

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 3, 2023
Rough Draft

HANSEN: Good afternoon and welcome to the Health and Human Services Committee. My name is Senator Ben Hansen. I represent the 16th Legislative District in Washington, Burt, Cuming, and parts of Stanton Counties and I serve as Chair of the Health and Human Services Committee. I would like to invite the members of the committee to introduce themselves, starting on my right with Senator Ballard.

BALLARD: Beau Ballard, District 21, northwest Lincoln, northern Lancaster County.

WALZ: Hi. My name is Lynne Walz and I represent Legislative District 15, which is Dodge County and Valley.

HARDIN: Brian Hardin, District 48: Banner, Kimball, Scotts Bluff Counties.

RIEPE: Merv Riepe, District 12, which is southwest Omaha and the good city of Ralston.

HANSEN: Also assisting the committee is our legal-- research analyst, Bryson Bartels; our committee clerk, Christina Campbell. And our committee pages are Ethan and Delanie this afternoon. A few notes about our policies and procedures. Please turn off or silence your cell phones. Otherwise Christina will smack you in the face. We'll be hearing three bills and we'll be taking them in the order listed on the agenda outside the room. On each of the tables through the doors to the hearing room, you'll find green testifier sheets. If you are planning to testify today, please fill one out and hand it to Christina when you come up to testify. This will help us keep an accurate record of the hearing. If you are not testifying at the microphone but want to go on record as having a position on a bill being heard today, there are white sign-in sheets at each entrance where you may leave your name and other pertinent information. Also, I would note if you are not testifying but have an online position comment to submit, the Legislature's policy is that all comments for the record must be received by the committee by noon the day prior to the hearing. Any handouts submitted by testifiers will also be included as part of the record as exhibits. We would ask if you do have any handouts that you please bring ten copies and give them to the page. We use a light system for testifying. Each testifier will have five minutes to testify. When you begin, the light system will be green. When the light turns yellow, that means you have one minute left. When the light turns red, it is time to end your testimony and

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we will ask you to wrap up your final thoughts. When you come up to testify, please begin by stating your name clearly into the microphone and then please spell both your first and last name. The hearing on each bill will begin with the introducer's opening statement. After the opening statement, we will hear from supporters of the bill, then from those in opposition, followed by those speaking in a neutral capacity. The introducer of the bill will then be given the opportunity to make closing statements if they wish to do so. And on a side note, the reading of testimony that is not your own is not allowed unless previously approved. And again, we have a strict no prop policy in our committee. So with that, we will begin today's hearing with LB523 and welcome Senator Walz up to open.

WALZ: My phone is off.

HANSEN: Good we got that cleared up.

WALZ: Yes. Good Friday afternoon, Chair Hansen and members of the Health and Human Services Committee. My name is Lynne Walz, L-y-n-n-e W-a-l-z, and I represent District 15, which is made up of Dodge County and Valley. I'm here today to introduce a very exciting bill, LB523. LB523 would-- would require the Department of Health and Human Services to amend our State Plan to the Centers for Medicare and Medicaid Services to include school psychologists as eligible providers for all recipients under medical-- under the Medical Assistance Act. The CDC recently released data from 2021 regarding youth behavioral health. Forty-two percent of high school students felt sad or hopeless almost every day for two weeks in a row. I think it's also important to note that this statistic breaks down further to 57 percent of girls and 29 percent of boys. Additionally, 29 percent of high school students experienced poor mental health during the past 30 days because we all know we are in a youth mental health epidemic and we need to really start thinking about this innovatively. In Nebraska, there are over 340 school psychologists certified by the Department of Education working in schools. Schools recognize the need for mental health services and for school psychologists-- and for school psychologists, but they are not reimbursed for those services. They are a critical part of our state's behavioral health system, but we are not fully utilizing their training and expertise because we do not recognize them as approved providers in the Medicaid system. LB523 requires a State Plan Amendment to allow for schools through the Medicaid in Public Schools Program to draw down federal funds matched by those schools' current funding to fully utilize their services. Schools are already paying out of pocket for school psychologists, but

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there are federal dollars that we can bring to the table. Right now, Nebraska is only one of 12 states that does not take advantage of this federal funding. I understand that in other states school psychologists have similar, if not the same, education and experience as Nebraska's because there is a national certification. Many of those states have done so through a State Plan Amendment and not additional credentialing. Yesterday, I met with Medicaid Director Bagley and he expressed the desire to get this done. The fiscal note indicates, because of the way we certify school psychologists in Nebraska, they are not Medicaid providers. So because school psychologists are licensed under the Nebraska Department of Education and not DHHS, there are some questions if they can be certified, certified through CMS. However, like I mentioned, other states have been able to do this. Director Bagley is ready to work with us to find a way to fully utilize these mental health professionals as other states have done. He indicated that he's OK with this bill moving forward and spending time seeing what other states have done to take advantage of the program. I believe this is the best way to get schools reimbursed and expand services at a time when we have a child and youth mental health epidemic. I'm really excited about the opportunity we have to collaborate and share resources. It will allow for schools to be reimbursed for a service they are already providing to students because they know that it's a need and use resources that are currently being paid through property taxes. And with that, I'd be happy to take any questions.

HANSEN: Thank you for your opening statement. Are there any questions from the committee? Senator Riepe.

RIEPE: Thank you, Chairman. Thank you for being here.

WALZ: Yeah.

RIEPE: My question, my first question at least, would be is, are they required to do a or have they already done a 407? You know, that's an important scope of practice thing that comes up often in this committee. I just-- I just don't know.

WALZ: Yeah. And you know what? I don't know if there's a difference in the programs, first of all, school psychologist or psychiatrist. That's one of the things that we're looking into. I didn't have time. Yesterday was the first meeting I had with Director Bagley, but that's-- those are some of the things that we're looking into as well.

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RIEPE: OK. My other, if I may, Mr. Chairman, would-- would simply be it seems to me that in the bundle of money that we as a state give to education, all of our tax monies, that historically this has been included in the whole package. And we're now kind of breaking it out a la carte, that it's going to be an extra charge to the state through Medicaid. You see where I'm coming from on that?

WALZ: I am-- I don't know if we are reimbursing mental health services.

RIEPE: Not, not specifically but in the-- the full package with maybe the expectation that as we fund schools, we would expect that there's going to be a school psychologist. So we say, OK, we're paying. I don't like-- I don't want-- I don't mind duplication, I just don't like needless duplication or needless--

WALZ: Right.

RIEPE: --duplication of payment. So we'd be paying in the big chunk and then coming back and now we're going to allow them to bill to expand Medicaid.

WALZ: And I'm kind of looking at it differently than you are.

RIEPE: OK.

WALZ: I'm looking at it as our ability to share resources with DHHS and the department. And I think that it's going to do two things. And one, I think it will-- it will reduce costs for schools. But the other thing that I like about this bill is that we have a shortage of psychologists in Nebraska. And I think that if we're able to use a psychologist that, you know, may be working in the community and is able to come into the school or vice versa, that we might not see that we have, I mean, we will still have a shortage, but maybe it won't be as bad. Does that make sense to you?

RIEPE: Uh-huh. Well, I think in the fiscal note, I did see something and they're required to be licensed if you will.

WALZ: Yes.

RIEPE: So it's not just a self-proclaimed psychologist that would be doing the work.

WALZ: No. Right.

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RIEPE: OK. Thank you. You've been very helpful.

WALZ: Yeah.

HANSEN: All right. Any other questions from the committee? Seeing none, I'm assuming you'll stay to close.

WALZ: Sure.

HANSEN: OK. All right. We will take our first testifier in support of LB523. Welcome.

ALEX SPOON: Hi. Good afternoon, Senator Hansen and members of the committee. I want to thank Senator Walz for sponsoring LB523 and her advocacy for addressing mental health and behavioral needs of children in our state. My name is Alex Spoon, A-l-e-x S-p-o-o-n, and I'm the president of the Nebraska School Psychologists Association or NSPA. NSPA represents over 340 school psychologists from dozens of school districts and educational service units across Nebraska. I'm here today to discuss the need for school psychologists to become approved providers of mental and behavioral health services under the State Medicaid Plan. In the fall of 2021, LR213 was heard by the Education Committee. The purpose of this study was threefold. First, data pertaining to mental and behavioral health needs of Nebraska's youth was gathered and summarized. Second, the study examined the role, the current role of school psychologists in Nebraska, including staff-to-student ratios, job duties and satisfaction, differences in urban versus rural service provision, and reimbursement eligibility for Medicaid in public schools or MIPS. Third, data was gathered regarding the three graduate training programs and their capacity to address the workforce need for more school psychologists. In December 2021, the NSPA executive board submitted a data report based on this study. Based on the report, it was clear that the nationwide youth mental health crisis is also pervasive here in Nebraska. The need for qualified mental health providers, mental and behavioral health providers working to-- working with youth to support the school's success has never been greater. In regard to graduate training, the study found that there are three graduate training programs in school psychology in Nebraska. UNO, UNK and UNL all have programs. School psychologists earn a Ph.D. or an educational specialist degree in which many school systems is equivalent to a master's plus 36 graduate hours. Graduate training-- graduate training includes supervised practicum and internship hours, preparing graduates for professional practice. School psychologists are highly trained and qualified

