribute about 2.9 million pounds of food annually to approximately 10,000 people in five locations throughout our city. Our food is acquired through the Food Bank of Lincoln and the U.S. Department of Agriculture's commodities program. To make things manageable, we set our household income eligible to match the USDA's income requirements of 100 percent of the federal poverty level. Households can only access our food twice a week. The food we distribute varies widely in volume and quality because it is that of rescued or donated from local and regional sources. We receive lots of canned and boxed foods along with bread and sweets. But only a small amount of fresh produce, meat, and dairy. Even though we categorize it as supplemental food, many people arrive hours before our distribution starts due to fear of food running out. It's kind of a survival mode that most of us don't see unless you work up close. We did a food distribution Tuesday and I had a gal show up at noon. We start at three. She sat there for three hours because she wanted to make sure that she was able to walk away with some food. While many of our clients receive SNAP, most do not. These people are reflected in the 2017 Vital Signs Report created by the University of Nebraska Public Policy Center and commissioned by Lincoln's largest public and private charitable organizations. The report shows that 43 percent of Nebraskans who are food insecure are not eligible for federal nutrition programs like SNAP, compared to 27 percent of the food insecure people nationally. That's a 16 percent difference. This includes 39 percent of food insecure children in Nebraska who are not eligible for federal nutrition programs compared to 20 percent of the food insecure children nationally. That's a 19 percent difference. The fact that Nebraska Legislature has chosen the lowest income level allowed by the federal government, government for

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SNAP surely has something to do with these figures. It only takes a small increase in the family income to lose eligibility. We regularly hear stories from people who have had to quit their jobs, and we've heard this several times already today, because of the small increase in order not to lose their SNAP. A few months ago we had a staff talking with a single mother of three who had to quit her job that she had recently started because it put her over her SNAP income required-- eligibility by \$26. She told us that with what she earned there was no way she could provide for her family without SNAP. So she made the decision to quit her job in order to keep her SNAP benefits so she can feed her kids. She was terribly upset because she wanted to have a job and move forward but felt the program-- but felt the system would not let her. The good news is that she was able to enroll in a program we administer that pays up to two years of tuition at Southeast Community College. She is now working towards her LPN and continues to receive SNAP with the hope that she can eventually support her family without government assistance. We believe that raising the income eligibility for SNAP from 130 percent of poverty to 140 percent is the least we can do as a state to reduce food insecurity among Nebraskans while helping lift more families out of poverty. The added administrative costs are well worth the benefits. Thank you. Do you have any questions?

HOWARD: Are there questions?

B. HANSEN: I have a question.

HOWARD: Senator Hansen.

B. HANSEN: I can maybe ask Senator McCollister maybe afterwards if you don't know. What-- and he might have mentioned it, too. What's our, our baseline-- is 130 percent currently, what does that compare to other states or nationally?

STEVE SHERIDAN: That I don't know,--

B. HANSEN: OK.

STEVE SHERIDAN: --don't know what it is compared to other states.

B. HANSEN: Thanks.

HOWARD: Other questions? Senator Williams.

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WILLIAMS: Thank you, Senator Howard. And thank you Mr. Sheridan for being here.

STEVE SHERIDAN: You're welcome.

WILLIAMS: I just want to be sure I understand your testimony that you say most of your recipients do not receive SNAP, and is it due to these eligibility requirements?

STEVE SHERIDAN: Correct.

WILLIAMS: Thank you.

HOWARD: Any other questions? Thank you for your testimony today.

STEVE SHERIDAN: Thank you.

HOWARD: Our next proponent testifier.

DANIELLE GALVIN: Can you hear me okay? I needed a boost.

HOWARD: Yes.

DANIELLE GALVIN: OK. Great. Good afternoon, and thank you. My name is Danielle Galvin, D-a-n-i-e-l-l-e G-a-l-v-i-n. Thank you, Chairperson Howard and the committee for hearing testimony on LB255. My client actually really epitomizes many of the stories we've heard this morning. I'm here on behalf of Financial Hope Collaborative which is a nonprofit where I work as a financial coach with low-income working mothers and I want to share Melissa's story with you. Melissa wanted to be here today but she had to work. She's raising seven-year-old Mia and nine-year-old Makayla who are now living with her full time after she obtained full custody from her ex-husband who'd been sexually abusing them. He's now in prison and Melissa is still trying to collect child support. She and her daughters live in a single bed in a tiny apartment in Ralston and she's rebuilding her life after legal bills and other financial setbacks and trauma from her own past. But she's one of the strongest people I've ever met. For the past four years, she has worked for a hotel call center and currently supervises a customer service team of 40 people. Melissa works a lot of overtime and uses the extra money to pay down her bills and rebuild her credit. Her dream is to buy a small house someday. And even with the overtime, she generally qualifies for \$142 in SNAP benefits each month. But she tries to watch her hours and she'll just stop working for a few days

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each month for a few hours so she doesn't forfeit her entire benefit for being a few dollars over like other people have testified. One month she was over by \$3. During the months she loses access to SNAP, she's had to take time off work to go to food pantries or she'll pay some other expenses late, or she'll go further into debt. And every time she feels like she's catching up a little she falls behind again. Losing benefits one month and then reapplying the following month not only exacerbates this stressful cycle for her and she constantly worries about how she's gonna cover her bills, but it also increases administrative costs to the state because she reapplies every time and somebody has to process that application. Melissa's workplace recently implemented a team-based incentive program which is really causing a lot of trouble for her and her team. Every person on her 40-person team is eligible for SNAP and many other call center employees are as well. And they won't know until the end the month whether they qualify for this productivity bonus or not. And the little bonus that they might get can push them over and cause them to lose benefits. So it's a huge stressor in their lives. They weigh the trade-offs from whether they want to continue to advance in their jobs versus the financial hit they take from the cliff effect others have mentioned. Although she appreciates even the smallest SNAP benefits she receives most months, she really looks forward to the day when she no longer has to rely on it. Raising the gross limit would provide her \$169 more breathing room per month and she would still pass the net income test and it would allow her to build just a little bit more traction to her ultimate goal of self-sufficiency. Please support this bill to help hardworking people like Melissa achieve their potential and make our community stronger. Thank you for the opportunity to testify.

HOWARD: Thank you. Are there questions? Senator Walz.

WALZ: Thank you for coming today. Once you-- if you lose your benefit, do you know how long it takes after you reapply to, to get that benefit back?

DANIELLE GALVIN: Right. She loses-- she tells me that she loses it for a month and then she has to reapply and it takes I think another month so she's out-- you know, those two months. But what she does say is that her benefits are received and then retroactively back to her application date. So it's not-- you know, like forever, it's just a, it's just a blip. I, I think the average for her is about maybe a month and a half.

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WALZ: OK. Thank you.

HOWARD: Others questions? Seeing none, thank you for your--

DANIELLE GALVIN: Thank you.

HOWARD: --testimony today. Our next proponent testifier. Good afternoon.

EDISON McDONALD: Good afternoon. Hi, my name is Edison McDonald, I'm the executive director for the Arc of Nebraska. We're a nonprofit that advocates for people with intellectual and developmental disabilities. I'd like to thank the committee for hearing this bill and Senator McCollister for sponsoring it. We strongly support LB255 because it ensures a path to the most integrated life. Approximately, 11 million people with disabilities across the United States rely on SNAP to help them eat. In 2013, the USDA researchers documented food insecurity among 33 percent of households with an adult ages 16 to 64 with a disability who is not in the labor force, 25 percent of households with the adults ages 16 to 64 with other reported disabilities compared to 12 percent of households with no adults with a disability. Our members are faced with a great many barriers in their lives. This is one barrier that we can help to lower. Basic coverage of needs is vital to the well-being of our members and ensuring that people with disabilities are fully included in society. What we find is when our members face this-- these cliffs, it limits them from being able to move forward. They do actually end up going over the cliff on benefits. It is frequently at an extra cost to the state as the emergency support causes extra costs that could have been avoided. Lastly, I would like to offer a quote from one of our members, Jennifer James [PHONETIC]. She said I receive SNAP, otherwise known as food stamps. I'm a hardworking, passionate advocate who also happens to have a disability. Because of my disability, I'm not able to work as much as I would like. Because of that, I depend on the Supplemental Nutrition Assistance Program to help make sure that I can get healthy food like clementines. By passing this bill we can ensure that our members are able to participate more in the work force without the fear of losing benefits. And lastly on a personal note, I, I never really understood the full effects and the full power of this SNAP cliff effect until I was working as a youth group director in Minden. And what I found was there were a couple of young individuals who I didn't quite get why they would go and act out at different points. And what I came to find was that this was typically a triggering point

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that would go and if they didn't have that steady supply of especially healthy food because typically when their parents would go over that cliff they'd end up getting less healthy food. That that was really kind of a triggering point that would set them off for weeks at a time and it was frequently difficult to go and get them back on track for a long period after that. And I'd urge you to pass this bill. Thank you for your time. Any questions?

HOWARD: Thank you. Are there questions? Seeing none, thank you for your testimony today. Our next proponent testifier. Good afternoon.

ERIN FEICHTINGER: Good afternoon. These chairs always make me feel small. Chairwoman Howard, members of the Health and Human Services Committee, my name is Dr. Erin Feichtinger, E-r-i-n F-e-i-c-h-t-i-n-g-e-r. And I will be spelling that for you again today, so you're welcome. I am the community outreach and advocacy coordinator at Together, a social service agency that has served Omaha for 44 years. Our mission is to prevent and end homelessness in our community and for this reason I am here representing our organization in support of LB255. At Together, we provide intensive case management services to help transition people from homelessness to stable housing, serve as one of six access points in the city to address the immediate needs of those experiencing homelessness. And we operate one of the largest all-choice food pantries in the state so we know a little something about the world of food insecurity and the larger consequences of the cliff effect and the ripple effect that it has on preventing the self-sufficiency and stability we strive to encourage in those we serve. In 2018, we served over 13,900 households in our pantry with two average visits per household. This is an increase in both number of people served and visits per household than we saw in 2017. Already in the first month of 2019, we see that we will be on track to have an even sharper increase. We are seeing more new faces who have never received food from us or accessed a food pantry that is connected to us from further and further away and with more frequent visits. What this means is that our community is becoming more food insecure and our traditional tools of dealing with that food insecurity namely SNAP in its current form and emergency food services through our pantry are not adequately meeting the needs of those we serve. When a client comes into our food pantry they have a meeting with our intake specialist who asks whether or not the client is enrolled in SNAP. If they are not, we help them apply it. Our intake specialist has been doing this work long enough to know when a person's income would immediately disqualify them for SNAP, but

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sometime that-- sometimes that line gets fuzzy. SNAP applications are processed through the Food Bank for the Heartland and our approval rating for SNAP applications generated from our agency has been consistent at rates over 60 percent for the last four years which is well above the state average. In 2018, we processed 153 SNAP applications. Nineteen percent of applications that were denied from our agency were for being over income because of the current level of income eligibility that LB255 would expand. I'd like to share a little bit about our clients who are either over income whose SNAP benefits were reduced immediately upon stabilizing their income or who worried that this will be the case if they take a job or a raise. One widow received survivor's benefits and saw her SNAP immediately reduced to \$15 a month. She uses apps on her phone to find coupons and runs-- and still runs out of food at the end of every month. She showed me all of her apps, there are more than I have on my phone. Another woman has daily stress and anxiety about making ends meet and wants to find better work. But if she did she would lose the subsidies that she needs to survive. She says, I would lose everything. It's like the government sets you up to keep you where you are. We hear time and time again from people in our food pantry that what they receive in SNAP is not close to being enough to meet their needs, if it is worth it at all. One woman lost her SNAP benefits and doesn't understand why once she was eligible, eligible and now she is not. Another who lost her SNAP benefits because of income said, frankly, I believe the families that need the extra help don't qualify. A 53-year-old man with a 17-year-old son has been denied twice for being over income and skips meals four times a week so that his son can eat on the budget that they have. A young military family with two children came to the food pantry and told us that they make too much to qualify for SNAP. A veteran and single parent receives less than \$160 a month for himself and his child and said that is not enough when considering most of rent-- the cost of rent, utilities, insurance, and nonfood items. Our internal data shows that our food pantry clients represent the spectrum of education, income, and employment levels. Hunger in our community is real for more people than our current SNAP eligibility allows us to effectively tackle and it is growing faster than we have predicted. At Together, our intention is to help the people we serve by giving them the tools they need to find stability and build self-sufficiency. We ask for your support of LB255 and join us in giving those tools to the people who need it most. Thank you for your consideration, for Senator McCollister for continuing to carry the

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mantle on this important issue, and I am happy to answer any of your questions.

HOWARD: Are there questions? Senator Cavanaugh.

CAVANAUGH: Thank you, Senator-- or Chairwoman, sorry. Dr. Feichtinger, thank you so much for your testimony. And I just would like to acknowledge that I actually toured your pantry in January and am impressed with what you offer there and I believe it sounds like it's similar to the Center for People in Need here in Lincoln. So thank you for doing that and for offering those services for those that are experiencing food insecurity. You touched on something here that I think a few others have also mentioned about the stress and anxiety about making ends meet. Would you just want to speak to that a little bit more about what that actually means or how it manifests?

ERIN FEICHTINGER: Yeah. So we actually survey our clients a lot. Are you pointing at me?

CAVANAUGH: He is.

ERIN FEICHTINGER: We survey our clients a lot and last year we undertook a pretty extensive survey that of 126 of our clients assessing their self-sufficiency across 10 different life domains. That was a really long four months for me. But what we ended up finding was that food insecurity has a positive correl-- food insecurity has a positive correlation to mental health issues including stress, anxiety, depression. All those things you would naturally expect, I think, if you're trying to figure out how to provide for your family in the way that you know and that you want to be able to do and just can't get it together and pair that with the frustration of attempting knowing that SNAP is out there, attempting to apply for it, and being denied for reasons that are beyond your understanding when you know and you feel as though you need food but know and feel that you need SNAP and you cannot get it because you got a-- well, I actually don't know what the letter looks like but I assume it's--

CAVANAUGH: Just a follow up. So Mr. Edison [SIC] also touched on this, and knowing the population that receives SNAP benefits is predominantly children, would-- I know you're not an expert, but would it be fair to say that children are-- they're experiencing this anxiety and depression at a higher rate than adults?

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ERIN FEICHTINGER: I mean, yeah, you're right that I'm not an expert. I wish that I was. I try very hard to be in all things. It's not true. But I think-- you know, we see a lot-- I mean , if you come to our pantry, and I'd invite all of you to come see our pantry if you're ever around 24th and Leavenworth. We'd love to have you. You'll see families in the lobby waiting to get food and we know from our numbers when we do our intake that we serve a lot of families with young children. Now I-- like having been a public school teacher in my past as well in Chicago which was very well-funded and had all the resources we could possibly want. That's also not true. I can tell you for sure that the-- you know, it's Maslow's hierarchy of needs. You, you need to address your most basic needs first in order to be able to ask children to do anything else. And if you're hungry, it's very difficult to, to process and to grow and to-- I'm sure there are people behind me who can speak to that more effectively.

CAVANAUGH: Thank you.

HOWARD: Any other questions? Seeing none, thank you for your testimony today. Our next proponent.

SHELLEY MANN: Good afternoon,--

HOWARD: Good afternoon.

