

LEGISLATURE OF NEBRASKA

ONE HUNDREDTH LEGISLATURE

FIRST SESSION

LEGISLATIVE BILL 351

Introduced by Stuthman, 22; Erdman, 47;

Read first time January 12, 2007

Committee: Health and Human Services

A BILL

1 FOR AN ACT relating to the Welfare Reform Act; to amend sections
2 43-512, 68-1709, 68-1710, 68-1718, 68-1722, 68-1723,
3 and 68-1724, Reissue Revised Statutes of Nebraska, and
4 sections 68-915, 68-1713, and 68-1721, Revised Statutes
5 Cumulative Supplement, 2006; to change provisions
6 relating to time limits and transition payments as
7 prescribed; to harmonize provisions; and to repeal the
8 original sections.

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

1 Section 1. Section 43-512, Reissue Revised Statutes of
2 Nebraska, is amended to read:

3 43-512 (1) Any dependent child as defined in section
4 43-504 or any relative or eligible caretaker of such a dependent
5 child may file with the Department of Health and Human Services
6 a written application for financial assistance for such child on
7 forms furnished by the department.

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

17 (3) The department shall make a finding as to whether the
18 application referred to in subsection (1) of this section should
19 be allowed or denied. If the department finds that the application
20 should be allowed, the department shall further find the amount
21 of monthly assistance which should be paid with reference to such
22 dependent child. Except as may be otherwise provided, payments
23 shall be made by state warrant, and the amount of payments shall
24 not exceed three hundred dollars per month when there is but
25 one dependent child and one eligible caretaker in any home, plus

1 an additional seventy-five dollars per month on behalf of each
2 additional eligible person. No payments shall be made for amounts
3 totaling less than ten dollars per month except in the recovery of
4 overpayments.

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

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

23 (b) If a recipient of aid to dependent children becomes
24 ineligible for aid to dependent children as a result of increased
25 hours of employment or increased income from employment after

1 having participated in any of the programs established pursuant to
2 subdivision (a) of this subsection, the recipient may be eligible
3 for the following benefits, as provided in rules and regulations of
4 the department in accordance with sections 402, 417, and 1925 of
5 the federal Social Security Act, as amended, Public Law 100-485,
6 in order to help the family during the transition from public
7 assistance to independence:

8 (i) An ongoing transitional payment that is intended to
9 meet the family's ongoing basic needs which may include food,
10 clothing, shelter, utilities, household goods, personal care items,
11 and general incidental expenses during the five months following
12 the time the family becomes ineligible for assistance under the aid
13 to dependent children program, if the family's earned income is at
14 or below one hundred eighty-five percent of the federal poverty
15 level at the time the family becomes ineligible for the aid to
16 dependent children program. Payments shall be made in five monthly
17 payments, each equal to one-fifth of the aid to dependent children
18 payment standard for the family's size at the time the family
19 becomes ineligible for the aid to dependent children program. If
20 during the five-month period, (A) the family's earnings exceed one
21 hundred eighty-five percent of the federal poverty level, (B) the
22 family members are no longer working, (C) the family ceases to
23 be Nebraska residents, (D) there is no longer a minor child in
24 the family's household, or (E) the family again becomes eligible
25 for the aid to dependent children program, the family shall become

1 ineligible for any remaining transitional benefits under this
2 subdivision; An additional aid to dependent children payment in
3 the amount of one-half of the previous month's aid to dependent
4 children grant;

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

7 (iii) Except as may be provided in accordance with
8 subsection (2) of section 68-1713 and subdivision (1)(c) of section
9 68-1724, medical assistance for up to twelve months after the month
10 the recipient becomes employed and is no longer eligible for aid to
11 dependent children.

12 (6) For purposes of sections 43-512 to 43-512.10 and
13 43-512.12 to 43-512.18:

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

20 (b) Child support shall be defined as provided in section
21 43-1705;

22 (c) Medical support shall include all expenses associated
23 with the birth of a child and, if required pursuant to section
24 42-369 or 43-290, medical and hospital insurance coverage or
25 membership in a health maintenance organization or preferred

1 provider organization;

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

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

6 (f) Support shall be defined as provided in section
7 43-3313.