providers of behavioral mental health services to youth in our schools. The study also found that school psychologists are approved providers under Medicaid in public schools in 36 states. Most currently Colorado and Missouri made this change to their State Plans. Currently, school psychologists in Nebraska are not approved providers under our Medicaid State Plan. In 2017, the Center for Medicare and Medicaid Services provided feedback that there should not be different qualifications for those furnishing services in schools than there are for everyone else. Because school psychologists are certified under the Nebraska Department of Education and not the Department of Health and Human Services, school psychologists remain off of the approved provider list in Nebraska. Medicaid in public schools funding is important because schools could be reimbursed for services that school psychologists are already providing in our school-- in our public schools appropriately under their NDE certification. Schools are reimbursed when a child who receives special education services receives Medicaid approved services and is eligible for Medicaid. This additional money assists schools in providing needed services to all children and youth in schools, including behavioral and mental health services. This includes additional funding for more school-based mental health professionals that support children and youth. Over the last five years, our organization has met with multiple stakeholders regarding this issue. We have found the best solution to Medicaid in public schools eligibility for school psychologists is a state amendment, a State Plan Amendment to Nebraska's Medicaid plan allowing for school psychologists to be added to the approved providers in schools. Changing our Medicaid State Plan would allow school districts to write school psychologists into individualized education plans or IEPs for providing those services directly to support our youth, provide additional money to hire school psychologists, allow school psychologists to be reimbursed for assessments and evaluations that are-- were already being conducted in the school by school psychologists, and allow school psychologists to be viewed more largely in our state as mental health professionals qualified to provide direct services to our youth. Our ultimate goal with this State Plan is to expand funding and access school-based mental health services for all children. We want to see school psychologists who are able to fully utilize their training in mental health services and deliver the full scope of practice as defined by the National Association of School Psychologists. I've attached a list of services we are trained to provide for your reference. We believe that being able to deliver these comprehensive mental and behavioral health

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services in schools is essential to helping our kids thrive at school, home, and in life. In closing, our association urges this committee to support LB523 to address the behavioral and mental health needs of Nebraska's youth by fully utilizing our training as mental health professionals already working in schools in Nebraska. I'm happy to answer any questions related to these important points in my experiences with Medicaid in public schools eligibility for school psychs.

HANSEN: Thank you.

ALEX SPOON: Thank you.

HANSEN: Are there-- that was a good read. You got through all that. Are there any questions from the committee? Yes, Senator Riepe.

RIEPE: Thank you, Chairman. My most recent experience with education was when I was on the school board in Ralston. And in Ralston, we have a school psychologist. We also had a contract with an outside provider. So my question would be, is your opinion is if then we could or they could now discontinue that contract because we will have a different stream of funding here through Medicaid, which should then allow them to discontinue their independent contract that they're paying for money out of their budget for. Is that-- is that a substitute?

ALEX SPOON: I'm not really sure how to answer that question.

RIEPE: Well, good. It must have been a hard question.

ALEX SPOON: I, I think it really depends on there's-- there-- there's a shortage in school psychologists. So that's many times why we're having to go out and do those consulting-- hire in those contracted services. So it would depend on if the Medicaid funding got us enough money to hire more psychologists so that we wouldn't have to go through that avenue.

RIEPE: Do you think, too, that they would, and curiosity here, would the school psychologist have to be an employee of the school or could they be a contract person?

ALEX SPOON: I'm not sure. I've worked for other districts that are doing some of that consulting and contracting outside, and I don't remember off the top of my head--

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RIEPE: So [INAUDIBLE]

ALEX SPOON: --If those are also Medicaid covered under that MIPS.

RIEPE: So it may not be connected that it has to be the school, it has to be a psychologist providing services to students in school.

ALEX SPOON: Say that again. Sorry.

RIEPE: It wouldn't necessarily be-- have to be. It's not a contract, as I see it, with the school, but more with the licensed professional. I think that would probably make more sense.

ALEX SPOON: If they're contracted services, it's with the license.

RIEPE: So they could be employees or they could be independent. OK. Thank you. Thank you, Chairman.

HANSEN: Any other questions from the committee? Seeing none, thank you. Take the next testifier in support.

COLBY COASH: Good afternoon, Senator Hansen, members of the HHS Committee. My name is Colby Coash, C-o-l-b-y C-o-a-s-h, and I'm here today to represent the Nebraska Association of School Boards, but also the Nebraska Council of School Administrators, the Rural School Association, Stand for Schools, and the Nebraska State Education Association. So obviously, there's a lot of interest in this bill from the education community. And I wanted to-- we wanted to come in and give this bill our support. Maybe I can kind of fill in some blanks based on some of the questions that Senator Riepe had. There are school psychologists in every school across the state. Some in larger districts are employees of the district. Particularly in rural areas, those school psychologists are probably employed by the ESU and then loaned out to the-- to those school districts. It is, I would say, Senator Riepe, to answer your question, it would be unlikely that a school would contract out for a school psychologist because school psychologists, by definition of their license, they have to be working in a school. And so he may, I suppose, possibly have like an independent psychologist that farms out to different schools. But school psychologists, by and large, are employed by districts in ESUs. Schools may also contract with other mental health professionals, such as regular psychologists, licensed mental health practitioners and folks like that outside of the district. But school psychologists, by and large, work within the school. That's what they're trained to do. They're not the same as a psychologist. They have a lot of the same

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training, but they're trained in school systems, right, school psychologists are. So to your question about the 407 process, they're not trying to expand their-- their scope of practice through this bill. What they are trained to do, that's what they want to continue to do. What this bill is trying to do is to say what they are already doing can now be under the State Medica-- Medicaid Plan. What they're already doing can be then billed back to Medicaid. And so if you've got psychol-- school psychologists working across the state and the work that they're already doing can now be billed to Medicaid, then that is not resources that the district or the ESU is having to find internally, which could then those dollars can then be used to do things like hire more school psychologists because there is a shortage, other services for schools. So this is really about utilizing the federal government and their ability to reimburse what psychs, school psychs are already doing in order to supplement what-- what districts are doing. So hopefully that makes sense. So they're not doing-- this bill isn't asking school psychologists to do something they're not already doing. So there's no scope of practice reach on that. It's just getting reimbursed for that. As the previous testifier I think indicated, over two dozen states have already found a path forward through their State Plan Amendment to allow for this. Nebraska is just one of those that has not. And so the school psychologists and the Education Committee has worked with the Medicaid department, Senator Walz's office. And, and the result of that effort is LB523 and we'll hope that you will look favorably on that. I'll leave it at that.

HANSEN: Thank you very much. Are there any questions from the committee? I have one. Does the federal government, like, fund any other services like this in schools or have they in the past?

COLBY COASH: Sure. So occupational therapy, all these Medicaid eligible services that happen in the school can be reimbursed through Medicaid. So occupational therapy, speech therapy, those kinds of things. School psychologists are not. And part of the reason for that, as I understand it, is school psychologists are credentialed under NED.

HANSEN: OK.

COLBY COASH: Right? And a regular psychologist, right, is credentialed under HHS.

HANSEN: OK.

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COLBY COASH: So a school psychologist has a certificate that NDE grants based on similar criteria, LMHP, all the other healthcare that you're all used to dealing with are all credentialed under HHS. And so it's that difference is why to-- what I've been led to understand is that's the difference as to why one group can be reimbursed, occupational therapists and such, school psychologists are not. But by amending the State Plan through LB523, the hope is school psychologists will continue to do what they're doing. It's just now that they'll be on par with those other healthcare professionals, get that reimbursement from-- from the schools. And I think that the schools would tell you that the benefit of that is when you have a qualified employee like a school psychologist, you put them in a position where you can get the best bang for your buck. Right? And so right now, because they're not reimbursed, they're over here doing assessments, things like that, which are an important part of their job, and they're not necessarily doing the-- some of the work that they're qualified to do because they can't get-- the schools look at it and say, well, we can't get reimbursed for that, so we're not going to put you in that position. But it's mental health, it's behavioral health. It's working with kids and families on their needs that are causing the school psychologist that the kids they work with, they're not just special ed students. They're students with mental health needs, but they're within their scope of practice. They're working with these families and keeping disruptive students, you know, they work with disruptive behavioral challenged students, those things like that. So we're hoping that this will just increase their ability to-- to be of service to the districts.

HANSEN: I think I have a concern still, but I don't think so, about one thing.

COLBY COASH: OK.

HANSEN: This will come in the form of kind of an abstract question because of a hearing we had on Wednesday that had to do with conversion therapy I'm using as an example. Is there a concern or do you think since now we're getting federal funding in a way for somebody to provide a service to students where there's typically a state controlled, not institution, entity, can the federal government then come along and say, this is how we want you to counsel students? Or if you don't counsel the students this way, we're going to pull our funding? Could they do that?

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COLBY COASH: I'm not sure. I don't think the federal government can tell you to do something outside of your scope of practice. Right?

HANSEN: Yeah, but like, like-- I liken it to the conversion therapy. It could be anything. Like, I'm just using that as an example, right?

COLBY COASH: That if they're reimbursing you, they can tell you how to do it?

HANSEN: Yeah, say you have to-- you cannot-- you have to prohibit conversion therapy. You have to follow these certain things. And again, I'm using it as an example,--

COLBY COASH: I understand.

HANSEN: --not saying it's going to happen. I'm saying now if somebody comes along and they're confused by their gender, you have to affirm it and you have to kind of help them along and, and refer them along because that's what their scope of practice. And to them, that's best practices. Now, they're forcing them to do something because the federal government says either you do this or we're going to pull our funding--

COLBY COASH: Right.

HANSEN: --because now we're getting the federal government involved in this. That's-- I'm not saying-- I'm not saying it's going to happen. I'm just saying [INAUDIBLE] an abstract question.