SHELLEY MANN: --Chair-- Chairwoman Howard, members of the committee and Barrett, of course. For the record, my name is Shelley Mann, S-h-e-l-l-e-y M-a-n-n, and I appear before you today in support of LB255. On behalf of Food Bank for the Heartland and the Food Bank of Lincoln. I currently serve as assistant director of the collaborative SNAP efforts of Food Bank for the Heartland and the Food Bank of Lincoln. These food banks are critical members of the Feeding America network of food banks which is the largest hunger relief nonprofit in the United States. Together, these two Nebraska food banks distribute nearly 35 million meals to people in need across Nebraska and Western Iowa. Though pounds of food are constantly moving through our warehouse doors and trucks, our mission to move the needle for hungry Nebraskans cannot be achieved through rescued and donated food alone. SNAP provides critical security with dignity. SNAP allows our neighbors to choose their meals from a grocery store and not just rely on what is donated from cupboards across the state in a canned food drive. Yet, over a third of Nebraskans who likely qualify for this program don't currently receive benefits. Our collaborative effort

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employs ten full-time people whose sole function is to provide information, education, and application assistance to Nebraskans around SNAP benefits. Through these daily interactions with Nebraskans we hear heartbreaking stories. And I would like to share with you one such story to help illustrate the need for LB255 today. Kelly is a young mom living in Otoe County and her story is incredibly compelling. Kelly's husband worked full-time on a farm as well as owning his own small business doing land maintenance and snow removal. Before becoming pregnant, Kelly was able to find part-time work and help the family make ends meet. As their family grew, in order to keep up with the piling bills, she calculated that she would need to make at least \$15 per hour and find child care for her two children. In her rural community, these things were just not readily available to her. With Kelly not working and two young children in the home, the family started using credit cards to pay the bills. This meant eventually having to use credit cards to keep the lights on. Kelly and her husband ended up maxing out everything that they had. They were uncertain about participating in SNAP. They feared the perceived stigma around the program and it made them incredibly uncomfortable. But they knew something had to give and as a last-ditch effort she eventually applied for SNAP benefits in hopes that it would cover some of the food costs and free up resources to take care of other household demands. With SNAP benefits helping to bolster the grocery budget, there was a little opportunity to breathe for their little family. When summer came around, Kelly's husband got the opportunity to pick up some additional contracts with his land maintenance business. The family was now faced with a tough choice, do they pick up the additional work and bring in an extra \$100 a month but lose their \$259 in SNAP benefits. The incentive built into the program was in fact to forgo the additional work in order to keep putting food on the table. However, Kelly and her husband have strong Midwestern values and strong work, work ethic. They elected to take the extra work in hopes that these new contracts would lead to more and more work in the future. Unfortunately, that didn't pan out and their income plateaued. The family now faces a gut-wrenching choice between food and their mortgage payment every single month. They sit just over the current income guideline to receive benefits yet have a demonstrated need. Should LB255 pass and raise the gross income eligibility guidelines, Kelly and her family would again be able to qualify for benefits. This change could help Kelly's family incrementally move towards more income while still assisting them with meeting their basic needs. We want these guidelines to act as an

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incentive to work, not as a disincentive. Kelly and her family are just one of many examples of Nebraskans who are trying to find work and increase their earnings, yet still need some assistance. What we now understand is that even though some folks do not have the liquid assets to spend on groceries, their gross income calculation makes them ineligible for benefits. A family must qualify for gross eligibility before other important household costs are factored in, such as medical bills or utilities. Working families should not have to choose between food and other basic needs. Through SNAP, these families have access to food and even more nutritious food which can in turn help children succeed in school, reduce their healthcare costs, and put these dollars back into the economy through local grocery retailers. Using SNAP benefits for food purchases also reduces the pressure on local food pantries, like the ones in our network, and other community supports, which often cannot keep up with the growing needs of the families they serve. Ultimately, LB255 will aid these families in accessing food and make Nebraska a place where working families not only survive, but are able to thrive. We at Food Bank for the Heartland and the Food Bank of Lincoln urge your support for LB255 to combat hunger in Nebraska. Thank you your time. I'm happy to ask-- answer any questions you might have.

HOWARD: Thank you. Are there questions? Senator Murman.

MURMAN: Yeah, you, you mentioned running out food, do you typically run out of food before you run out of people that come to visit?

SHELLEY MANN: With food?

MURMAN: Yes.

SHELLEY MANN: We-- so we actually-- we supply food to a network of pantries and kitchens, meal providers, that sort of thing. So it wouldn't be-- we don't do any direct distribution to individuals. We, we collect all of that food and distribute it by need. But I do know that there are pantries in our network that definitely run out of food before they're able to give it to everybody.

MURMAN: Yeah, that's-- the food pantry I'm familiar with, that usually happens so that's why I asked you.

SHELLEY MANN: Yeah, we-- I heard somebody mention earlier that someone had showed up-- shown up to a food distribution two hours early. That's not uncommon. I mean, people show up because they're worried

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that that food is gonna run out and it just makes sense to get there as early as you can to make sure you're up in the front of the line.

MURMAN: Yeah, thanks.

SHELLEY MANN: Um-hum.

HOWARD: Other questions? Seeing none, thank you for your testimony today.

SHELLEY MANN: Thank you.

HOWARD: Our next proponent testifier. Good afternoon.

CHRISSEY TONKINSON: Hello. Good afternoon, Chairperson Howard and members of the Health and Human Services Committee. I am Chrissy Tonkinson, C-h-r-i-s-s-y T-o-n-k-i-n-s-o-n, and I'm the research coordinator at Voices for Children in Nebraska. I'm here in support of LB255. Children are Nebraska's greatest resource, and when all children have the opportunity to reach their full potential in adulthood, our state and economy are better off. Today, over 17 percent of Nebraska's children do not have reliable access to a sufficient amount of nutritious food. Voices for Children in Nebraska supports LB255 because it is the best use of our resources to reduce child hunger. The Supplemental Nutrition Assistance Program is one of the most effective anti-poverty programs in our nation's history. It is estimated that SNAP moved 8,600 Nebraska households above the poverty line in 2016. The vast majority of SNAP participants in Nebraska are working families who are struggling to make ends meet or families with household members who are unable to work due to age or disability. Benefits are calculated by need with benefit amounts reducing as, as family income increases. More and more, hard work isn't enough to make ends meet in Nebraska-- for Nebraska's families. Our new Family Bottom Line tool provides a more realistic picture of what it takes to raise a family in Nebraska. The federal poverty level which is used for nearly all means-tested public assistance programs including SNAP is a flawed and outdated measure of economic well-being. The federal poverty level that we use today is still based on the cost of food as a share of a typical family budget from the 1960s without any account for geographic variations throughout the country or for changes in child care and housing costs over the decades. LB255 brings eligibility for food assistance closer to a family-sustaining wage in Nebraska. To my testimony, I've attached a

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few sample family income outputs from the Family Bottom Line for selected counties represented by members of this committee. The current SNAP threshold at 130 percent of the poverty level is far lower than the income that most families need to pay for child care, rent, food, and other basic expenses. These data show a serious design flaw in our SNAP program often referred to as the cliff effect, families are forced to lose food assistance before they have reached financial independence and stability. States have the flexibility to raise this limit, which 33 other jurisdictions have already opted to do. The modest increase proposed by LB255 would ease the cliff effect by allowing families to get closer to a wage that can support a family before losing food assistance. Under LB255, families would still need to have enough deductible expenses to meet the lower net income threshold at 100 percent of the poverty level ensure that-- ensuring that families of higher household expenses, such as those with child care costs are able to put nutritious food on the table. Nutrition and health are the most basic building blocks for healthy child development. SNAP benefits help ensure that nearly 30-- 37,000 Nebraska children were well-nourished last year, and LB255 builds upon the program's successes. We thank Senator McCollister for his continuous leadership on this issue and we thank this committee for their time and consideration. We respectfully urge you to advance LB255 to General File. Thank you.

HOWARD: Thank you. Are there questions? Seeing none, thank you for your testimony today.

CHRISSEY TONKINSON: Thank you.

HOWARD: Our next proponent testifier. Good afternoon.

ASHLEY FREVERT: Good afternoon. My name is Ashley Frevert, that's A-s-h-l-e-y F-r-e-v-e-r-t, and I am the executive director of Community Action of Nebraska. We are the statewide association for Nebraska's nine Community Action Agencies. Our mission is to alleviate poverty by enhancing program development, providing technical assistance, and advocating public policy to support all Community Action Agencies in Nebraska. Our agencies reach every community in the entire state and facilitate programs to those needing a helping hand. Programs and Services at the agencies range from early childhood development like Head Start to the Foster Grandparent Program, to financial literacy training, and much more. We serve those with low incomes as well as those whose incomes are higher and stable. Our

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programs are robust and unique because they morph and change depending on the local needs of the community. Through these programs, we served 84,585 low-income individuals from October 2016 through September of 2017. Of those families served, 26 percent were in severe poverty which is below 50 percent of the federal poverty guidelines during those years. Current data shows that between October 2017 and September 2018, our agencies served 16,888 households statewide. More information on those numbers can be found in your packets so you should see one that looks like a bar graph and the other one is a state CSBG fact sheet. So the bar graph is going to show categories and you'll see your last names in parentheses next to the agency's service area by counties. Those are gonna be standing out to you. So now for the reason I'm here, of those 16,888 households we served, 9,639 households were receiving noncash benefits which includes SNAP. It is imperative to understand that these households do not receive enough SNAP benefits to cover their family's basic diet, nor was it ever intended to. SNAP provides only about a \$1.40 per person, per meal. Many of our agencies have kiosks with computers provided through the Department of Health and Human Services so that families can come to our locations and apply to receive benefits. The staff helping them fill out these complicated applications educate those families about why they gain or lose eligibility. An increase in pay at a current job or gaining new employment is often the reason why benefits are lost. The SNAP cliff effect hurts those families coming to our office-- offices. It hurts those families who have pride, that Nebraska pride where we value the work we do and we have a work ethic that rivals other states in the nation. To quote Senator McCollister, LB255 would allow working families to advance in employment and in training programs and realize greater earnings or new better paying employment. Our programs are in place to help those families achieve economic stability, but they aren't able to have economic mobility until they achieve food security which is a basic human need. Families will thrive and contribute more and more to our great state if we give them the opportunity to put their best foot forward. LB255 is a solid attempt to do just that. Please support this legislation. Our families and our neighbors are depending on it. Thank you. And I'm happy to answer any questions.

HOWARD: Thank you. Are there questions? Seeing none, thank you for your testimony today.

ASHLEY FREVERT: Thanks.

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HOWARD: Our next proponent testifier.

JAMES GODDARD: Good afternoon. My name is James Goddard, that's J-a-m-e-s G-o-d-d-a-r-d. I'm the director of Economic Justice Program at Nebraska Appleseed. Just have a few thoughts to share with you. We talk a lot about hard work. Talk a lot about rewarding work and incentivizing work. And that's a really important value. And I would say this bill embodies that value. It is important to empower people to be able to take a raise, get a better job. And this bill would better allow that. We have worked over the course of years-- this body has worked over the course of years to address the cliff effect in the Aid to Dependent Children or cash assistance program. The body has worked to better the cliff effect and the child care program which we'll talk more about tomorrow afternoon at a different hearing. And now it's time to fix it in, in SNAP. And to Senator Hansen's question, there are about 12 other states, I believe, that are at the same 130 percent level so we are in the minority. And in fact, this proposal at 140 percent is a pretty modest increase. A lot of those other states are at 160, 185, and upwards of that. So we are in the minority of states at this point. Talking a little bit about the cost. Just want to remind the committee, it's come up a couple of times but 100 percent of the benefits of SNAP are paid by the federal government and the federal government also pays 50 percent of the administrative costs. So the only cost to the General Fund is half of those administrative costs. That's a pretty, that's a pretty good deal. To the statement Senator Cavanaugh had earlier, the sum I believe that Senator McCollister mentioned in his opening is half, half of the cost to the states so the total would be almost 300,000 federal and state but the state is only responsible for 50 percent. Senator Walz had a question on the timing of filing an application and when you get benefits, there-- the department has 30 days to process an application. Once that application is filed unless it's a dire situation in which it would be expedited and I believe they have seven days to, to process it in that situation. Senator Arch had a question in the briefing about fraud and it just made me think of some of what the, the USDA who is responsible for administering SNAP on the federal level say about fraud, and what they have said about it is that fraud has dropped dramatically in the last 20 years. They're using aggressive tactics to fight it, including monitoring, data, looking at suspicious transactions, coordinating with law enforcement, and so forth. So there have been a lot of improvements over the course of time and things are looking much better in that at least according to

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the USDA. So with that, I'll conclude and answer any questions if I can.

HOWARD: Thank you. Are there questions? Senator Hansen.

B. HANSEN: So in essence, we're not really fixing the cliff effect, right? We're just moving it pretty much?

JAMES GODDARD: I wouldn't describe it that way. I, I think a part of what happens here we're, we're extending the amount that a family can earn. But the other factor to think about is that as earning increases so does the amount of, of benefits that, that people get. So as things move ahead, their, their situation improves. Could we go further? Sure. We could go higher and I think that, that-- you know, that would be great. I, I think most folks think-- you know, once people hit around 190 percent, 200 percent of poverty that's closer to a living wage and it would be great to get up to that, that point. But this is, this is an excellent first step in, in starting to address that issue.

B. HANSEN: OK. Because it seems like the cliff effect-- the whole idea of a cliff effect is you're coming to the edge of it and you don't want to get more hours, you don't want to work, you don't want to get more pay because then you're, then you're gonna lose your benefits completely 100 percent. Wouldn't you think a better way of doing this and would almost be more of a graduated decrease-- instead of like here I reach this income level, boom. Instead of saying like I've hit-- I get this income level then I go to 50 percent of benefits-- you know, I can go a little bit farther and I get less. So people can actually make transition-- you know, instead of just dropping right off.

JAMES GODDARD: So there is something of a natural graduation which what I was-- is what I was trying to say a moment ago. As people's in-- as, as their income increases, the benefits that they're getting in SNAP also decrease. And so that-- the amount that they're relying upon for SNAP every month is getting lesser and lesser and lesser. And so there is, there is some graduation to how that works. The, the place where you, you end it-- you know, how far do you, do you go out, I think is something we can talk about. But this is certainly an improvement upon where we are right now.

B. HANSEN: OK. And do, do other states include both net and gross income like we do?

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JAMES GODDARD: Yeah, that's a federal--

B. HANSEN: Relatively, very similar probably.

JAMES GODDARD: --it's a federal requirement--

B. HANSEN: Right.

JAMES GODDARD: --that you can, you can modify the gross income level but the net remains the same.

B. HANSEN: OK. All right. Thank you. Appreciate it.

HOWARD: Other questions? Just one from me. Do we have-- if I remember correctly do we have a graduated rate for child care subsidy? Sort of a graduated step down for child care?

JAMES GODDARD: So right now, child care we allow what, what has been referred to as transitional care up to a 100-- 185 percent of poverty and similar-- what's slightly different with that I guess is that as people-- if you're over 100 percent of poverty, then you start to have a copay. And so you are gradually starting to take on more and more of that responsibility and that copay gets-- goes higher and higher and higher as your income goes up.

HOWARD: Thank you. Any other questions? Senator Williams.

WILLIAMS: Thank you, Senator Howard. And just one quick question. In talking about the number of states at different cliff levels, do you know what those levels are on the states that surround Nebraska?

JAMES GODDARD: There-- I, I will look it up and get back to you for sure. I believe almost all of them have a higher rate than us. I'm pretty certain-- excuse me, that Colorado, Iowa, and Kansas do. But let me, let me look into that to give you the--

WILLIAMS: OK. Thank you.

JAMES GODDARD: --certain answer.

HOWARD: Any other questions? Seeing none, thank you for your--

JAMES GODDARD: Thank you.

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HOWARD: --testimony today. Our next proponent testifier. Good afternoon.

KATHY NORDBY: Good afternoon, Senator Howard. Thank you. My name is Kathy Nordby, and I'm the CEO of Midtown Health Center.

HOWARD: Could you spell your name for us?

KATHY NORDBY: Nordby is-- Kathy is K-a-t-h-y, Nordby, N-o-r-d-b-y. And as I said, I'm the CEO of Midtown Health Center in Norfolk and I have my testimony here prepared but it's a little bit redundant over other things. But I did want to put the weight of the state association, our Health Care Association of Nebraska and the seven federally qualified health centers that include: OneWorld and Charles Drew in Omaha; Bluestem in Lincoln; Good Neighbor Community Health Center in Columbus and Fremont; my center out of Norfolk. And then we have the Heartland Community Health Center in Grand Island; and the Community Action Center in Gering, Nebraska. And we really specialize as federally qualified health centers in serving the poor. Ninety-one percent of our people are under 200 percent of poverty. And so we're the health home for the very people that we're talking about. And I, I just wanted to emphasize without repeating everything that you're, that you're hearing out elsewhere is that in our world food makes healthier people, and we can assist them in staying healthier. And we never want to have somebody choose between food and the medicine they need to protect their health. And so growing healthy children rely on good food and that's what I wanted to you is that the, the health community also supports advancing this bill so that we can provide more food for families. So--

HOWARD: Thank you.

KATHY NORDBY: So-- I would welcome any questions.

HOWARD: Are there questions? Seeing none, thank you for your testimony today.

KATHY NORDBY: All right.

HOWARD: Our next proponent testifier. Going once. All right, we do have some proponent letters for the record. I'll read them in. You can relax for a minute. Meg Mikolajczyk, Planned Parenthood of the Heartland; Mary Boschult, League of Women Voters of Lincoln and Lancaster County; Mary Spurgeon, Omaha Together One Community; Maggie

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Wood, Inclusive Communities; Tiffany Seibert Joekel, Women's Fund of Omaha; Sherry Miller, League of Women Voters of Nebraska; Joey Adler, Holland Children's Movement; Karen Bell-Dancy, YWCA; Sarah Zuckerman, representing herself; Colby Coash, the Nebraska Association of School Boards; Cindy Maxwell, representing herself; Tessa Foreman, Nebraskans for Peace; Heath Boddy, Nebraska Health Care Association; Jordan Rasmussen, Center for Rural Affairs; Andrea Skolkin, One World Community Health Centers; Sheena Helgenberger, representing herself; Kelly Keller, National Association of Social Workers, the Nebraska Chapter; Shawna Forsberg, United Way of the Midlands; Sarah Zuckerman, representing herself; Shelley Mann, Food Bank for the Heartland and Food Bank of Lincoln; and Jenni Benson, Nebraska State Education Association. With that, we will open up the floor for any opposition test-- testifiers. Good afternoon.

