

LEGISLATURE OF NEBRASKA
ONE HUNDRED NINTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 734

Introduced by Hunt, 8.

Read first time January 07, 2026

Committee: Health and Human Services

1 A BILL FOR AN ACT relating to the Supplemental Nutrition Assistance
2 Program; to amend section 68-1017.02, Revised Statutes Supplement,
3 2025; to require the Department of Health and Human Services to
4 apply for a waiver of work requirements for certain individuals; to
5 eliminate provisions relating to work requirements as prescribed;
6 and to repeal the original section.

7 Be it enacted by the people of the State of Nebraska,

1 **Section 1.** Section 68-1017.02, Revised Statutes Supplement, 2025, is
2 amended to read:

3 68-1017.02 (1)(a) The Department of Health and Human Services shall
4 apply for and utilize to the maximum extent possible, within limits
5 established by the Legislature, any and all appropriate options available
6 to the state under the federal Supplemental Nutrition Assistance Program
7 and regulations adopted under such program to maximize the number of
8 Nebraska residents being served under such program within such limits.
9 The department shall seek to maximize federal funding for such program
10 and minimize the utilization of General Funds for such program and shall
11 employ the personnel necessary to determine the options available to the
12 state and issue the report to the Legislature required by subdivision (b)
13 of this subsection.

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

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

31 (2)(a) The department shall develop a state outreach plan to promote

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

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

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

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

1 the plan.

2 (3)(a) It is the intent of the Legislature that:

3 (i) Hard work be rewarded and no disincentives to work exist for
4 Supplemental Nutrition Assistance Program participants;

5 (ii) Supplemental Nutrition Assistance Program participants be
6 enabled to advance in employment, through greater earnings or new,
7 better-paying employment;

8 (iii) Participants in employment and training pilot programs be able
9 to maintain Supplemental Nutrition Assistance Program benefits while
10 seeking employment with higher wages that allow them to reduce or
11 terminate such program benefits; and

12 (iv) Nebraska better utilize options under the Supplemental
13 Nutrition Assistance Program that other states have implemented to
14 encourage work and employment.

15 (b)(i) The department shall create a TANF-funded program or policy
16 that, in compliance with federal law, establishes categorical eligibility
17 for federal food assistance benefits pursuant to the Supplemental
18 Nutrition Assistance Program to maximize the number of Nebraska residents
19 being served under such program in a manner that does not increase the
20 current gross income eligibility limit except as otherwise provided in
21 subdivision (3)(b)(ii) of this section.

22 (ii) Such TANF-funded program or policy shall increase the gross
23 income eligibility limit to one hundred sixty-five percent of the federal
24 Office of Management and Budget income poverty guidelines as allowed
25 under federal law and under 7 C.F.R. 273.2(j)(2), as such law and
26 regulation existed on April 1, 2021, but shall not increase the net
27 income eligibility limit.

28 (iii) To the extent federal funds are available to the Department of
29 Labor for the SNAP Next Step Program, until September 30, 2023, any
30 recipient of Supplemental Nutrition Assistance Program benefits whose
31 household income is between one hundred thirty-one and one hundred sixty-

1 five percent of the federal Office of Management and Budget income
2 poverty guidelines and who is not exempt from work participation
3 requirements shall be encouraged to participate in the SNAP Next Step
4 Program administered by the Department of Labor if the recipient is
5 eligible to participate in the program and the program's services are
6 available in the county in which such household is located. It is the
7 intent of the Legislature that no General Funds be utilized by the
8 Department of Labor for the processes outlined in this subdivision (iii).
9 For purposes of this section, SNAP Next Step Program means a partnership
10 program between the Department of Health and Human Services and the
11 Department of Labor to assist under-employed and unemployed recipients of
12 Supplemental Nutrition Assistance Program benefits in finding self-
13 sufficient employment.

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

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

24 (c) For purposes of this subsection:

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

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

29 (4)(a) Within the limits specified in this subsection, the State of
30 Nebraska opts out of the provision of the federal Personal Responsibility
31 and Work Opportunity Reconciliation Act of 1996, as such act existed on

1 January 1, 2009, that eliminates eligibility for the Supplemental
2 Nutrition Assistance Program for any person convicted of a felony
3 involving the possession, use, or distribution of a controlled substance.

4 (b) A person shall be ineligible for Supplemental Nutrition
5 Assistance Program benefits under this subsection if he or she (i) has
6 had three or more felony convictions for the possession or use of a
7 controlled substance or (ii) has been convicted of a felony involving the
8 sale or distribution of a controlled substance or the intent to sell or
9 distribute a controlled substance. A person with one or two felony
10 convictions for the possession or use of a controlled substance shall
11 only be eligible to receive Supplemental Nutrition Assistance Program
12 benefits under this subsection if he or she is participating in or has
13 completed a state-licensed or nationally accredited substance abuse
14 treatment program since the date of conviction. The determination of such
15 participation or completion shall be made by the treatment provider
16 administering the program.

17 (5) No later than October 1, 2026 and each October 1 thereafter, the
18 department shall submit an application to the United States Department of
19 Agriculture to waive work requirements for homeless individuals,
20 veterans, and foster care individuals pursuant to section 17(b) of the
21 federal Food and Nutrition Act of 2008. Such waiver application shall
22 restore the work requirement exemptions as such exemptions existed prior
23 to the federal changes implemented in section 10102 of Public Law 119-21
24 for homeless individuals, veterans, and foster care individuals. For
25 purposes of this subsection, a foster care individual is an individual
26 who is twenty-four years of age or younger and who was in foster care on
27 the date such individual attained eighteen years of age or older.

28 (5) Unless expressly required by federal law, the department shall
29 not seek, apply for, accept, or renew a waiver of any work requirement
30 established by the Supplemental Nutrition Assistance Program under 7
31 U.S.C. 2015(o), as such section existed on January 1, 2025, except that

1 the department may exercise the state's option to provide an exemption
2 from the work requirement under 7 U.S.C. 2015(o)(6), as such section
3 existed on January 1, 2025.

4 (6) The department may, at its discretion, exercise its authority
5 under 7 U.S.C. 2015(d), as such section existed on January 1, 2025, to
6 require individuals, unless specifically exempted by federal regulations
7 or law, to participate in an employment and training program as defined
8 in 7 U.S.C. 2015(d)(4), as such section existed on January 1, 2025.

9 **Sec. 2.** Original section 68-1017.02, Revised Statutes Supplement,
10 2025, is repealed.