COLBY COASH: I understand the concern. I guess what I would ask the committee to consider is, you know, currently there are all sorts of healthcare professionals in the school already doing Medicaid-eligible services to Medicaid-eligible students. That's happening today. So if it's not a concern with the occupational therapists and the-- and the LMHPs that are already working with students, I don't think it would be a concern with the school psychologist if they were brought in.

HANSEN: I think this is just kind of a different.

COLBY COASH: I understand.

HANSEN: You know, we're talking behavioral health now--

COLBY COASH: Yeah.

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HANSEN: --as opposed to like physical health. Right? Or like, like a nurse or an OT or--

COLBY COASH: But there are behavioral and mental health services that schools are providing and aren't getting reimbursed for today, just not by school psychologists.

HANSEN: OK. Which, which ones involve behavioral health that aren't getting reimbursed?

COLBY COASH: Well, like an LMHP. Schools employ and, and utilize LMHPs in the-- in schools every day.

HANSEN: OK.

COLBY COASH: Right? So those are Medicaid eligible services to Medicaid eligible students that schools are currently getting reimbursed for.

HANSEN: OK.

COLBY COASH: So if it's not a concern for what's happening now, and maybe it is, I don't think it would be a concern if school psychologists were brought on.

HANSEN: I'm not too [INAUDIBLE] concerned about it. I just-- I'm just kind of wondering how the process works, what their--

COLBY COASH: It's a new world we're in, Senator.

HANSEN: --what their involvement is and how it can be resolved so.

COLBY COASH: I understand.

HANSEN: OK. Thank you. Senator Riepe.

RIEPE: Thank you, Chairman Hansen. I'm not sure-- I'm not picking on you. I'm not sure that this is one. But do all of these students, the only ones that could receive this treatment under Medicaid would have to be-- apply and be qualified for, for Medicaid. So that, say, any given school, you might have 30 percent. And then so you can like, what do you do about the other--

COLBY COASH: Well, you can only--

RIEPE: -- 70 percent?

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COLBY COASH: Right. So the psychologists would provide, I mean, as all--

RIEPE: OK.

COLBY COASH: --as all the professionals, the school provide all students. It's just you can only bill back Medicaid for the students who are eligible for Medicaid.

RIEPE: Do you think that then they would, if they were not on Medicaid, they might apply for Medicaid through the school? Or is it--

COLBY COASH: Well, I think--

RIEPE: Is that a bridge too far?

COLBY COASH: I think the idea here is the schools are already providing a lot of Medicaid-eligible services--

RIEPE: Yeah.

COLBY COASH: --and getting-- and getting reimbursed for those. And from our perspective, that's a good thing. It gets those kids into Medicaid and then it gets them help that they-- that they need. So we'd look at that as a positive.

RIEPE: OK. And I know more schools are going to on-site clinics.

COLBY COASH: Yes, they are.

RIEPE: OK. Thank you, sir. Thank you, Chairman.

HANSEN: Any other questions from the committee? I might ask you one more question here. It's on the fiscal note about State Plan Amendment. We won't be in conflict with state or federal law here will we? To submit a State Plan Amendment asking for the inclusion of schools under current regulation, CMS could not approve psychologists certified by the Nebraska Board of Education to be Medicaid providers.

COLBY COASH: Well, I think-- I'll take-- that's why the, the bill is here, right, is to ask them to make that, that State Plan Amendment. What I can tell you, Senator, is--

HANSEN: OK. I might just be reading it wrong.

COLBY COASH: I think Senator Walz can answer that.

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HANSEN: [INAUDIBLE] they have the fiscal note.

COLBY COASH: I think Senator Walz can possibly address that. All I can say is that we looked and 20, I think 24 other states have done this. So we're not like treading new ground here in adding school psychologist to the State Plan.

HANSEN: OK. It is not uncommon for other states, for their school psychologists to go under like their board of education or their [INAUDIBLE]

COLBY COASH: No.

HANSEN: OK. Cool. Just wondering. Thanks. Any other questions? Seeing none, thank you.

COLBY COASH: Thank you.

HANSEN: Take the next testifier in support of LB523. Anybody else wishing to testify in support? Seeing none, is there anybody who wishes to testify in opposition to LB523? Seeing none, is there anybody who would testify in support of LB523 or-- been a long-- been a long week. Anybody wish to testify in a neutral capacity? Seeing none, we'll welcome Senator Walz back up to close. And for the record, we did have 34 letters in support of LB523, 1 in opposition, and 0 in the neutral capacity.

WALZ: OK. I'm just going to make it really quick. Again, I just think it's a really great opportunity that we have to access more mental health resources in our school. What was the question that you had, Senator Hansen?

HANSEN: Well, I'm reading it right now. I just-- it was-- it was the-- it was in the fiscal note by DHHS.

WALZ: Medicaid recipients would conflict with state and federal requirements.

HANSEN: Yeah. To submit--

WALZ: Is that--

HANSEN: --a State Plan Amendment asking for the inclusion of school psychologists as providers able to submit for reimbursement of

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Medicaid services for all eligible Medicaid recipients would conflict with state and federal requirements.

WALZ: Yeah, and that's exactly the conversation that we had with Director Bagley yesterday.

HANSEN: OK.

WALZ: And that's one of the things that we're trying to address through this bill.

HANSEN: OK. All right. Any--

WALZ: Any other questions?

HANSEN: Any other questions?

WALZ: I'll ask for you.

HANSEN: Thank you. Well, that will close the hearing for LB523, and we will now open up for LB676. And welcome, Senator Day.

DAY: Hi, everybody. Happy Friday. Good afternoon, Chairman Hansen and fellow members of the Health and Human Services Committee. My name is Jen Day. That's J-e-n D-a-y, and I represent Legislative District 49 in Sarpy County. I'm here this afternoon to introduce LB676, which would establish a diaper distribution grant program in Nebraska. This grant would be administered by DHHS and be eligible to the state's diaper distribution centers, public health agencies, and nonprofit distribution centers. As many of you know, being a new parent is expensive and can be tough on anyone's budget. This is especially true for low-income families. In the past two years, diaper costs have risen roughly 20 percent and it now costs around \$70 to \$80 per month to be in diapers. On an annual basis, this is about \$930 per year. If you're someone making at or near the state's minimum wage, this can begin to eat up a significant amount of your salary. Cloth diapers are marginally cheaper, but have a significantly higher upfront costs than disposable diapers, costing about \$150 per size with a full year of sizes running over \$500, putting them out of reach for many families and may not be feasible for families that do not have in-residence washing machines. On top of this, many laundromats outlaw washing of cloth diapers for sanitary reasons. Additionally, diapers are not covered in any of our state's assistance programs like WIC or SNAP, and at the moment diapers are still taxed in Nebraska, although Senator John Cavanaugh has brought a bill, LB58, which would change

this. So this puts low-income families in a bind and can leave them with no choice but to try to stretch the useful life out of diapers fall-- far longer than is sanitary. Reusing diapers, keeping diapers on too long, and not using diapers when needed can all create infection control and health issues for the infant themselves and the rest of the family, especially with UTIs for infants. This creates a web of issues beyond the child's health itself. Nearly all childcare centers require the parent to provide diapers for the child, so a lack of diapers can begin to compound into missed days of work if the parent cannot reliably find diapers for their child. Part of what makes diapers in particular so challenging for low-income families is the time in our lives that we have kids. Most people have children long before they progressed through their careers and are making less than they'll make in five to ten years. As Kathryn Edwards, an economist with the RAND Corporation, notes, most parents are the poorest they'll ever be in their kids' life on the day their kid is born. That's what makes something like the cost of diapers hit really hard is that you're hitting people who in ten years probably have absolutely no problem affording diapers. It's just really hard to afford it when they have their kids. With the elevated cost in recent years and the growing recognition that diapers are truly a basic good, nonprofit organizations have begun to fill the gap and help parents in need obtain diapers. You'll be hearing from one of them today, the Nebraska Diaper Bank, which provides around 3 million diapers annually to babies in the greater Omaha area, Lincoln, Kearney, Norfolk, Scottsbluff, Macy and Walthill. However, the need is significantly greater than 3 million diapers. By passing LB676, which would provide \$1.5 million in funding to create grants that organizations like the Diaper Bank, as well as local public health agencies could apply to, we can build a more robust infrastructure to help serve more families. Other states have already identified this need and established similar programs. Currently, California, Connecticut, Massachusetts, Nevada, and Arizona have appropriations or grant programs that supplement diaper banks. Even in the best circumstances, being a new parent can be a stressful, overwhelming experience. LB676 takes initial steps to help relieve one of the greatest pressures for low-income families. We often talk about what investments we want to make as a state. Certainly we can see to it that one of these investments is that our youngest, most vulnerable Nebraskans have their most basic-- have the most basic of their needs met. You'll hear from a number of testifiers this afternoon, including the Nebraska Diaper Bank, who can help explain the mechanics of how diaper distribution works. But with that, I am happy to try to answer any questions you may have.

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HANSEN: Thank you. You should have scheduled these bills better because this would have been good like ear wax bills and just throw in diapers--

DAY: Diapers, ear wax.

HANSEN: Dirty diapers, yeah, that's great.

DAY: A fun day in HHS.

HANSEN: Uh-huh.

DAY: Uh-huh.

HANSEN: Are there any questions from the committee? Senator Riepe.

RIEPE: Thank you, Chairman Hansen. I guess this takes me a little bit back to my pharmacy bill, that there are two issues here. One is the product cost, which would be the diapers.

DAY: Right.

