

## LEGISLATIVE BILL 1224

Approved by the Governor April 20, 1994

Introduced by Wesely, 26; Rasmussen, 20; Ashford, 6; Bohlke, 33; Abboud, 12,  
at the request of the Governor

AN ACT relating to social services; to amend sections 25-506.01, 25-2203, 30-2487, 42-358.08, 42-364.16, 43-104.03, 43-1401, 43-1409, 43-1412, 43-1414, 43-1416, and 81-8,244, Reissue Revised Statutes of Nebraska, 1943, sections 42-347, 42-358, 43-512, 43-512.03, 43-512.04, 43-512.06, 43-512.08, 43-1701, 43-1704, 43-1718, 44-761, 44-32,130, and 71-628, Revised Statutes Supplement, 1992, and sections 25-1563.02, 36-213, 42-364.13, 42-371, 42-748, 43-1406, 43-1411, 43-1415, 43-1720, 43-1722, 43-2919, 48-647, 77-27,160, 77-27,161, and 84-712.05, Revised Statutes Supplement, 1993; to state intent; to provide for studies and recommendations; to establish committees; to adopt the Welfare Reform Act; to change provisions relating to service of process; to provide for garnishment of certain income for child support purposes and health care services as prescribed; to provide for certain claims against decedents' estates; to change provisions relating to representation by county attorneys and authorized attorneys and to real parties in interest in actions relating to support; to change provisions relating to furnishing information by municipal utilities and power entities for purposes of enforcement of support orders; to provide a presumption relating to child support guidelines; to change and transfer provisions relating to determinations of paternity; to define and redefine terms; to provide duties for hospitals, the Department of Health, and the Department of Social Services relating to paternity acknowledgment forms as prescribed; to provide for full faith and credit for determinations by another state; to provide for presumptions, corroboration, default judgment, and contempt; to change provisions relating to venue; to provide for income withholding for child support regardless of delinquency; to change provisions relating to applicability of the Parenting Act; to provide for insurance coverage of certain children as prescribed; to provide for setoff of spousal support and certain health care costs as prescribed; to provide for a deputy public counsel for welfare services; to provide a duty for the Revisor of Statutes; to provide operative dates; to harmonize provisions; to repeal the original sections; and to declare an emergency.

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

Section 1. The Legislature finds that welfare reform and the prevention of poverty are the responsibility of both the public and the private sectors and that low-income Nebraskans will best attain and maintain economic self-sufficiency through the job market. The Governor shall establish the Governor's Roundtable composed of current and former welfare recipients and leaders from business, industry, labor, and government. The Governor's Roundtable, in conjunction with the community colleges, state colleges, University of Nebraska, Department of Economic Development, State Department of Education, Department of Labor, Department of Revenue, and Department of Social Services, shall analyze the job needs and training needs of business, industry, and labor in Nebraska. On the basis of this analysis, the Governor's Roundtable shall recommend processes, strategies, and resources for linking the unemployed and underemployed with training or jobs that pay a living wage. Such recommendations, including any necessary legislation, shall be presented to the Governor and the Legislature not later than October 15, 1994.

Sec. 2. The Governor's Roundtable established under section 1 of this act shall supervise the conduct of and review and make recommendations regarding the results of the studies required by sections 3 to 5 and 12 of this act pertaining to job creation, tax incentives, unemployment compensation, and education and training programs that assist low-income Nebraskans to attain and maintain economic self-sufficiency. Such recommendations, including any necessary legislation, shall be presented to the Governor and the Legislature not later than October 15, 1994.

Sec. 3. The Department of Economic Development, the Department of Revenue, and the Department of Social Services shall study and make recommendations on targeting tax-incentive legislation to benefit low-income

Nebraskans. The study shall address issues including, but not limited to, the following: The impact of the federal earned income tax credit on low-income Nebraskans; the desirability of creating a Nebraska earned income tax credit; the feasibility of creating a progressive, refundable child care tax credit to assist low-income Nebraskans with the cost of child care; the feasibility of creating a tax credit for employers who hire persons receiving public assistance; and the feasibility of creating tax credits for the creation of jobs that pay living wages and provide benefits such as health insurance and child care. The study shall include analysis, information, and recommendations regarding child care and health care financing by families and their relationship to employment and economic self-sufficiency. This study and its recommendations shall be presented to the Governor's Roundtable not later than September 15, 1994.

Sec. 4. The Department of Labor shall study and make recommendations on the use of the Employment Security Law to support Nebraska's unemployed in their efforts to attain or regain economic self-sufficiency and to maintain economic self-sufficiency. The study shall address issues including, but not limited to, the following: Lowering the base period of earnings amount covered by unemployment compensation, including covering the remaining noncovered occupations under unemployment insurance; the relationship between the increasing number of service-economy jobs and lower participation in unemployment compensation; and a review of the disqualification rate to determine contributing factors and to enable a higher participation rate. The department shall also (1) study and make recommendations on adjusting the minimum wage in Nebraska to account for increases in the cost of living, (2) catalog all existing job training resources and programs in Nebraska, and (3) study the availability of jobs in each area of the state, identify the number of jobs available, the type of jobs available, and the pay and benefits associated with the available jobs. These studies and recommendations shall be presented to the Governor's Roundtable not later than September 15, 1994.

Sec. 5. The Department of Health shall study and make recommendations regarding teen pregnancy prevention. This study shall include teen parents, professionals serving teen parents, and a review of other appropriate and relevant studies. This study shall consider issues and make specific recommendations regarding the unique characteristics and needs related to teen pregnancy prevention at a community level on a statewide basis. This study and recommendations shall be presented to the Governor's Roundtable not later than September 15, 1994.

Sec. 6. In addition to the recommendations required by sections 1 and 2 of this act, the Governor's Roundtable shall specifically recommend by October 15, 1994, whether it should continue to exist for purposes of further study on employment and economic self-sufficiency issues or be discontinued.

Sec. 7. Sections 1 to 7 of this act shall terminate on July 1, 1995.

Sec. 8. Sections 1 to 35 of this act shall be known and may be cited as the Welfare Reform Act.

Sec. 9. The Legislature finds and declares that the primary purpose of the welfare programs in this state is to provide temporary, transitional support for Nebraska families so that economic self-sufficiency is attained in as an expeditious manner as possible, with the goal of attaining such self-sufficiency within two years of the initial receipt of public assistance. The Legislature further finds and declares that this goal is to be accomplished through individualized assessments of the personal and economic resources of each applicant for public assistance and through the use of individualized self-sufficiency contracts.

The Legislature further finds and declares that it is in the best interests of the state, its citizens, and especially those receiving public assistance through welfare programs in this state that the welfare system be reformed to support, stabilize, and enhance individual and family life in Nebraska by: (1) Pursuing efforts to help Nebraskans avoid poverty and prevent the need for welfare; (2) eliminating existing complex and conflicting welfare programs; (3) creating a simplified program in place of the existing complex and conflicting welfare programs; (4) removing disincentives to work and promoting economic self-sufficiency; (5) providing individuals and families the support needed to move from public assistance to economic self-sufficiency; (6) changing public assistance from entitlements to temporary, contract-based support; (7) removing barriers to public assistance for intact families; (8) basing the duration of public assistance upon the individual circumstances of each applicant; (9) providing continuing assistance and support for persons sixty-five years of age or over and for individuals and families with physical, mental, or intellectual limitations

preventing total economic self-sufficiency; (10) supporting regular school attendance of children; and (11) promoting public sector, private sector, individual, and family responsibility.

Sec. 10. The Department of Labor and the Department of Social Services shall develop and utilize a common, comprehensive assessment tool which shall assess training options, job readiness, adult basic skills, aptitudes, interests, workplace maturity, and the career development of applicants for services. Such assessment tool shall be developed not later than July 1, 1995.

Sec. 11. State agencies, including the Department of Social Services and the Department of Labor, which assess training options, job readiness, adult basic skills, aptitudes, interests, workplace maturity, and career development of applicants for services shall utilize the common, comprehensive assessment tool developed pursuant to section 10 of this act.

Sec. 12. Nebraska's postsecondary educational institutions shall forge a collaborative partnership with Nebraska's businesses and industries and the Nebraska Training Partnership which is hereby created. The Nebraska Training Partnership shall consist of the Department of Labor, the Department of Social Services, and the Department of Economic Development, other state agencies, and other public and private organizations which will work together to enhance the capacity of Nebraska's workforce to be highly competitive in a rapidly changing global economy. The Nebraska Training Partnership and Nebraska's postsecondary educational institutions shall identify education and short-term skills enhancement training and strategic actions needed to meet the current and future education and training needs of Nebraskans in the 1990s and beyond and shall present their recommendations to the Governor's Roundtable not later than September 15, 1994.

Sec. 13. (1) The Department of Social Services shall submit a waiver request or requests to the United States Department of Health and Human Services and the United States Department of Agriculture as necessary for federal authorization to implement the provisions of the Welfare Reform Act. The Department of Social Services may include the provisions of sections 18 to 26 of this act in its waiver requests and may designate a county or counties for implementation on or after July 1, 1995, of such sections for recipient families in the aid to dependent children program. The department shall not implement any waiver approved under this section until the provisions of the waiver as approved by the United States Department of Health and Human Services or the United States Department of Agriculture have been presented to and approved by the Legislature.

