

NEBRASKA

Good Life. Great Mission.

DEPT. OF HEALTH AND HUMAN SERVICES



Jim Pillen, Governor

December 1, 2023

The Honorable Ben Hansen
Members of the Health & Human Services Committee
State Capitol Room 1117
Lincoln, NE 68509

Subject: SNAP Options Report

Dear Chairman Hansen:

Nebraska Revised Statute § 68-1017.02 requires the Department of Health and Human Services (DHHS) to report annually to the Legislature by December 1, regarding the Supplemental Nutrition Assistance Program (SNAP) status in Nebraska. This report includes information about federal options provided to the State with a description of any actions taken by the DHHS regarding these options, including the number of persons being served through these options.

The report includes a link to the most recent United States Department of Agriculture (USDA), Food and Nutrition Service (FNS) State Options Report, Fifteenth Edition.

Sincerely,

A handwritten signature in blue ink, appearing to read "Tony Green".

Tony Green, Interim Director
Division of Children and Family Services

Attachment

Division of Children and Family Services

SNAP Options Report

December 2023

Neb. Rev. Stat. § 68-1017.02(1)(b)

Overview

The Supplemental Nutrition Assistance Program (SNAP) federal statutes, regulations, and waivers provide state agencies with numerous policy options. State agencies use this flexibility to adapt their programs to meet the needs of eligible, low-income households. In addition to long-standing options, modernization, and technology have provided states with new opportunities and options in administering the program that can facilitate improved customer service and program integrity. Certain options may further program design goals, such as providing better support for those working or looking for work. This flexibility helps states better target benefits to those most in need, streamline program administration and field operations, and coordinate SNAP activities with those of other programs.

The current SNAP State Options Report provided by the United States Department of Agriculture (USDA), Food and Nutrition Service (FNS), Fifteenth Edition, was published on October 24, 2023. The report summarizes 19 SNAP policy options and waivers states chose in the Federal fiscal year (FFY) 2023. A copy of the [SNAP State Options Report](#) is available online through the FNS website.

Please note that Temporary Assistance to Needy Families (TANF) is known as Aid to Dependent Children (ADC) in Nebraska.

SNAP State Options Report Data

The charts on the following pages summarize the SNAP State Options Report from FNS. Further explanation and evaluation follow the chart.

State Options	Does Nebraska Utilize the Option
1. Program Administration	State-administered
2. Reporting Requirements	Yes; Simplified Reporting. All SNAP cases are Simplified Reporting or Transitional Reporting as of April 2016
3. Certification Periods for Households with Simplified Reporting Requirements	Yes; 6- and 12-months certifications effective April 2016
4. Treatment of Self-Employment Income	Yes; Another Method: Flat percentage and actual costs
5. Standard Utility Allowances (SUA)	Yes; Mandatory SUA
6. Treatment of Income and Deductions of Ineligible Noncitizens: Pre-PRWORA	Yes; Count all but a prorated share
7. Treatment of Income and Deductions of Ineligible Noncitizens: Post-PRWORA	Yes; Count all but a prorated share
8. Treatment of Child Support Payments	No; Deduction
9. Child Support-Related Disqualifications	Yes; Disqualification for the custodial parent and non-custodial parent effective July 2020
10. Comparable Disqualifications	Yes
11. Drug Felony Disqualifications	Yes; Modified Ban

State Options	Does Nebraska Utilize the Option
12. Work Requirements and Disqualification Policy	Yes; Regulatory minimum
13. Voluntary and Mandatory SNAP Employment and Training (E&T) Programs	Voluntary
14. ABAWD Time-Limit Waiver	No
15. ABAWD Discretionary Exemptions	Yes
16. Broad-Based Categorical Eligibility (BBCE)	Yes; Expanded Resource Program (ERP) LB543 (2011) mandated BBCE as of 10/1/2011
17. Transitional Benefits Alternative (TBA)	Yes
18. Demonstrations for Individuals Who Are Elderly and/or Have a Disabled	No
19. Combined Application Project (CAP)	No

Explanation and Evaluation of State Options

Program Administration

State agencies have the flexibility to adapt their organizational structure to administer SNAP to serve the unique needs of their populations. State agencies can administer SNAP at the state, regional, district, or county levels. In the annual State Plan of Operations, states describe their organizational structure. Nebraska's program administration is state administered.

Reporting Requirements

State agencies have the option of requiring SNAP recipients to report household circumstances at various intervals and in multiple ways. State agencies can use different reporting systems for different types of households or different geographical areas, but each household is subject to only one reporting system. Recipients may be required to report changes periodically or within a certain time, typically within ten days, after certain changes in circumstances occur (known as Change Reporting). Under Periodic Reporting, recipients report monthly, quarterly, or by using a simplified system with reduced reporting requirements. Under the Simplified Reporting, recipients are required to report changes in income between certification and scheduled reporting periods when total countable income rises above 130% of the Federal Poverty Level (FPL), when work hours for able-bodied adults without dependents fall below 20 hours per week, or when a household member receives substantial gambling or lottery winnings.

