

LEGISLATURE OF NEBRASKA  
ONE HUNDRED SIXTH LEGISLATURE  
SECOND SESSION

**LEGISLATIVE BILL 1049**

Introduced by Bolz, 29.

Read first time January 16, 2020

Committee:

- 1 A BILL FOR AN ACT relating to social services; to amend section 68-1206,
- 2 Revised Statutes Supplement, 2019; to provide for participation in
- 3 the federal Child Care Subsidy child care assistance program; to
- 4 provide for termination of participation; to state intent regarding
- 5 funding; and to repeal the original section.
- 6 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 68-1206, Revised Statutes Supplement, 2019, is  
2 amended to read:

3 68-1206 (1) The Department of Health and Human Services shall  
4 administer the program of social services in this state. The department  
5 may contract with other social agencies for the purchase of social  
6 services at rates not to exceed those prevailing in the state or the cost  
7 at which the department could provide those services. The statutory  
8 maximum payments for the separate program of aid to dependent children  
9 shall apply only to public assistance grants and shall not apply to  
10 payments for social services. As part of the provision of social services  
11 authorized by section 68-1202, the department shall participate in the  
12 federal child care assistance program under 42 U.S.C. 9857 618, as such  
13 section existed on January 1, 2020 2013, and provide child care  
14 assistance to families with incomes up to (a) one hundred twenty-five  
15 percent of the federal poverty level for FY2013-14 and one hundred thirty  
16 percent of the federal poverty level through fiscal year 2020-21 and  
17 fiscal year 2026-27 for FY2014-15 and each fiscal year thereafter and (b)  
18 one hundred fifty percent of the federal poverty level for fiscal year  
19 2021-22 through fiscal year 2025-26. It is the intent of the Legislature  
20 to utilize the carryover funding for the Temporary Assistance for Needy  
21 Families program to offset expenses incurred pursuant to subdivision (b)  
22 of this subsection, including any costs of administration. It is the  
23 intent of the Legislature to measure the impact of the change in  
24 eligibility pursuant to funding provided pursuant to subdivision (b) of  
25 this subsection. In order to measure the impact, the department shall  
26 compile and publish the following data: The number of newly eligible  
27 adult participants per year, the number of newly eligible children  
28 receiving subsidies per year, and the need for service for the newly  
29 eligible adults, by service type. The department shall report such data  
30 electronically to the Health and Human Services Committee of the  
31 Legislature on or before December 1 of each year through December 31,

1 2026. Subdivision (b) of this subsection terminates on June 30, 2026.

2 (2) As part of the provision of social services authorized by this  
3 section and section 68-1202, the department shall participate in the  
4 federal Child Care Subsidy program. In determining ongoing eligibility  
5 for this program, ten percent of a household's gross earned income shall  
6 be disregarded after twelve continuous months on the program and at each  
7 subsequent redetermination. In determining ongoing eligibility, if a  
8 family's income exceeds one hundred fifty ~~thirty~~ percent of the federal  
9 poverty level, the family shall receive transitional child care  
10 assistance through the remainder of the family's eligibility period or  
11 until the family's income exceeds eighty-five percent of the state median  
12 income for a family of the same size as reported by the United States  
13 Bureau of the Census, whichever occurs first. When the family's  
14 eligibility period ends, the family shall continue to be eligible for  
15 transitional child care assistance if the family's income is below one  
16 hundred eighty-five percent of the federal poverty level. The family  
17 shall receive transitional child care assistance through the remainder of  
18 the transitional eligibility period or until the family's income exceeds  
19 eighty-five percent of the state median income for a family of the same  
20 size as reported by the United States Bureau of the Census, whichever  
21 occurs first. The amount of such child care assistance shall be based on  
22 a cost-shared plan between the recipient family and the state and shall  
23 be based on a sliding-scale methodology. A recipient family may be  
24 required to contribute a percentage of such family's gross income for  
25 child care that is no more than the cost-sharing rates in the  
26 transitional child care assistance program as of January 1, 2015, for  
27 those no longer eligible for cash assistance as provided in section  
28 68-1724. Initial program eligibility standards shall not be impacted by  
29 the provisions of this subsection.

30 (3) In determining the rate or rates to be paid by the department  
31 for child care as defined in section 43-2605, the department shall adopt

1 a fixed-rate schedule for the state or a fixed-rate schedule for an area  
2 of the state applicable to each child care program category of provider  
3 as defined in section 71-1910 which may claim reimbursement for services  
4 provided by the federal Child Care Subsidy program, except that the  
5 department shall not pay a rate higher than that charged by an individual  
6 provider to that provider's private clients. The schedule may provide  
7 separate rates for care for infants, for children with special needs,  
8 including disabilities or technological dependence, or for other  
9 individual categories of children. The schedule may also provide tiered  
10 rates based upon a quality scale rating of step three or higher under the  
11 Step Up to Quality Child Care Act. The schedule shall be effective on  
12 October 1 of every year and shall be revised annually by the department.

13 Sec. 2. Original section 68-1206, Revised Statutes Supplement,  
14 2019, is repealed.