MATT WALLEN: Good afternoon, Chairperson Howard and members of the Health and Human Services Committee. My name is Matt Wallen, M-a-t-t W-a-l-l-e-n, and I'm the director of the Division of Children and Family Services in the Department of Health and Human Services. I'm here to testify in opposition to LB255 which will increase the gross eligibility limit for a subprogram within the Supplemental Nutrition Assistance Program from 130 percent of the federal poverty level to 140 percent of the federal poverty level. Currently, in Nebraska, SNAP has adopted the state option to implement Temporary Assistance to Needy Families funded program to establish broad-based categorical eligibility. In Nebraska, this program is also known as the expanded resource program. The subprogram within the Nebraska SNAP allows the state to set the resource limit and income guidelines for individuals who qualify for broad-based categorical eligibility. As was previously mentioned, LB255 proposes to increase the gross income guidelines for those who qualify for broad-based categorical eligibility for the current gross income guideline of 130 percent of FPL to 140 percent of the FPL for individuals who qualify. The net income guideline for SNAP would not change. The net income level would remain at 100 percent of the federal poverty level which is set in federal statute. Based on U.S. Census figures increasing the federal poverty level from 130 percent to 140 percent would increase the potential client base by approximately 78,700 persons or 35,361 households utilizing two people as the average household size. It is anticipated that 25 percent or 8,840 of the 35,361 new qualifying households will apply for SNAP requiring at least two hours to process applications. Due to the amount of eligible expenses necessary to pass the net income test, it

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is estimated that approximately 5 percent or 1,768 of those households would be eligible for SNAP. Annual processing time for eligible households is five hours. This includes time to recertify and update the information as changes occur. The addition of 1,768 SNAP households would require hiring 13 social services workers, one social services supervisor, and one case aide. As the fiscal note shows, LB255 would require an annual expense of approximately \$1 million to implement. As a state agency, DHHS strives to optimize the tax dollars of hardworking Nebraskans while helping those in our community with existing resources. I'm happy to answer any questions you might have.

HOWARD: Thank you. Are there questions? Senator Cavanaugh.

CAVANAUGH: Thank you, Director Wallen, for your testimony today, for coming out here. So in, in this last paragraph of your testimony you've talked about the, the costs-- the administrative costs and we've heard from previous testifiers that due to the cliff effect right now there are people that get off the eligibility and then have to end up reapplying. And if we increase the, the cliff-- or the, the amount from 130 to 140 we would be decreasing the amount of people currently that have to reapply because they've made even so little as \$3 over the amount a month. So are those administrative costs reflected in here? Because that seems like an exorbitant amount that we would be already paying and perhaps we're offsetting here.

MATT WALLEN: The, the way we've, the way we've calculated is based on-- you know, the increase in eligibility based on an increase from 130 to 140 percent.

CAVANAUGH: Um-hum.

MATT WALLEN: I don't believe we've calculated any of that potential churn that we would, we would pick up.

CAVANAUGH: But there would be in theory an offset.

MATT WALLEN: In, in theory, it could. I mean, we could, we could take a look at that but that's, that's not what's--we looked at what that kind of the delta-- you know, the number of homes that would increase from 130 to 140--

CAVANAUGH: Sure.

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MATT WALLEN: --likely to apply. And then those that would likely be qualified.

CAVANAUGH: I guess since the administrative costs are what the state is responsible for, it'd be helpful and I'm not sure that it's from you or who to find out what those offsets potentially could be.

MATT WALLEN: I'll take a look and see if we can come up with a number of how significant that would be.

CAVANAUGH: Thank you.

MATT WALLEN: Sure.

HOWARD: Other questions? Senator Williams.

WILLIAMS: Thank you, Senator Howard. And thank you, Director, for, for being here. And along the lines of Senator Cavanaugh's question, the fiscal note that you have presented is quite different than the other fiscal note that we are looking at. Can you explain and justify those differences?

MATT WALLEN: Sure. What-- in, in our fiscal note, and we, we talked a little bit about this in, in the briefing, we're, we're really task-based where we look at how long a particular task will take and, and how many tasks we need to accomplish. So when we put our fiscal note together, we looked at the, the idea of the potential of 35,361 additional households and of those that number 25 percent which would be 8,840 would be the ones that would likely apply. So we, we applied two hours to all 8,840 of those applications to come up with 17,680 hours. We also then looked at of that number, 5 percent would likely qualify. So that is 1,768 that would, would actually qualify for the benefit. Those on an annual basis require five hours through "recert" and doing the, the "recert" process. So we applied 8,840 hours to, to that population and that gives us 26,520 hours. And we divided the 26,520 hours by 2,080 hours which is the equivalent of a 40-hour work week times 52 weeks for a social services worker to come up with 12.75 full-time equivalents that would be required to handle this increased workload. We've also included one supervisor and one case aide. That supervisor would be the lead that handles the 13 SSWs that would be added and the case aide would support those SSWs from an administrator.

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WILLIAMS: As, as an expert in this area and looking at managing this, you're confident in your numbers?

MATT WALLEN: Yes, I would say we feel pretty good about our numbers.

WILLIAMS: Thank you. The other thing I want to be sure from your testimony are-- we're, we're looking at something that, that has a cost and your testimony deals with the cost factor. Are there any other reasons besides cost that you would be hesitant to increase the gross percentage?

MATT WALLEN: From, from my perspective, it's, it's, it's a cost issue. It's do you want to, to essentially-- you know, pay that additional administrative cost to go through those processing functions to add 1,768 additional households to--

WILLIAMS: So your testimony then would be, if we had the money this would be the right thing to do?

MATT WALLEN: It, it-- right. And, and I mean part of my responsibility is to-- you know, to, to be a fiscal-- fiscally responsible steward of taxpayer dollars.

WILLIAMS: I agree with that, and I'm not questioning that. I'm just trying to be sure that there are, there are no other concerns that you would have outside of the cost.

MATT WALLEN: My opposition testimony is based primarily on the fiscal aspects of it.

WILLIAMS: Thank you, Director.

HOWARD: Other questions? Senator Hansen.

B. HANSEN: Can I give you just another technical question with some numbers that you provided? So you would mainly-- a lot of change mainly by just the 130, 140 percent gross income, right?

MATT WALLEN: Pardon me?

B. HANSEN: Sorry, I talk fast whenever I have coffee.

MATT WALLEN: OK.

B. HANSEN: It's ridiculous.

WILLIAMS: Getting deeper.

B. HANSEN: So your numbers that you provide increase in how much this is going to cost us was mainly attributed to the 130 to 140 percent change in gross income?

MATT WALLEN: That's correct.

B. HANSEN: And again, I don't know if that-- how this works, but does that also account for the tax cuts-- the federal tax cuts? Now they have-- instead of-- they doubled the standard deductions from \$12,000 to \$24,000 deductions which would affect the net income?

MATT WALLEN: I-- I'm not sure if we've adjusted for--

B. HANSEN: You know, because that might, that might--

MATT WALLEN: --the additional tax cut.

B. HANSEN: -- put a lot more people on this because now we can have a lot less net income now as well, if that was ever factor of somebody not getting it before.

MATT WALLEN: Well, well, I can take a look at that but primarily these are very low-income individuals or households that are applying for this benefit that don't have a significant tax burden.

B. HANSEN: OK. Sure.

MATT WALLEN: And if I could just address your one previous question--

B. HANSEN: Yeah.

MATT WALLEN: --around some of our surrounding states, what we've looked at, at the 130 percent FPL: South Dakota, Missouri, Colorado, Kansas, Wyoming, and Iowa are all at 130 similar to Nebraska.

B. HANSEN: OK.

HOWARD: Other questions?

WILLIAMS: Would you please repeat those--

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HOWARD: Yeah.

WILLIAMS: --states for me again.

MATT WALLEN: Yes, South Dakota, Missouri, Colorado, Kansas, Wyoming, and Iowa have a gross eligibility at 130 percent of the federal poverty level.

HOWARD: And then what's their net?

MATT WALLEN: A hundred percent.

HOWARD: Hundred percent.

MATT WALLEN: One hundred net is, is the federal statute. So everybody hits that hundred net FPL.

HOWARD: Thank you. Other questions? Senator Walz.

WALZ: Thank you. Thank you for coming today. I'm just curious so the-- going back to your testimony, the million dollars to implement. Is that-- does that include 50 percent of the federal? Isn't there a 50 percent that the feds will give you for admin? Does that include that?

MATT WALLEN: Yes, that, that includes a--

WALZ: So it's really a \$2 million cost?

MATT WALLEN: No, we're, we're looking at in the first year \$974,000 and that's split out \$487,000 and \$487,000 state to federal. And then in the second year, you're looking at just a little over \$500,000 for both state funds and federal funds for a total of about a million dollars.

WALZ: OK.

MATT WALLEN: So that, that is the,--

WALZ: Two year.

MATT WALLEN: --that is the 50/50 breakout.

WALZ: OK. And then one more quick question. And I apologize, I just took a quick look at this letter that you received-- federal

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performance bonus money of \$700,000 or so. Is that money that could be used-- just curious, toward social worker cost to implement?

MATT WALLEN: That's one-time dollars.

WALZ: Right.

MATT WALLEN: So when we, when we implement and make these changes we certainly have to make sure we have something that's sustainable. So I can't come in, in subsequent out years--

WALZ: Sure.

MATT WALLEN: --and ask for, for additional funds in a deficit request. Those bonus dollars, those can go towards the administration and improved administration in the SNAP program.

WALZ: OK. Thank you.

HOWARD: Senator Murman.

MURMAN: Yeah, thank you for testifying again, Director Wallen. I'm just wondering the federal poverty level, I do agree that the, the wages we're talking about here are very low. Do you have any insight as to how the federal poverty level is determined because we are at 130 percent? I'm not sure what federal poverty level exactly means.

MATT WALLEN: I, I, don't, I don't-- I, I guess I can't, no. I do know that when we look at 100 percent of the federal poverty level, when we look at a household of four with two working adults, you're, you're basically looking at-- you know, hourly income just over \$6 an hour. And you know, basically \$25,000 annual household income. So-- but I, I-- I'm, I'm not sure how the-- I believe that's put, put together probably by the U.S. Department of Health and Human Services--

MURMAN: Uh-huh.

MATT WALLEN: --[INAUDIBLE].

MURMAN: Well, the reason I ask-- or one reason I ask is I assume Nebraska's cost of living is probably lower than the national average. And if that federal poverty level is the same-- you know, nationwide, we are at 130 percent of that now. So just asking. Thanks a lot.

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MATT WALLEN: Thank you.

HOWARD: Other questions? I just, I just have a few. When you're thinking of the five hours, because I know that that's how you manage your workflow and access, the five hours is annually or every six months? Oh, and you, you phoned a friend.

MATT WALLEN: The Senator provided some, some additional information on some of our neighboring states that is different than what I provided. So I think we will have to do some, some additional research. It indicated that Colorado's federal poverty level is 200 percent; Iowa is 160; North Dakota is 200. I, I didn't mention some of those other ones but both Kansas, Kansas and Missouri are both 130 percent. The only ones that I guess are different are Colorado and Iowa. So I'd have to take a look at that.

HOWARD: Thank you. And Senator McCollister can clarify that in his closing as well.

MATT WALLEN: Certainly. But he also provided Illinois, Minnesota, and North Dakota. And I didn't, I didn't mention those states. So--

HOWARD: So when you're thinking about the five hours that for the initial application, the recertification after six months, and then any sort of changes that would happen that's the five hours for one household over a year.

MATT WALLEN: Um-hum.

HOWARD: OK. And then I, I know, I know Karen answered this earlier, but what is your average caseload size for a caseworker-- for a social service worker?

MATT WALLEN: We, we don't assign a, a caseload to the SSWs.

HOWARD: For the-- oh, OK. So they just-- it's how many calls they answer and how long it takes.

MATT WALLEN: Right. Yeah, there's-- there, there are weekly and, and monthly goals about how many calls you can answer and how many tasks you can complete, and things like that so we don't.

HOWARD: OK. And then how-- what, what are we paying? What's our average wage for our caseworkers? Our average salary?

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MATT WALLEN: For, for an SSW?

HOWARD: An SSW.

MATT WALLEN: It's \$16.79 an hour.

HOWARD: And then how does that relate to-- what's an annual salary then?

MATT WALLEN: I, I don't know what that comes out to real quick. I, I just have to do the math on \$16 an hour.

HOWARD: OK. And then how much are we paying case aides for an hour?

MATT WALLEN: It's less than that.

HOWARD: Yeah, it is less than that. How much do you think it would be?

MATT WALLEN: I, I don't, I don't have it off the top of my head how much a-- well, actually it might be in our fiscal note how much pay a case aide-- how we, how we pulled that together. No, that's not-- I don't have that dollar amount. I can, I can get that for you.

HOWARD: Yeah, would you.

MATT WALLEN: I know the, the SSWs are \$16.79 an hour.

HOWARD: And that's when they first come in and then are they able to get more than that if they stay for a long time or anything like that?

MATT WALLEN: No, that's [INAUDIBLE], that's what they--

HOWARD: OK. Perfect. Could you follow up with us, with us on that?

MATT WALLEN: I'll get you what the case aide hourly rate is, definitely.

HOWARD: All right. Any further questions for the Director? Seeing none, thank you for your testimony today.

MATT WALLEN: Great, thank you for the opportunity.

HOWARD: All right. Our next opponent testifier. Seeing none, is there anyone wishing to testify in a neutral capacity? Seeing none, Senator McCollister, you are welcome to close.

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McCOLLISTER: Thank you, Madam Chair and members of the committee. I have a, a few comments to make. First off, I think we need to acknowledge that food insecurity is real. Food insecurity is real in Nebraska and the needs are legitimate. So you know, we need to start from that premise. Why the 140, just 10 percent over the 130 percent? Well, this is my third attempt at a bill. And last year we went far higher, 30 percent more and we ended up with a huge fiscal note from the, from the, from the HHS. And so our attempt this year was to moderate the increase and make it easier for the department to comply with your request. As I pointed out earlier in my testimony, the fiscal note from the Legislative Fiscal Office is far better, far, far smaller. A \$155,000 rather than the half a million dollars that we saw from the Department. Two or three years ago, Senator Howard and I, Senator Howard and I were on the ACCESSNebraska task force and we saw the inner workings of, of, of the SNAP program. And I have to say the people that we saw there are overachievers, overachievers and they did a good job addressing some of those, those concerns that, that our, our constituents have. And I would also argue that many of those people that they say they're gonna have to reclassify are already on-- in their files of access. So whether or not it's gonna take actually five hours a month to deal with those people, I, I question. But I think it's important for us to rely primarily on the Legislative Fiscal Office. I think they're far more accurate. In my previous effort, they're using information from 1988 for some of their fiscal notes. And so I think we need to be a little dubious about some of those, those fiscal notes coming from the Department. Senator Arch, you asked about the, the fraud incidents and it's less than 2 percent. And we found that out through that task force that we were involved with. So-- and, and they are very aggressive in getting any, any overpayments and any of those people that may not actually be eligible for, for benefits of resolving some of those issues. So I think, I think we can be sure that fraud is not a huge problem. OK. What are some of the other percentages in other states? Colorado, 200 percent; Iowa, 160 percent; North Dakota, 200 percent; Illinois, 165 percent; Minnesota, 165; and Kansas and Missouri are like Nebraska, 130 percent. So we can see the states neighboring Nebraska, many of which have gone up considerably higher than Nebraska. A modest 10 percent increase is something we can deal with. Four more people in the Department is a very modest proposal. And if that works-- you know, we, we could go higher. But let's see how it works at 140 percent. Let's try it and help those people that are food insecure.

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HOWARD: Thank you. Are there questions? Any final questions?

B. HANSEN: Can I just--

HOWARD: Senator Hansen.

B. HANSEN: Thank you. So what are your thoughts about say-- for say, because of the fiscal note or because it cost the state we can't do it this year, but we're able to do more of a graduated decrease with every--

McCOLLISTER: Yeah.

B. HANSEN: --like where the more they make the less SNAP they get so it kind of helps them transition?

McCOLLISTER: I'd, I'd look at that in, in-- you know, future years. I also neglected to mention there is a multiplier effect in the money coming in Nebraska. I, I gave some of the statistics-- you know a dollar turns into at least seven when the money comes in from the federal government. Those people spend, spend those SNAP benefits. So that multiplier effect will actually help the state's economy. And whether in fact will be a real cost, I don't know because the state doesn't, doesn't-- you know, budget based on some kind of dynamic effect of greater income. But so I think this is a modest proposal that we should, we should move forward.

HOWARD: Other questions?

McCOLLISTER: Thank you.

HOWARD: Seeing none, thank you, Senator McCollister. This will close the hearing for LB255, and the committee will take a five-minute break. We will reconvene at 3:05.