Simplified Reporting does not expand initial or continuing SNAP eligibility but may prevent a decrease in a household's monthly allotment during their certification period. The SNAP case is closed if the total household income exceeds 130% of the FPL.

Households receiving SNAP with income between 130% and 165% of the FPL do not need to report any income increases. Households only need to report if their gross income drops below 130% of the FPL and then increases to over 130% of the FPL.

As of October 31, 2023, 76,153 SNAP households or 154,779 individuals were receiving SNAP in Nebraska. Of these, 75,910 households are assigned to Simplified Reporting, and 243 are assigned to Transitional Benefits. Nebraska currently utilizes the option to assign all SNAP cases to Simplified Reporting or Transitional Benefits.

Certification Periods for Households with Simplified Reporting Requirements

Households certified for SNAP for longer than six months must submit a periodic report at least once every six months but no more than once every four months during the certification period. Some state agencies have opted to certify Simplified Reporting households for 12 months, with a periodic report at six months. Others have decided to certify households for six months with no periodic report. Households in which all members are elderly or disabled with no earned income may be given 12-month certification periods without periodic reporting or 24-month certification periods with a 12-month periodic reporting requirement.

Nebraska certifies Simplified Reporting households for six months. Effective April 11, 2016, if all adult household members are elderly or disabled with no earned income, the household is certified for 12 months without periodic reporting. As of October 31, 2023, there were 75,910 SNAP households currently assigned to Simplified Reporting.

Treatment of Self-Employment Income

States have the option to adopt a simplified method for determining the cost of doing business in cases where an applicant is self-employed. Should a state decide to adopt a simplified method, the state agency has the flexibility to develop a method to calculate this cost, such as a flat percentage, a figure based on average costs, or some other method. Some states use different methods for different types of self-employments. Twenty-three states have adopted a simplified method for determining business costs for self-employed applicant income. Of these, 19 use a flat percentage of gross income applied to all types of self-employments.

Nebraska currently utilizes a flat percentage, forty-nine percent (49%) of gross income, for self-employment deductions when income is verified with ledgers or bookkeeping records. If income is verified with a tax return, actual self-employment deductions are allowed.

Standard Utility Allowances (SUAs)

State agencies electing to use SUAs for all households in place of actual utility costs can opt to make their SUA mandatory. By taking this option, the state opts out of the requirement to prorate SUAs for households that share living space. In addition, this option requires that states use an SUA that includes the heating and cooling costs of public housing residents with shared meters that are charged only for excess utility costs. Nebraska currently utilizes this option with a mandatory SUA.

Treatment of Income and Deductions of Ineligible Noncitizens:

Pre-PRWORA

Although ineligible noncitizens cannot receive SNAP benefits, their income is relevant to the benefit determinations of other eligible household members. If the noncitizen would have been considered ineligible for SNAP before the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), State agencies have the following options:

- Count all their income and deductions.
- Count all but a prorated share of their income and deductions.
- Count all their income for the gross income test, and count all but a prorated share of their income for the net income test.

The option a state chooses must be implemented statewide and only applies to the income of the ineligible noncitizen, not other eligible household members. Nebraska utilizes the option of prorating a share of income for ineligible noncitizens before PRWORA.

Post-PRWORA

If the noncitizen household member is ineligible because of PRWORA, state agencies may count either none or all but a prorated share of the individual's income and deductions. The option selected must be implemented statewide and only applies to the income of the ineligible noncitizen. Nebraska utilizes the option of prorating a share of income for ineligible noncitizens post-PRWORA.

Treatment of Child Support Payments

States have the option to treat legally obligated child support payments made to non-household members as an income exclusion rather than as a deduction. This option helps to encourage payment of child support by excluding the amount paid from being considered part of the payer's gross income. States that do not use this option treat legally obligated child support payments made to non-household members as a deduction. States not opting for the income exclusion deduct legally obligated child support payments made per 7 CFR 273.9(d)(5) and 273.9 (c)(17). Nebraska does not currently utilize this option. Thus, it treats child support payments as a deduction, not an income exclusion.

Child Support-Related Disqualifications

States have the option to disqualify natural or adoptive parents who fail to cooperate with child support enforcement agencies, who are in arrears in court-ordered child support payments, or both. States also have the option to require cooperation from non-relative guardians of children when there is an absent parent.

