

LEGISLATIVE BILL 351

Approved by the Governor May 31, 2007

Introduced by Stuthman, 22; Erdman, 47

FOR AN ACT relating to the Welfare Reform Act; to amend sections 43-504, 43-512, 68-1709, 68-1710, 68-1718, 68-1722, 68-1723, and 68-1724, Reissue Revised Statutes of Nebraska, and sections 68-915, 68-1713, and 68-1721, Revised Statutes Cumulative Supplement, 2006; to change provisions relating to time limits, eligibility, and transition payments as prescribed; to harmonize provisions; and to repeal the original sections.

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

Section 1. Section 43-504, Reissue Revised Statutes of Nebraska, is amended to read:

43-504 (1) The term dependent child shall mean a child under the age of nineteen years who is living with a relative or with a caretaker who is the child's legal guardian or conservator in a place of residence maintained by one or more of such relatives or caretakers as his, her, or their own home, or which child has been removed from the home of his or her father, mother, grandfather, grandmother, brother, sister, stepfather, stepmother, stepbrother, stepsister, uncle, aunt, first or second cousin, nephew, or niece as a result of judicial determination to the effect that continuation in the home would be contrary to the safety and welfare of the child and such child has been placed in a foster family home or child care institution as a result of such determination, when the state or any court having jurisdiction of such child is responsible for the care and placement of such child and one of the following conditions exists: (a) Such child received aid from the state in or for the month in which court proceedings leading to such determination were initiated; (b) such child would have received assistance in or for such month if application had been made therefor; or (c) such child had been living with such a relative specified in this subsection at any time within six months prior to the month in which such proceedings were initiated and would have received such aid in or for the month that such proceedings were initiated if in such month the child had been living with, and removed from the home of, such a relative and application had been made therefor.

(2) ~~Except as provided in subdivision (2)(b) of section 68-1724, in~~ In awarding aid to dependent children payments, the term dependent child shall include an unborn child but only during the last three months of pregnancy. A pregnant woman may be eligible but only (a) if it has been medically verified that the child is expected to be born in the month such payments are made or expected to be born within the three-month period following such month of payment and (b) if such child had been born and was living with her in the month of payment, she would be eligible for aid to families with dependent children. As soon as it is medically determined that pregnancy exists, a pregnant woman who meets the other requirements for aid to dependent children shall be eligible for medical assistance.

(3) A physically or medically handicapped child shall mean a child who, by reason of a physical defect or infirmity, whether congenital or acquired by accident, injury, or disease, is or may be expected to be totally or partially incapacitated for education or for remunerative occupation.

Sec. 2. Section 43-512, Reissue Revised Statutes of Nebraska, is amended to read:

43-512 (1) Any dependent child as defined in section 43-504 or any relative or eligible caretaker of such a dependent child may file with the Department of Health and Human Services a written application for financial assistance for such child on forms furnished by the department.

(2) The department, through its agents and employees, shall make such investigation pursuant to the application as it deems necessary or as may be required by the county attorney or authorized attorney. If the investigation or the application for financial assistance discloses that such child has a parent or stepparent who is able to contribute to the support of such child and has failed to do so, a copy of the finding of such investigation and a copy of the application shall immediately be filed with the county attorney or authorized attorney.

(3) The department shall make a finding as to whether the application referred to in subsection (1) of this section should be allowed or denied. If the department finds that the application should be allowed, the department shall further find the amount of monthly assistance which should be paid with reference to such dependent child. Except as may be otherwise

provided, payments shall be made by state warrant, and the amount of payments shall not exceed three hundred dollars per month when there is but one dependent child and one eligible caretaker in any home, plus an additional seventy-five dollars per month on behalf of each additional eligible person. No payments shall be made for amounts totaling less than ten dollars per month except in the recovery of overpayments.

(4) The amount which shall be paid as assistance with respect to a dependent child shall be based in each case upon the conditions disclosed by the investigation made by the department. An appeal shall lie from the finding made in each case to the Director of Health and Human Services. Such appeal may be taken by any taxpayer or by any relative of such child. Proceedings for and upon appeal shall be conducted in the same manner as provided for in section 68-1016.

(5) (a) For the purpose of preventing dependency, the director shall adopt and promulgate rules and regulations providing for services to former and potential recipients of aid to dependent children and medical assistance benefits. The director shall adopt and promulgate rules and regulations establishing programs and cooperating with programs of work incentive, work experience, job training, and education. The provisions of this section with regard to determination of need, amount of payment, maximum payment, and method of payment shall not be applicable to families or children included in such programs.

