

## LEGISLATIVE BILL 368

Approved by the Governor June 4, 2013

Introduced by Crawford, 45; Mello, 5.

FOR AN ACT relating to employment; to state findings; to define terms; to create and provide for a subsidized employment pilot program; to provide powers and duties for the Department of Health and Human Services and the Department of Labor; to provide for termination of the program; to state intent relating to appropriations; and to provide an operative date.

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

Section 1. The Legislature finds that:

- (1) Work experience is necessary to obtain employment in a competitive job market;
- (2) Businesses find creating capacity to add employees during a time of economic recovery challenging;
- (3) Subsidized employment can benefit employers and workers in need of experience;
- (4) Increasing opportunities for public assistance recipients to engage in meaningful workplace experience can significantly contribute to their long-term employability;
- (5) Providing subsidized employment can also help businesses to grow; and
- (6) States nationwide provide subsidized employment to public assistance recipients in order to aid employers in developing work placements for public assistance recipients.

Sec. 2. For purposes of sections 1 to 7 of this act:

- (1) Aid to dependent children program means the program described in section 43-512; and
- (2) Participant means an individual who qualifies for the aid to dependent children program services with a family income equal to or less than two hundred percent of the Office of Management and Budget income poverty guideline.

Sec. 3. (1) The Subsidized Employment Pilot Program is created within the Department of Health and Human Services to provide opportunities for employers and participants in the aid to dependent children program to achieve subsidized employment.

(2) The department shall establish a partnership between an entity which contracts with the department pursuant to section 68-1722 to provide case management services in the aid to dependent children program and a nonprofit organization.

(3) The Department of Labor may establish a partnership with the nonprofit organization described in subsection (2) of this section to assist in the referral of participants and employers for the pilot program.

(4) The nonprofit organization described in subsection (2) of this section shall:

(a) Establish an application process for employers to participate in the pilot program. Such application process shall include, but not be limited to, a requirement that employer applicants submit a plan including, but not limited to, the following criteria:

(i) Initial client assessment, job development, job placement, and employment retention services;

(ii) A strategy to place participants in in-demand jobs; and

(iii) Other program guidelines or criteria for the pilot program as needed;

(b) Recruit participants for the pilot program, with assistance from the Department of Health and Human Services, the Department of Labor, and an entity which contracts with the department pursuant to section 68-1722 to provide case management services in the aid to dependent children program;

(c) Recruit employers for the pilot program, with assistance from the Department of Labor;

(d) Determine participant eligibility for the pilot program and assist with employer and employee matching;

(e) Ensure that the pilot program operates in both rural and urban areas. To ensure that the pilot program operates in both rural and urban areas, such nonprofit organization may enter into subcontracts with other nonprofit entities;

(f) Gather the data and performance measures as described in section 5 of this act; and

(g) Submit an electronic report on or before September 15 of each year to the Health and Human Services Committee of the Legislature containing the data and performance measures described in section 5 of this act.

Sec. 4. Subsidies under the Subsidized Employment Pilot Program created pursuant to section 3 of this act shall be capped at the prevailing wage and shall be provided for no more than forty hours per week for not more than six months, on the following scale:

- (1) One hundred percent in months one and two;
- (2) Seventy-five percent in month three;
- (3) Fifty percent in months four and five; and
- (4) Twenty-five percent in month six.

Sec. 5. The nonprofit organization described in subsection (2) of section 3 of this act shall ensure the gathering and reporting of the following performance measures:

(1) Number of employees participating in the Subsidized Employment Pilot Program;

(2) Length of time each employee has participated in the program;

(3) Wages paid to employees in the program;

(4) Employment status of each employee at completion of his or her participation in the program, six months after such completion, and twelve months after such completion;

(5) Wages of each employee at completion of his or her participation in the program, six months after such completion, and twelve months after such completion;

(6) Number of employers participating in the program; and

(7) Length of time each employer has participated in the program.

Sec. 6. The Subsidized Employment Pilot Program created under section 3 of this act terminates on July 1, 2018.

Sec. 7. The Department of Health and Human Services may adopt and promulgate rules and regulations to carry out sections 1 to 6 of this act.

Sec. 8. It is the intent of the Legislature to appropriate one million dollars each fiscal year for FY2014-15 to FY2017-18 from funds available to the federal Temporary Assistance for Needy Families program, 42 U.S.C. 601 et seq., as such sections existed on January 1, 2013, to carry out sections 1 to 6 of this act. No more than ten percent of the funds appropriated to carry out sections 1 to 6 of this act shall be used for administrative costs. Administrative cost shall not be defined to include cost for service delivery. Any of such funds which are unexpended on June 30, 2018, shall lapse to the federal Temporary Assistance for Needy Families program on such date.

Sec. 9. This act becomes operative on July 1, 2014.