Before the approved waiver is submitted to the Legislature for approval, the department shall also submit to the Legislature specific and detailed guidelines and standards which it will utilize to carry out the purposes of the act concerning the following areas:

(a) What items will comprise the self-sufficiency contract for purposes of section 19 of this act;

(b) What standards will be used to determine whether the recipient is complying with the terms of the self-sufficiency contract for purposes of subdivision (3)(b) of section 23 of this act;

(c) A definition of self-sufficiency;

(d) The definition of job for purposes of subdivision (1)(e) of section 24 of this act;

(e) What will be considered extreme hardship for purposes of subdivision (1)(e) of section 24 of this act;

(f) What will be considered the state not carrying out its responsibility under the self-sufficiency contract for purposes of subdivision (1)(a) of section 24 of this act;

(g) Analysis of mediation or contract dispute resolution, including an independent process that could be utilized by the department, who will provide such services, and what standards will be utilized for mediation or contract dispute resolution;

(h) The elements which will be used in the assessment under section 18 of this act;

(i) What benchmarks and standards will be used to analyze family outcomes related to economic self-sufficiency as required by section 16 of this act;

(j) What elements will be considered in determining whether an adult fails to cooperate in carrying out the terms of the contract for purposes of subsection (2) of section 23 of this act;

(k) Jobs availability information reflecting the report from the Governor's Roundtable. Such information shall include the location of available jobs, the type of jobs available, and the levels of pay and benefits;

(1) What transitional health coverage shall consist of, whom it will include, and what the sliding-fee schedule shall consist of; and

(m) A description of the child-care subsidy sliding-fee scale.

At the end of the first year of implementation, the department shall identify any adjustments or adaptations that may be needed before the waivers are implemented in other areas of the state. Such review shall include an evaluation of the impact of subdivisions (2)(b) and (c) of section 24 of this act. The department shall implement the approved waivers in additional counties as necessary to complete statewide implementation. If federal waiver approval of one or more provisions of the act is granted, the department may implement the provision or provisions, in accordance with federal approval.

(2) The Department of Social Services shall (a) apply for a waiver to allow for a sliding fee schedule for the population served by the caretaker relative program or (b) pursue other public or private mechanisms, to provide for transitional health care benefits to individuals and families who do not qualify for cash assistance. It is the intent of the Legislature that transitional health care coverage be made available on a sliding-scale basis to individuals and families with incomes up to one hundred eighty-five percent of the federal poverty level if other health care coverage is not available.

For purposes of this section, approved by the Legislature shall mean the introduction, consideration, and enactment of legislation.

Sec. 14. The Department of Social Services shall present a report, including a copy of all waiver requests to be submitted to the federal government pursuant to the provisions of the Welfare Reform Act, to the Legislature on or before December 1, 1994.

Sec. 15. If any provision of the Welfare Reform Act is in conflict with any of the statutes of Nebraska, the Department of Social Services shall prepare a report of such statutes to be considered for change or amendment by the Legislature. The Department of Social Services shall adopt and promulgate rules and regulations to carry out the Welfare Reform Act.

Sec. 16. The Department of Social Services shall evaluate the impact of the Welfare Reform Act, including, but not limited to, analysis of family outcomes related to attaining or regaining and maintaining economic self-sufficiency. The evaluation shall include opportunities for meaningful recipient input. The evaluation shall begin on the date of implementation of any approved waivers, and the results shall be reported to the Governor and the Legislature annually, not later than October 1, 1996, and each October 1 thereafter through October 1, 2000.

Sec. 17. After implementation of approved waivers as provided in section 13 of this act, the Department of Social Services shall submit a waiver request or requests to the United States Department of Health and Human Services and the United States Department of Agriculture as necessary for federal authorization to eliminate the welfare programs entitled state supplemental assistance to the aged, blind, and disabled, aid to dependent children, food stamps, and low-income energy assistance and to create a single simplified assistance system. The various eligibility rules and processes connected to each of these current public assistance programs shall be replaced by a single, simplified set of eligibility rules and regulations adopted and promulgated by the department. Eligibility criteria for services under this section shall be the same for one-parent and for two-parent families. The department shall not implement any waiver or waivers approved under this section unless the provisions of the waiver or waivers as approved by the federal agency or agencies have been presented to and approved by the Legislature.

For purposes of this section, approved by the Legislature shall mean the introduction, consideration, and enactment of legislation.

Sec. 18. (1) At the time an individual or a family applies for public assistance, an assessment shall be conducted. Eligibility determination shall begin with a comprehensive assets assessment, in which the applicant and case manager collaborate to identify the economic and personal resources available to the applicant. Each applicant shall work with only one case manager who shall facilitate all service provision.

(2) Each applicant's personal resources shall be assessed in the comprehensive assets assessment. For purposes of this section, personal resources shall include education, vocational skills, employment history, health, life skills, personal strengths, and support from family and the community. This assessment shall also include a determination of the applicant's goals, employment background, educational background, housing needs, child care and transportation needs, health care needs, and other barriers to economic self-sufficiency.

(3) The comprehensive assets assessment shall structure personal resources information and control subjectivity. The assessment shall be used:

(a) To develop a self-sufficiency contract under section 19 of this act and promote services which specifically lead to self-sufficiency; and

(b) To determine if the applicant should be referred to other community resources for assistance.

(4) Periodic assessments, including an exit assessment prior to implementation of the two-year time limit on cash assistance as provided in section 24 of this act, shall be conducted with recipients to establish if the terms of the self-sufficiency contract have been met by the recipient family and by the state.

Sec. 19. Based on the results of the comprehensive assets assessment under section 18 of this act, the applicant and the case manager shall develop a self-sufficiency contract. The contract shall be built upon the premise of urgent action. To ensure that the applicant can make constant, measurable progress toward self-sufficiency, goals shall be set with timelines and benchmarks that facilitate forward momentum. In the case of an entire family applying for assistance, each family member shall have responsibilities within the self-sufficiency contract.

Sec. 20. The responsibilities, roles, and expectations of the applicant family, the case manager, and all other service providers shall be detailed in the self-sufficiency contract developed under section 19 of this act. The contract shall be signed by the applicant and by the case manager representing the state. The state and the applicant shall fulfill their respective terms of the contract.

Sec. 21. (1) Under the self-sufficiency contract developed under section 19 of this act, the principal wage earner of the applicant family shall be required to participate in one or more of the following: Education, job skills training, work experience, job search, or employment.

(2) Education shall consist of the general education development program, high school, Adult Basic Education, English as a Second Language, or other education programs approved in the contract.

(3) Job skills training shall include vocational training in technical job skills and equivalent knowledge. Activities shall consist of formalized, technical job skills training, apprenticeships, on-the-job training, or training in the operation of a microbusiness enterprise. The types of training, apprenticeships, or training positions may include, but need not be limited to, the ability to provide services such as home repairs, automobile repairs, respite care, foster care, personal care, and child care. Job skills training shall be prioritized and approved for occupations that facilitate economic self-sufficiency.

(4) The purpose of work experience shall be to improve the employability of applicants by providing work experience and training to assist them to move promptly into regular public or private employment. Work experience shall mean unpaid work in a public, private, for-profit, or nonprofit business or organization. Work experience placements shall take into account the individual's prior training, skills, and experience. A placement shall not exceed three months.

(5) Job search shall assist adult members of recipient families in finding their own jobs. The emphasis shall be placed on teaching the individual to take responsibility for his or her own job development and placement. If an intensive job search does not result in employment within three months, the comprehensive assets assessment and the self-sufficiency contract shall be reassessed.

(6) Employment shall consist of work for pay. The employment may be full-time or part-time but shall be adequate to help the recipient family reach economic self-sufficiency.

Sec. 22. The Legislature finds that the state has responsibilities to help ensure the success of the self-sufficiency contract for each recipient. The Department of Social Services shall employ case management practices and supportive services to the extent necessary to facilitate movement toward self-sufficiency within the two-year limit on participation as provided in section 24 of this act.

The department may purchase case management services. It is the intent of the Legislature that any case management utilized by the department shall include standards which emphasize communication skills; appropriate interviewing techniques; and methods for positive feedback, support, encouragement, and counseling. The case management provided shall also include a recognition of family dynamics and emphasize working with all family members; shall respect diversity; shall empower individuals; and shall include recognizing, capitalizing, and building on a family's strengths and existing support network. It is the intent of the Legislature that generally a case manager would have a family caseload of no more than seventy cases.

Supportive services shall include, but not be limited to, assistance

with transportation expenses, participation and work expenses, parenting education, family planning, budgeting, and relocation to provide for specific needs critical to the recipient's or the recipient family's self-sufficiency contract. For purposes of this section, family planning shall not include abortion counseling, referral for abortion, or funding for abortion. If the state fails to meet the specific terms of the self-sufficiency contract, the two-year limit on cash assistance under section 24 of this act shall be extended for an additional period of not more than two years.

Sec. 23. (1) Cash assistance shall be provided only while recipients are actively engaged in the specific activities outlined in the self-sufficiency contract developed under section 19 of this act. If the recipients are not actively engaged in these activities, no cash assistance shall be paid.

(2) Recipient families with at least one adult with the capacity to work, as determined by the comprehensive assets assessment, shall participate in the self-sufficiency contract as a condition of receiving cash assistance. If any such adult fails to cooperate in carrying out the terms of the contract, the family shall be ineligible for cash assistance.

(a) Adult members of recipient families whose youngest child is between the ages of twelve weeks and six months shall engage in an individually determined number of part-time hours in activities such as family nurturing, preemployment skills, or education.

(b) Participation in activities outlined in the self-sufficiency contract shall not be required for one parent of a recipient family whose youngest child is under the age of twelve weeks.

(c) The two-year time limit on cash assistance under section 24 of this act shall be extended: (i) To cover the twelve-week postpartum recovery period for children born to recipient families; and (ii) to recognize special medical conditions of such children requiring the presence of at least one adult member of the recipient family, as determined by the state, which extend past the age of twelve weeks.