(b) If a recipient of aid to dependent children becomes ineligible for aid to dependent children as a result of increased hours of employment or increased income from employment after having participated in any of the programs established pursuant to subdivision (a) of this subsection, the recipient may be eligible for the following benefits, as provided in rules and regulations of the department in accordance with sections 402, 417, and 1925 of the federal Social Security Act, as amended, Public Law 100-485, in order to help the family during the transition from public assistance to independence:

(i) An ongoing transitional payment that is intended to meet the family's ongoing basic needs which may include food, clothing, shelter, utilities, household goods, personal care items, and general incidental expenses during the five months following the time the family becomes ineligible for assistance under the aid to dependent children program, if the family's earned income is at or below one hundred eighty-five percent of the federal poverty level at the time the family becomes ineligible for the aid to dependent children program. Payments shall be made in five monthly payments, each equal to one-fifth of the aid to dependent children payment standard for the family's size at the time the family becomes ineligible for the aid to dependent children program. If during the five-month period, (A) the family's earnings exceed one hundred eighty-five percent of the federal poverty level, (B) the family members are no longer working, (C) the family ceases to be Nebraska residents, (D) there is no longer a minor child in the family's household, or (E) the family again becomes eligible for the aid to dependent children program, the family shall become ineligible for any remaining transitional benefits under this subdivision; An additional aid to dependent children payment in the amount of one-half of the previous month's aid to dependent children grant;

(ii) Child care as provided in subdivision (1)(c) of section 68-1724; and

(iii) Except as may be provided in accordance with subsection (2) of section 68-1713 and subdivision (1)(c) of section 68-1724, medical assistance for up to twelve months after the month the recipient becomes employed and is no longer eligible for aid to dependent children.

(6) For purposes of sections 43-512 to 43-512.10 and 43-512.12 to 43-512.18:

(a) Authorized attorney shall mean an attorney, employed by the county subject to the approval of the county board, employed by the department, or appointed by the court, who is authorized to investigate and prosecute child, spousal, and medical support cases. An authorized attorney shall represent the state as provided in section 43-512.03;

(b) Child support shall be defined as provided in section 43-1705;

(c) Medical support shall include all expenses associated with the birth of a child and, if required pursuant to section 42-369 or 43-290, medical and hospital insurance coverage or membership in a health maintenance organization or preferred provider organization;

(d) Spousal support shall be defined as provided in section 43-1715;

(e) State Disbursement Unit shall be defined as provided in section 43-3341; and

(f) Support shall be defined as provided in section 43-3313.

Sec. 3. Section 68-915, Revised Statutes Cumulative Supplement, 2006, is amended to read:

68-915 The following persons shall be eligible for medical assistance:

