

E AND R AMENDMENTS TO LB 351

Introduced by Enrollment and Review Committee: McGill, 26,  
Chairperson

1           1. Strike the original sections and all amendments  
2 thereto and insert the following new sections:

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

5           43-504 (1) The term dependent child shall mean a child  
6 under the age of nineteen years who is living with a relative or  
7 with a caretaker who is the child's legal guardian or conservator  
8 in a place of residence maintained by one or more of such relatives  
9 or caretakers as his, her, or their own home, or which child  
10 has been removed from the home of his or her father, mother,  
11 grandfather, grandmother, brother, sister, stepfather, stepmother,  
12 stepbrother, stepsister, uncle, aunt, first or second cousin,  
13 nephew, or niece as a result of judicial determination to the  
14 effect that continuation in the home would be contrary to the  
15 safety and welfare of the child and such child has been placed in  
16 a foster family home or child care institution as a result of such  
17 determination, when the state or any court having jurisdiction of  
18 such child is responsible for the care and placement of such child  
19 and one of the following conditions exists: (a) Such child received  
20 aid from the state in or for the month in which court proceedings  
21 leading to such determination were initiated; (b) such child would  
22 have received assistance in or for such month if application had  
23 been made therefor; or (c) such child had been living with such

1 a relative specified in this subsection at any time within six  
2 months prior to the month in which such proceedings were initiated  
3 and would have received such aid in or for the month that such  
4 proceedings were initiated if in such month the child had been  
5 living with, and removed from the home of, such a relative and  
6 application had been made therefor.

7 (2) ~~Except as provided in subdivision (2)(b) of section~~  
8 ~~68-1724, in~~ In awarding aid to dependent children payments, the  
9 term dependent child shall include an unborn child but only during  
10 the last three months of pregnancy. A pregnant woman may be  
11 eligible but only (a) if it has been medically verified that the  
12 child is expected to be born in the month such payments are made  
13 or expected to be born within the three-month period following such  
14 month of payment and (b) if such child had been born and was living  
15 with her in the month of payment, she would be eligible for aid  
16 to families with dependent children. As soon as it is medically  
17 determined that pregnancy exists, a pregnant woman who meets the  
18 other requirements for aid to dependent children shall be eligible  
19 for medical assistance.

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

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

27 43-512 (1) Any dependent child as defined in section

1 43-504 or any relative or eligible caretaker of such a dependent  
2 child may file with the Department of Health and Human Services  
3 a written application for financial assistance for such child on  
4 forms furnished by the department.

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

14 (3) The department shall make a finding as to whether the  
15 application referred to in subsection (1) of this section should  
16 be allowed or denied. If the department finds that the application  
17 should be allowed, the department shall further find the amount  
18 of monthly assistance which should be paid with reference to such  
19 dependent child. Except as may be otherwise provided, payments  
20 shall be made by state warrant, and the amount of payments shall  
21 not exceed three hundred dollars per month when there is but  
22 one dependent child and one eligible caretaker in any home, plus  
23 an additional seventy-five dollars per month on behalf of each  
24 additional eligible person. No payments shall be made for amounts  
25 totaling less than ten dollars per month except in the recovery of  
26 overpayments.

27 (4) The amount which shall be paid as assistance with

1 respect to a dependent child shall be based in each case upon the  
2 conditions disclosed by the investigation made by the department.  
3 An appeal shall lie from the finding made in each case to the  
4 Director of Health and Human Services. Such appeal may be taken by  
5 any taxpayer or by any relative of such child. Proceedings for and  
6 upon appeal shall be conducted in the same manner as provided for  
7 in section 68-1016.

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

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

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

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

25           (iii) Except as may be provided in accordance with  
26 subsection (2) of section 68-1713 and subdivision (1)(c) of section  
27 68-1724, medical assistance for up to twelve months after the month

1 the recipient becomes employed and is no longer eligible for aid to  
2 dependent children.

3 (6) For purposes of sections 43-512 to 43-512.10 and  
4 43-512.12 to 43-512.18:

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

11 (b) Child support shall be defined as provided in section  
12 43-1705;

13 (c) Medical support shall include all expenses associated  
14 with the birth of a child and, if required pursuant to section  
15 42-369 or 43-290, medical and hospital insurance coverage or  
16 membership in a health maintenance organization or preferred  
17 provider organization;

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

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

22 (f) Support shall be defined as provided in section  
23 43-3313.

