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**GRANDMOTHER WINS AT NEBRASKA SUPREME COURT  
IN FIRST WELFARE REFORM CASE**

On January 4, the Nebraska Supreme Court released a long awaited ruling in *Bauer v. Rasmussen*, the first opportunity for the Nebraska Supreme Court to interpret Nebraska's Welfare Reform Act. This case is about a low-income grandmother striving mightily to support her grandchildren while gaining more education.

In a unanimous reversal of a lower court decision, the Nebraska Supreme Court ruled the Welfare Reform Act is intended to support further education as a way for low-income Nebraskans to achieve economic self-sufficiency. Therefore, the plaintiff and her grandchildren were in fact eligible for welfare while she attended school and received student financial assistance, despite the state's decision to cut her family's welfare benefits.

Plaintiff Marilyn Bauer, a full-time college student with custody of her grandchildren, was denied public assistance for her grandchildren and herself while she participated in the AmeriCorps U.S.A. program while going to school. The Nebraska Department of Health and Human Services refused to "disregard" the small student financial assistance the plaintiff received through AmeriCorps. This caused a significant loss of welfare assistance for the plaintiff's family, including health insurance for Ms. Bauer. The state acted to cut these benefits despite clear language in the Nebraska Welfare Reform Act and in legislative history that showed the intent of the Nebraska Legislature to promote educational activity leading to self-sufficiency. Indeed, the Nebraska Welfare Reform Act specifically requires all student financial assistance to not be counted when determining the level of welfare benefits.

The Nebraska Supreme Court, after hearing oral argument in early December, wasted little time in making its ruling. The Court found the state's interpretations were entitled to little weight given the clear purpose stated in the

Nebraska Welfare Reform Act and the intent of the Unicameral. The court quoted State Senator Floyd Vrtiska who, during the debate on the Welfare Reform Act, stated: "[W]hat we're doing is rewarding [welfare recipients] by insisting that in fact that they do go out and enhance themselves as far as education, as far as their ability to get better jobs and to become a part of society."

"This decision is important for several reasons, not just because it helps Ms. Bauer in her fight for self-sufficiency," said Sue Ellen Wall, staff attorney with the Welfare Due Process Project at Nebraska Appleseed, which represented the plaintiff. "This decision now sets straight something hundreds of low-income families have had problems with the last couple of years: the refusal by the Department of Health and Human Services to recognize education as a route up and out of poverty. Families have been regularly denied the opportunity to pursue education and job training while receiving welfare. We're now very excited the Nebraska Supreme Court has ordered the Department to follow the law, and make sure welfare reform really helps families become self-sufficient."

"The State has made a great deal out of the lowering of the welfare rolls," said D. Milo Mumgaard, Executive Director of Nebraska Appleseed. "But behind this lurks the reality of thousands of families pushed off the rolls with little to no help to become self-sufficient. The irony is this circumstance is exactly the opposite of the goal of Nebraska's welfare reform program. We are supposed to be helping families get off welfare for good, not just for the time being. This decision reaffirms what we've known for a long time: what the law really requires."

Nebraska Appleseed Center for Law in the Public Interest is the sponsor of the Welfare Due Process Project, which provides legal representation for families having difficulties with the implementation of welfare reform, and the Living Wage Opportunity Project, which helps low-income families find and keep living wage jobs. The Living Wage Opportunity Project in particular has defined the public dialogue about what is a living wage job in Nebraska and whether entry-level jobs are really helping low-wage families get access to living wage employment.