Effective July 6, 2020, Nebraska began utilizing this option. Nebraska has elected to disqualify natural or adoptive custodial and non-custodial parents who do not cooperate with Child Support Enforcement but did not take the option to disqualify individuals with arrears. In September 2023, between one and five SNAP recipients were sanctioned due to non-cooperation with Child Support Enforcement.

Comparable Disqualification

State agencies may disqualify SNAP applicants or recipients who fail to perform actions required by other federal, state, or local means-tested public assistance programs. A state agency has the option to select the types of disqualifications within a program that it wants to impose on SNAP recipients. Only the individual who committed the violation may be disqualified from SNAP, even if the entire household was disqualified under the rules of the other means-tested program. State agencies may not disqualify an individual for failing to perform a purely procedural requirement and may not disqualify an individual not receiving SNAP, including applicants.

Nebraska currently utilizes this option. ADC recipients sanctioned under the ADC work requirement, Employment First (EF), for failure to comply have the disqualification carry over into SNAP. If a SNAP recipient is not exempt from SNAP work requirements and does not comply with ADC and EF regulations, the individual is disqualified for a SNAP work requirement, and a failure to comply penalty for noncompliance with ADC and EF is applied to the SNAP case. If a SNAP recipient is exempt from SNAP work requirements but is subject to EF and does not comply with EF, only the failure to comply penalty is applied to the SNAP case. Nebraska's failure to comply penalty is a 25% SNAP allotment reduction.

Drug Felony Disqualifications

PRWORA legislation permanently disqualifies individuals from SNAP participation if they have committed and been convicted of a state or federal drug felony offense that occurred after August 22, 1996, involving the possession, use, or distribution of a controlled substance. A state may, by specific reference in law, opt out of the penalty entirely or impose less severe restrictions through a modified ban. Examples of these modified approaches are:

- limiting the circumstances in which the permanent disqualification applies (such as only when convictions involve the sale of drugs);
- requiring the person convicted to submit to drug testing;
- requiring participation in a drug treatment program; or,
- imposing a temporary disqualification period.

The Nebraska Legislature passed a modified ban in 2005, which limits the circumstances in which the permanent disqualification applies. Individuals with less than three convictions for possession or use of a controlled substance are eligible if they are participating in or have completed treatment after the conviction date. Individuals with more than three convictions for possession or use of a controlled substance or convictions for the sale or distribution of a controlled substance are ineligible for SNAP.

Work Requirements and Disqualification Policy

SNAP regulations require all non-exempt household members to comply with work requirements such as registering for work, participating in Employment and Training (E&T), or participating in a workfare program if assigned, and not voluntarily quitting a job or reducing hours. Non-exempt individuals who fail to comply without good cause are disqualified from SNAP until they comply for a minimum of one month for the first instance, three months for the second, and six months for the third. The law allows states to establish disqualification (DQ) periods longer than the minimums, make the DQ permanent upon the third occurrence, and disqualify the entire household if the head of household fails to comply.

Nebraska applies the minimum periods set by law. It disqualifies only the non-compliant head of household whenever the head of household fails to comply with work requirements other than the E&T program.

Voluntary and Mandatory SNAP Employment and Training (E&T) Programs

State agencies are required to operate SNAP E&T programs. However, states have flexibility concerning the types of programs they offer and the types of SNAP participants they serve. States have the option to mandate that certain household members participate in SNAP E&T to maintain their eligibility, offer SNAP E&T to certain household members on a voluntary basis, or offer a combination of mandatory participation for certain household members and voluntary participation to others. Nebraska operates a voluntary SNAP E&T program.

Able-Bodied Adults Without Dependents (ABAWD) Time-Limit Waiver

An ABAWD is a person aged 18-52 that does not meet any of the exemption criteria set by Federal law. People are not considered ABAWDs if they are exempt from the SNAP general work requirements, share a household with a person younger than 18, are pregnant, are experiencing homelessness, are a veteran, or were in foster care at 18 and are younger than 25.

In addition to the SNAP general work requirements, ABAWDs must work or participate in a work program at least 80 hours per month to receive SNAP for more than three months in three years. State agencies have the option to request to waive this restriction in areas with unemployment rates above 10% or a lack of sufficient jobs. FNS generally approves waivers for 12 months. An ABAWD time-limit waiver does not waive the SNAP general work requirements. Nebraska does not utilize the ABAWD time-limit waiver.

ABAWD Discretionary Exemptions

In addition to the option to request to waive the ABAWD time limit, the law provides each state agency with a limited number of discretionary exemptions. State agencies can use discretionary exemptions to extend monthly SNAP eligibility for individual ABAWDs. Some agencies choose to use discretionary exemptions, while others do not. State agencies with statewide ABAWD waivers do not use discretionary exemptions.