[BREAK]

HOWARD: Thank you. All right. Welcome back. This will open the hearing for LB402, Senator Hilkemann's bill to eliminate an eligibility provision relating to nutrition assistance benefits as prescribed. Senator Hilkemann, you are welcome to open.

HILKEMANN: Good afternoon, Chairwoman Howard and members of the committee. I'm Senator Robert Hilkemann, that's R-o-b-e-r-t H-i-l-k-e-m-a-n-n, and I represent Legislative District 4. I'm here to

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introduce LB402, which would eliminate the ban on eligibility for the Supplemental Nutrition Assistance Program or SNAP for those with past drug offenses. In my four years in the Legislature and on the Appropriations Committee, the issue of prison overcrowding has been among our most challenging and dire. We've had special committees and outside consultants offer solutions all of which come with significant price tags. I'm a compassionate person and I'm moved by the obvious humanity of this issue. As a Legislature, I felt-- legislator, I felt more drawn to it as a tool at our disposal and reducing our prison population. Simply put, we need to do everything we can to keep people who have been in our system from ending up in the system again. When an individual is rebuilding their life after exiting prison, the last thing we would want to do is to put them in a position of desperation just to feed themselves or their family. In other words, denying a stable food source for those reentering the community after being convicted of a drug offense is counterproductive and increases the likelihood of recidivism. In reviewing the fiscal note, you will see no General Fund impact for this change. I am grateful for that and I do see a significant opportunity for savings. The cost of incarceration of one individual for a year in our prisons is roughly \$38,000. SNAP benefits are paid 100 percent by the federal government and the administrative costs are matched at 50 percent. Why wouldn't we allow for this simple change to potentially save tens of thousands of taxpayer dollars and help reduce prison overcrowding? Now the federal ban at the center of this issue was created in the 1990s. It does not appear to have been given the thought it should have by Congress at the time that it was instituted. According to a national criminal justice organization, The Sentencing Project, Congress spent all of two minutes debating the legislation before passing it. Congress did, however, allow for states to opt out. Recognizing problems of the ban, 44 states have opted out or have modified their bans. Twenty of those, including our neighboring states of Iowa and, and South Dakota, have opted out entirely similar to my proposal on LB402. Now SNAP provides the most stable source of food to people dealing with economic insecurity. Most people utilize SNAP for only a short period of time on average about nine months. Additionally, many recipients must engage in work requirements in order to be eligible for the program. When you think about the persons convicted of drug felonies being banned for life from this food assistance you need also to consider who is eligible. The arbitrary nature of the ban is quite frankly absurd. Someone can commit murder, drive under the influence of alcohol for four times, or be convicted of a child abuse, and once

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their time is served be eligible for SNAP benefits at any point in their life. But if that felony is committed in a drug crime, you are banned for SNAP benefits for life. Don't get me wrong, I believe in punishment for crime and I also believe in rehabilitation. I've taken the time to participate as a coach with the Defy Ventures Program that we have going on in our prisons. I visit our Honu Home here in Lincoln. Both of those experiences and many experiences I've had through life working with people who've made mistakes and seen their lives change. [INAUDIBLE] strong hope for those individuals who have made mistakes, served their time, and want a better life. LB402 removes a barrier to successful reintegration into the community while also reducing hunger for individuals and their families that are affected. This bill can help with prison overcrowding and save Nebraska tax dollars. I urge your favorable consideration of LB402 and would be happy to answer any questions that I might be able to answer.

HOWARD: Thank you, Senator. Are there questions? Senator Arch.

ARCH: What was the, what was the original federal law? Do you know? I don't mean to quote it, but I mean-- because it appears as though in our existing statute that-- I, I was wondering if we've already modified that federal law because it talks about three or more felony convictions you can't, less than that you can if you, if you then go through a program for substance abuse that type of thing. Did we-- had we already modified it? Was it, was it an out and out, was it an out and out ban of SNAP benefits? Do you, do you happen to know?

HILKEMANN: Senator Arch, I don't know the answer to that question, but I'll certainly check it out.

ARCH: OK, OK.

HOWARD: Other questions? Senator Cavanaugh.

CAVANAUGH: Thank you for your testimony. I just really wanted to say thank you for bringing up a, a really important issue of creative ways that we can be engaging in recidivism and appreciate learning more from future testifiers. So thank you.

HILKEMANN: Thank you.

HOWARD: Other questions? Senator Hansen.

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B. HANSEN: So I just wanted to make sure because I was trying to hear the testimony. The idea that if we give people who have committed felonies SNAP they will commit crime less often, so they will go to prison less often is the reasoning why we'll keep people out of prisons?

HILKEMANN: Well, I'm not-- if you've, if you've committed a felony right now and you've-- once you've done your time for the prison you can get SNAP benefits provided that the felony you did was not drug related.

B. HANSEN: Um-hum.

HILKEMANN: We've taken drug-related crimes and separated them out, and if you've committed a murder, you've-- as I've used the DUIs, all this, you can re-- you can get back on SNAP. This was part-- as I understand it, Senator, it's part of this let's get tough on drugs type of thing that was going on in Washington at one point. And so for some reason they separated it out. If it was a felony conviction due to a drug crime, you could never get SNAP benefits again. Now my question is-- and, and what-- where I bring this in is that people change and-- but I also see people, as, as I mentioned being over the Honu Home and you see, you see people who once they get out of prison and they're spending their time and they're trying to get their feet on the ground. The one thing that we ought to be able to do is to help them at least get their food benefits if they, if they qualify and other reasons. And, and so that's, that's why I brought this. It's, it's, it's just amazing when they're trying to find a job, trying to get back into society, and if they don't have food-- I thought about it in the sense of if you've been in that drug culture, it would be so easy to slip back in if they-- I need to have it just to put food on my-- food on the table.

B. HANSEN: That's what I was wondering right there.

HILKEMANN: It's the whole thing with recidivism for me, because it's, it's an easy thing for-- it would, it would be easier for, I would think, for them to get back into the drug culture than it would be to create another crime or sell to some major--

B. HANSEN: OK. Thank you. That's what-- I was looking for the rationale--

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HILKEMANN: Yeah.

B. HANSEN: --of why getting them back on SNAP prevents them from getting into prison again. And these you just mentioned,--

HILKEMANN: Right. Yeah, that's it.

B. HANSEN: --that's what I was looking for. OK. Thank you. Appreciate it.

HILKEMANN: Yep. OK. Thank you.

HOWARD: Other questions? Senator Williams.

WILLIAMS: Thank you, Senator Howard. And thank you, Senator Hilkemann, for bringing this legislation. And I just wanted to be sure I heard right in your testimony, how many states have opted out of this?

HILKEMANN: Twenty.

WILLIAMS: Twenty at the current time?

HILKEMANN: Um-hum.

WILLIAMS: Thank you.

HILKEMANN: Well, there's 44 states that have modified the program, 20 have completely opted out, which is what I'm recommending here.

WILLIAMS: OK.

HOWARD: Other questions? Seeing none, will you be staying to close? Oh, Senator Murman.

MURMAN: Thank you, Senator Howard. And thanks for bringing this, Senator Hilkemann. I'm thinking the reason-- the reasoning behind having ex-prisoners with drug convictions ineligible for SNAP is because there's a fear that, that money could be spent again on drugs. I'm wondering if you have any ideas or information on-- you know, how big of a problem that is or could be or was?

HILKEMANN: You know, Senator, I think that that's a really good observation there-- of it. I, I-- that, that may have been the thinking, I don't know, it wasn't a part of that original legislation that went on in the 90s. I don't think you could prevent that,

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unfortunately. But I think that, I think that once again we have to believe-- we have to give people a chance and opportunity. And will there be abuses of the system? Probably. There are abuses of the system today. And we-- but that doesn't mean that we throw-- should throw out the system entirely for everybody.

MURMAN: I agree. I was just wondering if you had any information or ideas on that.

HILKEMANN: I don't, I don't. You know, that's, that's a good question. I haven't looked into that. If we can find some information, I'll share it with you.

MURMAN: OK. Thanks a lot.

HOWARD: Senator Hansen.

B. HANSEN: I just have one more quick question, Senator. Do we know the approximate number of people that would be added on then? I see here-- I think the fiscal note, it says SNAP eligible applicants being 211. I'm just trying-- from a numbers perspective, do we have any idea--

HILKEMANN: I'm not sure what the numbers would be.

B. HANSEN: OK, doesn't matter, I was just wondering. Thank you.

HOWARD: Senator Williams.

WILLIAMS: Thank you, Senator Howard. Senator Hilkemann, you and I have both been on the floor of the Legislature and engaged in the debate on this issue over the last several years supporting this and that's certainly where I'm at. One of the questions that we will be asked to address on the floor, and I would just like to get your thoughts on it now, is about further drug testing of these convicted felons for this as this process goes on and as they qualify. Do you have any thoughts on that particular issue at this time?

HILKEMANN: I would guess that a lot of these people would be on probation and so forth. The, the drug testing would be a part of it anyway. So do I-- would I-- would we-- should we put in-- are you asking the question should we put a requirement that they have drug

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tests in order to, to get for these benefits? I guess, if that's the question, we could entertain that.

WILLIAMS: I am certainly not suggesting that. I think that will be an alternative or a, a thought that might be put forward on the floor. My concern would be-- but this is your testimony not mine, many of the people benefiting from these SNAP benefits are not only the convicted felon but their entire family--

HILKEMANN: Families.

WILLIAMS: --including their kids. Do you have a thought on that?

HILKEMANN: Yeah, so we penalize the entire family because of one. And I-- and so I do have thoughts that we need to-- that we provide these SNAP benefits for the entire family. You're right.

WILLIAMS: Thank you.

HOWARD: Other questions? Senator Murman.

MURMAN: Thanks a lot. Well, that brought up another question for me. I assume that if there was a family that they would be on the SNAP program while the, the person-- the convict was in prison. So when they get out does that make the whole family ineligible for SNAP?

HILKEMANN: I believe it does, Senator.

MURMAN: OK. Thank you.

HOWARD: And we may ask for some clarification later on that from our director as well,--

HILKEMANN: Yeah.

HOWARD: --because that's a great question. Any other questions? All right. Seeing none, you'll be staying to close with us?

HILKEMANN: I will.

HOWARD: Thank you.

HILKEMANN: I will.

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HOWARD: All right. We'll now open up the floor for any proponent testifiers. Good afternoon, again.

ERIN FEICHTINGER: Well, hello again. Chairwoman Howard, members of the Health and Human Services Committee, my name is Dr. Erin Feichtinger. I will spell that for you again. E-r-i-n F-e-i-c-h-t-i-n-g-e-r. I am still the community outreach and advocacy coordinator at Together whose mission remains the same from the last time we spoke. I do want to clarify real quick in regards to your question, Senator Murman, about the concern over using SNAP for drugs, if I'm correct. I think it's fair to say that when this ban was introduced, we were still using physical stamps. And so you could trade them easily. But now that we've transitioned to the EBT card, it is-- there are a lot more stricter requirements which is why we have-- we're seeing a 2 percent-- less than 2 percent fraud rate on this immense program. And there are experts behind me who can also clarify that-- what it is. Our food pantry numbers are still the same from the last time we talked, 13,900 households last year. Our food pantry is part of a comprehensive program called Nourish. SNAP Outreach is an essential component of our larger mission in the Nourish program to provide nutrition resources and education to every client who comes through our door. We do not help people get SNAP because we want them to stay on it forever. Rather, SNAP is only one part of a larger programming mission that seeks to increase resiliency and self-sufficiency through education and skills building so that people have a solid economic foundation for success. In 2018, we registered 153 families on SNAP representing a 61 percent increase from 2017. Together had a 68 percent approval rating in our outreach efforts in 2018. Of the 32 percent of applications that were denied, 13 percent of those denials were for previous drug felony convictions. But these are numbers, and numbers tend to obscure the very real humans who come through our doors every day of the week. Every person who visits our food pantry is experiencing hunger in some form or another and some of these people rely on us exclusively because of a past felony drug conviction. We cannot do more than give them food from the pantry because they will not ever qualify for SNAP benefits under current Nebraska statute. What this means is that a 63-year-old woman with serious health issues that have bankrupted her has had to rely on the goodwill of friends to bring her to our pantry once a month just to eat. She told me that she relies on herself and when she's too tired to do that, which is often, she relies on God to help her find food. Being denied for a past drug felony conviction means that a father of

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four children skips meals on a regular basis so that his kids can eat. I know that behind me there are several people who will be sharing their stories with you as well. Being denied SNAP for a past drug felony conviction means that even when you want to turn your life around, you will never have the critical tool that is SNAP to help you take care of yourself and your family. And that is what we are talking about here, real people and real families. Children who are not being provided the food that they need because their parent cannot qualify for SNAP. Seniors who are paying still for the mistakes of their youth. A whole population of Nebraskans who will find it more difficult than it already is to get back on their feet. Our business is to eventually put ourselves out of business. I know that that's antithetical to most things in our current economy, but what that means is that hunger will no longer exist in our community. SNAP helps us get closer to that ideal because it has been proven time and again as one of our most effective programs to reduce food insecurity. We want to be able to provide that same hope of a life without hunger to the people that we serve regardless of the decisions they made in the past. To us, they are people and because of that fact alone are deserving of our compassion. So I want to thank Senator Hilkemann and all the cosponsors for introducing this important bill. And thank you as well for your consideration in support of LB402. And I am happy to answer any questions you may have.

HOWARD: Are there questions? Senator Cavanaugh.

CAVANAUGH: Thank you, Chairwoman. Dr. Feichtinger, could you-- you, you talked about programs like Nourish to-- your goal is to get people out of the need for food assistance. So could you just give us sort of an example of a-- I know you don't have any typical clients, but of a client that if they were on SNAP and the progression, because we've had a conversation here today about not wanting people to stay within the system, but what are some services that Together does that kind of help along with SNAP to bring them out of the system?

ERIN FEICHTINGER: Sure. So what's interesting is the food pantry is the way that we get people in the door. SNAP is the way that we get them to stop relying on the food pantry, right? Interims-- but also with SNAP we also have a pretty comprehensive nutrition education program that is run by our AmeriCorps VISTAs who are amazing and much more capable of this than me and I get free food a lot which is great because-- but what-- why I get free food, they do cooking demonstrations in the pantry on a weekly basis so using items in the

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pantry to help people understand that they can eat healthy on a budget. Attached to that programming there is also, how do you eat healthy on a budget? How do you stretch your resources in a way that is sustainable? So really just skills building so that you don't have to rely on our pantry. You don't have to rely on SNAP. We're hoping to build that program even-- to have a more extensive reach even this year.

CAVANAUGH: Thank you.

HOWARD: Any other questions? Seeing none, thank you for your testimony today. Our next proponent testifier. Good afternoon.

SHELLEY MANN: Hi. Chairwoman Howard, members of the committee, thanks again. For the record, my name is Shelley Mann, S-h-e-l-l-e-y M-a-n-n, and I appear you-- I appear before you today in support of LB402 on behalf of the Food Bank for the Heartland and the Food Bank of Lincoln. We are the Feeding America food banks that serve the great state of Nebraska. I've been working in SNAP Outreach in application assistance for about seven years and I've visited, mentored, and done program evaluation and development on SNAP Outreach programming in more than 20 states at 37 different food banks. Food banks do not have the capacity to close the hunger gap by themselves. According to Feeding America for every meal provided by a food bank, there are 12 delivered by social safety net programs like SNAP. That's why positive changes to eligibility requirements are so very important to our organizations. But more importantly, it's incredibly important to those who need more than the Food Bank can provide but still don't meet the guidelines for SNAP eligibility, particularly those left behind by these antiquated policies leftover from the war on drugs that simply do not serve the same purpose as their original intent. And I know Dr. Feichtinger had addressed that. But when this policy was put into place, it was physical coupons which were very easy to, to pass around if needed. LB402 addresses a gap in that safety net. SNAP is there to support people in some of their most vulnerable times. And when someone has a conviction on the record, it can greatly impact their ability to find work, housing, and other essential resources. Food is vital for self-support, sustainability, and successful integration into society. The limitations that currently exist around nutrition assistance for those with drug felonies are cumbersome and confusing for those with dated convictions while simultaneously denying stable food for those reentering the community. Through our partnership with the Department of Corrections, we're able

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to help a large number of ex-offenders get assistance with food on their release. We're able to provide assistance with applying for SNAP benefits to ex-offenders with a variety of past convictions. But at this time, we are unable to assist those with drug felonies that do not meet the current requirements. These clients are unable to receive this critical support while their peers are able to apply with little to no barrier. The changes proposed in LB402 would make a significant impact on this targeted group of Nebraskans who have served their time and are in a vulnerable social position. LB402 falls in the footsteps of other neighboring states, like Iowa and South Dakota, eliminating the barriers to food access for those with prior drug felony convictions. Additionally, it would eliminate the burden on DHHS to track down paperwork related to the rehabilitation requirements and other legal information. The current processes can be time consuming for caseworkers and burdensome for clients. This bill provides stability and freedom for otherwise struggling families and individuals. It also streamlines the application process and reduces barriers to reentry by creating a point of access to one of our most basic needs. We support LB402 and encourage the committee to advance it to General File for debate. On behalf of the Food Bank, I'd like to thank you for allowing me to be here today. And I welcome any questions you may have.

