

LEGISLATURE OF NEBRASKA  
ONE HUNDREDTH LEGISLATURE  
FIRST SESSION  
**LEGISLATIVE BILL 90**

Introduced By: Howard, 9; Nantkes, 46;

Read first time: January 5, 2007

Committee: Health and Human Services

A BILL

1 FOR AN ACT relating to the Welfare Reform Act; to amend section  
2 68-1726, Reissue Revised Statutes of Nebraska, and section  
3 68-1713, Revised Statutes Cumulative Supplement, 2006; to  
4 change the earned income disregard as prescribed; and to  
5 repeal the original sections.

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

1           Section 1. Section 68-1713, Revised Statutes Cumulative  
2 Supplement, 2006, is amended to read:

3           68-1713. (1) The Department of Health and Human Services  
4 shall submit a waiver request or requests to the United States  
5 Department of Health and Human Services and the United States  
6 Department of Agriculture as necessary for federal authorization to  
7 implement the provisions of the Welfare Reform Act. The Department of  
8 Health and Human Services may include the provisions of sections  
9 68-1718 to 68-1726 in its waiver requests and shall designate counties  
10 for implementation on or after July 1, 1995, of such sections for  
11 recipient families in the aid to dependent children program. It is the  
12 intent of the Legislature that such designated counties include at  
13 least one county with a population of not more than thirty-five  
14 thousand inhabitants and one county with a population of at least one  
15 hundred fifty thousand inhabitants but not more than three hundred  
16 thousand inhabitants.

17           The Department of Health and Human Services shall implement  
18 the following policies:

19           (a) Permit Work Experience in Private for Profit  
20 Enterprises;

21           (b) Permit Job Search;

22           (c) Permit Employment to be Considered a JOBS Program  
23 Component;

24           (d) Make Sanctions More Stringent to Emphasize Participant  
25 Obligations;

26           (e) Alternative Hearing Process;

27           (f) Permit Adults in Two-Parent Households to Participate in

1 JOBS Activities Based on Their Self-Sufficiency Needs;

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

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

6 (i) Provide Transitional Health Care for 12 Months After  
7 Termination of ADC;

8 (j) Cap Family Benefits Based on the Number of Children in  
9 the Unit at the Time of Initial Eligibility;

10 (k) Require Adults to Ensure that Children in the Family  
11 Unit Attend School;

12 (l) Encourage Minor Parents to Live with Their Parents;

13 (m) Establish a Resource Limit of \$4,000 for a single  
14 individual and \$6,000 for two or more individuals for ADC;

15 (n) Exclude the Value of One Vehicle Per Family When  
16 Determining ADC Eligibility;

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

19 (p) Permit the Self-Sufficiency Contract Assessment to  
20 Substitute for the Six-Month ADC Redetermination Process;

21 (q) Establish Food Stamps as a Continuous Benefit with  
22 Eligibility Reevaluated with Yearly Redeterminations;

23 (r) Establish a Budget the Gap Methodology Whereby Countable  
24 Earned Income is Subtracted from the Standard of the Need and Payment  
25 is Based on the Difference or Maximum Payment Level, Whichever is  
26 Less. That this Gap be Established at a Level that Encourages Work but  
27 at Least at a Level that Ensures that Those Currently Eligible for ADC

1 do not Lose Eligibility Because of the Adoption of this Methodology;

2 (s) Adopt an Earned Income Disregard of ~~Twenty~~ Fifty  
3 Percent of Gross Earnings in the ADC Program and One Hundred Dollars  
4 in the Related Medical Assistance Program;

5 (t) Disregard Financial Assistance Received Intended for  
6 Books, Tuition, or Other Self-Sufficiency Related Use;

7 (u) Culture: Eliminate the 100-Hour Rule, The Quarter of  
8 Work Requirement, and The 30-Day Unemployed/Underemployed Period for  
9 ADC-UP Eligibility;

10 (v) Make ADC a Time-Limited Program;

11 (w) Eliminate Self-Initiated Training as a JOBS Option; and

12 (x) Other Waivers: Statewide Operation of the Demonstration  
13 Project.

14 At the end of the first year of implementation, the  
15 department shall identify any adjustments or adaptations that may be  
16 needed before the policies of the Welfare Reform Act are implemented  
17 in other areas of the state. Such review shall include an evaluation  
18 of the impact of such policies. The department shall implement the  
19 policies in additional counties as necessary to complete statewide  
20 implementation.

21 (2) The Department of Health and Human Services shall (a)  
22 apply for a waiver to allow for a sliding-fee schedule for the  
23 population served by the caretaker relative program or (b) pursue  
24 other public or private mechanisms, to provide for transitional health  
25 care benefits to individuals and families who do not qualify for cash  
26 assistance. It is the intent of the Legislature that transitional  
27 health care coverage be made available on a sliding-scale basis to

1 individuals and families with incomes up to one hundred eighty-five  
2 percent of the federal poverty level if other health care coverage is  
3 not available.

4 Sec. 2. Section 68-1726, Reissue Revised Statutes of  
5 Nebraska, is amended to read:

6 68-1726. Based on the comprehensive assets assessment, each  
7 individual and family receiving assistance under the Welfare Reform  
8 Act shall reach for his or her highest level of economic  
9 self-sufficiency or the family's highest level of economic  
10 self-sufficiency. The following eligibility factors shall apply:

11 (1) Financial resources, excluding the primary home and  
12 furnishings and the primary automobile, shall not exceed four thousand  
13 dollars in value for a single individual and six thousand dollars in  
14 value for two or more individuals;

15 (2) Available resources, including, but not limited to,  
16 savings accounts and real estate, shall be used in determining  
17 financial resources;

18 (3) Income received by family members, except income earned  
19 by children attending school, shall be considered in determining total  
20 family income. Income earned by an individual or a family by working  
21 shall be treated differently than unearned income in determining the  
22 amount of cash assistance as follows:

23 (a) Earned income shall be counted in determining the level  
24 of cash assistance after disregarding an amount of earned income equal  
25 to ~~twenty~~ fifty percent of earned income or other incentives to  
26 work;

27 (b) Financial assistance provided by other programs that

1 support the transition to economic self-sufficiency shall be  
2 considered to the extent the payments are intended to provide for  
3 life's necessities; and

4 (c) Financial assistance or those portions of it intended  
5 for books, tuition, or other self-sufficiency-related expenses shall  
6 not be counted in determining financial resources. Such assistance  
7 shall include, but not be limited to, school grants, scholarships,  
8 vocational rehabilitation payments, Job Training Partnership Act  
9 payments, and education-related loans or other loans that are expected  
10 to be repaid; and

11 (4) Individuals and families shall pursue potential sources  
12 of economic support, including, but not limited to, unemployment  
13 compensation and child support.

14 Sec. 3. Original section 68-1726, Reissue Revised Statutes  
15 of Nebraska, and section 68-1713, Revised Statutes Cumulative  
16 Supplement, 2006, are repealed.