Nebraska uses ABAWD discretionary exemptions for ABAWDs residing in Thurston County or on reservations due to a lack of sufficient jobs. Please note that the FNS State Options Report indicates that Nebraska is not using discretionary exemptions. During FFY 2023, the ABAWD time limit was suspended, and this data was not required to be reported to FNS.

Broad-Based Categorical Eligibility (BBCE)

By law, households where all participating members receive cash benefits from another means-tested program like Supplemental Social Security Income (SSI), TANF, or General Assistance are categorically eligible for SNAP. States can adopt a BBCE policy, which expands SNAP categorical eligibility to households that receive non-cash benefits funded by TANF or Maintenance of Effort (MOE) funds. Under BBCE, a state aligns its asset and income limits with the TANF non-cash benefit program that confers categorical eligibility. While certain eligibility criteria are deemed for BBCE households, as they are for other categorically eligible households, these households must provide documentation of income and certain expenses to calculate benefits. BBCE households must also meet all other SNAP rules and have net incomes low enough to qualify for a SNAP benefit.

Nebraska currently utilizes this option. Nebraska expanded categorical eligibility with broad-based eligibility requirements through the Expanded Resource Program (ERP). Only liquid resources that exceed \$25,000 affect eligibility. Non-liquid resources are excluded.

On May 26, 2021, the Nebraska Legislature passed LB108 into law. LB108 (2021) increased the gross income limit for all Expanded Resource Program (ERP) households to 165% of the FPL. On June 6, 2023, the Nebraska Legislature passed LB227 into law. LB227 (2023) extended the gross income limit at 165% of the FPL through September 30, 2025.

Transitional Benefits Alternative (TBA)

State agencies have the option to offer transitional SNAP benefits to families leaving the TANF or state-funded cash assistance programs. TBA ensures that such households can continue to meet their nutritional needs as they transition from public assistance to work. TBA provides a family with a set benefit amount and eliminates reporting requirements during the transition period. Benefits can be continued for up to five months at a level equal to the amount the household received before TANF termination, with adjustments for the loss of TANF income. Certification periods may be extended so families receive the full five months of benefits. State agencies may exclude households where all members are ineligible to receive SNAP benefits because they fail to comply with laws related to a means-tested program, fail to cooperate with child support agencies, or are delinquent in court-ordered child support.

Nebraska currently utilizes this option by allowing households to enter transitional SNAP when their TANF case closes due to exceeding the TANF income limit. Nebraska does not use the three optional disqualifications. As of October 31, 2023, there were 243 SNAP households enrolled in the Transitional Benefit option.

Demonstrations for Individuals Who Are Elderly and/or Have a Disability

The Elderly Simplified Application Project (ESAP) and the Standard Medical Deduction (SMD) are two demonstration projects that target the elderly (aged 60 years and over) and disabled low-income populations. The ESAP streamlines the application and certification process by waiving the recertification interview, utilizing data matches, and extending certification periods to 36 months. ESAPs serve elderly

households with no earned income and, in some cases, include disabled households with no earned income.

Combined Application Project (CAP)

Combined Application Project (CAP) is a partnership between the Social Security Administration (SSA), FNS, state agencies, and local agencies to streamline application procedures for individuals receiving SSI benefits. The projects are designed to strengthen access to nutrition benefits for this vulnerable population by streamlining the SNAP application process.

There are two models for CAPs: standard and modified. A standard model includes simplified joint SNAP and SSI application processing by SSA as individuals apply for or are recertified for SSI. A modified model utilizes data from SSA for targeted SNAP outreach to eligible SSI households, who are then sent applications. Both models rely on standardized benefits and shelter amounts and require evaluations to maintain cost neutrality. FNS and SSA are not soliciting proposals for new demonstrations of this type. Nebraska is not utilizing this option.

SNAP FFY2023 Expenditures

SNAP Funding FFY2023 (October 2022 through September 2023)	Authorized	Expenditures as of 9/30/2023	Remaining
SAE Allocation (SNAP Administration)	\$25,446,981.00	\$20,915,048.67	\$4,531,932.33
SNAP E&T 100%	\$373,800.00	\$145,050.82	\$228,749.18
SNAP E&T 50% admin	\$713,454.00	\$230,473.67	\$482,980.33
SNAP E&T 50% participant reimbursement	\$45,632.00	\$16,375.93	\$29,256.07
SNAP ARPA	\$1,230,254.00	\$1,031.00	\$1,229,223.00
SNAP P-EBT	\$1,020,804.00	\$491,651.78	\$529,152.22
SNAP Outreach	\$421,800.00	\$159,793.56	\$262,006.44
Nutrition Education Two-Year Grant	\$1,978,885.00	\$0.00	\$1,978,885.00
Totals:	\$31,231,610	\$21,959,425.43	\$9,272,184.57