RIEPE: And the second one is the distribution. And when I look at the distribution, I don't know the diaper banks. I'm not familiar with those. But it would seem to me like an option would be to have that distribution through the food banks or because you probably have the same population or to have it like the SNAP program where you simply issue a card at a lower cost at all the distribution centers.

DAY: And then we end-- someone from the diaper bank may be better equipped to answer the question of why--

RIEPE: I think they might have a conflict of interest.

DAY: --having-- have a separate-- well, sure. But sometimes it may seem like there may be a more efficient way of handling things, and that may be the case. But there is also times where there is a necessity to have a separate entity to do this type of distribution so.

RIEPE: OK. I'll ask them too.

DAY: OK.

RIEPE: Thank you.

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HANSEN: Any other questions from the committee? I have one.

DAY: Yeah.

HANSEN: Do you know how much with the tax we make off of diapers?

DAY: I do not. That's a great question and I will hopefully find out before the end of this hearing.

HANSEN: I don't think you can specifically like we do with the gas tax. I don't think you can specifically use a tax on a certain item to help appropriate that--

DAY: Right.

HANSEN: --towards something like this.

DAY: Right, right, right.

HANSEN: But I don't think we can-- I don't think we can really do that so. [INAUDIBLE] OK. All right. Seeing no other questions, thank you. I'll take our first testifier in support of LB676. Welcome.

TEGAN REED: Good afternoon, Chairman Hansen and members of the Health and Human Services Committee. My name is Tegan Reed, T-e-g-a-n R-e-e-d. I'm the executive director at Nebraska Diaper Bank. We are the only nationally recognized diaper bank in the state and are proud members of the National Diaper Bank Network. We currently provide 180,000 diapers to 2,700 children each month through 25 collaborative partnerships with 49 distribution sites. Our service area includes the greater Omaha area, Lincoln, Kearney, Norfolk, Scottsbluff, Macy and Walthill, Nebraska. I am here to testify in support of LB676 and its effort to create a grant program for diaper distribution. One in three families in Nebraska struggles with diaper need, which is the lack of a sufficient supply of diapers to keep your baby healthy, clean, and dry. Nebraska Diaper Bank's mission is to provide diapers through collaborative partnerships to change lives and empower families in need. Started in 2014 as a food pantry that also provided diapers, we quickly learned that diaper need was a much larger unmet need in our community. We postured ourselves to fill this gap in service, becoming a diaper bank in 2019 and rebranding to Nebraska Diaper Bank in 2022. The Diaper Bank model limits unnecessary duplication of services for agencies, reduces administrative expenses, and works collaboratively to solve a basic human need at the community level for infants and young children. A centralized warehouse procures diapers through

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community drives and large wholesale purchase diapers ordered by the semi load. We repackage those diapers in a pack for each child and distribute the requested quantities to our partner-- partnering agencies who provide direct family support. In 2022, 98.9 percent of our clients reported earning less than 200 percent of the federal poverty level; 91 percent of these families had at least one working adult in the household, and 26 percent had at least one adult attending school. These families are working hard to change their situation. Thirty-eight percent said that receiving diapers helped them to go to work and 82 percent said that receiving diapers helped them pay a bill or save money. These incremental steps are necessary on the path to breaking the cycle of poverty. As the need has been identified, we have expanded services throughout the state. In 2021, Nebraska Diaper Bank distributed nearly 600,000 diaper-- diapers, mainly in the greater Omaha area to address diaper need. Diapers distributed through the state increased by 126 percent in 2022 by providing 1.3 million diapers throughout the state. And we are expected to distribute 3 million diapers this year. Currently, our funding is received through grants, contributions, corporate sponsorships, individuals, in-kind donations, fund-raising events, and a small portion is through earned revenue of an annual partner fee. We are seeking additional funding to support our expansion efforts and serve to this at-risk population to ultimately reach our vision of a heartland without diaper need where families thrive and all babies are happy, healthy, and safe. So receiving this \$1.5 million from the Diaper Distribution Grant program from the state would allow us to expand the service area, distribute an additional 5 to 6 million diapers annually, and increase access to diapers across our state. If we were truly to end diaper need in Nebraska, we would provide 24 million diapers every year to 31,000 babies who are at risk. On behalf of Nebraska Diaper Bank, I ask that you support LB676. These additional funds available to nonprofit diaper banks such as Nebraska Diaper Bank would be put towards reaching more families who struggle to afford enough diapers for their babies. Thank you for the opportunity to speak today, and I will do best to answer any questions you might have.

HANSEN: Thank you. Are there any questions from the committee? Yes, Senator Riepe.

RIEPE: Thank you, Chairman. On the last page, it talks about it looks like the number of diapers received monthly from the various charities. So do they hold diaper drives or something like that in their-- these organizations?

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TEGAN REED: That's a great question. So that last page is actually a list of all of our partner organizations.

RIEPE: OK.

TEGAN REED: So that's the number of diapers that they can receive from us every month--

RIEPE: OK. So it's--

TEGAN REED: --to provide.

RIEPE: --you going to them, not-- I thought maybe they were holding diaper drives or something like that.

TEGAN REED: No. Yeah. So we procure all the diapers and hold them in our warehouse and they are partnered with us and we are on a tier system. So, for example, Center for People in Need is a tier nine. They can order up to however many diapers that says on there for the babies that they serve. And that's based on the population that they're seeing monthly. So they get to kind of tell us, OK, we serve 25 babies a month, we serve 800 babies a month, and this is what that would equate to.

RIEPE: So one of your primary recipients is the Medicaid program, Medicaid beneficiaries. And it says here--

TEGAN REED: Yes.

RIEPE: --on the front page.

TEGAN REED: Yes.

RIEPE: Do you anticipate as you grow your business in the future, you'll do Medicare and do Depends or is that--

TEGAN REED: Yeah, that's a great question. A lot of diaper banks actually do have adult incontinence products within their programming. Currently looking at the whole state is quite a big expansion for us so that's where our focus is currently. I'm not going to say that we would never consider it, but at this very minute it's not on our, yeah.

RIEPE: What's your current annual budget?

TEGAN REED: This year it's a little over \$1,000,000.

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RIEPE: Really?

TEGAN REED: Um-hum.

RIEPE: Wow. OK. Thank you very much. Thank you, Chairman.

TEGAN REED: You're welcome.

HANSEN: Any other questions from the committee? Senator Cavanaugh.

M. CAVANAUGH: Thank you. Thanks for being here.

TEGAN REED: Yeah.

M. CAVANAUGH: More of an observation of there's like basically a Cavanaugh bingo on bills. And so there's not a Cavanaugh I don't think testifying on your bill, but my cousin Molly--

TEGAN REED: Right.

M. CAVANAUGH: Cavanaugh has participated in the diaper drive through Channel 94.1 for 20 years. It's been 20 years now I think so I'm very familiar with the diaper drive in Omaha and the program. And I just want to say that I appreciate your work and you just can't get away from Cavanaugh in this place. So just wanted to acknowledge that for my colleagues. Thank you so much.

TEGAN REED: Thank you.

HANSEN: Senator Ballard.

BALLARD: Thank you, Mr. Chairman. Can you just walk me through the mechanics maybe one more time just so I fully understand it? So you have a central location in Omaha, and then it's kind of like a hub and spoke model where you distribute to these seven areas and then you partner. Can you kind of explain that a little deeper?

TEGAN REED: Explain a little further?

BALLARD: Yeah.

TEGAN REED: Yeah. So, yes, we're in Omaha. We procure diapers through diaper drives and we purchase by the semi load. So being partnered with the National Diaper Bank Network allows us-- they have a purchasing program for us. So it's a little more than half the retail cost if you or I went into a store and purchased diapers. So that's

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what makes our dollar go further and why we can help even more babies doing it this way. So what happens is that nonprofits or even healthcare centers can apply to be partners with us. So we look at some different criteria. We like to have the-- the partners be doing something else, not just a diaper distribution. So it could be a basic needs distribution. It could be education classes, parenting classes, a healthcare setting to go along with giving out those diapers. So we started in Omaha, which is why the majority of our distribution currently is in Omaha, in the greater Omaha area. And then we started working with the Center for People in Need just in January to distribute into Lincoln. So as we're able to create funding and create more access to different-- to add more partnerships, then we're able to do that throughout different areas. Does that help?

BALLARD: See, that does. And so the \$1.5 million would just buy more diapers, correct, or would it expand that distribution?

TEGAN REED: It would expand that distri-- distribution as well.

BALLARD: OK.

TEGAN REED: Like the service area, yes.

BALLARD: So you would-- so you could put a location out to, say, McCook.

TEGAN REED: Yeah.

BALLARD: You could do something like that.

TEGAN REED: Yeah. Yeah. So right now we have applications that would span 53 other counties in Nebraska. So we have a lot of people who would like to partner with us throughout the state. It's just creating the service area, which is more labor and then infrastructure, of course, to have-- have staff be there as well.

BALLARD: OK. Thank you.

TEGAN REED: Yeah.

HANSEN: Any other questions? You said you're expecting-- you're at 1.3 million you did for 2022 and you're expecting 3 million?

TEGAN REED: Yeah.

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HANSEN: And so it seems like you're expanding exponentially.

TEGAN REED: Yes.

HANSEN: You're more than doubling every year in the last three years.

TEGAN REED: Um-hum.

HANSEN: So from a fiscal conservative standpoint, then why do you need government money to help because it seems like you're doing really good?

