

Fact Sheet: LB 926 (2026)

ADC Time Limit and Additional Restrictions

Summary

[LB 926](#), as introduced by Sen. Bob Andersen, is a harmful bill that would create additional barriers within a program that is already difficult to navigate - the Aid to Dependent Children (ADC) program. Nearly 24,000 Nebraska children live in extreme poverty, but fewer than 6,000 receive support through ADC.¹ This gap exists because of the program's inadequate benefit levels, overly strict requirements, and social stigma. LB926 would create additional hardships for families who need our support the most.

Specifically, this bill would:

- Reduce the lifetime limit for Nebraska's ADC program from 5 years to 3 years;
- Remove access to transitional benefits like child care assistance and health coverage;
- Eliminate language allowing the Department to extend a self-sufficiency contract and continue providing ADC assistance when jobs are not available;
- Strike language that authorizes the Department to utilize hardship waivers; and
- Impose unnecessarily harsh child support enforcement requirements on grandparents.

Key Concerns

- Five years is an incredibly short period of time for a parent (particularly a parent of young children) to transition from living in extreme poverty to achieving financial autonomy. Cutting the ADC time limit from 5 years to 3 years is unrealistic.
- Limiting transitional benefits could actually end up making some people stay on ADC longer - it forces parents to choose between turning down a raise or more hours at work, or prematurely losing access to necessary supports.
- An unnecessary expansion of the scope of the child support program to pursue so-called "cost recovery" efforts would divert resources away from custodial parents.

What is TANF? What is ADC?

- In Nebraska, Aid to Dependent Children (**ADC**) is the direct cash assistance program funded by the Temporary Assistance for Needy Families (**TANF**) Block Grant.
- The primary purpose of TANF is to provide assistance to "needy families" so that children may be cared for in their own homes or in the homes of relatives.

How many people participate in ADC in Nebraska?

- According to federal data, an average of 5,865 individuals in Nebraska received TANF funds each month in FY 2023, including 5,210 children and 655 adults.²

¹ "Extreme poverty" means living at or below 50% of the Federal Poverty Line. "2023 Kids Count in Nebraska Report," Josh Shirk, et al., Voices for Children in Nebraska (2024)

https://voicesforchildren.com/wp-content/uploads/2024/03/KC2023_FullDocument_FINAL.pdf

² Administration for Children and Families, TANF Caseload Data for FY 2023

<https://acf.gov/ofa/data/tanf-caseload-data-2023>

- State data reports show that around 2,500 households per month participate in ADC.³

What are the ADC eligibility and benefit levels?

- The ADC program's income eligibility limit is incredibly low, and the benefit amounts are shockingly inadequate. Families cannot make ends meet at these levels, especially as inflation and rising prices have impacted the costs of everyday goods and services.⁴ For example - a household of three has to have a monthly net income of less than \$1,067 to be eligible for ADC benefits, and could only receive \$584 per month at the most.⁵
- The initial eligibility level for ADC is drastically lower than the initial eligibility levels for other economic assistance programs in Nebraska. This program is only available to households with children living in extreme poverty (below 50% FPL).⁶

Are there work requirements for the ADC program?

- Yes - all work-eligible individuals are required to participate in the Employment First program.⁷ A single-parent household must complete 20-30 hours per week, depending on the age of their children.
- The consequences for failing to comply with the work requirements can be severe. The penalty for an initial sanction is the loss of benefits for at least one month. A second sanction will result in the loss of benefits for at least three months, and a third (or subsequent) sanction will result in the loss of benefits for at least a year.⁸ On top of losing ADC benefits, an ADC sanction can also result in a 25% reduction in a household's SNAP benefits.⁹
- ADC recipients who are subject to the work requirements can only receive ADC benefits for a total of 60 months in a lifetime.¹⁰ Making the transition from living in extreme poverty to being financially autonomous in 5 years or less is incredibly difficult.

How often do households stay on ADC for longer than 5 years?

- Not very often. In Federal Fiscal Year 2023, only .1% of ADC families received assistance for more than 5 years due to a hardship or Domestic Violence waiver. That is even lower than the national average of 3%.¹¹

³ ACCESSNebraska Performance Measures, Nebraska Department of Health and Human Services <https://dhhs.ne.gov/Pages/ACCESSNebraska-Performance-Measures.aspx>

⁴ "NPR shopped for 96 items at Walmart to track how prices are really changing," Alina Selyukh, Juweek Adolphe (January 14, 2025). <https://www.npr.org/2025/01/14/nx-s1-5241014/walmart-prices-npr-shopping-cart-2024>

⁵ For a more detailed explanation of the ADC benefit levels and calculation method, see this document: <https://neappleseed.org/download/50527/>

⁶ ADC eligibility is approximately 45% FPL; Low-Income Home Energy Assistance Program (LIHEAP) eligibility is 150% FPL - see Neb. Rev. Stat. §68-1215; Supplemental Nutrition Assistance Program (SNAP) eligibility is 165% FPL - see Neb. Rev. Stat. §68-1017.02; Child Care Subsidy eligibility is 185% FPL - see Neb. Rev. Stat. §68-1206.