(d) Full participation in the activities outlined in the self-sufficiency contract shall be required for adult members of a recipient family whose youngest child is over the age of six months.

(e) Full participation in the activities outlined in the self-sufficiency contract and the two-year time limit on cash assistance under section 24 of this act shall begin for a minor parent when: (i) The minor parent graduates from high school; (ii) the minor parent receives his or her General Education Development diploma; or (iii) the minor parent reaches nineteen years of age.

(f) In cases in which the only adults in the recipient family do not have parental responsibility which shall mean such adults are not the biological or adoptive parents or stepparents of the children in their care, and assistance is requested for all family members, including the adults, the family shall participate in the activities outlined in the self-sufficiency contract as a condition of receiving cash assistance.

(g) Unemployed or underemployed absent and able-to-work parents of children in the recipient family may participate in self-sufficiency contracts, employment, and payment of child support, and such absent parents may be required to pay all or a part of the costs of the self-sufficiency contracts.

(3) Individual recipients and recipient families shall have the right to request an administrative hearing (a) for the purpose of reviewing compliance by the state with the terms of the self-sufficiency contract or (b) for the purpose of reviewing a determination by the department that the recipient or recipient family has not complied with the terms of the self-sufficiency contract. It is the intent of the Legislature that an independent mediation appeal process be developed as an option to be considered.

Sec. 24. (1) Cash assistance shall be provided for a period or periods of time not to exceed a total of two years for recipient families with children subject to the following:

(a) If the state fails to meet the specific terms of the self-sufficiency contract developed under section 19 of this act, the two-year time limit established in this section shall be extended for an additional period of not more than two years;

(b) The two-year time period for cash assistance shall begin when the self-sufficiency contract is signed or when any children born into the recipient family prior to the initial ten months of assistance reach the age of six months, whichever is later;

(c) When no longer eligible to receive cash assistance, assistance shall be available to reimburse work-related child care expenses even if the

recipient family has not achieved economic self-sufficiency. The amount of such assistance shall be based on a cost-shared plan between the recipient family and the state which shall provide assistance up to one hundred eighty-five percent of the federal poverty level for up to twenty-four months. It is the intent of the Legislature that transitional health care coverage be made available on a sliding-scale basis to individuals and families with incomes up to one hundred eighty-five percent of the federal poverty level if other health care coverage is not available;

(d) After receiving cash assistance under this section for two years at a monthly payment level not exceeding that provided in section 43-512, families shall receive no further cash assistance pursuant to this section for at least two years after the assistance period ends; and

(e) The self-sufficiency contract shall be revised and the two-year time period for cash assistance extended when there is no job available for adult members of the recipient family. It is the intent of the Legislature that available job shall mean a job which results in an income of at least equal to the amount of cash assistance that would have been available if receiving assistance minus unearned income available to the recipient family.

The department shall develop policy guidelines to allow for cash assistance to persons who have received the maximum cash assistance provided by this section and who face extreme hardship without additional assistance.

(2) Cash assistance conditions under the Welfare Reform Act shall be as follows:

(a) Adults in recipient families shall mean individuals at least nineteen years of age living with and related to a child eighteen years of age or younger and shall include parents, siblings, uncles, aunts, cousins, or grandparents, whether the relationship is biological, adoptive, or step;

(b) The payment standard shall be based upon family size. Any child born into the recipient family after the initial ten months of participation in the program shall not increase the cash assistance payment, except that child support or other income received on behalf of such child or children shall not be considered as countable income to the recipient family in determining the amount of their cash assistance payment;

(c) The adults in the recipient family shall ensure that the minor children regularly attend school. Education is a valuable personal resource. The cash assistance provided to the recipient family may be reduced when the parent or parents have failed to take reasonable action to encourage the minor children of the recipient family ages sixteen and under to regularly attend school. No reduction of assistance shall be such as may result in extreme hardship. It is the intent of the Legislature that a process be developed to insure communication between the case manager, the parent or parents, and the school to address issues relating to school attendance;

(d) Two-parent families which would otherwise be eligible under section 43-504 or a federally approved waiver shall receive cash assistance under this section;

(e) For minor parents, the assistance payment shall be based on the minor parent's income. If the minor parent lives with at least one parent, the family's income shall be considered in determining eligibility and cash assistance payment levels for the minor parent. If the minor parent lives independently, support shall be pursued from the parents of the minor parent. If the absent parent of the minor's child is a minor, support from his or her parents shall be pursued. Support from parents as allowed under this subdivision shall not be pursued when the family income is less than three hundred percent of the federal poverty guidelines; and

(f) For adults who are not biological or adoptive parents or stepparents of the child or children in the family, if assistance is requested for the entire family, including the adults, a self-sufficiency contract shall be entered into as provided in section 19 of this act. If assistance is requested for only the child or children in such a family, such children shall be eligible after consideration of the family's income and if (i) the family cooperates in pursuing child support and (ii) the minor children of the family regularly attend school.

Sec. 25. The Department of Social Services may either develop an electronic benefit system for purposes of eliminating as much paper and coupon conveyance of public assistance as is practical or provide cash in lieu of coupons.

Sec. 26. Based on the comprehensive assets assessment, each individual and family receiving assistance under the Welfare Reform Act shall reach for his or her highest level of economic self-sufficiency or the family's highest level of economic self-sufficiency. The following eligibility factors shall apply:

(1) Financial resources, excluding the primary home and furnishings

and the primary automobile, shall not exceed five thousand dollars in value for a household of any size;

(2) Available resources, including, but not limited to, savings accounts and real estate, shall be used in determining financial resources;

(3) Income received by family members, except income earned by children attending school, shall be considered in determining total family income. Income earned by an individual or a family by working shall be treated differently than unearned income in determining the amount of cash assistance as follows:

(a) Earned income shall be counted in determining the level of cash assistance after disregarding an amount of earned income equal to or including fifty to seventy percent of earned income or other incentives to work. This amount of income disregard shall not apply when determining the income disregard pursuant to subsection (5) of this section;

(b) Financial assistance provided by other programs that support the transition to economic self-sufficiency shall be considered to the extent the payments are intended to provide for life's necessities; and

(c) Financial assistance or those portions of it intended for books, tuition, or other self-sufficiency-related expenses shall not be counted in determining financial resources. Such assistance shall include, but not be limited to, school grants, scholarships, vocational rehabilitation payments, Job Training Partnership Act payments, and education-related loans or other loans that are expected to be repaid;

(4) Individuals and families shall pursue potential sources of economic support, including, but not limited to, unemployment compensation and child support; and

(5) Each family may determine whether to accept cash assistance in an amount of the payment standards as they exist on January 1, 1995, or to accept a lower payment standard with the ability to have a higher earned income disregard. The department shall determine the amount of income disregard which may apply to any earned income under this subsection.

Sec. 27. It is the intent of the Legislature that family resource centers be considered a priority in the utilization of the federal funding allocated to Nebraska through Family Preservation and Support Services, as provided by Public Law 103-66, 1993.

Sec. 28. (1) The Legislature hereby finds and declares that: (a) The family is the cornerstone of society; (b) families have the primary responsibility for supporting their children; and (c) families require the support of their community and the state to fulfill their duties.

(2) The Legislature further finds that: (a) Many state initiatives for improving or reforming the systems of service delivery for children and their families have been identified and are underway within Nebraska; (b) there is a need to coordinate and promote communication in these initiatives to identify common visions and approaches and to establish linkages across the areas of health services, social services, family support services, mental health services, education, economic development, labor, and juvenile justice at the state level and the community level; and (c) these initiatives need continued support in order to empower communities and families to provide and promote an integrated, efficient, and effective service delivery system.

(3) The Legislature declares that it shall be the policy of the State of Nebraska (a) to promote the development of a statewide system of comprehensive, coordinated, family-centered, community-based, and culturally competent services for children and their families to assure that services help build strong families and provide appropriate environments for children and (b) that these services should be available, accessible, and equitable and, whenever possible, be located together.

Sec. 29. The Governor shall commission a study of creating human services regions with boundaries which are common to all state agencies. The study shall review the effectiveness of the boundaries of the human services regions existing on the operative date of this section. The Governor shall assign this study to the Commissioner of Education, the Director of Social Services, the Director of Health, the Director of Public Institutions, the Director of Economic Development, the Director of Labor, the Director of Administrative Services, the Director on Aging, the Director of Correctional Services, the Tax Commissioner, the Probation Administrator, the executive director of the Nebraska Commission on Law Enforcement and Criminal Justice, and the Director of Policy Research. The study shall also allow for participation of other persons from the public and private sectors representing all geographical areas of Nebraska.

Sec. 30. (1) The study required by section 29 of this act shall develop a plan for the implementation of common human services region boundaries in Nebraska and for location together and integration of programs



and services as appropriate to meet the needs of the population of Nebraska. A report shall be provided to the Governor and the Legislature describing these boundaries by October 15, 1994.

(2) The study and report shall address the following: (a) identification of economic centers; (b) identification of current and projected locations of major highways; (c) location of health centers; (d) location of population centers; (e) demographics; (f) cultural issues; (g) socioeconomic concerns; and (h) the advantages or disadvantages of relocating the disability determinations section from the State Department of Education to the Department of Social Services.

(3) The report shall include the following specific recommendations: (a) Human services region boundaries that are uniform and consistent; (b) a plan for implementation of the proposed human services region boundaries; (c) identification of costs or savings associated with implementation of the report recommendations; and (d) necessary legislation to implement the report recommendations.

Sec. 31. The Legislature recognizes that parents should continue to have the primary responsibility for meeting the needs of their children but that if a family requires services it should be able to receive services which are available, accessible, and equitable. It is the intent of the Legislature that such services should be coordinated between agencies serving common populations and that whenever possible a plan should be implemented for location of services together to provide consistent, efficient, and effective services.