TEGAN REED: Yeah, that's a great question. I think it goes back to the need in the state and the 31,000 babies that could be assisted if we had the funds to do that. Our goal really is to not have a child, but to have a family know where they can go get diapers. We know that 30 percent of moms say it's more stressful to not know where to get diapers than food because there are food pantries around that can help them, but they don't really have the access to the clean diapers that their children need. So just to be able to continue to provide that so no mom feels like she can't support her baby.

HANSEN: I probably should know this question.

TEGAN REED: That's OK.

HANSEN: But does Medicaid help pay for diapers?

TEGAN REED: No, not unless there's a medical need.

HANSEN: Gotcha. OK. Thank you.

TEGAN REED: Yeah.

HANSEN: And seeing no other, oh, Senator Riepe.

RIEPE: My-- I was taken aback by the million five in terms of the fiscal note. That, that stunned me. I guess that's a comment more than a question. Thank you, Chairman.

HANSEN: Yes. Can I ask one more question now that you made me think of something? And I don't know if you can share that. So what is like, what is your budget then every year typically?

TEGAN REED: So our budget this year is a little over \$1,000,000.

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HANSEN: OK. Any other questions? Seeing none, thank you. It was very informative, appreciate it.

TEGAN REED: Yeah. Thank you.

HANSEN: We'll take the next testifier in support of LB676.

KHADEIJA KITIER: Hello, everyone, and good afternoon.

HANSEN: Welcome.

KHADEIGA KITIER: Thank you. Sorry. My name is Khadeiga Kitier, K-h-a-d-e-i-g-a, last name K-i-t-i-e-r. I am the proud mother of six children. My children are 16, 15 years, 13 years, 8 years, 5 years and 7 months. In 2016, I came to the United States of America from Sudan. When I arrived in America, I was pregnant with my first child and it was until 2024 [SIC] that my husband was able to, I'm sorry, 2020--2014, that my husband was able to officially join us in the United States in Sudan. My husband was an accountant. When he was finally able to join us in the United States, he was able to transfer 123 credit hours to be applied to his continued education in the United States. As a family of eight, it was difficult to make ends meet. So for now, my husband works to support our family and plan to continue his master's program, at least at a later date. I also work at Center for People in Need to help with our family finances. Our two oldest children are both in gifted program at LPS. They are attend Focus program. They are attending science school. We work hard for our children and we came to the United States for our family. Our kids know that there are financial sacrifices we have to make and that everyone understands and agrees with the sacrifices we make. We are proud parents and our priority is our family. Our oldest-- our youngest child, Abdelrahman, is seven months old and we receive supplemental diaper from Center for People in Need for his each-- for him each month. And when our five-year-old Ahmed was a baby, the Center was able to help with diapers for him as well. Our income is not enough for us to have extra diapers without the help from the Center for People in Need. With this help, we're able to use our money to take care of other basic needs. We all-- we do all that we can for our kids and know that family is the most important thing. Thank you for your time today and I ask that you support LB676 so people who need help receive services.

HANSEN: Thank you very much.

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KHADEIGA KITIER: Of course.

HANSEN: Are there any questions from the committee? All right. Seeing none, thank you for your testimony.

KHADEIGA KITIER: Thank you.

HANSEN: Thank you. Anybody else wishing to testify in support of LB676? Welcome.

MACALA CARTER: Thank you. Good afternoon, Chairperson Hansen and members of the Health and Human Services Committee. My name is Macala Carter, M-a-c-a-l-a C-a-r-t-e-r, spelled different than yours. I come before you today supporting LB676 on behalf of the Center for People in Need, a Lincoln nonprofit organization serving over 1,800 unduplicated households a week. The Center for People in Need is a vital community service hub for people experiencing economic difficulties in Lincoln. Our support mechanism meets people where they are. We address basic needs, and that's to include food and diapers. We offer upskilling and educational opportunities, and we provide workforce partnerships with employers of choice here in Lincoln. Our-- our region spans 21 counties, including Lancaster, that we're supporting currently. And we are the largest partner, not only for the Lincoln Food Bank, but the Nebraska Diaper Bank. After leaving a 22-year career in banking, I joined the Center for People in Need as their executive director in July of 2022. One of my primary roles as executive director is financial oversight. In 2022, the Center for People in Need served Lincoln as-- served Lincoln as the only diaper bank in Lincoln spending \$98,482.90 on diapers, and that equates to 487,350 diapers, half a million purchased and distributed throughout Lincoln in a single year. The demand for basic needs, including diapers, has continued to trend upward. In 2022, much of the \$98,482.90 spent on diapers came from our operating reserve. As an agency, our priority is to ensure families have access to diapers; but also we recognize that our fiduciary duty is to sustain all of our other programs, not just the one. So in 2023, January, we released our diaper bank designation and now serve under the Nebraska Diaper Bank as a diaper distributor through the only Nebraska Diaper Bank at this time. As a partner agency, we're thankful to have this option. But also we know that as our numbers continue to increase, so, too, does the financial stress placed on the Nebraska Diaper Bank to keep pace with our demands. In January 2023, we distributed 37,850 diapers. That's one month alone; 674 children received diapers from the Center for People in Need. That's a 23 percent increase over last year at

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this exact same time, or 6,950 diaper difference from January 2022 to January 2023. Today, top stressors for families include financial problems and parenting. I've shared from an agency impact how the Center for People in Need supports parents and children with diaper needs. I've also noted that I'm new to the nonprofit space, but from a personal perspective and why I'm so passionately committed to this work is I haven't shared that I'm also someone with the lived experience of poverty. It's been mentioned that 26 years ago I was a teen mother with limited resources to provide for my son. And with no family to serve as a safety net, I remember rationing liquids with hopes that I could reduce the number of times my baby would need his diaper changed. I remember waiting longer than I should to change my baby's diaper, resulting in him suffering from painful diaper rashes. I remember painstakingly counting out diapers for day care, knowing that I was going to be one, possibly two short of the required number necessary to send him to day care. I remember pleading with my kindly provider to please take my baby, promising to replenish her diaper supply when I got paid. I remember the shame associated with feeling inadequate as a mother, like I couldn't provide the basics for my baby. I remember the toll all of this took. I remember apologizing to my infant son and making a promise that it wouldn't always be this way. I remember the pain and guilt associated with not being able to consistently provide the basics for my beautiful child. And even 26 years later, I still remember. Today, I sit before you as an agency representative asking that you support LB676. I also sit before you as a parent who's deeply aware of the seemingly "unsurmountable" barriers faced when even the most basic of needs can't be met. Thank you for your time and consideration today, and I welcome any questions you may have.

HANSEN: Thank you. Are there any questions from the committee? Seeing none, thank you.

MACALA CARTER: Thank you.

HANSEN: Anybody else wishing to testify in support? Seeing none, are there any that wish to testify in opposition? Seeing none, are there any that wish to testify in a neutral capacity? Seeing none, we'll welcome the senator back up. And for the record, we did have four letters for the record in support and one in opposition.

DAY: So I do have an answer to your question, Senator Hansen, about state revenue. Currently as a state, we bring in about \$2.5 million in revenue from diapers annually. So that's out there. If Senator

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Cavanaugh, John Cavanaugh gets his bill passed, that will no longer be there. But--

HANSEN: So him passing that bill will take all your revenue away from your bill pretty much?

DAY: No.

HANSEN: Oh.

DAY: We're going to have to discuss that with each other. Yeah, and I'm not sure if there is a mechanism to take that revenue and apply it directly to a program like this. I'm not sure. That's something that we could explore. But, you know, I think ultimately I-- maybe you know this as well, Senator Hardin, working in childcare many, many years ago I worked in childcare and parents would bring in diapers and then you write the name of the family on the diaper and there was a few kids who would they would leave at five or six at night with the name on the diaper, and they would come back the next morning with the same exact diaper on. And it's just really heartbreaking to see that. We're talking about babies here. We're talking about infants who, if you've ever seen really, really awful diaper rash, it's extremely painful. They would cry all day. They would bleed. It's a real health issue. And again, we're talking about babies. And with the rising costs of virtually everything right now, housing, childcare, food, I would think that being able to help diaper some of these low-income families would be a priority for us. But-- and I think related to, Senator Riepe, your question earlier, seeing how many millions of diapers are distributed through these distribution centers, I think gives me a better idea, maybe you a better picture of how vast the need is and how-- how complicated of a process it is, where it would be nice if we could maybe allocate some of that to other areas, like a food bank or something. But I'm not sure that there is the infrastructure to make that happen right now, so.

HANSEN: Thank you. Are there any questions from the committee? Senator Cavanaugh.

M. CAVANAUGH: Thank you. Thank you, Senator Day. The fiscal note has it coming from General Fund.

DAY: OK.

M. CAVANAUGH: We have \$130 million in this little thing called TANF rainy day.

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DAY: We do.

M. CAVANAUGH: I'm wondering if this is an allowable expense.

DAY: That is a really fantastic question and we will definitely have to find out.

M. CAVANAUGH: Thank you.

DAY: I like that idea a lot.

HANSEN: Senator Riepe.

RIEPE: Thank you, Chairman. One of the questions I have is what-- can you give me the-- what's the birthrate in Nebraska doing?

DAY: I think currently it's-- it has recently dropped.

RIEPE: OK. That's just--

DAY: But it--

RIEPE: --what I thought.

DAY: But I mean, if I could maybe go off script-- script a little bit, we do have a bill potentially that will increase the birthrate very vastly this session so.

RIEPE: Yeah, I agree.

DAY: Just-- I'm just throwing that out there, that's all.