HOWARD: Thank you. Are there questions? Senator Cavanaugh.

CAVANAUGH: Thank you, Chairwoman. Thank for your testimony today, Shelley--

SHELLEY MANN: Sure.

CAVANAUGH: --Ms. Mann. So you have a partnership with the Corrections, and so you're able to service ex-offenders upon release--

SHELLEY MANN: Yeah.

CAVANAUGH: --and right now it, it would actually make things easier just for your administration of the program if we eliminated this exemption, I guess you would say.

SHELLEY MANN: Yeah, so we partner-- the Food Banks-- if you don't know this are the sole contractor for the state outreach plan. So we have partners across the state who actually help folks sign up for SNAP and we do that in partnership with DHHS. Right now, we are starting on a new partnership with the Department of Corrections where folks who are

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looking at their release-- 30 to 60 days before they're released will actually be able to be in touch with one of our employees here at the Food Bank to help them actually do their application, figure out what next steps look like once they're released, and file that application for them on their release date which our hope is that will give people food within seven days of exit which we know is incredibly helpful.

CAVANAUGH: Great. Thank you.

SHELLEY MANN: Um-hum. But right now at this time drug felons cannot, obviously. So--

HOWARD: Any other questions? Senator Murman.

MURMAN: Thanks for coming in again. Do you-- I don't know exactly how this works. Do you work mainly with like churches or faith-based groups to like run the food bank or distribute the food?

SHELLEY MANN: So we collect food and funds. We kind of serve at the surface level as an umbrella organization.

MURMAN: Um-hum.

SHELLEY MANN: So we collect food and funds, volunteer time, all sorts of things. And then our network of pantries and meal providers are able to utilize those things so we distribute those by need. So instead of having to walk into the grocery store and see 25 barrels for St. John's pantry and-- you know, all these different churches, you would just see like one for the Food Bank and then they would be able to get that food from us.

MURMAN: So the location where you distribute the food is where exactly?

SHELLEY MANN: So we have a large warehouse in Omaha and then the Food Bank of Lincoln, of course, has their large warehouse here and then pantries from the whole state of Nebraska are able to get food from us. They come and pick it up, sometimes we go on routes and deliver that food to those smaller churches out in the Panhandle in central Nebraska.

MURMAN: OK. So the pantries or the local distribution point would typically be a church?

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SHELLEY MANN: I would, I would say you might be able to say typically. A lot of them are faith-based organizations. A lot of them are Community Action type programs. You'll see all kinds of different meal providers. There are a variety of folks who are interested in serving their communities.

MURMAN: OK. Sure.

SHELLEY MANN: Yeah.

MURMAN: And then just a little follow up on that. So if there wasn't a group like you to kind of distribute to statewide or on a bigger broader basis, would, would a faith-based group or church-- do you think they would step up to do that?

SHELLEY MANN: Well, so we actually-- so yes and no. Without the food from the Food Bank, I know that a lot of the faith-based organizations like churches have, have told us that they wouldn't be able to distribute food.

MURMAN: Um-hum.

SHELLEY MANN: They just don't have enough in donations from those smaller communities especially out west, it's really hard to-- you know, collect enough food to, to meet that need. And that fact that I mentioned from Feeding America hunger study is that for every one meal from Food Bank. So that includes all the pantries that belong to the Food Bank network across the United States, 12 are provided by SNAP so that gap is enormous. Without SNAP or with cuts to SNAP, we couldn't keep up.

MURMAN: OK. Thanks.

SHELLEY MANN: Um-hum.

HOWARD: Any other questions? Seeing none, thank you for your testimony--

SHELLEY MANN: Thank you.

HOWARD: --today. Our next proponent testifier. Good afternoon.

MATT HILL: Good afternoon, Chairperson Howard, committee members. My name is Matt Hill, M-a-t-t H-i-l-l. I am currently the TRADE program manager for the Center for People in Need. The TRADE program is an

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outreach program for-- that helps folks transition from state incarceration back into the community largely through life skills and employment training. A little bit I, I think-- I guess a little bit of background information on me that, that might help as well is not, not only was-- I'm the TRADE program manager-- excuse me, a little tongue-tied today. But formally before that, I was ten years with Corrections. I started off in 2006 as an officer at the State Pen. I later transitioned to a case manager in Tecumseh. I did about a year in Parole and then I finished up my ten years as an admin team member of the Diagnostic and Evaluation Center. It's been my experience that a large portion of our folks that are in-- incarcerated with, with drug convictions are themselves addicts. A large number of distribution manufacturing those things are to support that addiction. It's also been my experience that a successful transition back to the community depends on three things. The first thing is, that person has to make a decision on their own to change their life. The second is, Corrections has to provide them an opportunity that makes changes necessary through mental health programming, substance abuse, and educational programming. The third, and just as important as those two are the community support. SNAP benefits at their very core are supposed to help support individuals and family members during difficult times. A person who is transitioning into the community with just the clothes on their back and a \$100 release check is in those difficult times. We have asked them to change. They have decided to change. We have spent hard earned tax money on helping them, assisting them to change with mental health and substance abuse programming while incarcerated. And then we release them out into the community with nothing and expect them not to fall back on the things that they know best. If offenders have families that, that situation becomes even more direr. Prison was their punishment. We do not need to be punitive once they have paid that debt. We need to support them and show them that they can do the right thing and they can make it by doing the right thing and asking for help when they need it. And that's all I have to say today and thank you for your time.

HOWARD: Thank you. Are there questions? Seeing none, thank you for your testimony today. Our next proponent testifier.

DEMETRIUS GATSON: Hello. Good afternoon, Senator Howard, members of the committee. Before I start, I do have a question. Not only am I a proponent but I'm also a student at Southeast Community College and

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right now I'm-- I am completing my persuasive speech and I would like to know am I allowed to videotape it or can I get it from that?

HOWARD: I, I-- it's fine with me if you'd like to have a friend videotape it.

DEMETRIUS GATSON: Yes, my supervisor, Matt Hill will.

HOWARD: All right, all right. And, and Matt, you can come back here if you'd like to get a better view so that you can really get an A plus.

DEMETRIUS GATSON: Thank you very much.

HOWARD: Would you first start by stating and spelling your name for me?

DEMETRIUS GATSON: Yes, my name is Demetrius Gatson, D-e-m-e-t-r-i-u-s, last name Gatson, G-a-t-s-o-n. I am also a trade instructor at the TRADE program which is located at the Center for the People in Need. TRADE stands for tackling recidivism and in-- tackling recidivism and employment and developing employability. I can't talk today. It's probably because he's recording me-- "anyhoo." I am here in support of LB402. Now I want to go all the way back and talk about some things that people a long time ago seemed like it was really a good idea but they really aren't. First, if you really want to get biblically-- biblical like I do is-- it was read in the Bible that said: There is a way that seemeth right unto a man, and the end thereof were ways of death. That's Proverbs 14 and 12. Really what he's saying is that as in this case the most individuals, I think that the U.S. has taken a wrong turn over two courses of our history. The first is prohibition. As we all know prohibition was about production, importation, and the transportation of alcoholic beverages. Well, that lasted from 1920 to 1933, right? OK. Well, people didn't stop drinking. They kept drinking. They actually started making moonshine and bathtub gin, right? OK. Well, then I'm sure you guys have heard about how politicians took a radical tinge to power and they decided to do the war on drugs which was another misstep. Well, what it did was it devastated communities, destroyed lives and has sucked up untold resources. We put so much money into it, people still didn't get rid of drugs. They're still doing drugs. The epidemic is real right now. Fortunately, it looks like more people across the political spectrum are beginning to question the policies over mass incarceration and criminalizing our judicial system as well as our public health

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systems. Well, there seems to be an industrial complex that people are really getting sucked into. And the reason why I say they're getting sucked into it is because what you don't know is that I am an ex-felon. I was incarcerated-- over my 48 years of life, I've been incarcerated 15 years of it on and off. Currently, I'm a student at SCC. I work at the TRADE program which is the Center for the People in Need. I work with individuals who are in my position where I was before. I was incarcerated, they are currently incarcerated. I teach welding, forklift, and a little bit of construction if you give me that prop. But I teach all three of those and I teach them these skills because I want them to be marketable and employable when they are released. I don't want them to get out with a \$100 in their hand and nowhere to go and nothing to do with-- without a skill. So with that being said, I want you to know there's a growing interest in the recovery and the reentry into probably the opioid crisis as well. But mostly into the families because the families there's such a, such a broad spectrum in these families. They're not just poor people, middle-class people, these are people from every spectrum and every walk of life that have this problem. So an arbitrary ban to the SNAP benefits, which is formerly known as food stamps, it's, it's just for felons with drug convictions. It doesn't really say why, it's just that category of people. It's just drug convictions. Well, it's an ill-thought-out legacy that came from the 1990s, federal welfare reform legislation. Now Nebraska has denied SNAP benefits to an average of 649 families. That was between 2015 and 2016. From 2016 to currently, it is 1,168 people. That's not including the people that didn't apply because they already knew they can't receive it. So with all those people-- I don't know, DHHS-- I got this information from DHHS. So the current policy punishes not only the person that's been incarcerated but their families. Senator Murman, you asked, so while the offender is in their receiving-- their family is receiving these benefits. One thing, while I was incarcerated my mother received no benefits. She made too much money. When I got out, I received no benefits because I got a job. I had to get a job as part of parole. I received no benefits. So absolutely not. Some families do some families don't it depends on how your family works. Now what I do want to let you know is that people who've been incarcerated they need three things, and I think my boss spoke on this. They need support, and the support looks like family, friends, loved ones, but it also is in the community. It can come from church. It can also come from your caseworker-- sorry. It can also come from your caseworker and your-- from SNAP benefits. I am asking that you lift this ban on SNAP

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benefits so that we will be able to receive these benefits so that we can feed families because food is vital and it's vital for us to feed our families and for us to take care of ourselves. Thank you very much for having me today. I will offer-- I will answer any questions you have.

HOWARD: All right. Are there any questions from the committee? Senator Cavanaugh.

CAVANAUGH: Thank you for your testimony.

DEMETRIUS GATSON: No problem.

CAVANAUGH: What are you studying?

DEMETRIUS GATSON: I'm studying human services.

CAVANAUGH: Human services.

DEMETRIUS GATSON: Yes.

CAVANAUGH: Terrific. What would you like to do with that?

DEMETRIUS GATSON: I actually want to work with the Department of Corrections so that I can help those people that are reentering back into society so that they will have the resources that they need because I, I come across a few things. They come out, no money, they want to go back to doing what they did. They come out, no support, they want to go back to doing what they did. But then they also come out with no resources and they go back to doing what they did. I chose a different way, Moral Reconciliation Therapy is what I took and it helped me. It drove me to say, 15 years of your life Demetrius you're 48-years-old, that's, that's redundant. And I have a 23-year-old son who is actually in the penal system right now. And I don't ever want him to-- this is his first time and I want it to be his last.

CAVANAUGH: Thank you for your testimony--

DEMETRIUS GATSON: No problem.

CAVANAUGH: --and for the work you're doing.

DEMETRIUS GATSON: Thank you.

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HOWARD: All right. Any other questions? Seeing none, good luck on your grade.

DEMETRIUS GATSON: Thank you.

HOWARD: Thank you. Our next proponent testifier. Good afternoon.

DESTENIE COMMUSO: Good afternoon. My name is Destenie Commuso, D-e-s-t-e-n-i-e C-o-m-m-u-s-o. I'm the reentry coordinator for the Mental Health Association of Nebraska. And I also run Honu Home, which is a 20-bed, 14-bathroom building on 56th and Pioneers for men and women with addiction and mental health issues coming out of prison. Usually, I tell my own story, but I'm not gonna do that today because I'm not feeling well. So I'm just going to speak for the people that I serve today, and also clarify a couple things. It's not drug charges, it's delivery charges-- delivery of drug charges. But you know, the, the system is really good about putting the ambulance at the bottom of the hill rather than the gate at the top. And I think that we forget that 93 percent of the people going into our prisons are coming back out. And it's not so much that they want-- the prevention of going back into the system would be that they're not put in survival mode out here. It's hard to get a job. It's hard to find housing when you have a criminal record. I-- it's been 13, 14 years since my last charge, it's still hard for me to find housing. I've had the same job for ten years. And I also graduated Adult Drug Court that was supposed to expunge that charge but it's still very much shows on my criminal record. And then in little black letters at the very bottom it says, completed Adult Drug Court. Nobody cares about that. They care that I was charged with such crime. And then I watch all these men and women coming out and I just had one the other day, his delivery-- he called the expedited food stamp line and he was told that he couldn't get them because he had a delivery charge back in, I think, it was 2003. He didn't even remember that he had this charge. What was bad for this is that-- you know, we don't provide food at Honu. We ask for them to provide their own food and be able to cook and clean up for themselves because the idea is for them to be able to transition out and be able to continue taking care of themselves. They just came from prison where all their meals were made for them, their meds were given to them. They're told when to go to bed, when to wake up. And if we're expecting them to be successful, we should be providing them the opportunities to do so. And I'm not saying to abuse the system, but I can tell you that there is tons and tons of people out here that are abusing the system every single day. I would get people that'll

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message me and ask me if I know anybody that will sell them their food stamps. Well, I don't. This is my third year testifying on this bill. I hope it's my last because I have lots of pages on Google now about food stamps and I don't even get them. But I, I have to advocate for the people that need them. They need to eat. And I think what-- LB607, that passed a few years ago, I don't think anybody thinks about is so post-release supervision probation, probation used to be a pre-incarceration thing. Now it's also a post. So typically people who are going into drug offenses going into the prison they are required to attend the treatment programs in prison. The people that are getting sentenced to-- say a year, two years in prison and then up to three years of post-release supervision when they are released. They are not getting treatment inside, they are getting sent to treatment once they are released. A lot of times there's a wait period for that. And they are-- so when their sentence is over at prison they're discharged, considered like jammed, they're jamming to probation. So let's say they have three weeks till they can get into treatment. What do they do for three weeks? How do they-- you know, how do they eat for that three weeks? Because they don't get the-- they don't get the treatment. So they don't get that treatment certificate that is now required in order to receive. So I, I call it survival mode, not manipulating the system or abusing the system. That's all I got.

HOWARD: Thank you. Are there questions? Seeing none, thank you for your testimony today. Feel better. All right. Our next proponent testifier.

Y'SHALL DAVIS: Hello, everyone. I'm Y'shall Davis, and Y'shall is spelled Y-s-h-a-l-l, Davis, D-a-v-i-s. I'm a case manager at the Nebraska Urban Indian Health Coalition and a student at University of Omaha. I support LB402 because I know people personally who caught possession charges 14, 15 years ago and they still don't qualify for SNAP benefits. Most of the people who caught possessing charges were already living below the poverty line at the time they were charged. These individuals unfortunately still live below the poverty line because we know you can catch a possession charge and not necessarily do much Penitentiary time you know. So today these same individuals are much wiser but still deprived of the rights that even murderers can take advantage of. It's not fair and I think it's highly discriminatory. When you're trying to get back on your feet-- you know, you may have some support. However, no one wants to be fully carried by others so SNAP benefits allow a person to have the dignity that comes with at least being able to feed yourself. At my-- where I

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work at-- one of my roles is to sign the clients up for SNAP benefits. So I take their information, and one of the questions is do you have possession charges they say, yes. However, I still have to submit the application because I've seen instances where someone said, yeah, and they still receive SNAP benefits. Others say, yeah, and they don't. You know, I hear about the one to three charges so I know personally those with one charge won't get it-- you know, three most definitely not gonna get it. But it's like what the individuals-- when I tell them-- you know, OK, your application was accepted. It doesn't mean you're gonna get it because within a week I might get a letter saying, OK, they're denied because they had a possessive charge. But I just notice when I say, yeah, you know, it went through, there's this light in their eyes, I can see the hope in their eyes you know. Yeah, you know, like I really need that for myself and my family. And then when I tell them, I got that letter, you don't get it. Then I just see all the light just go out. Man, I got to, I have nothing. You know, and I ask those questions, those questions, do you have any resources? Do you have anything? To qualify for SNAP, you pretty much have to say, no, to everything on there, you know. And so it's discouraging for me because like-- well, I just wish there was something I could do personally to help you guys-- you know, be put in a position where you could take care of yourself and your family members. A lot of these women who are being denied they do have kids. So their struggle is-- you know, I'm in a drug treatment center, but I do-- when I get back home-- you know, repair my relationships with my children and stuff but it's like I don't have no money, I don't have no education. You know, I don't know where I'm gonna find employment at. And it's like I still got to go see these kids and it's like you don't have anything. So much goes into that-- you know, so I would just like to see-- you know, this bill go through because it's heartbreaking for those individuals not to be able to take care of themselves and their families. That's all I pretty much wanted to say. If you guys have any questions, I might have the answer so feel free to ask.