- (1) Dependent children as defined in section 43-504;
- (2) Aged, blind, and disabled persons as defined in sections 68-1002 to 68-1005;
- (3) Children under nineteen years of age who are eligible under section 1905(a)(i) of the federal Social Security Act;
- (4) Persons who are presumptively eligible as allowed under sections 1920 and 1920B of the federal Social Security Act;
- (5) Children under nineteen years of age and pregnant women with a family income equal to or less than one hundred eighty-five percent of the Office of Management and Budget income poverty guideline, as allowed under Title XIX and Title XXI of the federal Social Security Act, without regard to resources. Children described in this subdivision and subdivision (6) of this section shall remain eligible for six consecutive months from the date of initial eligibility prior to redetermination of eligibility. The department may review eligibility monthly thereafter pursuant to rules and regulations adopted and promulgated by the department. The department may determine upon such review that a child is ineligible for medical assistance if such child no longer meets eligibility standards established by the department;
- (6) For purposes of Title XIX of the federal Social Security Act as provided in subdivision (5) of this section, children with a family income as follows:
 - (a) Equal to or less than one hundred fifty percent of the Office of Management and Budget income poverty guideline with eligible children one year of age or younger;
 - (b) Equal to or less than one hundred thirty-three percent of the Office of Management and Budget income poverty guideline with eligible children over one year of age and under six years of age; or
 - (c) Equal to or less than one hundred percent of the Office of Management and Budget income poverty guideline with eligible children six years of age or older and less than nineteen years of age;
- (7) Persons who are medically needy caretaker relatives as allowed under 42 U.S.C. 1396d(a)(ii);
- (8) As allowed under 42 U.S.C. 1396a(a)(10)(A)(ii), disabled persons as defined in section 68-1005 with a family income of less than two hundred fifty percent of the Office of Management and Budget income poverty guideline and who, but for earnings in excess of the limit established under 42 U.S.C. 1396d(q)(2)(B), would be considered to be receiving federal Supplemental Security Income. The Department of Health and Human Services shall apply for a waiver to disregard any unearned income that is contingent upon a trial work period in applying the Supplemental Security Income standard. Such disabled persons shall be subject to payment of premiums as a percentage of family income beginning at not less than two hundred percent of the Office of Management and Budget income poverty guideline. Such premiums shall be graduated based on family income and shall not be less than two percent or more than ten percent of family income; and
- (9) As allowed under 42 U.S.C. 1396a(a)(10)(A)(ii), persons who:
 - (a) Have been screened for breast and cervical cancer under the Centers for Disease Control and Prevention breast and cervical cancer early detection program established under Title XV of the federal Public Health Service Act, 42 U.S.C. 300k et seq., in accordance with the requirements of section 1504 of such act, 42 U.S.C. 300n, and who need treatment for breast or cervical cancer, including precancerous and cancerous conditions of the breast or cervix;
 - (b) Are not otherwise covered under creditable coverage as defined in section 2701(c) of the federal Public Health Service Act, 42 U.S.C. 300gg(c);
 - (c) Have not attained sixty-five years of age; and
 - (d) Are not eligible for medical assistance under any mandatory categorically needy eligibility group.

Eligibility shall be determined under this section using an income budgetary methodology that determines children's eligibility at no greater than one hundred eighty-five percent of the Office of Management and Budget income poverty guideline and adult eligibility using adult income standards no greater than the applicable categorical eligibility standards established pursuant to state or federal law. The department shall determine eligibility under this section pursuant to such income budgetary methodology and subdivision ~~(1)-(s)~~ (1)(g) of section 68-1713.

Sec. 4. Section 68-1709, Reissue Revised Statutes of Nebraska, is

amended to read:

68-1709 The Legislature finds and declares that the primary purpose of the welfare programs in this state is to provide temporary, transitional support for Nebraska families so that economic self-sufficiency is attained in as an expeditious a manner as possible. ~~with the goal of attaining such self-sufficiency within two years of the initial receipt of public assistance.~~ The Legislature further finds and declares that this goal is to be accomplished through individualized assessments of the personal and economic resources of each applicant for public assistance and through the use of individualized self-sufficiency contracts.

The Legislature further finds and declares that it is in the best interests of the state, its citizens, and especially those receiving public assistance through welfare programs in this state that the welfare system be reformed to support, stabilize, and enhance individual and family life in Nebraska by: (1) Pursuing efforts to help Nebraskans avoid poverty and prevent the need for welfare; (2) eliminating existing complex and conflicting welfare programs; (3) creating a simplified program in place of the existing complex and conflicting welfare programs; (4) removing disincentives to work and promoting economic self-sufficiency; (5) providing individuals and families the support needed to move from public assistance to economic self-sufficiency; (6) changing public assistance from entitlements to temporary, contract-based support; (7) removing barriers to public assistance for intact families; (8) basing the duration of public assistance upon the individual circumstances of each applicant within the time limits allowed under federal law; (9) providing continuing assistance and support for persons sixty-five years of age or over and for individuals and families with physical, mental, or intellectual limitations preventing total economic self-sufficiency; (10) supporting regular school attendance of children; and (11) promoting public sector, private sector, individual, and family responsibility.

Sec. 5. Section 68-1710, Reissue Revised Statutes of Nebraska, is amended to read:

68-1710 It is the intent of the Legislature that, with the passage of the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193, the Department of Health and Human Services ~~no longer be required to maintain federal approval to implement the Welfare Reform Act and the waivers enumerated in the act.~~ in a manner consistent with federal law.

