LEGISLATURE OF NEBRASKA
ONE HUNDRED SEVENTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 1113

Introduced by McKinney, 11.
Read first time January 19, 2022

Committee: Health and Human Services

1 A BILL FOR AN ACT relating to the Young Adult Bridge to Independence Act;
2 to amend section 43-4501, Reissue Revised Statutes of Nebraska; to
3 provide for a pilot program; to state intent to appropriate federal
4 funds; and to repeal the original section.
5 Be it enacted by the people of the State of Nebraska,
Section 1. Section 43-4501, Reissue Revised Statutes of Nebraska, is amended to read:

43-4501 Sections 43-4501 to 43-4514 and section 2 of this act shall be known and may be cited as the Young Adult Bridge to Independence Act.

Sec. 2. (1) For purposes of this section, targeted transfer means a monthly unconditional gift in the form of cash payments of equal amounts to eligible individuals.

(2) Beginning January 1, 2023, and ending on December 31, 2026, the department shall administer the Nebraska targeted transfer for transition-age youth pilot project. The goals of such pilot project are to: (a) Improve employment and financial stability and reduce the cliff effect for individuals who have aged out of the bridge to independence program; and (b) provide assistance to such individuals to address the negative economic impacts of the COVID-19 public health emergency on transition-age youth.

(3) Under the pilot project, an individual who ages out of the bridge to independence program at twenty-one years of age before December 31, 2024, shall be eligible for the pilot project and shall receive a targeted transfer of one thousand dollars per month, until December 31, 2026. Such eligibility shall apply without regard to the age the individual entered the program. The pilot project shall be voluntary for eligible individuals. Independence coordinators shall provide information to all eligible young adults prior to exiting the bridge to independence program, including the potential impacts of the participation in the pilot program on receipt of public benefits and postsecondary education assistance.

(4)(a) To the greatest extent authorized under federal and state law, the targeted transfer provided by this pilot project shall be considered an unconditional gift and shall not be taxable.

(b) To the greatest extent authorized under federal and state law, the targeted transfer provided by this pilot project shall not be
considered income or resources for purposes of determining eligibility to receive public benefits and financial aid or the amount of those benefits, including, but not limited to, the following programs:

(i) Aid to dependent children;

(ii) Supplemental nutrition assistance;

(iii) Any form of federal, state, and local housing assistance, including, but not limited to, housing choice vouchers, except that such targeted transfer may be treated as a deduction for research-related cash payment;

(iv) Nebraska earned income tax credit;

(v) Medical assistance;

(vi) Benefits under the Employment Security Law;

(vii) Child care subsidy;

(viii) General assistance established under sections 68-104 and 68-131; and

(ix) State and federal financial aid and postsecondary support, including, but not limited to, Federal Pell Grants, John H. Chafee Foster Care for Successful Transition to Adulthood Grants, grants under the Nebraska Opportunity Grant Act, and other need-based aid.

(5) The department shall work with at least one independent, research-based institution to complete an independent evaluation of the pilot project. The evaluation shall assess the effectiveness of the pilot project in achieving the goals described in subsection (2) of this section, including the impact on housing and employment stability, poverty reduction, financial stability, and educational attainment and the overall fiscal impact. On or before December 31, 2023, and on or before each December 31 thereafter through 2026, the department shall provide an evaluation report to the Health and Human Services Committee of the Legislature and the Nebraska Children's Commission. The report to the Legislature shall be provided electronically.

(6) For purposes of administering the pilot program, the department
may accept in-kind contributions, including, but not limited to, financial and other mentorship services for recipients.

(7) It is the intent of the Legislature to appropriate xxx dollars from Federal Funds for fiscal years 2022-23, 2023-24, 2024-25, and 2025-26 to the Department of Health and Human Services to carry out the purposes of this section. The Federal Funds to be appropriated are from the funds allocated to the State of Nebraska from the federal Coronavirus State Fiscal Recovery Fund pursuant to the federal American Rescue Plan Act of 2021, Public Law 117-2, Subtitle M, Sec. 9901.

Sec. 3. Original section 43-4501, Reissue Revised Statutes of Nebraska, is repealed.