HOWARD: Thank you. Any questions? Seeing none, thank you for all the work you do--

Y'SHALL DAVIS: Well, thank you all for your time. Appreciate it.

HOWARD: --and thank you for testifying. All right. Our next proponent testifier. Good afternoon.

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AMIE JACKSON: Good afternoon, Senator Howard, members of the Health and Human Services Committee. My name is Amie Jackson, spelled A-m-i-e J-a-c-k-s-o-n. I work for the Mental Health Association of Nebraska's vocational life skills reentry programs and the Honu Home. I'm a peer outreach specialist assisting men and women being released from the Nebraska Department of Corrections. I have worked closely with hundreds, maybe even thousands to begin to rebuild their lives upon reentering back into our communities. I assist them with their basic needs first: their food, their clothing, their hygiene items, their bus passes, state IDs, and driver's license so they can go back to work and open bank accounts. I assist them in getting to doctor's appointments, therapists, psychiatrists, parole, and probation meetings. MHA provides peer support to help them through the overwhelming struggle it is to adjust back into today's society. These men and women have to work very hard upon release meeting so many demands and break through so many barriers they didn't even know were out here. They are often tired and weary but they keep pushing to obtain wellness to achieve greatness and feel a sense of purpose and hope. It is very important that their basic needs are met first. Food being at the top of that list. What I have seen in the last four years is they are unable to rely on these benefits permanently because they do improve their own economic stability by obtaining livable wages upon reentering the work force. Right now, there is a ban on anyone who has received a drug delivery felony to receive SNAP benefits. It denies them one of their first basic needs: food. The men and women with drug convictions have to rely on food boxes and food pantries that only provide perishable items. It does not give them the essential foods they need such as milk, eggs, meat products, bread, and produce. These SNAP benefits should be available for anyone who are sincerely trying to do the right thing. Some of them will be reunifying with their children and who-- they also need this essential basic need. Excuse me, sorry. We as a community-- if we as a community are not doing everything possible to help them become better citizens then we are failing as well, not just them. I am here today in support of LB402 to lift the ban on SNAP benefits for Nebraskans with drug-related felony convictions. Today, I urge you and ask you to please push this bill through legislation to pass to allow everyone no matter their conviction their right to obtain these benefits so they too can eat healthy and be healthy. Show them that equality can be an opportunity for them to succeed and achieve a better life. This is also my third, third or fourth year here testifying on this bill and I do want to add to this written testimony that I work closely when they

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are leaving the secured facilities or the Work Release Center and they're coming to our home or they're going to other places, we call in food boxes to the churches and so they get-- they have a \$100 gate fee. They have to get a cell phone. They have to have food to eat. So we have to call in a food box. We call the expedited phone number for SNAP benefits. It takes up to two days to a week to get them. But the ones with the drug convictions don't get them at all. So they have to keep relying on food banks and food pantries that are not readily available to them. It's just really heartbreaking to see the men and women that we serve, half of them getting the SNAP benefits and the other half are told, no. So they're seeing the-- what's the word I'm-- the inequality, the injustice of this bill from the 90s. So that's all I have. Thank you for having me. I'll answer any questions.

HOWARD: Are there any questions? Senator Walz.

WALZ: Specifically you are working with people who have mental health issues?

AMIE JACKSON: Mental health substance use or incarceration.

WALZ: OK. All right. Thank you.

AMIE JACKSON: Um-hum. You're welcome.

HOWARD: Other questions. Seeing none, thank you for testifying today.

AMIE JACKSON: Thank you.

HOWARD: Our next proponent testifier.

JEANETTE DORTCH: Good afternoon, Senators.

HOWARD: Good afternoon.

JEANETTE DORTCH: My name is Jeanette Dortch, J-e-a-n-e-t-t-e, Dortch, D-o-r-t-c-h. And I'm here in favor of the bill, LB402. I'm here on behalf of my family; nephew, other family members that are not eligible for food stamps because of their felonies. We did-- when getting out of the jail system, it is difficult to adjust back into society. Even harder when you don't have the resources or help from Human Services. I feel like this is double, double jeopardy when someone has done their time and taken classes in jail to become a better, more productive person when it is time to get out. I believe

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that this bill will also help reduce the criminal thinking by having more access to this benefit that will be able to provide food for their families. My brother has a felony charge. He's a single father. He did get SNAP benefits but he had to volunteer at Habitat for Humanity for 20 hours a week to be able to keep his SNAP benefits. He's now a manager at Habitat for Humanity helping others who have the need to get back on their feet. He does not have a drug-related felony, but it goes to show that these benefits do help and can make a positive outcome for someone and their families. I also am a felon, not drug related. I did volunteer work and got SNAP benefits. I can personally tell that it made me a better hardworking person. I am now a CNA Medication Aide for over the past 30 years. Because of these benefits, I was able to provide food on a table for my kids and family as a single parent. My, my nephew got out. He does, he does have a drug-related felony. He's not able to get these benefits and now he's struggling to find a job. He's trying and applying. He has a daughter to take care of, care of and it's people like that just need the help to get the-- get back on their feet and come-- become better citizens. I sincerely hope that you pass a bill-- this bill to help community, help the community that's much needed. I thank you for your time and your consideration.

HOWARD: Thank you. Are there any questions? Seeing none, thank you for your testimony today.

JEANETTE DORTCH: Thank you for having me.

HOWARD: Our next proponent testifier. Good afternoon.

DERRICK MARTINEZ: Chairwoman Howard and members of the Health and Human Services Committee. Let me loosen it up because it's gonna get deep here for a minute. For the record, my name is Derrick Olivares Martinez spelled D-e-r-r-i-c-k M-a-r-t-i-n-e-z, and I appear before you today in support for LB402. I currently work for Food Bank of Lincoln. Upon my release in 2012-- March 12, 2012, I found myself homeless. Between living in my car and a near Motel 6-- nearby Motel 6, I was, I was only able to shower two days a week. I would eat bananas and drink water for most meals. At random, fellow co-- fellow coworkers, also felons, would give me cold sack lunches. During the nights, I stayed in my motel. I would shower until the-- I would shower with hot water until it turned cold thinking to myself, you can make it Derrick, there are many others that have it worse than you. This way of thinking kept me humble. Pride kept me from reaching out

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to family members. I contacted the Department of Health and Human Services as I was seeking assistance for food stamps. I was told that due to my being a felon with a distribution conviction, I did not qualify for assistance. I broke down and reached out to a family member that allowed me to stay at his place until I had money for my own place. I was determined to ask for assistance once again, once again. I struggled for most-- I struggled as most of my money went for rent, bills, and child support. After starting a new job in construction, I had, I had a few health issues. I moved into my own place after a short time of working construction. During this time, I continued to put healthy food on my plate and also my daughter's during visitation. Most visits, I went without eating just so that way my daughter could eat. While things started to look good, they in fact would be derailed. I made a decision, a decision to attend college. My field of study was in human services. The choice of field was from my past experiences. I felt I needed to make a difference in others' lives. I started classes and lived off my grant money, student loans, and donating plasma. During my second, during my second year of school my first internship was at the top of the Tabitha Health Care where I also volunteered. My next internship was at CenterPointe. After a few months, I was offered a job at Touchstone, a short-term residential treatment facility. I took on one more volunteer position with People's City Mission. I felt the need to give back to my community. What better way, than to a population that is close to my heart. I was still hungry. In November of 2016, I was rushed to the emergency room. I had kidney stones and a black mass on my right kidney. In December of 2016, I was rushed to the ER once again. This time the doctors said, forget about the kidney stones. For now, we need to talk about the mass. A little bit further down, a little bit further down the line, the doctor wanted to perform surgery to remove the kidneys. There was urgency though. After the surgery, they discovered that I had black mass was actually cancer. On February 7, my birthday, I was asked to come into the doctor's office to talk about the cancer and discuss options. I asked how this could be. The doctor explained for the lack of nutrition or hereditary. Surgery took place on March 12, 2017. I returned to work for a few weeks later. I was still having complications. I was put on a Mediterranean diet. I couldn't afford this diet then and I still can't afford it now. I contacted Department of Health and Human Services and got the same response, you're a felon with a distribution conviction. This puts stress on my relationship with my fiancée. We broke up and I found myself once again homeless. I lived in a friend's garage in the spare bedroom from July of 2017 to

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December 2017. I moved in with my mother in Wyoming. I was depressed and needed to be back in Lincoln. I returned to Lincoln in March of 2018, living in a friend's basement. This time, I filled out the SNAP application on-line. Once again, denied. I worked odd jobs with the state SOS Program and gutter installation. I also worked with helping Medicaid expansion through FieldWorks. In September of 2018, I was hired by the Food Bank to work in operations and the child hunger department. To save money, I take, take a bus to work. I walk one and a half miles before and after the bus ride. Often, I'd meditate and think, what would I ask people in power to change this bill? That question, do you know what it feels like to feel hunger? Thank you for your time. I look forward to some change. If you have any questions, I'm here to answer any.

HOWARD: Senator Williams.

WILLIAMS: Thank you, Senator Howard. And thank you, Mr. Martinez, and happy birthday.

DERRICK MARTINEZ: Thank you. I appreciate that very much.

WILLIAMS: It makes a difference when we hear from people like you. We, as senators, have the opportunity to make a difference in people's lives. And we will do our best for you. Thank you for coming and your testimony today.

DERRICK MARTINEZ: Thank you. I appreciate that very much, sir.

HOWARD: Any other questions?

WALZ: I just have one more quick question.

HOWARD: Senator Walz.

WALZ: Thank you for coming and thank you for your testimony. Can I have a Kleenex? No, and happy birthday.

DERRICK MARTINEZ: Thank you.

WALZ: So I just wanted to ask, you were convicted in what year?

DERRICK MARTINEZ: In 2009.

WALZ: 2009.

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DERRICK MARTINEZ: Yes, ma'am.

WALZ: And after you were released in 2012?

DERRICK MARTINEZ: Yes.

WALZ: Never another conviction?

DERRICK MARTINEZ: Never.

WALZ: Never another conviction. It looks like all you did was good--

DERRICK MARTINEZ: Yes, ma'am.

WALZ: --from 2012 until today.

DERRICK MARTINEZ: Yes, ma'am.

WALZ: Everything you've done is good.

DERRICK MARTINEZ: I would like to think so, yes.

WALZ: Thank you.

DERRICK MARTINEZ: Yes, ma'am.

HOWARD: Any other questions? Thank you for sharing your story with us today.

DERRICK MARTINEZ: Thank you. I appreciate your time.

HOWARD: Our next proponent testifier.

ROLMIA DUENAS: Hello.

HOWARD: Good afternoon.

ROLMIA DUENAS: My name is Rolmia Duenas, it's R-o-l-m-i-a, last name is D-u-e-n-a-s. My name is Rolmia Duenas, I'm here in support of LB402. I am an ex-felon and my drug charges-- and they were drug charges. I got them in 2006. I have eleven children and when I got out of prison it was hard to get a job. I was doing treatment while I was in prison-- it's supposed to say. While I was in prison, I did the substance abuse unit and I am still in treatment. Well, at the Nebraska Urban Indian Health Coalition. It is difficult to get help and find resources to help my family and myself to get back on my

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feet. I believe this bill would help people to get-- people like me to get help temporarily and push me to find a job and still be able to put food on the table. As a single mother of 11 kids, it can be frustrating feeling like you are not able to provide anything and feeling like there is no one to help. When we get out of, when we get out of prison-- it supposed to say, and actually want to do better but there aren't that many resources. It is, it is easy to fall back into that mentality of finding the easy way out, such as getting back into bad habits and then it creates a cycle for our children. They see that and might do the same thing as they grow up. I have made mistakes in the past and I am trying to become a better person and especially a better mother to my children. I appreciate your time and I hope this bill passes and help, and help not just me but also more people that are-- that want to be better. Thank you.

HOWARD: Thank you. Are there questions? Seeing none, thank you for visiting with us today.

ROLMIA DUENAS: OK. Thank you.

HOWARD: Our next proponent testifier. Good afternoon.

JEFFREY JENKINS: Good afternoon. My name is Jeffrey Jenkins, J-e-f-f-r-e-y J-e-n-k-i-n-s. I'm here in support of LB402 because I feel like it's unfair for those who are getting out and getting better. Without that assistance, I feel like I have no level of existence. I feel like if this bill were to pass, I would be able to support family and myself, get food, and not ever think about going back to doing the things that put me in prison. I have relatives who are struggling today to feed their families, to meet nutritional needs, because of the stipulations of getting food stamps, they are doing what they can to provide. I have two kids. I have been trying my best to do better for them and provide for them. Our children are not getting the nutrition-- nutrition's met. With the SNAP benefits, it does not only benefit us for trying to integrate back into society but it also helps our children. I feel like the SNAP benefits-- my children will be able to not just meet their nutritional standards but also they will not have to see the daily struggles of not having their needs met and seeing their dad not being a provider as every parent should be. I have made my mistakes and paid my dues. I have learned and want to be a better human being for my children and for myself. I am not saying that I have the-- I'm not saying that having the benefits of SNAP is gonna fix everything but it is a helping step

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towards the right direction. I want to go back to school, work, and do what, do what I can to be a better person and I need help to achieve my goals. I really appreciate your time. I hope you consider your decision and help pass this bill. Thank you.

HOWARD: Thank you, Mr. Jenkins. Are there questions? Seeing none, thank you for your testimony today.

JEFFREY JENKINS: Thank you.

HOWARD: Our next proponent testifier. Good afternoon.

KEN SMITH: Good afternoon, Chairwoman Howard and members of the Health and Human Services Committee. My name is Ken Smith. That is spelled K-e-n S-m-i-t-h, and I am a staff attorney with the Economic Justice Program at Nebraska Applesseed. And for those who may not be aware, Nebraska Applesseed is a nonprofit, public interest law and policy organization that works for justice and opportunity for all Nebraskans. I appreciate the opportunity to testify in support of LB402. Many of the testifiers that have gone before me have very powerfully made the-- some of the points that I was going to attempt to make today. And so I thought instead of going with my prepared testimony, it would be helpful to try to address some of the questions that various members have raised regarding this bill and the SNAP program. So I think Senator Hansen, you had a question about the, the connection between recidivism and access to food assistance. And in my written testimony, I've provided references to a study that was done in Florida that I think if you follow the, the end notes and read the study you'll find that it was very thoroughly compiled and came to the conclusion that removing access to SNAP benefits from formerly incarcerated people did in fact lead to a, a pretty substantial change in recidivism in that when there was a barrier to receiving those-- to receiving food assistance, people were nine percent more likely to reenter the prison system after having left it. And so I think that whether or not we can be sure that those results would be replicated perfectly if this were done in Nebraska, I think it stands to show that there is empirical data and evidence to support the notion that has been brought up many times today which is that when folks are transitioning out of prison meeting their basic needs does in fact improve their chances of being able to successfully reintegrate. And I think this is such an important bill not only because it helps-- it could potentially help given that-- it could potentially help us address a very pressing issue in Nebraska which is overcrowding. Our

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prison system, I think at last-- according to their last quarterly report the system was about 155 percent of the designed capacity with some facilities closer to 300 percent of their designed capacity. And so LB402, if, if it, if it were to have a downward impact on our rate of recidivism which is right now about 27 percent, it could help us bring that overpopulation crisis under control. And not only that, it would do so in a manner that not only prevents people from returning to prison but actually gives people access to some of the basic necessities that they need to then get back into their communities, secure employment, try to secure housing, and start to thrive as productive members of society. I also wanted to respond to a question I think raised by Senator Murman regarding-- I think the question was, doesn't the family-- aren't they receiving SNAP or, or what effect would it have on a household if somebody were subject to the ban. And it's my understanding that while a person who is subject to the ban can still apply for SNAP for their children, the amount of SNAP a household receives is determined by the number of people in the household. If there were somebody who were not eligible because of the ban, it would substantially reduce the, the amount of benefits that would be flowing into that household. So it would in fact increase the kind of hardship of food insecurity for the household as a whole. I also wanted to address-- Senator Arch, I think you asked in the beginning whether we've already modified the SNAP ban, and we do already have a modified version of the SNAP ban. And I think you alluded to it. But in statute currently, if you have one or two possession or use charges you can still get benefits so long as you're participating or have completed an accredited treatment program. I think why LB402 is important is that, that requirement has in some cases acted as a de facto ban because of the cost and kind of long wait times associated with accredited treatment programs. And so people have not been able to access those programs such that they would be eligible for SNAP. And I see my time is running out. That went very quickly, maybe not for you but for me. [LAUGHTER] So I just wanted to end by, by responding to Senator Williams' observation about drug testing. And I think there's kind of a two-tiered answer to the question about whether we should impose drug testing. One is that, as has been testified to here today, the criminal justice process has a way of imposing those requirements. You know, information is gathered in a presentence investigation. The judge has all that information. When she renders a sentence, it takes that into account and treatment is generally required. I will finish there, and I'd be happy to answer

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any questions. If any of you had a question about what I was just talking about, I'd be happy to answer it.