Sec. 32. It is the intent of the Legislature that the Department of Health, the Department of Social Services, the State Department of Education, the Department on Aging, the Department of Labor, the Department of Public Institutions, the Office of Probation Administration, the Department of Correctional Services, and the Department of Economic Development will have integrated programs and policies when serving a common customer. Organizational mergers and operating agreements shall be developed within state government which bring together the state's community-based child-serving and family-serving resources in the areas of health care services, social services, mental health services, developmental disabilities services, juvenile justice, and education. Such actions shall eliminate the need for the public to understand the differing roles, responsibilities, and services of the agencies enumerated in this section and their affiliates.

Sec. 33. The state agencies enumerated in section 32 of this act shall establish a planning process to:

(1) Assist communities in joining together to assess their resources and strengths;

(2) Assess what services are needed in participating communities and coordinate how such services should be developed and provided;

(3) Identify and support a plan for location of related human services and agencies together;

(4) Identify human services that already exist and decide how to coordinate such services most efficiently;

(5) Link existing planning processes;

(6) Promote decategorization of selected federal and state programs to bring about greater cohesiveness and flexibility when locating services together; and

(7) Cooperate and coordinate with building owners and other business owners in the community to assess the most efficient way to locate or relocate agencies.

Sec. 34. It is the intent of the Legislature that the agencies enumerated in section 32 of this act, whenever possible, shall develop a uniform, consolidated, and streamlined application process for all programs serving children and families. The application process shall be electronically linked so families will not have to repeat the application process. The state shall assist communities and eliminate barriers in developing a common application form and make the form available across the state. The application process shall provide for common data collection, intake, referral, and assessment and shall be ongoing. A single common assessment tool shall be developed which captures information once for use in making the full range of state, local, and community support available as part of the cash assistance program established under the Welfare Reform Act.

Sec. 35. The Legislature finds that children should be maintained as much as possible from the resources of both parents, thereby relieving or avoiding the burden often borne by single parents or the state as a whole through public assistance programs. Therefore there is hereby established a Governor's Child Support Study Committee to study the proposals listed in this section to determine whether adopting the proposals would facilitate the

establishment of legal paternity and child support and enforcement of support orders. The committee shall include representatives from the Department of Social Services appointed by the Director of Social Services and from other necessary state agencies, including, but not limited to, the State Court Administrator, the Department of Labor, and the Department of Revenue, representatives of county attorneys, representatives of clerks of the district court, and representatives of custodial and noncustodial parents. The committee shall study:

(1) The advisability of supplementing the current court-based system for the establishment of paternity, child support, and medical support and enforcement of support orders by adopting administrative or quasi-judicial processes;

(2) The advisability of requiring the Department of Labor to establish a centralized employee registry for the purpose of receiving and maintaining information from employers on newly hired or rehired employees. Such a system would require employers to report to the centralized employee registry and allow limited access to and use of registry data by state agencies for administration of the child support enforcement program, for calculation of payments for benefit or entitlement programs, and for recoupment of debts to the state and by the Department of Economic Development and the Department of Labor for statistical purposes;

(3) The advisability of creating an administrative lien against any interest-bearing accounts which are owned or obtained by a support obligor and which can be levied upon by the Department of Social Services at any time as long as the support obligation remains delinquent and the obligor receives notice. The study shall consider establishment and maintenance by the Tax Commissioner of a bank-match system whereby the treasurers of all federal and state commercial or savings banks, including banks, savings and loan associations, building and loan associations, federal and state credit unions, or any other similar entities, report balances in such accounts;

(4) The advisability of adopting a system for and allowing the suspension or revocation of professional licenses and motor vehicle operator's licenses for obligors delinquent in support payments;

(5) The advisability of intercepting or requiring disclosure to the Department of Social Services of the amount and payee of certain prizes or winnings from horseracing and under the Nebraska Bingo Act, the Nebraska County and City Lottery Act, and the Nebraska Lottery and Raffle Act;

(6) The advisability of adopting a conciliation system for child support enforcement to replace the current adversarial system. The study shall include:

(a) Use of administrative processes to provide an accounting by the custodial parent of his or her use of child support payments to benefit the child;

(b) Methods to address nonfinancial obligations of custody and visitation; and

(c) Procedures which are more responsive to the complexities and dynamics of this type of family law, including the requirements imposed on the state by Title IV-D of the Social Security Act, as amended; and

(7) The advisability of establishing a centralized support judgment registry for all support orders in order to facilitate the more effective and efficient use of liens to enforce support orders and to act as a repository for the notification of court-ordered judgments.

The committee shall report its findings, together with its recommendations, to the Governor and the Legislature on or before October 15, 1994.

Sec. 36. That section 25-506.01, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

25-506.01. (1) Unless the plaintiff has elected service by certified mail, the summons shall be served by the sheriff of the county where service is made, by a person otherwise authorized by law, or by a person, corporation, partnership, or limited liability company not a party to the action specially appointed by the court for that purpose.

(2) Service by certified mail shall be made by plaintiff or plaintiff's attorney.

Sec. 37. That section 25-1563.02, Revised Statutes Supplement, 1993, be amended to read as follows:

25-1563.02. All (1) Except as provided in subsection (2) of this section, all proceeds and benefits, including interest earned thereon, which are paid either in a lump sum or are accruing under any structured settlement providing periodic payments, which lump-sum settlement or periodic payments are made as compensation for personal injuries or death, shall be exempt from attachment, garnishment, or other legal or equitable process and from all

claims of creditors of the beneficiary or the beneficiary's surviving dependents unless a written assignment to the contrary has been obtained by the claimant.

(2) All proceeds and benefits, including interest earned thereon, which are paid for personal injuries may be garnished by a county attorney or authorized attorney pursuant to section 43-512.03 or garnished for child support as defined in section 43-1705 by an obligee as defined in section 43-1713.

Sec. 38. That section 25-2203, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

25-2203. The court or judge, for good cause, may appoint a person, corporation, partnership, or limited liability company to serve a particular process or order, who which person or entity shall have the same power to execute it which the sheriff has. The person or entity may be appointed on the motion of the party obtaining the process or order, and the return must be verified by affidavit. He Such appointment may be made in the form of a general order of the court for the purpose of service of process or orders which may be sought by the movant. The person or entity shall be entitled to the fees allowed to the sheriff for similar services.

Sec. 39. (1) The estate of a decedent who has received medical assistance benefits under the medical assistance program established under section 68-1018 shall be indebted to the Department of Social Services for the total amount paid for medical assistance on behalf of the decedent if:

(a) The decedent was fifty-five years of age or older at the time the medical assistance was provided; or

(b) The decedent resided in a medical institution and, at the time of institutionalization or application for medical assistance, whichever is later, the department determines that the decedent could not have reasonably been expected to be discharged and resume living at home. For purposes of this section, medical institution shall mean a skilled nursing facility, intermediate care facility, intermediate care facility for the mentally retarded, nursing facility, or inpatient hospital.

(2) No debt to the department shall exist if the decedent is survived (a) by a spouse or (b) by a child who either is under twenty-one years of age or is blind or totally and permanently disabled as defined by the Supplemental Security Income criteria.

(3) The debt shall include the total amount of medical assistance provided when the recipient was fifty-five years of age or older or during a period of institutionalization as described in subsection (1) of this section and shall not include interest.

(4) In any probate proceedings in which the department has filed a claim under this section, no additional evidence of foundation shall be required for the admission of the department's payment record supporting its claim if the payment record bears the seal of the department, is certified as a true copy, and bears the signature of an authorized representative of the department.

(5) The department may waive or compromise its claim, in whole or in part, if the department determines that enforcement of the claim would not be in the best interests of the state or would result in undue hardship.

(6) The department may adopt and promulgate rules and regulations to carry out this section.

Sec. 40. That section 30-2487, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

30-2487. (a) If the applicable assets of the estate are insufficient to pay all claims in full, the personal representative shall make payment in the following order:

(1) Costs costs and expenses of administration;

(2) Reasonable reasonable funeral expenses;

(3) Debts debts and taxes with preference under federal law;

(4) Reasonable reasonable and necessary medical and hospital expenses of the last illness of the decedent, including compensation of persons attending him the decedent and claims filed by the Department of Social Services pursuant to section 39 of this act;

(5) Debts debts and taxes with preference under other laws of this state;

(6) All all other claims.

(b) No preference shall be given in the payment of any claim over any other claim of the same class, and a claim due and payable shall not be entitled to a preference over claims not due.

Sec. 41. That section 36-213, Revised Statutes Supplement, 1993, be amended to read as follows:

36-213. Every Except as provided in the Income Withholding for

Child Support Act, every assignment of the wages or earnings of the head of a family and every contract or agreement intending or purporting to have the effect of such assignment shall be void unless such contract, agreement, assignment, or transfer is executed and acknowledged by both husband and wife in the same manner that conveyances of real estate are required to be signed and acknowledged by the laws of this state and shall be limited to a percentage of the wages of the head of household not greater than that subject to the operation of attachment, execution, and garnishee process as provided in section 25-1558. Nothing contained in this section shall be construed to void payroll deductions by the employer if such wages or earnings so deducted are for (1) purchase of government bonds, (2) contributions to charity, or (3) payment of employee organization dues, of group or individual insurance premiums, of pension assessments, to credit unions, or for a savings plan, in accordance with a written order of the employee which has been accepted by the employer. Every such assignment shall specify the employer who will pay the wages that are the subject of the assignment, and the assignment shall be valid only as to wages due from the employer or employers so specified. It shall be unlawful for any person, firm, corporation, company, partnership, limited liability company, or business institution to cause any employer by any such void assignment or by notice of any such void assignment to withhold the payment of any wages due the head of a family.