Sec. 6. Section 68-1713, Revised Statutes Cumulative Supplement, 2006, is amended to read:

68-1713 ~~(1) The Department of Health and Human Services shall submit a waiver request or requests to the United States Department of Health and Human Services and the United States Department of Agriculture as necessary for federal authorization to implement the provisions of the Welfare Reform Act. The Department of Health and Human Services may include the provisions of sections 68-1718 to 68-1726 in its waiver requests and shall designate counties for implementation on or after July 1, 1995, of such sections for recipient families in the aid to dependent children program. It is the intent of the Legislature that such designated counties include at least one county with a population of not more than thirty-five thousand inhabitants and one county with a population of at least one hundred fifty thousand inhabitants but not more than three hundred thousand inhabitants.~~

(1) The Department of Health and Human Services shall implement the following policies:

(a) Permit Work Experience in Private ~~for~~ for-Profit Enterprises;

(b) Permit Job Search;

(c) Permit Employment to be Considered a JOBS Program Component;

(d) Make Sanctions More Stringent to Emphasize Participant Obligations;

(e) Alternative Hearing Process;

(f) Permit Adults in Two-Parent Households to Participate in JOBS Activities Based on Their Self-Sufficiency Needs;

(g) Eliminate Exemptions for Individuals with Children Between the Ages of 12 Weeks and Age Six;

(h) Providing Poor Working Families with Transitional Child Care to Ease the Transition from Welfare to Self-Sufficiency;

(i) Provide Transitional Health Care for 12 Months After Termination of ADC if funding for such transitional medical assistance is available under Title XIX of the federal Social Security Act, as amended, as described in section 68-906;

~~(j) Cap Family Benefits Based on the Number of Children in the Unit~~

at the Time of Initial Eligibility;

~~(k)~~ (j) Require Adults to Ensure that Children in the Family Unit Attend School;

~~(l)~~ (k) Encourage Minor Parents to Live with Their Parents;

~~(m)~~ (l) Establish a Resource Limit of \$4,000 for a single individual and \$6,000 for two or more individuals for ADC;

~~(n)~~ (m) Exclude the Value of One Vehicle Per Family When Determining ADC Eligibility;

~~(o)~~ (n) Exclude the Cash Value of Life Insurance Policies in Calculating Resources for ADC;

~~(p)~~ Permit the Self-Sufficiency Contract Assessment to Substitute for the Six-Month ADC Redetermination Process;

~~(q)~~ (o) Establish Food Stamps as a Continuous Benefit with Eligibility Reevaluated with Yearly Redeterminations;

~~(r)~~ (p) Establish a Budget the Gap Methodology Whereby Countable Earned Income is Subtracted from the Standard of the Need and Payment is Based on the Difference or Maximum Payment Level, Whichever is Less. That this Gap be Established at a Level that Encourages Work but at Least at a Level that Ensures that Those Currently Eligible for ADC do not Lose Eligibility Because of the Adoption of this Methodology;

~~(s)~~ (q) Adopt an Earned Income Disregard of Twenty Percent of Gross Earnings in the ADC Program and One Hundred Dollars in the Related Medical Assistance Program;

~~(t)~~ (r) Disregard Financial Assistance Received Intended for Books, Tuition, or Other Self-Sufficiency Related Use;

~~(u)~~ (s) Culture: Eliminate the 100-Hour Rule, The Quarter of Work Requirement, and The 30-Day Unemployed/Underemployed Period for ADC-UP Eligibility; and

~~(v)~~ (t) Make ADC a Time-Limited Program.;

~~(w)~~ Eliminate Self-Initiated Training as a JOBS Option; and

~~(x)~~ Other Waivers; Statewide Operation of the Demonstration Project.

At the end of the first year of implementation, the department shall identify any adjustments or adaptations that may be needed before the policies of the Welfare Reform Act are implemented in other areas of the state. Such review shall include an evaluation of the impact of such policies. The department shall implement the policies in additional counties as necessary to complete statewide implementation.

(2) The Department of Health and Human Services shall (a) apply for a waiver to allow for a sliding-fee schedule for the population served by the caretaker relative program or (b) pursue other public or private mechanisms, to provide for transitional health care benefits to individuals and families who do not qualify for cash assistance. It is the intent of the Legislature that transitional health care coverage be made available on a sliding-scale basis to individuals and families with incomes up to one hundred eighty-five percent of the federal poverty level if other health care coverage is not available.

Sec. 7. Section 68-1718, Reissue Revised Statutes of Nebraska, is amended to read:

68-1718 (1) At the time an individual or a family applies for financial assistance pursuant to section 43-512, an assessment shall be conducted. Eligibility determination shall begin with a comprehensive assets assessment, in which the applicant and case manager collaborate to identify the economic and personal resources available to the applicant. Each applicant shall work with only one case manager who shall facilitate all service provision.