HOWARD: Senator Williams.

WILLIAMS: Thank you, Senator Howard. And could you finish answering my question for me?

KEN SMITH: I would be happy to. So the criminal justice system, people who are convicted of drug-related offenses, the judge has that information in front of them when they sentence a person. And, and I worked for a couple of years in a prosecutor's office and got to see how thoroughly-- and I, I suppose I can't speak for other offices, but how thoroughly a presentence investigation in a sentencing effort takes into account potential substance abuse issues. And so the criminal justice system is already built to impose those requirements and to try to ensure people who have issues of that nature are able to get the help that they need. We've heard that not all the time is there access to that hope. That's another corrections issue that we can talk about. But setting that aside, I think that in other states that have tried to impose drug testing requirements, they have found that the amount of money that the state ends up spending to impose those requirements was not spent well when considering the outcomes of the drug tests which tend to show that very, very few people who take the drug test end up testing positive. And so from our perspective, it's an unnecessary expense that would either be accrued by the state or would be passed on to the participant. At which point, that would also serve essentially as a de facto ban.

WILLIAMS: Thank you for your help with that.

KEN SMITH: Um-hum.

HOWARD: Senator Cavanaugh.

CAVANAUGH: I'm gonna play freshman senator card here because maybe I'm not allowed to ask this, but could you maybe send us-- it seems like you took very diligent notes of today with a lot of, a lot of information that it'd be helpful to have that shared with the committee.

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KEN SMITH: I, I would be happy to. I may type up my notes. I'm not sure this thing would do you much good, but I'd be happy to share all of the information that I have with the committee.

CAVANAUGH: Thank you.

HOWARD: Senator Arch.

ARCH: Yeah, I think maybe you can answer this, this question for me. Are there-- is, is this particular conviction-- this drug-related conviction, is this the only, is this the only type of conviction that currently is on our books that, that either prevents or in some way restricts receiving SNAP?

KEN SMITH: Yes. So to just give a little bit more detail, when you say this conviction--

ARCH: The felony, the felony convictions for substance abuse.

KEN SMITH: That's, yes.

ARCH: OK. In previous history-- maybe you can't answer this question, but in previous history, were there others that have been systematically removed or was, was this, was this the only type of conviction for SNAP?

KEN SMITH: Well, I think the-- that goes to kind of the history of public benefits programs in the United States. And when this was passed in '96 or '97, I think it became essentially the only instance of, of, of picking out one kind of narrow subset of criminal offence and saying that disqualifies you from this particular benefit. And so I guess I can't speak to how-- like the history of other programs, but--

ARCH: But at that time, but at that time, that was, that was the only thing. So I only have to go back 20 years that's probably far enough to get some history. So then I, then I go to Senator Murman's comment earlier regarding, regarding the selling of food stamps. And, and do you know as far as the rationale for why that, why that-- I mean, there was a war on drugs and that was all of that. But do you know, was that, was that any type of rationale behind the thought as to why this particular felony?

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KEN SMITH: Well, I, I suppose-- I can't speak exactly to the rationale behind it. I know, as was brought up by Senator Hilkemann, this was only discussed for a minute or two. And so the legislative history is essentially bankrupt as to what the rationale may have been.

ARCH: The debate wasn't on record.

KEN SMITH: Right.

ARCH: There was, there was no debate.

KEN SMITH: I've-- yeah, I've tried-- the, the, the legislative history is extremely limited. It's hard to tell what the exact rationale was. But I would echo what Dr. Feichtinger testified to earlier which is that, that with the, the use of EBT cards and with what several testifies have described as the, the aggressive enforcement of, of-- you know, pursuing fraud and cases of abuse, SNAP has astoundingly low levels of, of fraud and abuse. I, I think there was a specific figure on the record from a Nebraska task force. I know that nationally the numbers are between half a percent and .9 percent in terms of total fraud and misuse of SNAP benefits. And so I think a lot of that has--well, I can't, I shouldn't say that. I think that the EBT cards make it so that it is at least more difficult to engage in that type of behavior. I do on the record to be clear that that type of behavior by all accounts is not common.

ARCH: Thank you.

HOWARD: Any other questions?

B. HANSEN: Just--

HOWARD: Oh, Senator Hansen.

B. HANSEN: I just want to make sure I get this clear in that I was getting conflicting messages here. So if somebody is convicted and they cannot get SNAP, SNAP because of a prior conviction, their family still can?

KEN SMITH: Their household may be eligible depending on a number of other factors. If, if a person, if a person in a household is ineligible because of the ban, it's my understanding that the household does not receive the, the same amount of SNAP benefits.

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B. HANSEN: That makes sense because one is ineligible. So--

KEN SMITH: Right.

B. HANSEN: But so-- but say it's, say it's a husband and wife and two kids, the wife and two kids are still getting SNAP benefits because they're still eligible for it-- you know, under the certain requirements?

KEN SMITH: I, I believe-- yeah, the household would, would-- could, could still be-- there are a lot of eligibility requirements. If they're already-- and DHHS may be able to provide additional guidance on this, but it's my understanding that, that if the household-- the household can still be receiving SNAP benefits even if one person in the household is disqualified under the ban.

B. HANSEN: OK.

KEN SMITH: But that-- then that pot of money that is used for food assistance is stretched over more people than--

B. HANSEN: Sure.

KEN SMITH: --it was intended to cover. And so in effect that takes food off of the plate of, of other people in the household including children.

B. HANSEN: Yeah, that makes sense. I just thought it was really messed up if the kids and the wife were not getting it either just because of somebody else. I, I just wanted to make sure I clarified that. So--

KEN SMITH: Yeah, and if I'm, if I'm-- I don't think I'm wrong, but if I'm wrong, I hope that can be cleared up. But I'm fairly sure that that is the case.

B. HANSEN: Yeah, makes sense. Thank you very much. Appreciate it.

KEN SMITH: Um-hum.

HOWARD: Any other questions? Senator Murman.

MURMAN: Yes, thank you. Thank you, Mr. Smith. My question is, you mentioned that we have a modified program now in the state and the ban is modified. And if I understood you correctly, if, if the person has

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one or two convictions they could be eligible for SNAP if they took some kind of drug, drug rehabilitation program?

KEN SMITH: That's true for people who have convictions that are possession or use related. If a person has a distribution conviction, they are not. If a person has one distribution conviction under the current statute, they are banned from receiving food assistance permanently. For people who have possession and use convictions, they can have up to two and still be eligible if they meet certain criteria including treatment in or completion of an accredited or licensed treatment program.

MURMAN: And about how long would that take to complete that program?

KEN SMITH: Gosh, I have, I have no idea.

MURMAN: OK, just no approximation at all?

KEN SMITH: I would be guessing.

MURMAN: OK. Thanks. And then also you, you did mention a statistic that-- I don't know if I understood you right, but if there, if there is some kind of a-- excuse me, if, if they-- if the person does receive SNAP programs it would reduce recidivism by 9 percent. Is that right?

KEN SMITH: Yeah, so the, the study looked at-- in the state of Florida looked at the history of that state which I believe changed their policy on, on SNAP, on the SNAP felony and disqualification. Although I don't, I don't know exactly when or how. But essentially, they were able to look at a sample size in Florida of people who were affected by the ban and were able to calculate based on comparing access to food assistance versus not how likely a person was to reoffend if they didn't have access to food assistance. And what they found is that access to food assistance had an impact on recidivism in that it made it more likely that somebody would reoffend and end up back in prison if they lacked access to food assistance. And so I went through some admittedly kind of back of the napkin mathematical calculations and I'm not a math major in any sense but, but what I, what I ended up trying to do was take the number of incarcerated people in the state of Nebraska that would potentially be impacted by the SNAP ban, apply that same 9 percent downward trend in recidivism to that population and try to come up with a rough estimate of how much money we would save given that we know how much money it takes to house one person

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for one year. And so that's-- that was kind of what, what, what I did there. And just because-- now I feel like I have to say it, my-- the calculation was that, that 9 percent would result in 18 fewer people of the 750 roughly in the average daily population who are there for serious drug offences. Eighteen fewer people, if the Florida numbers hold true, would, would not return to prison and that would save the state, for just those 18, about \$630,000. Obviously, that's kind of an ongoing investment because with-- you know, as that recidivism rate drops over time that, that savings will continue to accrue.

MURMAN: OK. Thanks.

HOWARD: Any other questions? Seeing none, thank you for your testimony today.

KEN SMITH: Thank you.

HOWARD: Our next proponent testifier. Good afternoon.

KATHY NORDBY: Thank you, Senator Howard and members of the committee. I am Kathy Nordby, K-a-t-h-y, Nordby is N-o-r-d-b-y. And as before, I am representing the Health Center Association of Nebraska and all of the federally qualified health centers across the state. I am again gonna follow off the crowd here and really truncate my, my presentation. I just want to emphasize one statistic that is the reason why we're here and we believe in this so strongly that I want to make sure my testimony is introduced at least, but it was said so much better by Derrick and the other representatives. And the, the statistic that I have is that people with instable food or poor quality food access have a 45 percent higher healthcare issues. The cost of healthcare's 45-- can be up to 45 percent higher for those people. And so we're in, in the trenches working with people and Derrick's not alone with his health issues related to poor nutrition or families like that in accessing what we provide for children and families. And so this is an important issue. It's a complex issue. And I would suggest besides the recidivism into the, the criminal system, we have issues regarding the cost of our healthcare, which I believe you'll be debating at some extent at different times during the session. So that's what I wanted to emphasize and I would entertain any questions you have.

HOWARD: Any questions? Seeing none, thank you for your testimony today. Any other proponent testifiers? Seeing none, we do have some

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letters for the record for LB402: Andi Curry Grubb, from the Planned Parenthood of the Heartland; Karen Bell-Dancy, from the YWCA; Sarah Zuckerman, representing herself; Derrick Goss, representing himself; Trisha Thompson, representing herself; Cindy Maxwell-Ostdiek, representing herself; Tessa Foreman, Nebraskans for Peace; Sheena Helgenberger, representing herself; Shawna Forsberg, from the United Way of the Midlands; Amy Miller, ACLU of Nebraska; Shelley Mann, Food Bank for Heartland and Lincoln Food Bank; Derrick Olivares Martinez, representing himself; Sarah Hanify, National Association of Social Workers Nebraska Chapter; and Julia Tse, Voices for Children in Nebraska. We would now like to invite any opposition testimony to speak. Good afternoon.

MATT WALLEN: Good afternoon, Chairperson Howard and members of the Health and Human Services Committee. My name is Matt Wallen, M-a-t-t W-a-l-l-e-n, and I am the director of the Division of Children and Family Services in the Department of Health and Human Services. I'm here to testify in opposition to LB402 which would amend state statutes by removing restrictions preventing persons with drug conviction-- convictions involving the sale, use, possession, or distribution of a controlled substance from receiving SNAP benefits. Currently, Nebraska law allows a person with one or two felony convictions involving the use or possession of drugs to qualify for SNAP benefits upon completion of a drug treatment after the conviction date. Any person with three or more drug felony convictions or with any drug felony conviction involving sale or distribution are permanently disqualified from receiving SNAP benefits. Under LB402, the state would opt out of the provisions set forth by the federal Personal Responsibility and Work Opportunity Act and allow all drug felons to be SNAP eligible as long as they meet other eligibility requirements. In the last two years, DHHS has denied or closed an average of 658 SNAP participants related to drug felonies. Internal data shows that 75 percent or 494 of ineligible members are part of an existing household receiving SNAP. While LB402 would allow more drug felons to qualify for SNAP, many would be added to households currently receiving benefits thus increasing the monthly allotments already being issued. DHHS supports citizens striving to overcome substance abuse and we believe the current statute strikes the right balance of ensuring program integrity while giving those with substance abuse convictions a second chance by requiring substance abuse treatment. Contrary to our position, LB402 removes requirements to complete substance abuse treatment programs for first and second

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time felony convictions of drug possession or use. Essentially, LB402 would remove helpful pathways from addiction to recovery by eliminating this provision in current law. As a state agency, we have a duty to properly steward the tax dollars earned by the hard work of our neighbors. I'm happy to answer any questions that you might have.

HOWARD: Are there questions? Senator Cavanaugh.

CAVANAUGH: Thank you, Chairwoman. Thank you again, Director Wallen, for being here today. You said that it removes the requirement to complete substance abuse treatment programs. And I guess I would think that it's not the, the work of, of, of your Department to be administering-- those or more under the Corrections Department as to what they should be completing upon the adjudication of their, their time in, in prison. So it's my understanding from previous testimonies that there are a whole series of things that you have to do to qualify for parole and then when you're on parole. So I think it removes that requirement for this specific benefit but doesn't necessarily mean that those requirements aren't in place for people when they're reentering into society. Would that be an accurate description in your mind?

MATT WALLEN: I'm, I'm not gonna-- I, I can't address the Corrections aspect of it from, from the Department of Health and Human Services-- I mean, we have, we have five divisions. Our mission is helping people live better lives. And one of our divisions is the Division of Behavioral Health which is the substance use and mental health and behavioral health expert for the state. And we work in children family services and all of our divisions work very closely with trying to, trying to help citizens that need substance abuse treatment and trying to get an, an assessment and understand the underlying-- you know, part of that disease and what we can do to help treat that. So I, I can't really speak to-- for the Corrections side of it.

CAVANAUGH: So is this a service that we as a state currently offer for free to people who are paroled?

MATT WALLEN: There are, there-- again, I can't address specifically the parole population.

CAVANAUGH: OK.

MATT WALLEN: What I will say is I know there are assessment and treatment opportunities through providers-- through private providers,

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through Medicaid providers, through regional behavioral health type providers that would be able to provide some sort of assessment and treatment type services.

CAVANAUGH: I guess my, my-- what I'm trying to get at is are we-- we're removing a requirement but that-- we're not removing access to these, these very like you said very important behavioral health addiction services. So the access still remains for the need that's there. We're just removing the requirement for this program.

MATT WALLEN: That's, that's correct.

CAVANAUGH: OK.

MATT WALLEN: LB402 would, would remove the requirement to have completed treatment in order to be eligible to receive SNAP benefits.

CAVANAUGH: But not access to the treatment.

MATT WALLEN: No we're not, we're not removing access to--

CAVANAUGH: They still have access to the same treatment [INAUDIBLE]--

MATT WALLEN: It should not address access issues.

CAVANAUGH: OK. Thank you.

HOWARD: Other questions? Senator Cavanaugh.

CAVANAUGH: So you also talked about the eligible-- ineligible members are part of existing households and that this would again expand eligibility. Is there-- I, I think well, that's kind of the point is to expand eligibility and to decrease food insecurity. So I guess I'm, I'm not fully clear on what-- the opposition to this from your Department seems to not be based on the financials as was your opposition in your previ-- for LB255, and so I'm unclear as to how the opposite-- what, what exactly the opposition is for Health and Human Services. Is the opposition that we're going to be giving people-- food, food insecure individuals' access to this program? Or is the opposition that we're going to remove a requirement? Is it both of those things?

MATT WALLEN: The opposition is that, that we're removing the treatment requirement for the first and second convictions drug related.

CAVANAUGH: OK.

MATT WALLEN: And we think those treatment options are a, are a pathway to recovery.

CAVANAUGH: And--

MATT WALLEN: Others may not take that pathway to recovery if they weren't required to, to do that treatment after the first or second conviction.

CAVANAUGH: And we've heard from testifiers today that the time delay when you are released from, from prison and from incarceration getting access to food immediately is one of the biggest priorities. And I'm sorry that I'm not familiar enough, but do they have to complete this substance abuse program before they get access to food currently?

MATT WALLEN: They, they would have to have a complete treatment before being eligible for, for the benefit.

CAVANAUGH: And they can't begin that until they're out of prison?

MATT WALLEN: They can begin that after conviction.

CAVANAUGH: After conviction?

MATT WALLEN: After conviction.

CAVANAUGH: OK. Thank you.

HOWARD: Other questions? Senator Williams.

WILLIAMS: Thank you, Chairman Howard. And thank you, Dr. Wallen, for being here today. Finding where I was here, and you're talking about a pathway to recovery for those that have had two or fewer possession convictions. What about a pathway to recovery with those that have had three or more or those that have only had one distribution charge?

MATT WALLEN: Right now, the existing legislation is only a pathway for two, two convictions--

WILLIAMS: Right.

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MATT WALLEN: --associated with possession or use, not, not the manufacture or distribution--

WILLIAMS: So we have no,--

MATT WALLEN: --or not a third.

WILLIAMS: --no provision for possible recovery for those, those other--

MATT WALLEN: The current state statute does not include a provision for, for an opportunity there.

WILLIAMS: OK. Thank you.

HOWARD: Senator Walz.