⁷ 468 NAC 4-002 <https://rules.nebraska.gov/rules?agencyId=37&titleId=223>

⁸ 498 NAC 4-010.02 <https://rules.nebraska.gov/rules?agencyId=37&titleId=223>

⁹ 475 NAC 4-001.08 <https://rules.nebraska.gov/rules?agencyId=37&titleId=230>

¹⁰ 468 NAC 4-011 <https://rules.nebraska.gov/rules?agencyId=37&titleId=223>

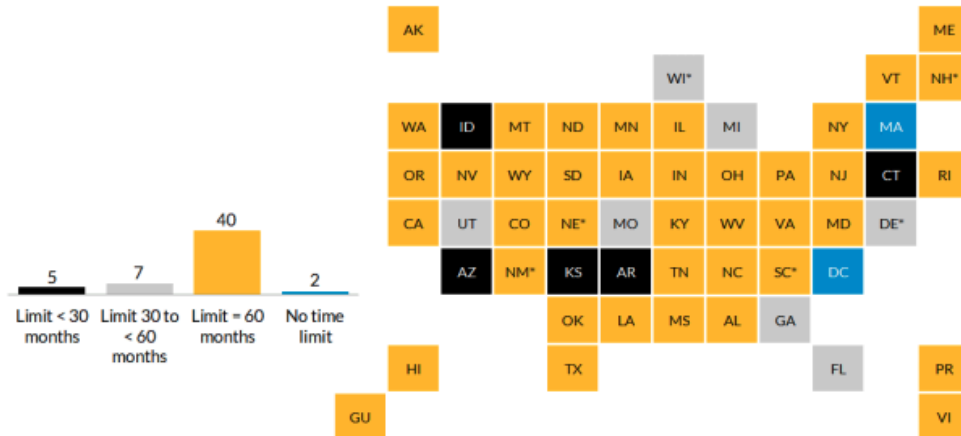
¹¹ Administration for Children and Families, "TANF Federal Five-Year Time Limit," Table 1 https://acf.gov/sites/default/files/documents/ofa/timelimit_2023.pdf

How does Nebraska's current 5 year (60 month) limit compare to other states?

- Nebraska is one of the 40 states and territories with a 60 month lifetime limit for TANF funded assistance. The following map shows the standard lifetime limits used in each state/territory as of July 1, 2022.¹²

FIGURE 8

Lifetime Limit on the Number of Months of TANF Assistance, 2022 (Standard Policies)



Source: Welfare Rules Database.

*Notes: In the following states, the policies vary by specific TANF program or group, and the data shown are for following programs and groups: Delaware (time-limited assistance), Nebraska (time-limited assistance), New Hampshire (NHEP), New Mexico (NMW program), South Carolina (All, except CARES programs), and Wisconsin (W-2T, CSJ, and TEMP).

What happens after ADC benefits end?

- When families are no longer eligible for ADC due to increased work and earnings, short-term assistance may be available to help transition from the program. This can include cash assistance, a child care subsidy, and/or food assistance.
- Other states are increasing, not reducing, the availability and amount of transitional benefits. Alabama and New Mexico recently began providing transitional cash benefits to families who previously received TANF, and Kentucky made policy changes that increased the monthly transitional cash benefit amount and the length of time families can receive transitional benefits.¹³

¹² “Graphical Overview of State and Territory TANF Policies as of July 2022,” Lauren Simpson, Ilham Dehry, Sarah Knowles, and Kevin Moclair, OPRE Report 2024-357, Welfare Rules Database (December 2023).

<https://live-wrd-main-site.pantheonsite.io/sites/default/files/documents/2024-02/Graphical%20Overview%20of%20State%20and%20Territory%20TANF%20Policies%20as%20of%20July%202022.pdf>

¹³ Table IV.D.1. Transitional Cash Benefits, “Welfare Rules Databook: State and Territory TANF Policies as of July 2023,” Sarah Knowles, Ilham Dehry, Katie Shantz, and Limor Goldsmith, OPRE Report 2023-328, Welfare Rules Database (December 2024).

<https://acf.gov/sites/default/files/documents/opre/opre-2023-welfare-rules-databook-dec24.pdf>