RIEPE: OK. Well, then my final piece would be at the same time our baby births are on the decline, the diapers are on the incline, I mean, it seems like obviously more people are going on to it.

DAY: Yes.

RIEPE: So have the qualifications--

DAY: No, I think--

RIEPE: --lowered down to 160 percent of da, da, da, da, da?

DAY: And this is just speculation on my part. But my guess is that because wages have been stagnant and people that in terms of the

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rising costs compared to wages in Nebraska have not kept pace with each other. And so I feel like there's likely, despite the fact that we have a-- a decrease in the birthrate, we are having more people that are needing to rely on diaper distribution centers to get diapers because they cannot afford to purchase them.

RIEPE: OK. Thank you. What's the eligibility requirement? It's just-- I mean, is it like 130 percent of the poverty level to be eligible to get diapers?

DAY: I'm not sure. I'm not sure if when you come into a distribution center, that may have been a good question for the Diaper Bank, and I'm happy to get that answer for you, if you have to--

RIEPE: I just thought of it.

DAY: Yeah, if you have to fill out some paperwork or what the requirement is to get diapers from them. But I can find out.

RIEPE: OK. Thank you.

DAY: Um-hum.

HANSEN: Senator Hardin.

HARDIN: Do you know if there is a practice of aggregation for the procurement of the diapers, for example, buying 2 million of them as they can get them maybe cheaper per unit than buying 100,000 of them? Is there a team effort that goes on between all of the diaper banks to essentially say, we're going to go out and buy what we think we need for blank period of time, buy a lot more at one time, and we'll-- we'll divvy it up later and buy them cheaper. I mean, is that kind of thing coordinated?

DAY: I would-- I would assume so. Again, I can find out for sure what the answer to that question is. Like, you heard the Diaper Bank mentioning that they are connected to the national organization that helps them procure the diapers. And I would assume there would be some kind of-- of organization with that type of large of a purchase. But I would be happy to find out for sure.

HARDIN: Very good. Thank you.

HANSEN: Any other questions? Seeing none, thank you.

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DAY: Thank you.

HANSEN: That will conclude the hearing for LB676. It will now open it up to LB233 and welcome Senator Cavanaugh. Which one?

J. CAVANAUGH: You don't have it in your notes?

HANSEN: No, well, not the sheet here, the session sheet.

J. CAVANAUGH: Well, you know what? I have a saying: That there's a Cavanaugh for everybody. Whatever your problem is, there's a Cavanaugh for that. Good afternoon, Chairperson Hansen, members of the Health and Human Services Committee. My name is Senator John Cavanaugh, J-o-h-n C-a-v-a-n-a-u-g-h, and I represent the 9th Legislative District in midtown Omaha. I'm here today to introduce LB233, which would redirect the full amount of child support funds collected by the state to families receiving Aid to Dependent Children or ADC benefits. This bill would also disregard the full amount of the pass-through child support income when determining the family's income eligibility for ADC and when calculating their ADC benefits. Before I get started, I do have actual handouts, sorry, beginning amendments. Let's see here. It is-- this is a couple of pages separated out there. So I do have an amendment to share with the committee. It's AM9 or AM696. It corrects an error in the green copy of the bill, which would also apply the income disregard to SNAP benefits eligibility. The amendment clarifies that the disregard is for the Aid to Dependent Children program only. Senator John Arch introduced LR407 last year to examine how Nebraska is utilizing TANF funds. This child support issue was raised by a community member who testified at the LR407 hearing on November 4, 2022. The state of Nebraska is utilizing a so-called cost recovery policy to make child support funds-- take child support funds away from children in low-income families. In spite of an ever growing TANF rainy day fund with a current balance of over \$131 million, our current ADC child support policies are harmful to Nebraska children and families, and it is within the power of the Legislature to change these policies. A bit of context for the record, in Nebraska, the direct cash assistance program funded by the Temporary Assistance for Needy Families or TANF block grant is known as Aid to Dependent Children or ADC. As you see from the chart, oh, I have a chart to distribute as well, should have distributed at the beginning, I guess. But as you can see from this chart, ADC benefits are only available to extremely low-income households and the benefit amounts are very low. For example, if a single parent with one child works full time at a minimum wage job with some childcare costs and have-- has a net income

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of \$480 per month, they would likely receive \$261 per month in ADC benefits. As a household of two, they could not receive more than \$408 per month. Most ADC recipients are required to meet stringent work requirements to continue receiving benefits. ADC recipients who are subject to work requirements can only receive ADC benefits for a total of 60 months in a lifetime. In order to receive ADC benefits, families are required to cooperate with child support enforcement and, quote, assign or turn over their rights to child support payments to the state. This means that rather than a parent and a child receiving child support, most of the child support paid on behalf of a family-- families receiving cash assistance is kept by the state and shared with the federal government to reimburse TANF payments. Even when a family no longer receives ADC benefits, the state can keep a portion of the child support payments to pay for past use of support assigned to the state at the time the family received ADC benefits. LB233 would redirect the full amount of child support funds collected by the state to families receiving ADC benefits. This is known as child support pass through because the state collects child support funds from a noncustodial parent, then passes those funds through to the ADC recipient household where the children reside. This bill would also disregard the pass through child support income when determining the family's income eligibility for ADC and when calculating their ADC benefits. Federal law permits states to pay 100 percent of child support collections to families. More than half of states pass through a district-- and disregard at least some support for families receiving cash assistance. In 2017, Colorado implemented a full TANF pass through and disregarded-- in disregard of current support payments similar to the proposal in LB233. A study commissioned by the Colorado Department of Health and Human Services found that this policy change had significant impact in child support cases. So-called cost recovery policies discourage compliance with child support orders and send a mixed message about the importance of supporting children. Although the message is that children deserve to receive child support, the reality is that many child support payments for children from families with the lowest incomes are treated as state revenues and used to fund government operations. These cost recovery policies contribute to the parental distrust and avoidance of the child support system. This bill is not about middle and upper income parents who can pay child support but won't. Their support checks, when they do pay them, go to their kids. Our current policies are hurting low-income families. Last year, these harmful policies redirected over \$2.6 million away from low-income Nebraskans, low-income children in Nebraska, at-- at the time-- the same time, Nebraska is sitting on an

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ever growing TANF rainy day fund of over \$131 million. This is unconscionable and unnecessary. The department has raised concerns about language in this bill that appears required-- disregard of child support as income for SNAP benefits contrary to federal law. That's not my intention and AM696 corrects that error. I'm willing to work with the department and the committee to address any concerns with this bill. But to be clear, child support should be used to support families, not the government. This is the right thing to do for Nebraska families. I urge you to advance LB233 to the floor and allow the full Legislature to have the debate. I thank you for your time, and I'm happy to answer any questions if I can.

HANSEN: Thank you. Are there any questions from the committee? Senator Cavanaugh.

M. CAVANAUGH: How did you know?

HANSEN: He's your brother. I knew it was coming.

M. CAVANAUGH: I actually wasn't going to ask any questions. But you said something that really struck a chord that I didn't realize. They can collect-- they can continue to collect after you're no longer receiving the benefit to pay for the benefit that you used to receive?

J. CAVANAUGH: Right. So what happens in this situation, so just kind of I guess to give you a like narrative what happens, somebody who would qualify for these benefits has a child. They apply for benefits. When you apply for benefits, usually it's the mother who has the child, a custodial parent, plus they have to put down who the father is. So they write down the father. Then the state comes after-- goes to the father and says, you need to pay whatever monthly amount of child support would be to pay for the assistance of this child. If you're on ADC benefits, then the amount that the father is paying goes to the state before any money would go on to mom and kid.

M. CAVANAUGH: Do they do this even if you're not currently, if-- if you are the custodial parent and you're not currently seeking child support and you apply for ADC?

J. CAVANAUGH: When you apply for ADC, you'd be required to disclose who the noncustodial parent would be.

M. CAVANAUGH: So the state goes after it, goes after child support payments, even if the parent isn't going after child support payments.

J. CAVANAUGH: Yes.

M. CAVANAUGH: Because that can happen that a parent doesn't seek child support.

J. CAVANAUGH: Well, yeah, it happens almost all the time.

M. CAVANAUGH: Right. Right. So, OK, so they-- the state goes after it. And then when the family, the custodial parent no longer is receiving the benefit, the state continues to force the other parent.

J. CAVANAUGH: Right. So usually and this is I guess from my personal experience, which is not being a person who's paying child support, but being a person who's defending people who haven't paid child support.

M. CAVANAUGH: Thank you for distinguishing that.

J. CAVANAUGH: Yeah, well, it's for the record, but I have represented a number of people in this particular situation. And usually the monthly amount that the noncustodial parent is ordered to pay is about \$50 because they are also a person that is in the lower income bracket. And so they're paying-- that's the-- the, what is it, MSO, monthly support obligation. The minimum MSO is basically \$50. And so if you're getting, what did I say, \$400, you got the chart here. If you're getting \$408 a month, \$50 is not going to go that far to paying that amount. And so they essentially look at it as a debt and say that, yeah, we can collect. I think they can collect until they would recover all of the amount that was paid out by the state in terms of or that parental share of that amount is paid out by the state.

M. CAVANAUGH: OK. So if you don't have child support or you don't have the qualification, let's say you're a single parent because your partner died and there's nobody else to collect that \$50 from.

J. CAVANAUGH: Right.

M. CAVANAUGH: You're not in this situation.

J. CAVANAUGH: Right. Yes. The custodial parent would not have this action against them.

M. CAVANAUGH: But the custodial parent should still be receiving that child support when they're no longer receiving the aid. So it is-- it is theft from the child support side.