WALZ: I just had a question real quick. So you were talking with us-- first of all, I don't envy you. You were talking with Senator Cavanaugh about the opposition she asked you and so you're not opposed to the allowing more drug felons to qualify for SNAP that would be added to households currently receiving benefits? That's something you're not in opposition, it's just a statement or what is that?

MATT WALLEN: No, I mean not, not to be confused with my previous testimony. In my previous testimony on the previous hearing or the previous bill here today was associated really with the, with the very high fiscal note to, to process the increased number of applications and the very low benefit that would be received by the, the few eligible households after processing a pretty high number. It was a, it was a fiscal-related opposition. This opposition is around the lack-- or the lack of requirement for treatment services. I mean that's what we're,--

WALZ: Right.

MATT WALLEN: --we're saying is, I want to see people with a substance use disorder, people with a-- with that disease get on the pathway to recovery that they, that they do pursue treatment opportunities. And I, I guess in my testimony, I reference that it's, it's an additional 658 individuals who, who would be eligible and most of those come-- would be part of an existing SNAP household so you'd be adding additional benefits to that household. That's more of a, a statement--

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WALZ: OK.

MATT WALLEN: --of fact, it's not part of-- the opposition is the removal of the treatment requirement for one or two-- the first and second conviction.

WALZ: So with our testifier, Mr. Martinez,--

MATT WALLEN: Yes.

WALZ: --are you opposed to him receiving SNAP benefits for any reason?

MATT WALLEN: I'm gonna-- I got to follow the law and that's, that's what--

WALZ: I'm just saying-- I mean, is there-- OK. All right.

MATT WALLEN: I mean--

WALZ: I understand, yeah.

MATT WALLEN: He has a very compelling story and he's very admirable.

WALZ: I didn't know if there was something else missing from-- OK.

MATT WALLEN: No. What, what, what I want to continue to see and where the, the, the, the LB402 removes the treatment requirements and that's what-- I see treatment as an important component to recovery.

WALZ: All right. Thanks.

HOWARD: Senator Murman.

MURMAN: To receive SNAP programs after-- or the SNAP program after release from prison. There is no requirement for drug testing at all. Is that correct?

MATT WALLEN: The, the prohibition is around the, the conviction for the, the, the drug offense. There's, there's nothing around drug testing.

MURMAN: And this is probably out of your realm, but do you know the reason that there is no drug testing required?

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MATT WALLEN: I'm, I'm, I'm not sure, it, it goes back to the felony and the conviction. I don't know.

MURMAN: And typically, when the, when the person is on probation is there drug testing required while they're on probation after release from prison or are they typically on probation after release?

MATT WALLEN: I, I, I can't really speak to that. I don't, I don't, I don't have over [INAUDIBLE] responsibility to that adult probation population so I'm not gonna to speak to-- my understanding is if, if there is a drug-related offense or it may be part of their, their probation requirement. But--

MURMAN: OK. Thanks.

MATT WALLEN: I'm not, I'm not-- by, by any means I'm not a probation expert.

MURMAN: Yeah, thanks a lot.

MATT WALLEN: Yeah.

HOWARD: Other questions? I, I just want to clarify. So your concern is about the treat-- ensuring that there's a treatment-- that there's some sort of treatment option and that can be completed during their tenure while they're incarcerated.

MATT WALLEN: If it's an approved treatment program or a certified treatment program.

HOWARD: Are those offered in our correctional facilities?

MATT WALLEN: I do not know.

HOWARD: OK.

MATT WALLEN: I can check.

HOWARD: And then my other question is-- I, I appreciate very much the need for treatment for substance use disorder, but this is also for just possession, distribution, and sale and not all of those individuals are necessarily drug users or, or addicted to drugs. And so in that instance, if a substance use treatment program wasn't

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appropriate, would they still need to complete one anyway even if they didn't have an addiction issue in order to get their SNAP benefits?

MATT WALLEN: Under, under current law--

HOWARD: Under current law regardless of whether or not they need it they would still need to complete it?

MATT WALLEN: I, I guess I look at it under current law where they address the, the use and possession, right? And that's where the treatment,--

HOWARD: So if you're just holding,--

MATT WALLEN: --that's where the treatment is tied.

HOWARD: --if you're just holding, but you're not using so you-- and you don't have a substance use disorder under this you would still have to complete a substance use treatment?

MATT WALLEN: That's, that's-- I go back to the state statute that, that requires that.

HOWARD: And this, and this is another question around the treatment. If you don't have a substance use disorder and a physician isn't going to recommend that you take substance use treatment, how do you get it in order to receive your SNAP, SNAP benefits when you leave prison?

MATT WALLEN: Well, right now there is that requirement, right, for, for, for treatment.

HOWARD: Yeah.

MATT WALLEN: So you, you would have to--

HOWARD: But if, if you don't-- I mean, if you don't have a problem and a physician isn't ordering it, can you still just say, oh, I still want it so that I can get SNAP benefits when I leave prison?

MATT WALLEN: I would assume they wouldn't be-- they would not be eligible because they haven't completed--

HOWARD: The program.

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MATT WALLEN: --the program after, after a conviction.

HOWARD: OK. All right. Thank you. Thank you for clarifying that.

MATT WALLEN: Sure.

HOWARD: Other questions? Seeing none, thank you for your testimony today.

MATT WALLEN: Thank you for the opportunity.

HOWARD: Is anyone else wishing to testify in opposition? Seeing none, is there anyone wishing to testify in a neutral capacity? Seeing none, Senator Hilkemann, you are welcome to close.

HILKEMANN: I'll make it snappy.

HOWARD: You made it snappy. Fantastic. All right. This closes the hearing for LB402. And we are gonna take another five-minute break and reconvene at 5:00.

[BREAK]

HOWARD: All right, this will open the hearing for LB169 and I understand that Senator Hunt is unable to join us. She's in Judiciary, and so her legislative aide will be opening for her. So welcome whenever you're ready.

DEENA KEILANY: Thank you. Good afternoon, Chairperson Howard and members of the Health and Human Services Committee. My name is Deena Keilany, and that's D-e-e-n-a K-e-i-l-a-n-y. Like Senator Howard said, today I'm presenting you with LB169 on behalf of Senator Hunt of Legislative District 8 who could not be here today because she's presenting other bills in a different committee. So LB169 would increase access to Supplemental Nutrition Assistance Program benefits. Under current statute, an individual with a conviction for drug distribution or with three or more felony convictions for possession or use of controlled substances is ineligible to receive SNAP benefits. LB169 removes this lifetime ban. Additionally, the bill changes the requirement regarding participation in a substance abuse program for individuals with one or two felony convictions for use to three or more. The intent of this bill is to remove a major barrier to successful reintegration for formerly incarcerated people while also reducing hunger for affected people and their families. Over 600,000

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individuals are released from state and federal prisons every year who face serious barriers to obtaining employment and housing. And these are barriers that are reinforced by current statute. Making it more difficult for formerly incarcerated people to access food assistance perpetuates cycles of poverty, negatively impacts the children who depend on them, and increases rates of recidivism. I would like to share some data on this issue to demonstrate that expanding SNAP access for formerly incarcerated people instead of pushing them toward reoffending will result in cost savings for the state. So a person convicted of a drug felony spends an average of 1.6 years in jail and the average cost to incarcerate a person for one year in Nebraska is \$35,950. And that's a total cost of \$57,520. All SNAP benefits are federally funded and the state only has to share 50 percent of the cost of administration. According to the fiscal analysis provided by the Department of Health and Human Services, this regulation would result in costs so minimal that the Department would be able to absorb them. So we can either provide SNAP benefits to assist these folks get back on their feet and help support their families or we can spend \$57,520 to incarcerate each repeat offender that did not have the proper resources to successfully reenter their community. The population utilizing SNAP benefits is diverse and Senator Hunt wanted me to point out that she herself took advantage of SNAP benefits when she was struggling after a divorce as a young mother. She turned to public assistance for a temporary hand up just as hundreds of other parents have done in Nebraska for a variety of reasons not in their control. How are parents supposed to concentrate on finding work if all they can think about is their hungry child? This is why so many individuals who reoffend commit financially motivated crimes like theft or drug distribution. A study-- sorry, a study conducted at the University of Maryland in 2018 also gives us an idea of how this could play out in Nebraska. The study looked at individuals that committed drug-related crimes in Florida before and after a lifetime SNAP ban was introduced in the state. The study found that individuals who were convicted of drug-related crimes after the SNAP restrictions were imposed were 9 percent more likely to return to prison and that the crimes that resulted in recidivism were primarily spurred by financial need. We all want to make research-based policy decisions here and it's clear where the research is urging our state to go. I added a couple notes here that I would like to share if that's OK. LB169-- well, be-- I'd like to note that the fact that there are multiple bills addressing this issue speaks to the urgency of the issue and Senator Hunt supports LB402, that's Senator Hilkemann's bill. And she

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would actually prefer that a-- prefer the full repeal over these restrictions-- of these restrictions over a modification. But now the body might have multiple options so that's a plus. And as Senator Howard said, there are issues with the substance abuse program requirements. People who are not actually currently-- you know, dealing with substance abuse issues, it would not be appropriate for them to seek substance abuse programs or therapy in that capacity. And LB169 would have short-term costs and it would result in long-term savings by bolstering our communities, our families, and the work force. It would also remove an arbitrary punishment on individuals that have already served their time in jail. We've seen a national trend to move away from the lifetime bans and toward policies that ensure food security and stability for formerly incarcerated people and their families. And as Senator Hilkemann mentioned earlier, 44 states have opted out-- or have modified and 20 states have opted out entirely and that includes Iowa, Kansas, and South Dakota. It's time for us to join these states and adopt a commonsense, compassionate approach. I urge you to move this bill forward. Thank you.

HOWARD: Thank you. And I understand you're-- Senator Hunt is waiving closing.

DEENA KEILANY: Yes.

HOWARD: All right. Thank you so much for opening for her.

DEENA KEILANY: Thank you.

HOWARD: All right. We'll now open the floor for proponent testifiers. Good afternoon.

KATHY NORDBY: Again. Thank you, Senator Howard and the members of the committee. I'm Kathy Nordby, K-a-t-h-y N-o-r-d-b-y, and I'm the CEO for Midtown Health Center and representing the Health Center Association of Nebraska. I am gonna take the risk that you do not want to hear again much of the testimony from before. I think either way, I wanted to stay and show our support that we increase as much access we can to food, food security that it's a fundamental part of overall wellness and health for our, for our lowest income people and that's who I deal with. Ninety-one percent of the people we serve in our federally qualified health centers across the state are below 200 percent of poverty. And it really is a choice every day between medicine and food or housing and healthcare. These are, these are real

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choices. And if you live with these people every day, these are faces that you need to think about. So thank you.

HOWARD: Thank you. Are there questions for the testifier?

KATHY NORDBY: You'd think I get this down after three times today.

HOWARD: All right. Seeing none, thank you for your testimony today. Our next proponent testifier. Good afternoon.

KEN SMITH: Good afternoon again, Chairwoman Howard and members of the Health and Human Services Committee. My name is Ken Smith. That's spelled K-e-n S-m-i-t-h. I am a staff attorney at Nebraska Appleseed and I am here to testify in support of LB169 for many of the same reasons that we support LB420 [SIC] we support LB169. And the heart of that is simply that it would take steps forward towards increasing access to food assistance for people who are in that very vulnerable position of transitioning from incarceration and trying to become healthy and productive members of society. I won't repeat a lot of the same issues that we've spent a lot of time talking about today, but do want it noted that we agree with Senator Hunt that this bill would be a step forward but we do also share her perspective that a clean repeal and just enabling people who are getting out of, getting out of prison and trying to reintegrate into society to do so with some of their basic needs met is the better option. I also just wanted to note for the record for this, for this hearing and just the conversations we've been having throughout the day, the federal poverty level guidelines that control who does and who does not get SNAP. I wanted to put that in perspective very quickly so we're aware of the, the households that these benefits flow to. Right now the-- at the 2019 federal poverty guidelines for a household of 3, 100 percent of the federal poverty level is \$21,330 for a household of 3 people for a year. That means that the 130 percent of the federal poverty level which if you just take it kind of out of context that seems like you're at 130 percent of poverty so you're probably not in poverty. But that is a misconception that above the poverty level means somebody is not in poverty. One hundred and thirty percent of the current poverty level for a family of 3 people is \$27,729 a year. And that again is for the entire house that's for the household of 3, which comes down to, I think, about \$2,300 a month. So I just wanted that to be on the record for this committee's consideration. I wanted it to, to place a little bit of perspective on who SNAP benefits flow to. So for those reasons, we would support Senator Hunt's bill and any

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efforts to make basic necessities and basic human needs accessible to people who are trying to get out of prison and, and do the right thing. Thank you.

HOWARD: Thank you. Are there questions? Seeing none, thank you, Mr. Smith.

KEN SMITH: Thank you.

HOWARD: Our next proponent testifier. Seeing none, we have some-- oh, oh--

SHELLEY MANN: I was just gonna chime in.

HOWARD: Sure.

SHELLEY MANN: I thought there'd be more people.

HOWARD: Good afternoon, one more time.

SHELLEY MANN: Hello again, for the third time. My name is Shelley Mann, S-h-e-l-l-e-y M-a-n-n. And we understand that LB169 also supports the same constituency as LB402. But we just wanted to be on the record as Food Bank for the Heartland and the Food Bank of Lincoln as being in support of Senator Hunt's bill as well. Again, just like the Senator herself, we would prefer a full repeal but we like options so we just wanted to be here to let you know that we would also be in support of that. And I'm happy to answer any questions.

HOWARD: Great, are there questions? Seeing none, thank you for your testimony today.

SHELLEY MANN: Thank you.

HOWARD: Any other proponent testifiers? All right. We do have some letters for the record: Julia Tse, from Voices for Children in Nebraska; Shawna Forsberg, United Way of the Midlands; Amy Miller, ACLU of Nebraska; Sarah Zuckerman, self; Shelley Mann, Food Bank for the Heartland and the Lincoln Food Bank; Sarah Hanify, National Association of Social Workers Nebraska Chapter; Maddie Fennell, Nebraska State Education Association; Tom Venzor, Nebraska Catholic Conference; and Dr. Erin Feichtinger, Together, Inc.

CAVANAUGH: You got it.

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HOWARD: I got it. All right. We'll now invite anyone wishing to testify in opposition to LB169. Good afternoon for the last time.

MATT WALLEN: Good afternoon. Good afternoon, Chairperson Howard and members of the Health and Human Services Committee. My name is Matt Wallen, M-a-t-t W-a-l-l-e-n, and I'm the director of the Division of Children and Family Services in the Department of Health and Human Services. I am here to testify in opposition to LB169 which amends state statutes related to Supplemental Nutrition Assistance Program eligibility for drug felons. As you are aware, LB169 would allow individuals with a felony conviction for the distribution or sale of a controlled substance to qualify for SNAP. In addition, only those with three or more convictions for the use or possession of a controlled substance and have not completed substance abuse treatment would remain ineligible for SNAP. Under current law, individuals are ineligible for SNAP if they have received a conviction for drug distribution or drug sales or if they have fewer than three convictions for possession or use and have not completed treatment after conviction. Nebraska has the option to make these changes under federal statute. In the last two years, DHHS has denied or closed an average of 658 SNAP participants related for drug felonies. Internal data shows that 75 percent of ineligible members are already part of the household receiving SNAP. While LB169 would allow more drug felons to qualify for SNAP, many would be added to households currently receiving benefits thus increasing the monthly allotments already being issued. DHHS supports us in striving to overcome substance use-- substance abuse. Furthermore, DHHS believes current state statute strikes the right balance of ensuring program integrity while giving those with substance abuse convictions a second chance. However, as a state agency we have a duty to properly steward tax dollars earned by the hard work of our neighbors. I'm happy to answer any questions you might have.

HOWARD: Are there any questions? Senator Hansen.

B. HANSEN: So I'm trying to figure out-- it seems like the whole overarching purpose of changing this is to help keep people out of prison. Senator Hilkemann seems like he-- that's one of his main arguments. And so I try to look at-- so if that's our goal what data shows that not giving somebody SNAP, who has been convicted of a felony prevents them from-- you know, makes them go back to jail sooner? And the only study I've seen so far that Mr. Smith and Senator Hunt both provided, but I'm not familiar with it, so I, I just want

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to-- I don't know-- I didn't know if you've seen that study at all or if you're familiar with it at all because that's, that's some data that I think I need to look at a little more in help making a decision about some stuff. I just didn't know if you were familiar with that at all?

MATT WALLEN: No, I appreciate the question. I'm, I'm not familiar with that study, but I'll have to take a look at it.

B. HANSEN: [INAUDIBLE]. Thanks.

HOWARD: Other questions? Seeing none, thank you for your testimony today.

MATT WALLEN: Thank you for the opportunity.

HOWARD: All right. Is there anyone else wishing to testify in opposition? Seeing none, anyone wishing to testify in a neutral capacity? Seeing none, Senator Hunt has waived closing. And this will close the hearing for LB169 and end the hearings for the day. We will not have an Executive Session.