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

26 68-915 The following persons shall be eligible for  
27 medical assistance:

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

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

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

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

8 (5) Children under nineteen years of age and pregnant  
9 women with a family income equal to or less than one hundred  
10 eighty-five percent of the Office of Management and Budget income  
11 poverty guideline, as allowed under Title XIX and Title XXI of the  
12 federal Social Security Act, without regard to resources. Children  
13 described in this subdivision and subdivision (6) of this section  
14 shall remain eligible for six consecutive months from the date of  
15 initial eligibility prior to redetermination of eligibility. The  
16 department may review eligibility monthly thereafter pursuant to  
17 rules and regulations adopted and promulgated by the department.  
18 The department may determine upon such review that a child is  
19 ineligible for medical assistance if such child no longer meets  
20 eligibility standards established by the department;

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

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

27 (b) Equal to or less than one hundred thirty-three

1 percent of the Office of Management and Budget income poverty  
2 guideline with eligible children over one year of age and under six  
3 years of age; or

4 (c) Equal to or less than one hundred percent of the  
5 Office of Management and Budget income poverty guideline with  
6 eligible children six years of age or older and less than nineteen  
7 years of age;

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

10 (8) As allowed under 42 U.S.C. 1396a(a)(10)(A)(ii),  
11 disabled persons as defined in section 68-1005 with a family income  
12 of less than two hundred fifty percent of the Office of Management  
13 and Budget income poverty guideline and who, but for earnings in  
14 excess of the limit established under 42 U.S.C. 1396d(q)(2)(B),  
15 would be considered to be receiving federal Supplemental Security  
16 Income. The Department of Health and Human Services shall apply for  
17 a waiver to disregard any unearned income that is contingent upon  
18 a trial work period in applying the Supplemental Security Income  
19 standard. Such disabled persons shall be subject to payment of  
20 premiums as a percentage of family income beginning at not less  
21 than two hundred percent of the Office of Management and Budget  
22 income poverty guideline. Such premiums shall be graduated based on  
23 family income and shall not be less than two percent or more than  
24 ten percent of family income; and

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

27 (a) Have been screened for breast and cervical cancer



1 under the Centers for Disease Control and Prevention breast and  
2 cervical cancer early detection program established under Title XV  
3 of the federal Public Health Service Act, 42 U.S.C. 300k et seq.,  
4 in accordance with the requirements of section 1504 of such act, 42  
5 U.S.C. 300n, and who need treatment for breast or cervical cancer,  
6 including precancerous and cancerous conditions of the breast or  
7 cervix;

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

11 (c) Have not attained sixty-five years of age; and

12 (d) Are not eligible for medical assistance under any  
13 mandatory categorically needy eligibility group.

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

23 Sec. 4. Section 68-1709, Reissue Revised Statutes of  
24 Nebraska, is amended to read:

25 68-1709 The Legislature finds and declares that the  
26 primary purpose of the welfare programs in this state is to provide  
27 temporary, transitional support for Nebraska families so that

1 economic self-sufficiency is attained in as an expeditious manner  
2 as possible. ~~with the goal of attaining such self-sufficiency~~  
3 ~~within two years of the initial receipt of public assistance.~~ The  
4 Legislature further finds and declares that this goal is to be  
5 accomplished through individualized assessments of the personal and  
6 economic resources of each applicant for public assistance and  
7 through the use of individualized self-sufficiency contracts.

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

1 school attendance of children; and (11) promoting public sector,  
2 private sector, individual, and family responsibility.

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

5 68-1710 It is the intent of the Legislature that, with  
6 the passage of the federal Personal Responsibility and Work  
7 Opportunity Reconciliation Act of 1996, Public Law 104-193, the  
8 Department of Health and Human Services ~~no longer be required to~~  
9 ~~maintain federal approval to~~ implement the Welfare Reform Act and  
10 ~~the waivers enumerated in the act.~~ in a manner consistent with  
11 federal law.

