

LEGISLATURE OF NEBRASKA  
ONE HUNDRED SEVENTH LEGISLATURE  
FIRST SESSION

**LEGISLATIVE BILL 485**

Introduced by DeBoer, 10.

Read first time January 15, 2021

Committee: Health and Human Services

- 1 A BILL FOR AN ACT relating to child care; to amend sections 68-1206 and
- 2 68-1724, Revised Statutes Cumulative Supplement, 2020; to change
- 3 provisions relating to child care assistance; to harmonize
- 4 provisions; and to repeal the original sections.
- 5 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 68-1206, Revised Statutes Cumulative Supplement,  
2 2020, is amended to read:

3 68-1206 (1)(a) ~~(1)~~ The Department of Health and Human Services  
4 shall administer the program of social services in this state. The  
5 department may contract with other social agencies for the purchase of  
6 social services at rates not to exceed those prevailing in the state or  
7 the cost at which the department could provide those services. The  
8 statutory maximum payments for the separate program of aid to dependent  
9 children shall apply only to public assistance grants and shall not apply  
10 to payments for social services. As part of the provision of social  
11 services authorized by section 68-1202, the department shall participate  
12 in the federal child care assistance program under 42 U.S.C. 9857 et seq.  
13 ~~618~~, as such sections ~~section~~ existed on January 1, 2021 ~~2013~~, and  
14 provide child care assistance to families with incomes up to ~~one hundred~~  
15 ~~twenty-five percent of the federal poverty level for FY2013-14 and one~~  
16 hundred eighty-five ~~thirty~~ percent of the federal poverty level ~~for~~  
17 ~~FY2014-15 and each fiscal year thereafter.~~

18 (b) Funds provided to the State of Nebraska pursuant to the Child  
19 Care and Development Block Grant Act of 1990, 42 U.S.C. 9857 et seq., as  
20 such act and sections existed on January 1, 2021, shall be used to  
21 implement this subsection. If the available amount of such funds is  
22 insufficient to implement this subsection, then funds provided to the  
23 state for the Temporary Assistance for Needy Families program established  
24 in 42 U.S.C. 601 et seq. may also be used. Nothing in this section shall  
25 prohibit state General Funds from being used to implement this  
26 subsection.

27 (2) As part of the provision of social services authorized by this  
28 section and section 68-1202, the department shall participate in the  
29 federal Child Care Subsidy program. A child care provider seeking to  
30 participate in the federal Child Care Subsidy program shall comply with  
31 the criminal history record information check requirements of the Child

1 Care Licensing Act. In determining ongoing eligibility for this program,  
2 ten percent of a household's gross earned income shall be disregarded  
3 after twelve continuous months on the program and at each subsequent  
4 redetermination. In determining ongoing eligibility, if a family's income  
5 exceeds one hundred ~~eighty-five~~ thirty percent of the federal poverty  
6 level, the family shall receive transitional child care assistance  
7 through the remainder of the family's eligibility period or until the  
8 family's income exceeds eighty-five percent of the state median income  
9 for a family of the same size as reported by the United States Bureau of  
10 the Census, whichever occurs first. When the family's eligibility period  
11 ends, the family shall continue to be eligible for transitional child  
12 care assistance if the family's income is below two hundred ~~one hundred~~  
13 ~~eighty-five~~ percent of the federal poverty level. The family shall  
14 receive transitional child care assistance through the remainder of the  
15 transitional eligibility period or until the family's income exceeds  
16 eighty-five percent of the state median income for a family of the same  
17 size as reported by the United States Bureau of the Census, whichever  
18 occurs first. The amount of such child care assistance shall be based on  
19 a cost-shared plan between the recipient family and the state and shall  
20 be based on a sliding-scale methodology. A recipient family may be  
21 required to contribute a percentage of such family's gross income for  
22 child care that is no more than the cost-sharing rates in the  
23 transitional child care assistance program as of January 1, 2015, for  
24 those no longer eligible for cash assistance as provided in section  
25 68-1724. Initial program eligibility standards shall not be impacted by  
26 the provisions of this subsection.

27 (3) In determining the rate or rates to be paid by the department  
28 for child care as defined in section 43-2605, the department shall adopt  
29 a fixed-rate schedule for the state or a fixed-rate schedule for an area  
30 of the state applicable to each child care program category of provider  
31 as defined in section 71-1910 which may claim reimbursement for services

1 provided by the federal Child Care Subsidy program, except that the  
2 department shall not pay a rate higher than that charged by an individual  
3 provider to that provider's private clients. The schedule may provide  
4 separate rates for care for infants, for children with special needs,  
5 including disabilities or technological dependence, or for other  
6 individual categories of children. The schedule may also provide tiered  
7 rates based upon a quality scale rating of step three or higher under the  
8 Step Up to Quality Child Care Act. The schedule shall be effective on  
9 October 1 of every year and shall be revised annually by the department.

10 Sec. 2. Section 68-1724, Revised Statutes Cumulative Supplement,  
11 2020, is amended to read:

12 68-1724 (1) Cash assistance shall be provided for a period or  
13 periods of time not to exceed a total of sixty months for recipient  
14 families with children subject to the following:

15 (a) If the state fails to meet the specific terms of the self-  
16 sufficiency contract developed under section 68-1719, the sixty-month  
17 time limit established in this section shall be extended;

18 (b) The sixty-month time period for cash assistance shall begin  
19 within the first month of eligibility;

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

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

1 (d) The self-sufficiency contract shall be revised and cash  
2 assistance extended when there is no job available for adult members of  
3 the recipient family. It is the intent of the Legislature that available  
4 job shall mean a job which results in an income of at least equal to the  
5 amount of cash assistance that would have been available if receiving  
6 assistance minus unearned income available to the recipient family.

7 The department shall develop policy guidelines to allow for cash  
8 assistance to persons who have received the maximum cash assistance  
9 provided by this section and who face extreme hardship without additional  
10 assistance. For purposes of this section, extreme hardship means a  
11 recipient family does not have adequate cash resources to meet the costs  
12 of the basic needs of food, clothing, and housing without continuing  
13 assistance or the child or children are at risk of losing care by and  
14 residence with their parent or parents.

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

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

22 (b) The payment standard shall be based upon family size;

23 (c) The adults in the recipient family shall ensure that the minor  
24 children regularly attend school. Education is a valuable personal  
25 resource. The cash assistance provided to the recipient family may be  
26 reduced when the parent or parents have failed to take reasonable action  
27 to encourage the minor children of the recipient family ages sixteen and  
28 under to regularly attend school. No reduction of assistance shall be  
29 such as may result in extreme hardship. It is the intent of the  
30 Legislature that a process be developed to insure communication between  
31 the case manager, the parent or parents, and the school to address issues

1 relating to school attendance;

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

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

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

23 Sec. 3. Original sections 68-1206 and 68-1724, Revised Statutes  
24 Cumulative Supplement, 2020, are repealed.