Sec. 42. That section 42-347, Revised Statutes Supplement, 1992, be amended to read as follows:

42-347. ~~As used in~~ For purposes of sections 42-347 to 42-380, unless the context otherwise requires:

(1) Authorized attorney shall mean an attorney (a) employed by the county subject to the approval of the county board, (b) employed by the Department of Social Services, or (c) appointed by the court, who is authorized to investigate and prosecute child and spousal support cases. An authorized attorney shall represent the state as provided in section 43-512.03;

(2) Dissolution of marriage shall mean the termination of a marriage by decree of a court of competent jurisdiction upon a finding that the marriage is irretrievably broken. The term dissolution of marriage shall be considered synonymous with divorce, and whenever the term divorce appears in the statutes it shall mean dissolution of marriage pursuant to sections 42-347 to 42-379;

(3) Legal separation shall mean a decree of a court of competent jurisdiction providing that two persons who have been legally married shall thereafter live separate and apart and providing for any necessary adjustment of property, support, and custody rights between the parties but not dissolving the marriage; and

(4) Spousal support, when used in the context of income withholding or any provisions of law which might lead to income withholding, shall mean alimony or maintenance support for a spouse or former spouse when ordered as a part of an order, decree, or judgment which provides for child support and the child and spouse or former spouse are living in the same household.

Sec. 43. That section 42-358, Revised Statutes Supplement, 1992, be amended to read as follows:

42-358. (1) The court may appoint an attorney to protect the interests of any minor children of the parties. Such attorney shall be empowered to make independent investigations and to cause witnesses to appear and testify on matters pertinent to the welfare of the children. The court shall by order fix the fee, including disbursements, for such attorney, which amount shall be taxed as costs and paid by the parties as ordered. If the court finds that the party responsible is indigent, the court may order the county to pay the costs.

(2) Following entry of any decree, the court having jurisdiction over the minor children of the parties may at any time appoint an attorney, as friend of the court, to initiate contempt proceedings for failure of any party to comply with an order of the court directing such party to pay temporary or permanent child support. The county attorney or authorized attorney may be appointed by the court for the purposes provided in this section. in which case the county attorney or authorized attorney shall represent the state.

(3) The clerk of each district court shall maintain child support orders and delinquency records by the sums due to the court-ordered payee, except as provided in section 43-512.07, in each case docketed in which child support is fixed by order of the court. For support orders in all cases issued before September 6, 1991, and for support orders issued or modified on or after September 6, 1991, in cases in which no party has applied for services under Title IV-D of the Social Security Act, as amended, each month the clerk shall certify all cases in which the court-ordered child support or

spousal support is delinquent in an amount equal to the support due and payable for a one-month period of time to the judge presiding over domestic relations cases and to the county attorney or authorized attorney. A rebuttable presumption of contempt shall be established if a prima facie showing is made that the court-ordered child or spousal support is delinquent. In cases in which one of the parties receives services under Title IV-D of the Social Security Act, as amended, the clerk shall certify all support orders issued or modified on or after September 6, 1991, to the county attorney or authorized attorney.

In each case certified, income withholding shall be implemented pursuant to the Income Withholding for Child Support Act. If income withholding is not feasible and no other action is pending for the collection of support payments, the court shall appoint an attorney to commence contempt of court proceedings. If the county attorney or authorized attorney consents, he or she may be appointed for such purpose. The contempt proceeding shall be instituted within ten days following appointment, and the case shall be diligently prosecuted to completion. The court shall by order fix the fee, including disbursements, for such attorney, which amount shall be taxed as costs and paid by the parties as ordered. Any fees allowed for the services of any county attorney or authorized attorney shall be paid to the Department of Social Services when there is an assignment of support to the department pursuant to section 43-512.07 or when an application for child support services is on file with a county attorney or authorized attorney. If the court finds the party responsible is indigent, the court may order the county to pay the costs.

(4) If, at the hearing, the person owing child or spousal support is called for examination as an adverse party and such person refuses to answer upon the ground that his or her testimony may be incriminating, the court may, upon the motion of the county attorney or authorized attorney, require the person to answer and produce the evidence. In such a case the evidence produced shall not be admissible in any criminal case against such person nor shall any evidence obtained because of the knowledge gained by such evidence be so admissible.

(5) The court may order access to all revenue information maintained by the Department of Revenue or other agencies concerning the income of persons liable or who pursuant to this section and sections 42-358.08 and 42-821 may be found liable to pay child or spousal support payments.

(6) Any person aggrieved by a determination of the court may appeal such decision to the Court of Appeals.

Sec. 44. That section 42-358.08, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

42-358.08. Notwithstanding any other provision of law regarding the confidentiality of records and when not prohibited by the federal Privacy Act of 1974, Public Law 93-579, as amended, each department and agency of state, county, and city government and each employer or other payor as defined in section 43-1709 shall, upon request, furnish to any court-appointed individuals, the county attorney, any authorized attorney, or the Department of Social Services an absent parent's address, social security number, amount of income, health insurance information, and employer's name and address for the exclusive purpose of establishing and collecting child or spousal support. Information so obtained shall be used for no other purpose. An action may be filed in the district court to enforce this section.

Sec. 45. That section 42-364.13, Revised Statutes Supplement, 1993, be amended to read as follows:

42-364.13. (1) Any order for support entered by the court shall specifically provide that any person ordered to pay a judgment shall be required to furnish to the clerk of the district court his or her address, telephone number, and social security number, the name of his or her employer, whether or not such person has access to employer-related health insurance coverage and, if so, the health insurance policy information, and any other information the court deems relevant until such judgment is paid in full. The person shall also be required to advise the clerk of any changes in such information between the time of entry of the decree and the payment of the judgment in full. If both parents are parties to the action, such order shall provide that each be required to furnish to the clerk of the district court whether he or she has access to employer-related health insurance coverage and, if so, the health insurance policy information. Failure to comply with this section shall be punishable by contempt.

(2) If any case contains an order or judgment for child, medical, or spousal support, the order shall include the following statements:

In the event (respondent or petitioner) fails to pay any child, medical, or spousal support payment, as such failure is certified each month

by the district court clerk in cases in which court-ordered support is delinquent in an amount equal to the support due and payable for a one-month period of time, he or she shall be subject to income withholding and may be required to appear in court on a date to be determined by the court and show cause why such payment was not made. In the event that the (respondent or petitioner) fails to pay and appear as ordered, a warrant shall be issued for his or her arrest.

(3) If the court orders income withholding regardless of whether or not payments are in arrears pursuant to section 43-1718.01 or section 67 of this act, the statement in subsection (2) of this section may be altered to read as follows:

In the event (respondent or petitioner) fails to pay any child, medical, or spousal support payment, as such failure is certified each month by the district court clerk in cases in which court-ordered support is delinquent in an amount equal to the support due and payable for a one-month period of time, he or she may be required to appear in court on a date to be determined by the court and show cause why such payment was not made. In the event that the (respondent or petitioner) fails to pay and appear as ordered, a warrant shall be issued for his or her arrest.

Sec. 46. That section 42-364.16, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

42-364.16. The Supreme Court shall provide by court rule, as a rebuttable presumption, guidelines for the establishment of all child support obligations. Child support shall be established in accordance with such guidelines, which guidelines are presumed to be in the best interests of the child, unless the court finds that one or both parties have produced sufficient evidence to rebut the presumption that the application of the guidelines will result in a fair and equitable child support order.

Sec. 47. That section 42-371, Revised Statutes Supplement, 1993, be amended to read as follows:

42-371. Under the Uniform Interstate Family Support Act and sections 42-347 to 42-379, 43-290, 43-512 to 43-512.10, and 43-1401 to 43-1418 and section 56 of this act:

(1) All judgments and orders for payment of money shall be liens, as in other actions, upon real property and any personal property registered with any county office and may be enforced or collected by execution and the means authorized for collection of money judgments. The judgment creditor may execute (a) a partial or total release of the judgment or (b) a document subordinating the lien of the judgment to any other lien, generally or on specific real or personal property. Release of a judgment for child support or spousal support or subordination of a lien of a judgment for child support or spousal support must be approved by the court which rendered the judgment unless all such payments are current, in which case a release or subordination document executed by the judgment creditor shall be sufficient to remove or subordinate the lien. A properly executed, notarized release or subordination document, explicitly reciting that all child support payments or spousal support payments are current, shall be prima facie evidence that such payments are in fact current. The judgment debtor may petition the court which rendered the original judgment for an order releasing or subordinating the lien as to specific real or personal property. The court shall grant such order upon a showing by the judgment debtor that sufficient real or personal property or property interests will remain subject to the lien or will maintain priority over other liens sufficient to cover all support due and which may become due;

(2) Child support and spousal support judgments shall cease to be liens on real or registered personal property ten years from the date (a) the youngest child becomes of age or dies or (b) the most recent execution was issued to collect the judgment, whichever is later, and such lien shall not be reinstated;

(3) Alimony and property settlement award judgments, if not covered by subdivision (2) of this section, shall cease to be a lien on real or registered personal property ten years from the date (a) the judgment was entered, (b) the most recent payment was made, or (c) the most recent execution was issued to collect the judgment, whichever is latest, and such lien shall not be reinstated;

(4) Whenever a judgment creditor refuses to execute a release of the judgment or subordination of a lien as provided in this section, the person desiring such release or subordination may file an application for the relief desired. A copy of the application and a notice of hearing shall be served on the judgment creditor either personally or by registered or certified mail no less than ten days before the date of hearing. If the court finds that the release or subordination is not requested for the purpose of avoiding payment

and that the release or subordination will not unduly reduce the security, the court may issue an order releasing real or personal property from the judgment lien or issue an order subordinating the judgment lien. As a condition for such release or subordination, the court may require the posting of a bond with the clerk in an amount fixed by the court, guaranteeing payment of the judgment;