8 Sec. 2. Section 68-915, Revised Statutes Cumulative
9 Supplement, 2006, is amended to read:

10 68-915 The following persons shall be eligible for
11 medical assistance:

12 (1) Dependent children as defined in section 43-504;

13 (2) Aged, blind, and disabled persons as defined in
14 sections 68-1002 to 68-1005;

15 (3) Children under nineteen years of age who are eligible
16 under section 1905(a)(i) of the federal Social Security Act;

17 (4) Persons who are presumptively eligible as allowed
18 under sections 1920 and 1920B of the federal Social Security Act;

19 (5) Children under nineteen years of age and pregnant
20 women with a family income equal to or less than one hundred
21 eighty-five percent of the Office of Management and Budget income
22 poverty guideline, as allowed under Title XIX and Title XXI of the
23 federal Social Security Act, without regard to resources. Children
24 described in this subdivision and subdivision (6) of this section
25 shall remain eligible for six consecutive months from the date of

1 initial eligibility prior to redetermination of eligibility. The
2 department may review eligibility monthly thereafter pursuant to
3 rules and regulations adopted and promulgated by the department.
4 The department may determine upon such review that a child is
5 ineligible for medical assistance if such child no longer meets
6 eligibility standards established by the department;

7 (6) For purposes of Title XIX of the federal Social
8 Security Act as provided in subdivision (5) of this section,
9 children with a family income as follows:

10 (a) Equal to or less than one hundred fifty percent of
11 the Office of Management and Budget income poverty guideline with
12 eligible children one year of age or younger;

13 (b) Equal to or less than one hundred thirty-three
14 percent of the Office of Management and Budget income poverty
15 guideline with eligible children over one year of age and under six
16 years of age; or

17 (c) Equal to or less than one hundred percent of the
18 Office of Management and Budget income poverty guideline with
19 eligible children six years of age or older and less than nineteen
20 years of age;

21 (7) Persons who are medically needy caretaker relatives
22 as allowed under 42 U.S.C. 1396d(a)(ii);

23 (8) As allowed under 42 U.S.C. 1396a(a)(10)(A)(ii),
24 disabled persons as defined in section 68-1005 with a family income
25 of less than two hundred fifty percent of the Office of Management

1 and Budget income poverty guideline and who, but for earnings in
2 excess of the limit established under 42 U.S.C. 1396d(q)(2)(B),
3 would be considered to be receiving federal Supplemental Security
4 Income. The Department of Health and Human Services shall apply for
5 a waiver to disregard any unearned income that is contingent upon
6 a trial work period in applying the Supplemental Security Income
7 standard. Such disabled persons shall be subject to payment of
8 premiums as a percentage of family income beginning at not less
9 than two hundred percent of the Office of Management and Budget
10 income poverty guideline. Such premiums shall be graduated based on
11 family income and shall not be less than two percent or more than
12 ten percent of family income; and

13 (9) As allowed under 42 U.S.C. 1396a(a)(10)(A)(ii),
14 persons who:

15 (a) Have been screened for breast and cervical cancer
16 under the Centers for Disease Control and Prevention breast and
17 cervical cancer early detection program established under Title XV
18 of the federal Public Health Service Act, 42 U.S.C. 300k et seq.,
19 in accordance with the requirements of section 1504 of such act, 42
20 U.S.C. 300n, and who need treatment for breast or cervical cancer,
21 including precancerous and cancerous conditions of the breast or
22 cervix;

23 (b) Are not otherwise covered under creditable coverage
24 as defined in section 2701(c) of the federal Public Health Service
25 Act, 42 U.S.C. 300gg(c);

- 1 (c) Have not attained sixty-five years of age; and
2 (d) Are not eligible for medical assistance under any
3 mandatory categorically needy eligibility group.

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

13 Sec. 3. Section 68-1709, Reissue Revised Statutes of
14 Nebraska, is amended to read:

15 68-1709 The Legislature finds and declares that the
16 primary purpose of the welfare programs in this state is to provide
17 temporary, transitional support for Nebraska families so that
18 economic self-sufficiency is attained in as an expeditious manner
19 as possible. 7 ~~with the goal of attaining such self-sufficiency~~
20 ~~within two years of the initial receipt of public assistance.~~ The
21 Legislature further finds and declares that this goal is to be
22 accomplished through individualized assessments of the personal and
23 economic resources of each applicant for public assistance and
24 through the use of individualized self-sufficiency contracts.

25 The Legislature further finds and declares that it is

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

22 Sec. 4. Section 68-1710, Reissue Revised Statutes of
23 Nebraska, is amended to read:

24 68-1710 It is the intent of the Legislature that, with
25 the passage of the federal Personal Responsibility and Work

1 Opportunity Reconciliation Act of 1996, Public Law 104-193, the
2 Department of Health and Human Services ~~no longer be required to~~
3 ~~maintain federal approval to~~ implement the Welfare Reform Act and
4 ~~the waivers enumerated in the act.~~ in a manner consistent with
5 federal law.

