

ONE HUNDRED SECOND LEGISLATURE - FIRST SESSION - 2011
COMMITTEE STATEMENT
LB507

Hearing Date: Thursday February 03, 2011
Committee On: Health and Human Services
Introducer: Harms
One Liner: Change Welfare Reform Act requirements relating to education for recipients of assistance

Roll Call Vote - Final Committee Action:
Advanced to General File with amendment(s)

Vote Results:
Aye: 7 Senators Bloomfield, Campbell, Cook, Gloor, Howard, Krist, Wallman
Nay:
Absent:
Present Not Voting:

Proponents:
Senator John Harms
Shannin Burnett
Kate Bolz
Sarah Ann Kotchian

Representing:
District #48
Self
Nebraska Appleseed
Building Bright Futures

Opponents:

Representing:

Neutral:

Representing:

Summary of purpose and/or changes:

LB 507 provides for expanded educational opportunities under the Welfare Reform Act. The bill allows, for purposes of creating the self-sufficiency contract and meeting the work activity requirement, that:

An applicant who is twenty years of age, or head of household meets the requirement if he or she:

- o Maintains satisfactory attendance at a secondary school, a general education development program or equivalent; or
- o Participates in education directly related to employment for an average of twenty hours a week including, but not limited to, Adult Basic Education, English as a Second Language, and a general education development program.

An applicant under twenty four years of age meets the requirement if he or she:

- o Engages in education directly related to employment for an average of twenty hours a week, including, but not limited to, Adult Basic Education, English as a Second Language and a general education development program.

Current requirements state young people age 19 are not deemed to meet their work requirement when they pursue secondary education or GED. The result is some 19 year olds, although they are in school, must also meet an additional work requirement. LB 507 would change this limitation and give a 19 year old the same work requirement as those 18 or younger.

In addition, regulations currently indicate that education directly related to employment (Adult Basic Ed, ESL, etc.) is a "non-core" activity. (468 NAC 2-020.07). This means an individual must work 20 hours per week in a "core" activity before hours spent on education directly related to employment would count. LB 507 would change this, by making education directly related to employment a "core" activity for a person under 24 and engaged in 20 hours per week of education.

States must maintain at least 50% of their TANF caseload participating in qualifying work activities in order to receive funding and avoid penalties. Accordingly, the bill allows the department to set reasonable limits for the number of applicants that may engage in education directly related to employment if work participation rates reach fifty-five percent. This is meant to ensure that Nebraska remains in compliance with the federal work participation rate requirements.

LB 507 also requires the department to report annually to the Legislature regarding participation in specific education activities as outlined and the number of persons participating in a self sufficiency contract who obtain or maintain employment for specified periods after they are no longer eligible for assistance due to obtaining employment.

Explanation of amendments:

The Committee Amendment clarifies that it is the intent of the Legislature that the Department of Health and Human Services carry out the provisions of LB 507 within the limits of its annual appropriation.

The Committee Amendment clarifies that both work participation rates and caseload reduction credit contribute to achieving federal requirements and uses that as the guideline for a target work rate.

Also the Committee Amendment states that if Nebraska's work participation rate does not exceed the target work rate by ten percentage points in any month the Department may suspend the new educational allowance until the target rate exceeds 10% for three consecutive months.

Kathy Campbell, Chairperson