(5) The court may in any case, upon application or its own motion, after notice and hearing, order a person required to make payments to post sufficient security, bond, or other guarantee with the clerk to insure payment of both current and any delinquent amounts. Upon failure to comply with the order, the court may also appoint a receiver to take charge of the debtor's property to insure payment. Any bond, security, or other guarantee paid in cash may, when the court deems it appropriate, be applied either to current payments or to reduce any accumulated arrearage;

(6)(a) The lien of a mortgage or deed of trust which secures a loan, the proceeds of which are used to purchase real property, and (b) any lien given priority pursuant to a subordination document under this section shall attach prior to any lien authorized by this section. Any mortgage or deed of trust which secures the refinancing, renewal, or extension of a real property purchase money mortgage or deed of trust shall have the same lien priority with respect to any lien authorized by this section as the original real property purchase money mortgage or deed of trust to the extent that the amount of the loan refinanced, renewed, or extended does not exceed the amount used to pay the principal and interest on the existing real property purchase money mortgage or deed of trust, plus the costs of the refinancing, renewal, or extension; and

(7) Any lien authorized by this section against personal property registered with any county consisting of a motor vehicle or mobile home shall attach upon notation of the lien against the motor vehicle or mobile home certificate of title and shall have its priority established pursuant to the terms of section 60-110 or a subordination document executed under this section.

Sec. 48. That section 42-748, Revised Statutes Supplement, 1993, be amended to read as follows:

42-748. (a) A tribunal of this state may serve as an initiating or responding tribunal in a proceeding brought under the Uniform Interstate Family Support Act or a law substantially similar to the act, the Uniform Reciprocal Enforcement of Support Act, or the Revised Uniform Reciprocal Enforcement of Support Act to determine that the petitioner is a parent of a particular child or to determine that a respondent is a parent of that child.

(b) In a proceeding to determine parentage, a responding tribunal of this state shall apply sections 43-1401 to 43-1418, and section 56 of this act and the rules of this state on choice of law.

Sec. 49. That section 43-104.03, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

43-104.03. Within three days after the filing of a notice to claim paternity, the Director of Social Services shall cause a certified copy of such notice to be mailed by certified mail to (1) the mother or prospective mother of such child at the last-known address shown on the notice of intent to claim paternity; or (2) an agent specifically designated in writing by the mother or prospective mother to receive such notice. The notice shall be admissible in any action for paternity under sections 43-1401 to 43-1413, and 43-1418 and section 56 of this act, shall estop the claimant from denying his paternity of such child thereafter, and shall contain language that he the claimant acknowledges liability for contribution to the support and education of the child after its birth and for contribution to the pregnancy-related medical expenses of the mother.

Sec. 50. That section 43-512, Revised Statutes Supplement, 1992, be amended to read as follows:

43-512. (1) Any dependent child as defined in section 43-504 or any relative of such a dependent child may file with the Department of Social Services a written application for financial assistance for such child on forms furnished by the department.

(2) The department, through its agents and employees, shall make such investigation pursuant to the application as it deems necessary or as may be required by the county attorney or authorized attorney. If the investigation or the application for financial assistance discloses that such child has a parent or stepparent who is able to contribute to the support of such child and has failed to do so, a copy of the finding of such investigation and a copy of the application shall immediately be filed with the county attorney or authorized attorney.

(3) The department shall make a finding as to whether the

application referred to in subsection (1) of this section should be allowed or denied. If the department finds that the application should be allowed, the department shall further find the amount of monthly assistance which should be paid with reference to such dependent child. Except as may be otherwise provided, payments shall be made by state warrant, and the amount of payments shall not exceed three hundred dollars per month when there is but one dependent child and one eligible caretaker relative in any home, plus an additional seventy-five dollars per month on behalf of each additional eligible person. No payments shall be made for amounts totaling less than ten dollars per month except in the recovery of overpayments.

(4) The amount which shall be paid as assistance with respect to a dependent child shall be based in each case upon the conditions disclosed by the investigation made by the department. An appeal shall lie from the finding made in each case to the Director of Social Services. Such appeal may be taken by any taxpayer or by any relative of such child. Proceedings for and upon appeal shall be conducted in the same manner as provided for in section 68-1016.

(5)(a) For the purpose of preventing dependency, the director shall adopt and promulgate rules and regulations providing for services to former and potential recipients of aid to dependent children and medical assistance benefits. The director shall adopt and promulgate rules and regulations establishing programs and cooperating with programs of work incentive, work experience, job training, and education. The provisions of this section with regard to determination of need, amount of payment, maximum payment, and method of payment shall not be applicable to families or children included in such programs.

(b) If a recipient of aid to dependent children becomes ineligible for aid to dependent children as a result of increased hours of employment or increased income from employment after having participated in any of the programs established pursuant to subdivision (a) of this subsection, the recipient may be eligible for the following benefits, as provided in rules and regulations of the department in accordance with sections 402, 417, and 1925 of the Social Security Act, as amended, Public Law 100-485, in order to help the family during the transition from public assistance to independence:

(i) An additional aid to dependent children payment in the amount of one-half of the previous month's aid to dependent children grant;

(ii) Child care for up to twelve months following the month in which the recipient begins employment if such child care services are needed to assist in employment retention, subject to a sliding fee schedule if one is adopted by the department; and

(iii) Medical assistance for up to twelve months after the month the recipient becomes employed and is no longer eligible for aid to dependent children.

(6) For purposes of sections 43-512 to 43-512.10 and 43-512.12 to 43-512.18:

(a) Authorized attorney shall mean an attorney, employed by the county subject to the approval of the county board, employed by the department, or appointed by the court, who is authorized to investigate and prosecute child, spousal, and medical support cases. An authorized attorney shall represent the state as provided in section 43-512.03;

(b) Medical support shall include all expenses associated with the birth of a child and, if required pursuant to section 42-369 or 43-290, medical and hospital insurance coverage or membership in a health maintenance organization or preferred provider organization; and

(c) Spousal support shall be defined as provided in section 42-347. Sec. 51. That section 43-512.03, Revised Statutes Supplement, 1992, be amended to read as follows:

43-512.03. (1) The county attorney or authorized attorney shall:

(a) On request by the Department of Social Services as described in subsection (2) of this section or when the investigation or application filed under section 43-512 or 43-512.02 justifies, file a petition against a nonsupporting parent or stepparent in the district, county, or separate juvenile court praying for an order for child or medical support in cases when there is no existing child or medical support order. After notice and hearing, the court shall adjudicate child and medical support liability of the nonsupporting parent or stepparent and enter an order accordingly;

(b) Enforce child, spousal, and medical support orders by an action for income withholding pursuant to the Income Withholding for Child Support Act;

(c) If income withholding is not feasible, enforce child, spousal, and medical support orders by other civil actions, citing the defendant for contempt, or filing a criminal complaint;



(d) Establish paternity and collect child and medical support on behalf of children born out of wedlock; and

(e) Carry out sections 43-512.12 to 43-512.18.

(2) The department may periodically review cases of individuals receiving enforcement services and make referrals to the county attorney or authorized attorney.

(3) In any action brought by or intervened in by a county attorney or authorized attorney under the Income Withholding for Child Support Act, the Uniform Interstate Family Support Act, or sections 42-347 to 42-379, 43-290, 43-512 to 43-512.10, 43-512.12 to 43-512.18, and 43-1401 to 43-1418 and section 56 of this act, such attorneys shall represent the State of Nebraska.

(4) The State of Nebraska shall be a real party in interest in any action brought by or intervened in by a county attorney or authorized attorney for the purpose of establishing paternity or securing, modifying, suspending, or terminating child or medical support or in any action brought by or intervened in by a county attorney or authorized attorney to enforce an order for child or medical support.

(5) Nothing in this section shall be construed to interpret representation by a county attorney or an authorized attorney as creating an attorney-client relationship between the county attorney or authorized attorney and any party or witness to the action, other than the State of Nebraska, regardless of the name in which the action is brought.

Sec. 52. That section 43-512.04, Revised Statutes Supplement, 1992, be amended to read as follows:

43-512.04. (1) An action for child support or medical support may be brought in the district court separate and apart from any action for dissolution of marriage. Such action for support may be filed on behalf of a child:

(a) Whose paternity has been established (i) by prior judicial order in this state, (ii) by a prior determination of paternity made by any other state as described in subsection (1) of section 43-1406, or (iii) by the marriage of his or her parents as described in section 42-377 or subsection (2) of section 43-1406; or

(b) Whose paternity is presumed as described in section 43-1409 or subsection (2) of section 43-1415.

(2) The father, not having entered into a judicially approved settlement or being in default in the performance of the same, may be made a respondent in such action. The mother of the child may also be made a respondent in such an action. Such action shall be commenced by a complaint of the mother of the child, the father of the child whose paternity has been established, the guardian or next friend of the child, the county attorney, or an authorized attorney.

(3) The petition shall set forth the basis on which paternity was previously established or presumed, if the respondent is the father, and the fact of nonsupport and shall ask that the father, the mother, or both parents be ordered to provide for the support of the child. Summons shall issue against the father, the mother, or both parents and be served as in other civil proceedings, except that such summons may be directed to the sheriff of any county in the state and may be served in any county. The method of trial shall be the same as in actions formerly cognizable in equity, and jurisdiction to hear and determine such actions for support is hereby vested in the district court of the district where the child is domiciled or found or, for cases under the Uniform Interstate Family Support Act if the child is not domiciled or found in Nebraska, where the parent of the child is domiciled.

