LEGISLATURE OF NEBRASKA ONE HUNDRED SIXTH LEGISLATURE

FIRST SESSION

## **LEGISLATIVE BILL 341**

Introduced by Arch, 14. Read first time January 16, 2019 Committee: Health and Human Services

- A BILL FOR AN ACT relating to social services; to amend sections 68-1206
   and 68-1724, Reissue Revised Statutes of Nebraska; to change
   provisions relating to transitional child care assistance; and to
   repeal the original sections.
- 5 Be it enacted by the people of the State of Nebraska,

LB341 2019

Section 1. Section 68-1206, Reissue Revised Statutes of Nebraska, is
 amended to read:

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

(2) As part of the provision of social services authorized by this 17 section and section 68-1202, the department shall participate in the 18 19 federal Child Care Subsidy program. In determining ongoing eligibility for this program, ten percent of a household's gross earned income shall 20 be disregarded after twelve continuous months on the program and at each 21 subsequent redetermination. In determining ongoing At redetermination of 22 23 eligibility, if a family's income exceeds one hundred thirty percent of 24 the federal poverty level, the family shall continue to receive 25 transitional child care assistance through the remainder of the family's eligibility period or for up to twenty-four consecutive months or until 26 27 the family income exceeds one hundred eighty-five percent of the state 28 median income as reported by the United States Bureau of the Census, whichever occurs first. When the family's eligibility period ends, the 29 family shall continue to be eligible for transitional child care 30 31 assistance if the family's income is below one hundred eighty-five

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percent of the federal poverty level. The family shall receive 1 transitional child care assistance through the remainder of the 2 transitional eligibility period or until the family income exceeds 3 4 eighty-five percent of the state median income as reported by the United States Bureau of the Census, whichever occurs first. federal poverty 5 level. If a family's income falls to one hundred thirty percent of the 6 7 federal poverty level or below, the twenty-four-month time limit in this subsection shall cease to apply until the family becomes eligible for 8 9 transitional child care assistance. The amount of such child care assistance shall be based on a cost-shared plan between the recipient 10 family and the state and shall be based on a sliding-scale methodology. A 11 recipient family may be required to contribute a percentage of such 12 family's gross income for child care that is no more than the cost-13 sharing rates in the transitional child care assistance program as of 14 January 1, 2015, for those no longer eligible for cash assistance as 15 16 provided in section 68-1724. Initial program eligibility standards shall not be impacted by the provisions of this subsection. 17

(3) In determining the rate or rates to be paid by the department 18 for child care as defined in section 43-2605, the department shall adopt 19 a fixed-rate schedule for the state or a fixed-rate schedule for an area 20 of the state applicable to each child care program category of provider 21 as defined in section 71-1910 which may claim reimbursement for services 22 provided by the federal Child Care Subsidy program, except that the 23 24 department shall not pay a rate higher than that charged by an individual provider to that provider's private clients. The schedule may provide 25 separate rates for care for infants, for children with special needs, 26 including disabilities or technological dependence, or 27 for other 28 individual categories of children. The schedule may also provide tiered rates based upon a quality scale rating of step three or higher under the 29 Step Up to Quality Child Care Act. The schedule shall be effective on 30 October 1 of every year and shall be revised annually by the department. 31

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Sec. 2. 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 sixty months for recipient
families with children subject to the following:

6 (a) If the state fails to meet the specific terms of the self-7 sufficiency contract developed under section 68-1719, the sixty-month 8 time limit established in this section shall be extended;

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

(c) When no longer eligible to receive cash assistance, assistance 11 shall be available to reimburse work-related child care expenses even if 12 the recipient family has not achieved economic self-sufficiency. The 13 amount of such assistance shall be based on a cost-shared plan between 14 the recipient family and the state which shall provide assistance up to 15 16 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 17 to twenty percent of such family's gross income for child care. It is the 18 19 intent of the Legislature that transitional health care coverage be made available on a sliding-scale basis to individuals and families with 20 incomes up to one hundred eighty-five percent of the federal poverty 21 22 level if other health care coverage is not available; and

(d) The self-sufficiency contract shall be revised and 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

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

6 (2) Cash assistance conditions under the Welfare Reform Act shall be7 as follows:

8 (a) Adults in recipient families shall mean individuals at least 9 nineteen years of age living with and related to a child eighteen years 10 of age or younger and shall include parents, siblings, uncles, aunts, 11 cousins, or grandparents, whether the relationship is biological, 12 adoptive, or step;

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

(c) The adults in the recipient family shall ensure that the minor 14 children regularly attend school. Education is a valuable personal 15 resource. The cash assistance provided to the recipient family may be 16 17 reduced when the parent or parents have failed to take reasonable action to encourage the minor children of the recipient family ages sixteen and 18 under to regularly attend school. No reduction of assistance shall be 19 such as may result in extreme hardship. It is the intent of the 20 Legislature that a process be developed to insure communication between 21 22 the case manager, the parent or parents, and the school to address issues relating to school attendance; 23

(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

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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

6 (f) For adults who are not biological or adoptive parents or 7 stepparents of the child or children in the family, if assistance is 8 requested for the entire family, including the adults, a self-sufficiency contract shall be entered into as provided in section 68-1719. If 9 assistance is requested for only the child or children in such a family, 10 such children shall be eligible after consideration of the family's 11 income and if (i) the family cooperates in pursuing child support and 12 (ii) the minor children of the family regularly attend school. 13

14 Sec. 3. Original sections 68-1206 and 68-1724, Reissue Revised 15 Statutes of Nebraska, are repealed.