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J. CAVANAUGH: Well, yeah, I mean, our point is, if the-- if the noncustodial parent is paying money to support the child, that money should actually go to support the child.

M. CAVANAUGH: Right.

J. CAVANAUGH: You know--

M. CAVANAUGH: My mind was just blown by what you said in your opening. And now I'm trying to understand it.

J. CAVANAUGH: That's why we're here to answer questions.

M. CAVANAUGH: Yes. OK. All right. Well, I'll-- I'll spare the committee and ask other questions in the car ride.

HANSEN: Senator Riepe.

RIEPE: Thank you, Chairman. Thank you for being here, Senator. One of the concerns that I had was on the second page of the fiscal note it has a paragraph and it's third from the bottom and it says, "If the SNAP program were to follow state statute that is described in LB233, the state would be out of compliance with federal law" which means no dollars.

J. CAVANAUGH: Yep. And thank you for pointing that out, Senator Riepe. And that's actually-- so that was the mistake in the green copy that the white copy amendment addresses.

RIEPE: Oh.

J. CAVANAUGH: So it takes SNAP out of-- we weren't-- we weren't intending to include SNAP as part of this because it would not comply with federal law.

RIEPE: Oh.

J. CAVANAUGH: And so the white copy amendment would-- it basically addresses that exact concern.

RIEPE: OK. Thank you. Thank you, Chairman.

HANSEN: Any other questions? Seeing none, see you at the close.

J. CAVANAUGH: I'm in Judiciary at the same time so I might have to go check in there, but I'll come back if I can.

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HANSEN: This is the time, Senator Day, to ask you about diapers.

DAY: Yeah. Can we talk about diapers?

J. CAVANAUGH: I-- well, and I appreciate Senator Day's bill and I did listen to part of that. And I can tell you from personal experience that you do have to have diapers to have your kids go to day care. And if the kids can't go to day care, you can't go to work so.

DAY: Thank you, Senator.

HANSEN: Thank you for your testimony.

J. CAVANAUGH: Thank you.

HANSEN: All right. We'll take the first testifier in support.

ANAHI SALAZAR: Good afternoon.

HANSEN: Welcome.

ANAHI SALAZAR: Thank you, Chairperson Hansen and members of the Health and Human Services-- Human Services Committee. My name is Anahi Salazar, A-n-a-h-i S-a-l-a-z-a-r, and I am representing Voices for Children in Nebraska in support of LB233. Families in Nebraska are working hard to provide for their families and gain economic stability. The Temporary Assistance for Needy Families, or TANF, program is intended to help lower income families with children make ends meet. Nebraska uses TANF to provide direct cash assistance to children living in poverty through the Aid to Dependent Children or ADC program. This program was intended to help create financial stability for families that are in need. Voices for Children in Nebraska supports LB233 because for children whose parents are-- are on ADC, every dollar counts to ensure security and health. Currently, Nebraska's practice of taking child support payments when a family receives Aid to Dependent Children assistance is dated and harmful. The ADC program offers limited financial assistance and is targeted to our very lowest income category. These are families frequently headed by a single mother who need every dollar to help keep food on the table and a roof over their children's heads. A family eligible to receive ADC benefits should be able to keep that little bit of extra income when child support is owed. In 2021, Nebraska had 9,051 ADC recipients under the age of 18, which is-- I'm sorry, that's supposed to be 81-- 81 percent of all ADC recipients. The average monthly ADC payment per family is \$441. For families whose only source of income

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is TANF, housing and utilities is out of their ability to pay. This is particularly concerning for Black and Latinx children, whose families face higher rates of housing insecurity. In Nebraska, children in rural areas of the state are also more likely to experience high poverty. Child support is intended to be for the child. Taking child support away is a policy that hurts low-income children who are most at need. In Colorado, all of the parents' child support payments go to their children. When Colorado made the change, child support payments jumped 63 percent. Payments were made more regularly because parents knew the money was going to their children. It is time for Nebraska to modernize the state child support program to be child centered. Increasing benefits for children will create a brighter future for our state's child-- for our state's children. When there is financial stability in the home, students can perform better in schools. When Black, American Indian, Latinx, white and immigrant families and children receive more income to meet their basic needs, they have a better opportunity to grow up in healthy and flourishing homes. We want to thank Senator John Cavanaugh for his leadership on this important issue and the committee for your time and attention. Thank you.

HANSEN: Thank you. Are there any questions from the committee? All right. Seeing none, thank you.

ANAHI SALAZAR: Thank you.

HANSEN: Take the next testifier in support. Like I said, it's government.

ERIN FEICHTINGER: Putting in a form.

HANSEN: It takes a long time to [INAUDIBLE]

ERIN FEICHTINGER: I'm putting in a form.

HANSEN: It's an inside joke [INAUDIBLE] committee.

ERIN FEICHTINGER: It's good to have an inside joke with a committee Chair. Pro tip. Happy Friday, everyone. Chairperson Hansen, members of the Health and Human Services Committee, my name is Erin Feichtinger, E-r-i-n F-e-i-c-h-t-i-n-g-e-r, and I am the policy director for the Women's Fund of Omaha. We believe that economic security is foundational to advancing gender equity in our local communities, and for this reason we offer our support for LB233 to ensure that child support is being used in the way it is intended, to support a child,

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and that we are not funding programs intended to help the neediest families on the backs of the very families we are trying to help. Women still make less than men for the same jobs. In 2020, 94 percent of occupation-- occupations paid women 83 cents on the dollar. Women with children made even less at 74 cents on the dollar. And that disparity grows for Black, Native American, and Latina mothers. In Nebraska, 33.2 percent of women work in low-wage positions, and nearly a quarter of Nebraska households are headed by single women. For women caregivers in our state who work those low-wage positions, cash assistance from the ADC program, if they're on it, can be critical to ensuring their family's basic needs are met. And withholding or using child support funds can be financially detrimental to these families. There is strong evidence of the effectiveness of ensuring that child support goes directly to families enrolled in the ADC program rather than the state, as well as the effectiveness of policy that does not count child support in the calculation for whether a family is eligible for aid. Both policies contribute to a family's stability and well-being. More equitable child support policies are associated with higher levels of child support receipt as noncustodial parents are more willing to pay child support that goes directly to their children rather than to the state; a decrease in poverty for single parent families, the majority of which are headed by women, reducing the risk of child maltreatment; and sustaining custodial mother's participation in the workforce. Cash assistance from the ADC program is an essential resource for mothers with lower incomes and their families in Nebraska and allowing for child support pass through and disregard policies are essential to ensuring they are receiving the funds they need to cover basic necessities like food, rent, housing, and childcare. Furthermore, the neediest children-- families in our state should be allowed the opportunity to fulfill the request that the state has asked of them: to lift themselves up, to build financial stability through hard work, and get off government assistance quickly without being hamstrung by a policy which takes away their ability to do exactly that. This legislation is an important step in accomplishing that goal, and we would urge you to support Nebraska families with this committee's support of LB233. And I am happy to answer any questions to the best of my abilities.

HANSEN: Thank you. Are there any questions from the committee? Yes, Senator Cavanaugh.

M. CAVANAUGH: Thank you. Thank you for being here, Doctor Feichtinger.

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ERIN FEICHTINGER: I think you've only got me two more times this session, so.

M. CAVANAUGH: Well, this is the last time this week, and I don't think I've asked you any questions, which mean, first of all, I would just like to observe that I'm disappointed that in every time I've been here, I have not gotten the treatment of the sparkly shoes. So I just want that--

ERIN FEICHTINGER: I have a three-year-old who's insistent that I wear sparkle shoes to what she calls school. That's what that is, which is to say, the State Capitol.

M. CAVANAUGH: I also want to acknowledge that at the start of this week, I had a hearing in this room and the other Senator Cavanaugh was not as kind as I am to his committee members and questioned the people for about an hour and a half. So I'm not going to do that because I'm much more gracious than the introducer of this bill is. But I did want to ask you a question. I think I might have lost track of it. ADC, Aid to Dependent Children, is a TANF program.

ERIN FEICHTINGER: It is indeed, yes.

M. CAVANAUGH: And we are, some might say, lousy with money in TANF.

ERIN FEICHTINGER: More money than I have, certainly.

M. CAVANAUGH: Well, there you go, \$130 million in that rainy day fund. So in your estimation, is there any reason that the state needs to go after money to reimburse, like why? You don't have to answer that.

ERIN FEICHTINGER: I don't think there's a reason. And I think it's going back to that philosophical point. You know, we say over and over again, particularly when it comes to government assistance programs, and particularly when it comes to programs like this that have stringent work requirements that we are asking people to fulfill all of the things that we have asked of them in order to achieve financial stability: go get an education, get a good job, start providing for your family. And we are taking away a source of their income that, you know, if you're balancing your budget, if you're thinking about how you're going to pay for all these things and get to work, you're taking away a portion of a person's income, which doesn't make a whole lot of sense when we're asking them to achieve financial stability and get off government assistance.

M. CAVANAUGH: I--

ERIN FEICHTINGER: So to me, it seems like common sense.

M. CAVANAUGH: I honestly, until I was talked about this in my commute daily, I didn't know that this was a thing. I was very surprised to learn that this was a thing. It also feels like it is disproportionate to people who have a different family makeup. If the parents were in the household together or if the parent was deceased, they wouldn't be doing this. So I'm just now editorializing but.