(4) In such proceeding, if the respondent is the presumed father as described in subdivision (1)(b) of this section, the court shall make a finding whether or not the presumption of paternity has been rebutted. The presumption of paternity created by acknowledgment as described in section 43-1409 may be rebutted as part of an equitable proceeding to establish support by genetic testing results which exclude the alleged father as being the biological father of the child. A court in such a proceeding may order genetic testing as provided in sections 43-1414 to 43-1418.

(5) If the court finds that the father, the mother, or both parents have failed adequately to support the child, the court shall issue a decree directing him, her, or them to do so, specifying the amount of such support, the manner in which it shall be furnished, and the amount, if any, of any court costs and attorney's fees to be paid by the father, the mother, or both parents. Income withholding shall be ordered pursuant to the Income Withholding for Child Support Act. The court may require the furnishing of bond to insure the performance of the decree in the same manner as is provided for in section 42-358.05 or 43-1405. Failure on the part of the respondent to

perform the terms of such decree shall constitute contempt of court and may be dealt with in the same manner as other contempts. The court may also order medical support and the payment of expenses as described in section 43-1407.

Sec. 53. That section 43-512.06, Revised Statutes Supplement, 1992, be amended to read as follows:

43-512.06. (1) Notwithstanding any other provisions of law regarding confidentiality of records, every department and agency of state, county, and city government and every employer or other payor as defined in section 43-1709 shall assist and cooperate with the Department of Social Services in locating absent parents, determining an absent parent's income and health insurance information, and identifying an absent parent's employer only for the purposes of establishing and collecting child, spousal, and medical support and of conducting reviews under sections 43-512.12 to 43-512.18. Such information shall be used for no other purpose. An action may be filed in district court to enforce this subsection.

(2) Notwithstanding any other provision of law regarding confidentiality of records, every public, private, or municipal utility shall, upon request, furnish to any county attorney, authorized attorney, or the Department of Social Services a subscriber's name, social security number, and mailing and residence addresses only for the purposes of establishing and collecting child, spousal, and medical support and of conducting reviews under sections 43-512.12 to 43-512.18. Such information shall be used for no other purpose. An action may be filed in district court to enforce this subsection. For purposes of this subsection, utility shall mean any entity providing electrical, gas, water, telephone, garbage disposal, or waste disposal service, including, but not limited to, any district or corporation organized under Chapter 70 as provided in section 82 of this act.

Sec. 54. That section 43-512.08, Revised Statutes Supplement, 1992, be amended to read as follows:

43-512.08. The county attorney or authorized attorney, acting for or on behalf of the State of Nebraska, for the best interests of the child or children, may intervene in any proceeding for dissolution of marriage, paternity, separate maintenance, or child, spousal, or medical support for the purpose of securing an order for child, spousal, or medical support, modifying an order for child or medical support, or modifying an order for child support as the result of a review of such order under sections 43-512.12 to 43-512.18. Such proceedings shall be limited only to the determination of child or medical support. Except in cases in which the intervention is the result of a review under such sections, the county attorney or authorized attorney shall so act only when it appears that the children are not otherwise represented by counsel.

Sec. 55. That section 43-1401, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

43-1401. For the purposes of sections 43-1401 to 43-1413 a child 43-1418 and section 56 of this act:

(1) Child shall mean a child under the age of eighteen years born out of wedlock;

(2) Child born out of wedlock is one shall mean a child whose parents were not married to each other at the time of its birth, except that a 7 PROVIDED, no child shall not be considered as born out of wedlock if its parents were married at the time of its conception but divorced at the time of its birth. The definition of legitimacy or illegitimacy for other purposes shall not be affected by the provisions of said sections. When used in said sections the word child shall mean a child under the age of eighteen born out of wedlock. The word support such sections; and

(3) Support shall include reasonable education.

Sec. 56. (1) During the period immediately before or after the in-hospital birth of a child whose mother was not married at the time of either conception or birth of the child or at any time between conception and birth of the child, the person in charge of such hospital or his or her designated representative shall provide to the child's mother and alleged father, if the alleged father is readily identifiable and available, the documents and written instructions for such mother and father to complete a notarized acknowledgment of paternity. Such acknowledgment, if signed by both parties and notarized, shall be filed with the Department of Health at the same time at which the certificate of live birth is filed.

Nothing in this section shall be deemed to require the person in charge of such hospital or his or her designee to seek out or otherwise locate an alleged father who is not readily identifiable or available.

(2) The acknowledgment shall be executed on a form prepared by the Department of Health and developed in consultation with the Director of Social Services. Such form shall be in essentially the same form provided by the

Bureau of Vital Statistics and used for obtaining signatures required by section 71-640.02. The acknowledgment shall include, but not be limited to, (a) a statement by the mother consenting to the acknowledgment of paternity and a statement that the alleged father is the biological father of the child, (b) a statement by the alleged father that he is the biological father of the child, (c) written information regarding parental rights and responsibilities, and (d) the social security numbers of the parents. A social security number shall not be required if no social security number has been issued to the parent or if the social security number is unknown. In addition to distribution required by this section, the form shall also be made available to the Department of Social Services for distribution.

(3) The form provided for in subsection (2) of this section shall also contain instructions for completion and filing with the Department of Health if it is not completed and filed with a birth certificate as provided in subsection (1) of this section.

(4) The Department of Health shall accept completed acknowledgment forms and make available to the Department of Social Services, county attorneys, or authorized attorneys a record of acknowledgments it has received, as provided in subsection (1) of section 71-612. The Department of Health may prepare photographic, electronic, or other reproductions of acknowledgments. Such reproductions, when certified and approved by the Department of Health, shall be accepted as the original records, and the documents from which permanent reproductions have been made may be disposed of as provided by rules and regulations of the Department of Health.

(5) The Department of Social Services may by regulation establish a nominal payment and procedure for payment by the department for each acknowledgment filed with the Department of Health. The amount of such payment and the entities receiving such payment shall be within the limits allowed by Title IV-D of the Social Security Act, as amended.

Sec. 57. That section 43-1406, Revised Statutes Supplement, 1993, be amended to read as follows:

43-1406. (1) A determination of paternity made by any other state, whether established through voluntary acknowledgment, genetic testing, or administrative or judicial processes, shall be given full faith and credit by this state.

(2) A child whose parents marry is legitimate. The father of a child whose paternity is established either by acknowledgment or by a judicial proceeding as specified in sections 43-1401 to 43-1412, not having entered into a judicially approved settlement or being in default in the performance of the same, may be made the defendant in an equitable proceeding for the support of the child. The mother of the child may also be made a defendant in such a proceeding. Such proceeding shall be commenced by a complaint of the mother of the child, the father of the child whose paternity has been established, the guardian or next friend of the child, the state when required to support the child, the county attorney, or an authorized attorney as defined in section 43-512. The complainant shall set forth the facts of paternity, if relevant, and of nonsupport and shall ask that the father, the mother, or both parents be ordered to provide for the support of the child. Summons shall issue against the father, the mother, or both parents and be served as in other civil proceedings, except that such summons may be directed to the sheriff of any county in the state and may be served in any county. The method of trial shall be the same as in actions formerly cognizable in equity; and jurisdiction to hear and determine such actions for support is hereby vested in the district court of the district where the child is domiciled or found or, for cases under the Uniform Interstate Family Support Act, where the father of the child is domiciled. If the court finds that the father, the mother, or both parents have failed adequately to support the child, the court shall issue a decree directing him, her, or them to do so, specifying the amount of such support, the manner in which it shall be furnished, and the amount, if any, of any court costs and attorney's fees to be paid by the father, the mother, or both parents. The court in its discretion, after notice and hearing, may order implementation of income withholding pursuant to the Income Withholding for Child Support Act, if income withholding is appropriate, or may require the furnishing of bond to insure the performance of the decree in the same manner as is provided for in section 43-1405. Failure on the part of the defendant to perform the terms of such decree shall constitute contempt of court and may be dealt with in the same manner as other contempts.

Sec. 58. That section 43-1409, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

43-1409. A person may state in writing that he is the father of a child or perform acts, such as furnishing of support, which reasonably

indicate that he considers himself to be the father of such child, and in such case he shall be considered to have acknowledged the paternity of such child. A child whose parents marry is legitimate. The signing of a notarized acknowledgment, whether under section 56 of this act or otherwise, by the alleged father shall create a rebuttable presumption of paternity as against the alleged father. Such a signed and notarized acknowledgment or a certified copy or certified reproduction thereof shall be admissible in evidence in any proceeding to establish support.

Sec. 59. That section 43-1411, Revised Statutes Supplement, 1993, be amended to read as follows:

43-1411. A civil proceeding to establish the paternity of a child may be instituted, in any district court of the district where the child is domiciled or found or, for cases under the Uniform Interstate Family Support Act if the child is not domiciled or found in Nebraska, where the mother or alleged father is domiciled, by (1) the mother or the alleged father of such child, either during pregnancy or within four years after the child's birth, unless consent or relinquishment has been made by the mother or pursuant to section 43-105 for purposes of adoption or (2) the guardian or next friend of such child or the state, either during pregnancy or within eighteen years after the child's birth. Summons shall issue and be served as in other civil proceedings, except that such summons may be directed to the sheriff of any county in the state and may be served in any county.