6 Sec. 5. Section 68-1713, Revised Statutes Cumulative
7 Supplement, 2006, is amended to read:

8 68-1713 ~~(1)~~ The Department of Health and Human Services
9 shall submit a waiver request or requests to the United States
10 Department of Health and Human Services and the United States
11 Department of Agriculture as necessary for federal authorization to
12 implement the provisions of the Welfare Reform Act. The Department
13 of Health and Human Services may include the provisions of sections
14 68-1718 to 68-1726 in its waiver requests and shall designate
15 counties for implementation on or after July 1, 1995, of such
16 sections for recipient families in the aid to dependent children
17 program. It is the intent of the Legislature that such designated
18 counties include at least one county with a population of not
19 more than thirty-five thousand inhabitants and one county with a
20 population of at least one hundred fifty thousand inhabitants but
21 not more than three hundred thousand inhabitants.

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

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

- 1 (b) Permit Job Search;
- 2 (c) Permit Employment to be Considered a ~~JOBS~~ Program
3 Component;
- 4 (d) Make Sanctions More Stringent to Emphasize
5 Participant Obligations;
- 6 (e) Alternative Hearing Process;
- 7 (f) Permit Adults in Two-Parent Households to Participate
8 in ~~JOBS~~ Activities Based on Their Self-Sufficiency Needs;
- 9 (g) Eliminate Exemptions for Individuals with Children
10 Between the Ages of 12 Weeks and Age Six;
- 11 (h) Providing Poor Working Families with Transitional
12 Child Care to Ease the Transition from Welfare to Self-Sufficiency;
- 13 (i) Provide Transitional Health Care for 12 Months After
14 Termination of ADC if funding for such transitional medical
15 assistance is available under Title XIX of the federal Social
16 Security Act as amended, as described in section 68-906;
- 17 (j) Cap Family Benefits Based on the Number of Children
18 in the Unit at the Time of Initial Eligibility;
- 19 (k) Require Adults to Ensure that Children in the Family
20 Unit Attend School;
- 21 (l) Encourage Minor Parents to Live with Their Parents;
- 22 (m) Establish a Resource Limit of \$4,000 for a single
23 individual and \$6,000 for two or more individuals for ADC;
- 24 (n) Exclude the Value of One Vehicle Per Family When
25 Determining ADC Eligibility;

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

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

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

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

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

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

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

22 ~~(v)~~ (u) Make ADC a Time-Limited Program. +

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

24 and

25 ~~(x) Other Waivers; Statewide Operation of the~~

1 ~~Demonstration Project.~~

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

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

19 Sec. 6. Section 68-1718, Reissue Revised Statutes of
20 Nebraska, is amended to read:

21 68-1718 (1) At the time an individual or a family applies
22 for financial assistance pursuant to section 43-512, an assessment
23 shall be conducted. Eligibility determination shall begin with a
24 comprehensive assets assessment, in which the applicant and case
25 manager collaborate to identify the economic and personal resources

1 available to the applicant. Each applicant shall work with only one
2 case manager who shall facilitate all service provision.

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

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

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

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

20 (4) Periodic assessments, including an exit assessment
21 prior to implementation of the ~~two-year~~ time limit on cash
22 assistance as provided in section 68-1724, shall be conducted
23 with recipients to establish if the terms of the self-sufficiency
24 contract have been met by the recipient family and by the state.

25 Sec. 7. Section 68-1721, Revised Statutes Cumulative

1 Supplement, 2006, is amended to read:

2 68-1721 (1) Under the self-sufficiency contract developed
3 under section 68-1719, the principal wage earner and other
4 nonexempt members of the applicant family shall be required to
5 participate in one or more of the following+ ~~Education,~~ approved
6 activities, including, but not limited to, education, job skills
7 training, work experience, job search, or employment.

8 (2) Education shall consist of the general education
9 development program, high school, Adult Basic Education, English
10 as a Second Language, ~~postsecondary education,~~
11 programs approved in the contract but shall not include
12 postsecondary education.

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

23 (4) The purpose of work experience shall be to improve
24 the employability of applicants by providing work experience and
25 training to assist them to move promptly into regular public or

1 private employment. Work experience shall mean unpaid work in a
2 public, private, for-profit, or nonprofit business or organization.
3 Work experience placements shall take into account the individual's
4 prior training, skills, and experience. A placement shall not
5 exceed six months.

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

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

13 Sec. 8. Section 68-1722, Reissue Revised Statutes of
14 Nebraska, is amended to read:

15 68-1722 The Legislature finds that the state has
16 responsibilities to help ensure the success of the self-sufficiency
17 contract for each recipient. The Department of Health and Human
18 Services shall employ case management practices and supportive
19 services to the extent necessary to facilitate movement toward
20 self-sufficiency within the ~~two-year~~ time limit on participation
21 as provided in section 68-1724.