(2) Each applicant's personal resources shall be assessed in the comprehensive assets assessment. For purposes of this section, personal resources shall include education, vocational skills, employment history, health, life skills, personal strengths, and support from family and the community. This assessment shall also include a determination of the applicant's goals, employment background, educational background, housing needs, child care and transportation needs, health care needs, and other barriers to economic self-sufficiency.

(3) The comprehensive assets assessment shall structure personal resources information and control subjectivity. The assessment shall be used:

(a) To develop a self-sufficiency contract under section 68-1719 and promote services which specifically lead to self-sufficiency; and

(b) To determine if the applicant should be referred to other community resources for assistance.

(4) Periodic assessments, including an exit assessment prior to implementation of the ~~two-year~~ time limit on cash assistance as provided in section 68-1724, shall be conducted with recipients to establish if the terms

of the self-sufficiency contract have been met by the recipient family and by the state.

Sec. 8. Section 68-1721, Revised Statutes Cumulative Supplement, 2006, is amended to read:

68-1721 (1) Under the self-sufficiency contract developed under section 68-1719, the principal wage earner and other nonexempt members of the applicant family shall be required to participate in one or more of the following: ~~Education, approved activities, including, but not limited to, education,~~ job skills training, work experience, job search, or employment.

(2) Education shall consist of the general education development program, high school, Adult Basic Education, English as a Second Language, postsecondary education, or other education programs approved in the contract.

(3) Job skills training shall include vocational training in technical job skills and equivalent knowledge. Activities shall consist of formalized, technical job skills training, apprenticeships, on-the-job training, or training in the operation of a microbusiness enterprise. The types of training, apprenticeships, or training positions may include, but need not be limited to, the ability to provide services such as home repairs, automobile repairs, respite care, foster care, personal care, and child care. Job skills training shall be prioritized and approved for occupations that facilitate economic self-sufficiency.

(4) The purpose of work experience shall be to improve the employability of applicants by providing work experience and training to assist them to move promptly into regular public or private employment. Work experience shall mean unpaid work in a public, private, for-profit, or nonprofit business or organization. Work experience placements shall take into account the individual's prior training, skills, and experience. A placement shall not exceed six months.

(5) Job search shall assist adult members of recipient families in finding their own jobs. The emphasis shall be placed on teaching the individual to take responsibility for his or her own job development and placement.

(6) Employment shall consist of work for pay. The employment may be full-time or part-time but shall be adequate to help the recipient family reach economic self-sufficiency.

Sec. 9. Section 68-1722, Reissue Revised Statutes of Nebraska, is amended to read:

68-1722 The Legislature finds that the state has responsibilities to help ensure the success of the self-sufficiency contract for each recipient. The Department of Health and Human Services shall employ case management practices and supportive services to the extent necessary to facilitate movement toward self-sufficiency within the ~~two-year~~ time limit on participation as provided in section 68-1724.

The department may purchase case management services. It is the intent of the Legislature that any case management utilized by the department shall include standards which emphasize communication skills; appropriate interviewing techniques; and methods for positive feedback, support, encouragement, and counseling. The case management provided shall also include a recognition of family dynamics and emphasize working with all family members; shall respect diversity; shall empower individuals; and shall include recognizing, capitalizing, and building on a family's strengths and existing support network. It is the intent of the Legislature that generally a case manager would have a family caseload of no more than seventy cases.

Supportive services shall include, but not be limited to, assistance with transportation expenses, participation and work expenses, parenting education, family planning, budgeting, and relocation to provide for specific needs critical to the recipient's or the recipient family's self-sufficiency contract. For purposes of this section, family planning shall not include abortion counseling, referral for abortion, or funding for abortion. If the state fails to meet the specific terms of the self-sufficiency contract, the ~~two-year~~ time limit on cash assistance under section 68-1724 shall be extended, ~~for an additional period of not more than two years.~~

Sec. 10. Section 68-1723, Reissue Revised Statutes of Nebraska, is amended to read:

68-1723 (1) Cash assistance shall be provided only while recipients are actively engaged in the specific activities outlined in the self-sufficiency contract developed under section 68-1719. If the recipients are not actively engaged in these activities, no cash assistance shall be paid.

