

## LEGISLATIVE BILL 85

Approved by the Governor April 11, 2006

Introduced by Byars, 30; Price, 26

AN ACT relating to personal assets; to amend sections 12-1106 and 68-129, Reissue Revised Statutes of Nebraska; to change provisions relating to designation of irrevocable funds; to harmonize provisions; and to repeal the original sections.

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

Section 1. Section 12-1106, Reissue Revised Statutes of Nebraska, is amended to read:

12-1106 At the written request of the pre-need purchaser, the first ~~three~~ four thousand dollars, increased annually as provided in this section, paid by the pre-need purchaser which is placed in trust by the pre-need seller may be designated as irrevocable in accordance with the rules and regulations of the Department of Health and Human Services. The Department of Health and Human Services shall increase such amount annually on September 1 beginning with the year 2006 by the percentage change in the Consumer Price Index for All Urban Consumers published by the Federal Bureau of Labor Statistics at the close of the twelve-month period ending on August 31 of such year. Upon default or cancellation any trust funds designated as irrevocable shall be governed by section 12-1113.

Sec. 2. Section 68-129, Reissue Revised Statutes of Nebraska, is amended to read:

68-129 The Director of Health and Human Services shall, by rule and regulation, when determining need for public assistance on the basis of available resources, exclude from the definition of available resources of an applicant for assistance either the funds deposited in an irrevocable trust fund created pursuant to section 12-1106 or up to ~~three~~ four thousand dollars, increased annually as provided in this section, of the amount paid for a policy of insurance the proceeds of which are specifically and irrevocably designated, assigned, or pledged for the payment of the applicant's burial expenses. The Department of Health and Human Services shall increase such amount annually on September 1 beginning with the year 2006 by the percentage change in the Consumer Price Index for All Urban Consumers published by the Federal Bureau of Labor Statistics at the close of the twelve-month period ending on August 31 of such year. This section shall not preclude the eligibility for assistance of an applicant who has purchased such a policy of insurance prior to July 9, 1988, unless such applicant is subject to subdivision (3) of section 68-1002.

Sec. 3. Original sections 12-1106 and 68-129, Reissue Revised Statutes of Nebraska, are repealed.