22 The department may purchase case management services.
23 It is the intent of the Legislature that any case management
24 utilized by the department shall include standards which emphasize
25 communication skills; appropriate interviewing techniques; and

1 methods for positive feedback, support, encouragement, and
2 counseling. The case management provided shall also include a
3 recognition of family dynamics and emphasize working with all
4 family members; shall respect diversity; shall empower individuals;
5 and shall include recognizing, capitalizing, and building on a
6 family's strengths and existing support network. It is the intent
7 of the Legislature that generally a case manager would have a
8 family caseload of no more than seventy cases.

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

20 Sec. 9. Section 68-1723, Reissue Revised Statutes of
21 Nebraska, is amended to read:

22 68-1723 (1) Cash assistance shall be provided only while
23 recipients are actively engaged in the specific activities outlined
24 in the self-sufficiency contract developed under section 68-1719.
25 If the recipients are not actively engaged in these activities, no

1 cash assistance shall be paid.

2 (2) Recipient families with at least one adult with
3 the capacity to work, as determined by the comprehensive assets
4 assessment, shall participate in the self-sufficiency contract as
5 a condition of receiving cash assistance. If any such adult fails
6 to cooperate in carrying out the terms of the contract, the family
7 shall be ineligible for cash assistance.

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

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

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

24 (d) Full participation in the activities outlined in the
25 self-sufficiency contract shall be required for adult members of a

1 two-parent recipient family whose youngest child is over the age of
2 six months. Part-time participation in activities outlined in the
3 self-sufficiency contract shall be required for an adult member of
4 a single-parent recipient family whose youngest child is under the
5 age of six years.

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

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

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

25 (3) Individual recipients and recipient families shall

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

9 Sec. 10. Section 68-1724, Reissue Revised Statutes of
10 Nebraska, is amended to read:

11 68-1724 (1) Cash assistance shall be provided for a
12 period or periods of time not to exceed a total of ~~two years~~
13 sixty months for recipient families with children subject to the
14 following:

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

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

24 (c) When no longer eligible to receive cash assistance,
25 assistance shall be available to reimburse work-related child care

1 expenses even if the recipient family has not achieved economic
2 self-sufficiency. The amount of such assistance shall be based on a
3 cost-shared plan between the recipient family and the state which
4 shall provide assistance up to one hundred eighty-five percent
5 of the federal poverty level for up to twenty-four months. A
6 recipient family may be required to contribute up to twenty percent
7 of such family's gross income for child care. It is the intent
8 of the Legislature that transitional health care coverage be made
9 available on a sliding-scale basis to individuals and families
10 with incomes up to one hundred eighty-five percent of the federal
11 poverty level if other health care coverage is not available; and

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

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

25 The department shall develop policy guidelines to allow

1 for cash assistance to persons who have received the maximum
2 cash assistance provided by this section and who face extreme
3 hardship without additional assistance. For purposes of this
4 section, extreme hardship means a recipient family does not have
5 adequate cash resources to meet the costs of the basic needs of
6 food, clothing, and housing without continuing assistance or the
7 child or children are at risk of losing care by and residence with
8 their parent or parents.

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

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

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

23 (c) The adults in the recipient family shall ensure that
24 the minor children regularly attend school. Education is a valuable
25 personal resource. The cash assistance provided to the recipient

1 family may be reduced when the parent or parents have failed to
2 take reasonable action to encourage the minor children of the
3 recipient family ages sixteen and under to regularly attend school.
4 No reduction of assistance shall be such as may result in extreme
5 hardship. It is the intent of the Legislature that a process be
6 developed to insure communication between the case manager, the
7 parent or parents, and the school to address issues relating to
8 school attendance;

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

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

23 (f) For adults who are not biological or adoptive
24 parents or stepparents of the child or children in the family,
25 if assistance is requested for the entire family, including the

1 adults, a self-sufficiency contract shall be entered into as
2 provided in section 68-1719. If assistance is requested for only
3 the child or children in such a family, such children shall be
4 eligible after consideration of the family's income and if (i)
5 the family cooperates in pursuing child support and (ii) the minor
6 children of the family regularly attend school.

7 Sec. 11. Original sections 43-512, 68-1709, 68-1710,
8 68-1718, 68-1722, 68-1723, and 68-1724, Reissue Revised Statutes
9 of Nebraska, and sections 68-915, 68-1713, and 68-1721, Revised
10 Statutes Cumulative Supplement, 2006, are repealed.