(2) Recipient families with at least one adult with the capacity to work, as determined by the comprehensive assets assessment, shall participate in the self-sufficiency contract as a condition of receiving cash assistance.

If any such adult fails to cooperate in carrying out the terms of the contract, the family shall be ineligible for cash assistance.

(a) Adult members of recipient families whose youngest child is between the ages of twelve weeks and six months shall engage in an individually determined number of part-time hours in activities such as family nurturing, preemployment skills, or education.

(b) Participation in activities outlined in the self-sufficiency contract shall not be required for one parent of a recipient family whose youngest child is under the age of twelve weeks.

(c) ~~The two-year time limit on cash~~ Cash assistance under section 68-1724 shall be extended: (i) To cover the twelve-week postpartum recovery period for children born to recipient families; and (ii) to recognize special medical conditions of such children requiring the presence of at least one adult member of the recipient family, as determined by the state, which extend past the age of twelve weeks.

(d) Full participation in the activities outlined in the self-sufficiency contract shall be required for adult members of a two-parent recipient family whose youngest child is over the age of six months. Part-time participation in activities outlined in the self-sufficiency contract shall be required for an adult member of a single-parent recipient family whose youngest child is under the age of six years.

~~(e) Full participation in the activities outlined in the self-sufficiency contract and the two-year time limit on cash assistance under section 68-1724 shall begin for a minor parent when: (i) The minor parent graduates from high school; (ii) the minor parent receives his or her General Education Development diploma; or (iii) the minor parent reaches nineteen years of age.~~

~~(f)~~ (e) In cases in which the only adults in the recipient family do not have parental responsibility which shall mean such adults are not the biological or adoptive parents or stepparents of the children in their care, and assistance is requested for all family members, including the adults, the family shall participate in the activities outlined in the self-sufficiency contract as a condition of receiving cash assistance.

~~(g)~~ (f) Unemployed or underemployed absent and able-to-work parents of children in the recipient family may participate in self-sufficiency contracts, employment, and payment of child support, and such absent parents may be required to pay all or a part of the costs of the self-sufficiency contracts.

(3) Individual recipients and recipient families shall have the right to request an administrative hearing (a) for the purpose of reviewing compliance by the state with the terms of the self-sufficiency contract or (b) for the purpose of reviewing a determination by the department that the recipient or recipient family has not complied with the terms of the self-sufficiency contract. It is the intent of the Legislature that an independent mediation appeal process be developed as an option to be considered.

Sec. 11. Section 68-1724, Reissue Revised Statutes of Nebraska, is amended to read:

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

(a) If the state fails to meet the specific terms of the self-sufficiency contract developed under section 68-1719, the ~~two-year~~ sixty-month time limit established in this section shall be extended; ~~for an additional period of not more than two years;~~

(b) The ~~two-year~~ sixty-month time period for cash assistance shall begin ~~when the self-sufficiency contract is signed or when any children born into the recipient family prior to the initial ten months of assistance reach the age of six months, whichever is later;~~ within the first month of eligibility;

(c) When no longer eligible to receive cash assistance, assistance shall be available to reimburse work-related child care expenses even if the recipient family has not achieved economic self-sufficiency. The amount of such assistance shall be based on a cost-shared plan between the recipient family and the state which shall provide assistance up to one hundred eighty-five percent of the federal poverty level for up to twenty-four months. A recipient family may be required to contribute up to twenty percent of such family's gross income for child care. It is the intent of the Legislature that transitional health care coverage be made available on a sliding-scale basis to individuals and families with incomes up to one hundred eighty-five percent of the federal poverty level if other health care coverage is not available; and

~~(d) After receiving cash assistance under this section for two years at a monthly payment level not exceeding that provided in section 43-512, families shall receive no further cash assistance pursuant to this section for at least two years after the assistance period ends; and~~

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

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

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

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

(b) The payment standard shall be based upon family size; ~~any child born into the recipient family after the initial ten months of participation in the program shall not increase the cash assistance payment, except that child support or other income received on behalf of such child or children shall not be considered as countable income to the recipient family in determining the amount of their cash assistance payment;~~

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

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

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

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

Sec. 12. Original sections 43-504, 43-512, 68-1709, 68-1710, 68-1718, 68-1722, 68-1723, and 68-1724, Reissue Revised Statutes of Nebraska, and sections 68-915, 68-1713, and 68-1721, Revised Statutes Cumulative Supplement, 2006, are repealed.