ERIN FEICHTINGER: I mean, if we want to editorialize, I'll draw on this Ph.D. I've got. I mean, like historically, we have done these things to families. I would assume that we have moved on from the 19th century English workhouse, you know, where we're asking people to contribute to their own assistance, which in turn, you know, undermines their ability to get off that assistance and forever and always. So--

M. CAVANAUGH: We--

ERIN FEICHTINGER: This would seem like a commonsense thing when we're asking folks to do the things that we've asked of them, which is to say work and get a good job and get off assistance.

M. CAVANAUGH: OK. Thank you. And just for the record, this is like the Cavanaugh family bill, apparently. So I thank you for being here.

HANSEN: Any other questions from the committee? That would be like a federal requirement, would it, under TANF to go out to look for these funds [INAUDIBLE]?

ERIN FEICHTINGER: Yeah, so it does, I mean, there are folks behind me who would be able to answer this question more eloquently. But yes, it is a federal thing, but we are allowed to-- to make an exception to make that pass-through. You know, when we put in-- put TANF in place, there was a different world. And now we have the opportunity to-- to change it and to adjust for what Nebraska families really need.

HANSEN: OK.

ERIN FEICHTINGER: So, yeah.

HANSEN: All right. Seeing no other questions, thank you. Anybody else wishing to testify in support?

DIANE AMDOR: I don't know how people come up here without as much paper as I always do. I need to watch more hearings. Good afternoon, Chairperson Hansen and members of the Health and Human Services Committee. My name is Diane Amdor, D-i-a-n-e A-m-d-o-r, and I'm a staff attorney for the economic justice program at Nebraska Appleseed. Nebraska Appleseed is a nonprofit law and policy organization that works for justice and opportunity for all Nebraskans. We'd like to thank Senator Cavanaugh for introducing this important legislation. Nebraska Appleseed Supports LB233 because when child support laws support children, everyone wins. The phrase child support does seem to refer to money that will always go towards supporting a child. But in Nebraska, as you have heard, that is not always the case. When low-income parents make child support payments, if their children are receiving Aid to Dependent Children or ADC benefits, the child support payments do not go to their children. They go to the government to cover the cost of public assistance that went to the custodial parent or child. In the words of a former ADC recipient who submitted written testimony but could not be here to testify today, quote, I feel strongly that no parent of any such program, particularly a program that supports the lowest of low-income community members, should be subjected to losing money that is designed for the benefit of their children. The child is not the ADC applicant and therefore should not be subjected to losing support that can, could, and should enhance their life. The state of Nebraska does not need to be taking money away from extremely low-income families when we have, as has been mentioned, a TANF rainy day fund balance over 130 million with an m, dollars. Nebraska receives \$56 million of Temporary Assistance for Needy Families or TANF block grant funds every year. We have not spent the full amount of that grant since federal fiscal year 2017. We have underspent our TANF block grant by approximately \$10 million for the past five years, and that has resulted in this TANF rainy day fund balance over \$131 million. The state of Nebraska does not need this money. The federal government does not need this money. The lowest of low-income families in Nebraska with children need this money. And I think Senator Cavanaugh distributed a chart that shows the-- what the current income eligibility levels are and then the maximum benefit amounts. And then I believe it also has a percentage of FPL, which, if you think about the other public assistance bills you've heard earlier this week about the SNAP and childcare subsidies, those are for low-income families. We're talking 130 percent, 165, 180 percent FPL for those programs. Right? TANF, we're talking your income has to be below 50 percent FPL, in some cases even lower than that to be eligible. That's what I mean when we say the lowest of the low-income

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families. We really, really I don't know how to emphasize that more than that. And you have the numbers in front of you that make that point. Without these policy changes, these harmful laws will redirect over \$1.9 million away from low-income children in Nebraska in federal-- in fiscal year 2024, \$1.9 million that could be going to children in those lowest of low-income families. Does the state need that? Does the federal government need that? Or do those families need that? Nebraska could cover the costs of this bill several times over by utilizing the TANF rainy day fund. In addition, a reduction in state revenue would be partially offset by savings from reduced operational costs, better performance, and better outcomes for families. States that moved to 100 percent family distribution and entirely eliminate this cost recovery policy can expect to see major offsetting savings. One estimate is 6 to 8 percent of all program expenditures. That's reduced computer, staff training, and customer service costs. These policies increase financial support for children. In 2017, Colorado implemented a full TANF pass through and disregard of current support payments. A study commissioned by the Colorado Department of Human Services found that as a result of that policy change, noncustodial parents were more likely to make child support payments. They were more likely to pay more in child support as compared to the time period before Colorado implemented that full pass through policy. For these reasons, we urge the committee to advance LB233, and I would be happy to answer any questions.

HANSEN: All right. Thank you. Are there any questions from the committee, Senator Cavanaugh.

M. CAVANAUGH: Thank you. First, I'd like to acknowledge that Ms. Amdor is, I believe, the last member of the family in this room yet today.

DIANE AMDOR: I don't see anyone else.

M. CAVANAUGH: I don't see any other family members, but you never know what might pop in. So the quote that you have in here about that, the child isn't the ADC applicant.

DIANE AMDOR: Yeah.

M. CAVANAUGH: So the applicant is the parent.

DIANE AMDOR: The custodial parent.

M. CAVANAUGH: The custodial parent. And--

DIANE AMDOR: Usually. It can sometimes be another family member.

M. CAVANAUGH: But-- and the noncustodial parent that-- that the child support is coming from, the intention of child support. Could you maybe talk a little bit about what child support is supposed to do?

DIANE AMDOR: I mean, as the name implies, the intention is to support children. There's-- I think Senator John Cavanaugh in his intro talked about that, oh, it's not maintenance of effort, it's a minimum maintenance requirement. So there are-- the state does calculations and estimates how much does it cost to maintain a child? And then when-- when a parent is not living with a child, then they are expected to financially contribute to the general costs of raising that child.

M. CAVANAUGH: And that--

DIANE AMDOR: That's what it's supposed to go for. That is, of course, also what TANF or ADC goes to is to provide direct cash assistance to low-income families to cover its basic needs. So I think the theory behind this is, well, you're already getting this from the state, so you don't need this. But you can see from the dollar amounts that people are receiving, they're not getting a lot of money here. And people will get off of ADC faster, they will meet their goals, and move on with their lives faster if they are able to have all of the money that should be available to help support their children.

M. CAVANAUGH: And just, you know, thinking about the bills that we've had already before this, the diaper bill and the cost, if a parent actually can pay that child support amount and that child is diaper-wearing age, that's a-- that's a huge hit to the family budget.

DIANE AMDOR: Raising kids is expensive.

M. CAVANAUGH: It is.

DIANE AMDOR: And every little bit helps.

M. CAVANAUGH: Yeah.

DIANE AMDOR: The lower your income is, the more-- the more every little bit helps.

M. CAVANAUGH: Yes.

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DIANE AMDOR: I don't know if that sentence is grammatically correct, but I think you know what I mean.

M. CAVANAUGH: The more significant every amount is so all right. Thank you, Ms. Amdor.

DIANE AMDOR: Thank you, Senator Cavanaugh.

HANSEN: All right. Any other questions from the committee? Senator Riepe.

RIEPE: Thank you, Chairman. I have a quick one. On the second page of the top, you said the grant by-- I forget how it goes here. It says that we have underspent by \$10 million of the past five years. Is that \$10 million per year or \$10 million aggregate?

DIANE AMDOR: Yes, per year--

RIEPE: Per year.

DIANE AMDOR: --on average. Obviously it's more than \$10 million some years. Otherwise it wouldn't be \$131 million.

RIEPE: OK. But it's per year. OK. Thank you.

DIANE AMDOR: Yes.

RIEPE: Thank you, Chairman.

DIANE AMDOR: And I believe that the report that former fiscal analyst Liz Hruska created for the LR407 hearing this past fall includes the breakdown, an explanation of those funds.

RIEPE: OK. Thank you.

DIANE AMDOR: Yep.

HANSEN: As I was just reading.

DIANE AMDOR: It-- she's amazing.

HANSEN: [INAUDIBLE] format here.

DIANE AMDOR: It's a loss to the Legislature. If you want to know anything about TANF, 90 percent of it is in that report. And I'm going

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to be back on Wednesday to talk your ears off about it. So just a heads up.

HANSEN: And they do start with the federal requirements. And some of it might make sense to what Senator Cavanaugh was saying about why they had to do some of the things they had to do because they had to meet certain requirements and also serve purposes of TANF that the federal government put in place. And some of it is a failure to enforce penalties requested by the child support agency [INAUDIBLE].

DIANE AMDOR: Yes, exactly. So that I think your question earlier was what-- where does this federal requirement come in? The federal requirement is that all families receiving ADC have to assign their right over to the state. We can change that at a state level. This doesn't touch that. That happens. The option comes in when the state now has that right to receive the money. They do receive that money. The option is then do you keep it or do you pass it through?

HANSEN: Yep.

DAY: And that-- we have the option of pass through. We are currently not doing that. This bill would change that.

HANSEN: OK. Any other questions from the committee? Seeing none, thank you.

DIANE AMDOR: Thank you.

HANSEN: Anybody else wishing to testify in support of LB233? Seeing none, is there anybody who wishes to testify in opposition to LB233? Seeing none, is there anybody who wishes to testify in a neutral capacity? All right. Seeing none, for the record, there were 11-- 11 letters in support of LB233, 1 letter in opposition, 0 in the neutral capacity. And so since Senator Cavanaugh, John Cavanaugh is not back here, he will waive his closing. And with that, that will end the hearing on LB233 and end the hearing for today. Thank you very much.