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

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

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

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

5            (b) Permit Job Search;

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

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

10           (e) Alternative Hearing Process;

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

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

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

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

21           ~~(j) Cap Family Benefits Based on the Number of Children~~  
22 ~~in the Unit at the Time of Initial Eligibility;~~

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

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

27           ~~(m)~~ (l) Establish a Resource Limit of \$4,000 for a single

1 individual and \$6,000 for two or more individuals for ADC;

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

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

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

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

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

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

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

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

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

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

27 and

1           ~~(\*) Other Waivers: Statewide Operation of the~~  
2 ~~Demonstration Project.~~

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

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

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

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

1 case manager who shall facilitate all service provision.

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

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

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

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

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

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

26 68-1721 (1) Under the self-sufficiency contract developed  
27 under section 68-1719, the principal wage earner and other

1 nonexempt members of the applicant family shall be required to  
2 participate in one or more of the following: ~~Education,~~ approved  
3 activities, including, but not limited to, education, job skills  
4 training, work experience, job search, or employment.

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

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

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

27 (5) Job search shall assist adult members of recipient



1 families in finding their own jobs. The emphasis shall be placed on  
2 teaching the individual to take responsibility for his or her own  
3 job development and placement.

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

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

9 68-1722 The Legislature finds that the state has  
10 responsibilities to help ensure the success of the self-sufficiency  
11 contract for each recipient. The Department of Health and Human  
12 Services shall employ case management practices and supportive  
13 services to the extent necessary to facilitate movement toward  
14 self-sufficiency within the ~~two-year~~ time limit on participation  
15 as provided in section 68-1724.

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

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

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

14           68-1723 (1) Cash assistance shall be provided only while  
15 recipients are actively engaged in the specific activities outlined  
16 in the self-sufficiency contract developed under section 68-1719.  
17 If the recipients are not actively engaged in these activities, no  
18 cash assistance shall be paid.

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

25           (a) Adult members of recipient families whose youngest  
26 child is between the ages of twelve weeks and six months shall  
27 engage in an individually determined number of part-time hours

1 in activities such as family nurturing, preemployment skills, or  
2 education.

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

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

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

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

27 ~~(f)~~ (e) In cases in which the only adults in the

1 recipient family do not have parental responsibility which shall  
2 mean such adults are not the biological or adoptive parents  
3 or stepparents of the children in their care, and assistance  
4 is requested for all family members, including the adults,  
5 the family shall participate in the activities outlined in  
6 the self-sufficiency contract as a condition of receiving cash  
7 assistance.

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

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

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

24 68-1724 (1) Cash assistance shall be provided for a  
25 period or periods of time not to exceed a total of ~~two years~~  
26 sixty months for recipient families with children subject to the  
27 following:

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

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

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

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

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

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

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

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

25           (b) The payment standard shall be based upon family size;  
26 ~~Any child born into the recipient family after the initial~~  
27 ~~ten months of participation in the program shall not increase~~

1 ~~the cash assistance payment, except that child support or other~~  
2 ~~income received on behalf of such child or children shall not~~  
3 ~~be considered as countable income to the recipient family in~~  
4 ~~determining the amount of their cash assistance payment,~~

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

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

19 (e) For minor parents, the assistance payment shall be  
20 based on the minor parent's income. If the minor parent lives  
21 with at least one parent, the family's income shall be considered  
22 in determining eligibility and cash assistance payment levels for  
23 the minor parent. If the minor parent lives independently, support  
24 shall be pursued from the parents of the minor parent. If the  
25 absent parent of the minor's child is a minor, support from his or  
26 her parents shall be pursued. Support from parents as allowed under  
27 this subdivision shall not be pursued when the family income is

1 less than three hundred percent of the federal poverty guidelines;  
2 and

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

12 Sec. 12. Original sections 43-504, 43-512, 68-1709,  
13 68-1710, 68-1718, 68-1722, 68-1723, and 68-1724, Reissue Revised  
14 Statutes of Nebraska, and sections 68-915, 68-1713, and 68-1721,  
15 Revised Statutes Cumulative Supplement, 2006, are repealed.

16 2. On page 1, line 1, after "sections" insert "43-504,";  
17 and in line 6 after "limits" insert ", eligibility,".