



NEBRASKA
APPLESEED
STAND UP FOR JUSTICE

January 28, 2016

Senator Kathy Campbell, Chair
Health and Human Services Committee
Room 1402, State Capitol
Lincoln NE 68509

Chairwomen Campbell and Members of the Health and Human Services Committee:

My name is Rebecca Gould and I am the Executive Director of Nebraska Appleseed. Nebraska Appleseed is a nonprofit, legal advocacy organization that fights for justice and opportunity for all Nebraskans. I am here today to testify in support of LB 701.

The surest path to economic independence is education. Education leads to more stable employment and higher wages. Nebraska's Aid to Dependent Children (ADC) program provides temporary financial assistance to eligible low-income families while involving parents in activities designed to help them find work and become independent. But true economic independence can be discouragingly elusive, particularly for adults with limited educational backgrounds. Yet, changes to the ADC program made by the Legislature have helped to address this educational gap, making Nebraska a leader in the nation in allowing ADC recipients to access and complete education.

Through legislative enactments over the last several years ADC recipients are able to choose to pursue adult basic education, GED, vocational certifications, or Associate's and Bachelor's degrees in order to fulfill their work requirements under the program. Through these legislative changes education is more available to ADC participants in Nebraska than in any other state.ⁱ However, these provisions are set to expire at the end of 2016. LB 701 would ensure this progress is not lost, by reauthorizing ADC's education components.

Continuing this important activity under ADC is sensible for both recipients and for Nebraska. First, ADC participants are choosing and completing education, and many are moving off the program. Indeed, in the most recent year for which data is available, 119 individuals received a certificate or diploma, 115 individuals received an Associate's degree and 35 individuals received a Bachelor's degree.ⁱⁱ In addition, the average wage for those completing an Associate's degree was about \$9.60, which would indicate they have moved off of the ADC program entirely.ⁱⁱⁱ

Moreover, Nebraska continues to have considerable flexibility under the Temporary Assistance to Needy Families (TANF) program block grant to allow our state to continue the use of education under ADC, because of our strong work participation rate,^{iv} and because of the

reduction in our ADC caseload.^v These factors allow Nebraska to continue to allow education activities while maintaining our federal TANF funding and spending no additional state dollars.

More generally, through education, ADC participants gain valuable knowledge and skills for employment, children have greater opportunities to grow up in economically secure households, and communities throughout Nebraska benefit from the contributions of more financially secure families.

For these reasons, we respectfully urge the Committee to advance LB 701.

Sincerely,
NEBRASKA APPLESEED

Rebecca Gould, J.D.
Executive Director

ⁱ This is because ADC participants are able to count educational activities as a “core” activity in their overall hourly work requirements. Without these legislative changes most individuals would not be able to count educational activities unless they also complete a different type of work activity (job search/readiness; community service) for 20 hours per week.

ⁱⁱ EF Education Report (Oct 2014-Sept. 2015), *available at* [http://nebraskalegislature.gov/FloorDocs/104/PDF/Agencies/Health and Human Services Department_of/486_20151218-135219.pdf](http://nebraskalegislature.gov/FloorDocs/104/PDF/Agencies/Health%20and%20Human%20Services%20Department_of/486_20151218-135219.pdf).

ⁱⁱⁱ *Id.*

^{iv} Nebraska’s work participation rate is 59.7%. *See* TANF Contractor Performance, *last visited* January 23, 2015, http://dhhs.ne.gov/children_family_services/Pages/TANF.aspx.

^v Nebraska’s caseload reduction credit is 68.5%. *See* TANF Caseload Reduction Report (2015), *available at* http://dhhs.ne.gov/children_family_services/Documents/ACF.pdf.