Sec. 60. That section 43-1412, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

43-1412. (1) The method of trial shall be the same as that in other civil proceedings, except that the trial shall be by the court without a jury unless a jury is requested ~~(1)~~ (a) by the alleged father, in a proceeding instituted by the mother as the guardian or next friend, or ~~(2)~~ (b) by the mother, in a proceeding instituted by the alleged father. It being contrary to public policy that such proceedings should be open to the general public, no one but the parties, their counsel, and others having a legitimate interest in the controversy shall be admitted to the courtroom during the trial of the case. The alleged father and the mother shall be competent to testify. The uncorroborated testimony ~~(a)~~ (i) of the mother, in a proceeding instituted by the mother or the guardian or next friend, or ~~(b)~~ (ii) of the alleged father, in a proceeding instituted by the alleged father, shall not alone be sufficient to support a verdict or finding that the alleged father is actually the father. Refusal by the alleged father to comply with an order of the court for genetic testing shall be deemed corroboration of the allegation of paternity. A signed and notarized acknowledgment of paternity or a certified copy or certified reproduction thereof shall be admissible in evidence in any proceeding to establish paternity without the need for foundation testimony or other proof of authenticity or accuracy. Should it be

If it is determined in this proceeding that the alleged father is actually the father of the child, a judgment shall be entered declaring such the alleged father to be the case father of the child. In the event that

(2) A default judgment shall be entered upon a showing of service and failure of the respondent to answer or otherwise appear.

(3) If such a judgment is entered under this section declaring the alleged father to be the father of the child, the court shall retain jurisdiction of the cause and enter such order of support, which order of support shall include including the amount, if any, of any court costs and attorney's fees which the court in its discretion deems appropriate to be paid by the father, as may be proper under the procedure and in the manner specified in section 43-1406 43-512.04. If it is not determined in the proceeding that the alleged father is actually the father of the child, the court shall, if it finds that the action was frivolous, award court costs and attorney's fees incurred by the alleged father, with such costs and fees to be paid by the plaintiff.

Sec. 61. That section 43-1414, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

43-1414. In any proceeding to establish paternity, the court may, on its own motion, or shall, on a timely request of a party, after notice and hearing, require the child, mother, and alleged father to submit to genetic testing to be performed on blood or any other appropriate tissue. Failure to comply with such requirement for genetic testing shall constitute contempt and may be dealt with in the same manner as other contempts. If genetic testing is required, the court shall direct that inherited characteristics, including, but not limited to, blood types, be determined by appropriate testing procedures and shall appoint an expert in genetic testing and qualified as an examiner of genetic markers to analyze and interpret the results and to report to the court. The court shall determine the number of experts required.

For purposes of sections 43-1414 to 43-1418, an expert in genetic testing shall mean a person who has formal doctoral training or postdoctoral training in human genetics.

Sec. 62. That section 43-1415, Revised Statutes Supplement, 1993, be amended to read as follows:

43-1415. (1) The results of the tests, including the statistical probability of paternity, shall be admissible evidence and, except as provided in subsection (2) of this section, shall be weighed along with other evidence of paternity.

(2) When the results of tests, whether or not such tests were ordered pursuant to section 43-1414, show a probability of paternity of ninety-nine percent or more, there shall exist a rebuttable presumption of paternity.

(3) Such evidence may be introduced by verified written report without the need for foundation testimony or other proof of authenticity or accuracy unless there is a timely written request for personal testimony of the expert at least thirty days prior to trial. When the alleged father has signed a notarized acknowledgment there shall exist a rebuttable presumption of paternity as against the alleged father joined in the action.

Sec. 63. That section 43-1416, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

43-1416. The chain of custody of blood or tissue specimens shall be competent evidence and admissible by stipulation or by a verified written report, without the need for foundation testimony or other proof of authenticity, unless a timely written request for testimony is made at least thirty days prior to trial.

Sec. 64. That section 43-1701, Revised Statutes Supplement, 1992, be amended to read as follows:

43-1701. Sections 43-1701 to 43-1743 and section 67 of this act shall be known and may be cited as the Income Withholding for Child Support Act.

Sec. 65. That section 43-1704, Revised Statutes Supplement, 1992, be amended to read as follows:

43-1704. Authorized attorney shall mean an attorney (1) employed by the county subject to the approval of the county board, (2) employed by the Department of Social Services, or (3) appointed by the court, who is authorized to investigate and prosecute child, spousal, and medical support cases. An authorized attorney shall represent the state as provided in section 43-512.03.

Sec. 66. That section 43-1718, Revised Statutes Supplement, 1992, be amended to read as follows:

43-1718. A support order shall constitute and shall operate as an assignment, to the clerk of the district court designated to receive the payment, of that portion of an obligor's income as will be sufficient to pay the amount ordered for child, spousal, or medical support and shall be binding on any existing or future employer or other payor of the obligor. For support orders in all cases issued before September 6, 1991, and for support orders issued or modified on or after September 6, 1991, in cases in which no party has applied for services under Title IV-B of the Social Security Act, as amended, the assignment shall take effect as provided in section 43-1718.01 or section 67 of this act or on the date on which the payments are delinquent in an amount equal to the support due and payable for a one-month period of time, whichever is earlier, and for support orders issued or modified on or after September 6, 1991, in cases in which one of the parties receives services under Title IV-B of the Social Security Act, as amended, the assignment shall take effect as provided in section 43-1718.01.

An assignment shall have priority as against any attachment, execution, or other assignment unless otherwise specifically ordered by a court of competent jurisdiction.

The clerk of the district court in each county shall be responsible for administering income withholding. The clerk of the district court in administering income withholding shall keep accurate records to document, track, and monitor support payments.

Sec. 67. (1) In any case in which services are not provided under Title IV-D of the Social Security Act, as amended, and a support order has been issued on or after the operative date of this section, the obligor's income shall be subject to income withholding regardless of whether or not payments pursuant to such order are in arrears, and the court shall require such income withholding in its order unless:

(a) One of the parties demonstrates and the court finds that there is good cause not to require immediate income withholding; or

(b) A written agreement between the parties providing an alternative

arrangement is incorporated into the support order.

(2) If the court pursuant to subsection (1) of this section orders income withholding regardless of whether or not payments are in arrears, the obligor shall prepare a notice to withhold income. The notice to withhold income shall be substantially similar to a prototype prepared by the Department of Social Services and made available by the department to the State Court Administrator and the clerks of the district courts. The notice to withhold shall direct:

(a) That the employer or other payor shall withhold from the obligor's disposable income the amount stated in the notice to withhold for the purpose of satisfying the obligor's ongoing obligation for support payments as they become due and if there are arrearages, reducing such arrearages in child, spousal, or medical support payments arising from the obligor's failure to fully comply with a support order;

(b) That the employer or other payor shall pay to the obligor, on his or her regularly scheduled payday, such income then due which is not required to be withheld as stated on the notice or pursuant to any court order;

(c) That the employer or other payor shall not withhold more than the maximum amount permitted to be withheld under section 303(b) of the Consumer Credit Protection Act, 15 U.S.C. 1673(b)(2)(A) and (B), and the amount withheld to satisfy an arrearage of child, spousal, or medical support when added to the amount withheld to pay current support and the fee provided for in subdivision (2)(d) of this section shall not exceed such maximum amount;

(d) That the employer or other payor may assess an additional administrative fee from the obligor's disposable income not to exceed two dollars and fifty cents in any calendar month as compensation for the employer's or other payor's reasonable cost incurred in complying with the notice;

(e) That the employer or other payor shall remit, within ten days after the date the obligor is paid and in the manner specified in the notice, the income withheld, less the deduction allowed as an administrative fee by subdivision (2)(d) of this section, to the clerk of the district court designated in the notice and shall notify such clerk of the date such income was withheld;

(f) That the notice to withhold income shall terminate with respect to the employer or other payor without any court action or action by the obligor thirty days after the obligor ceases employment with or is no longer entitled to income from such employer or other payor;

(g) That the employer or other payor may combine amounts required to be withheld from the income of two or more obligors in a single payment to each clerk designated in a notice to withhold income if the portion of the single payment which is attributable to each individual obligor is separately identified;

(h) That an employer or other payor who fails to withhold and remit income of an obligor after receiving proper notice or who discriminates, demotes, disciplines, or terminates an employee or payee after receiving a notice to withhold income shall be subject to the penalties prescribed in subsections (4) and (5) of this section; and

(i) That if the employer or other payor receives more than one notice to withhold income of a single obligor and the amount of income available to be withheld pursuant to the limits specified in subdivision (c) of this subsection is insufficient to satisfy the total support amount certified in the notices, the income available shall first be applied to current support. If the total amount of income available to be withheld is insufficient to satisfy the total amount of current support certified by the notices, the employer or other payor shall withhold for each notice the proportion that the amount of the current support certified in such notice bears to the total amount of current support certified in all notices received for the obligor. Any remaining income available to be withheld after current support is satisfied for all notices shall be applied to arrearages. If arrearages are certified in more than one notice, the employer or other payor shall withhold for each notice the proportion that the amount of the arrearage certified in such notice bears to the total amount of arrearage certified in all notices received for the obligor.

Compliance with the order by the employer or other payor shall operate as a discharge of the employer's or other payor's liability to the obligor as to the portion of the obligor's income withheld.

(3) The obligor shall deliver the notice to withhold income to his or her current employer or other payor and provide a copy of such notice to the clerk of the district court.

(4) Any employer or other payor who fails to withhold and remit any income of an obligor receiving income from the employer or other payor, after proper notice as provided in subsection (2) of this section, shall be required to pay to the clerk of the district court the amount specified in the notice.

(5) An employer or other payor shall not use an order or notice to withhold income or order or the possibility of income withholding as a basis for (a) discrimination in hiring, (b) demotion of an employee or payee, (c) disciplinary action against an employee or payee, or (d) termination of an employee or payee.

Upon application by the obligor and after a hearing on the matter, the court may impose a civil fine of up to five hundred dollars for each violation of this subsection.

An employer or other payor who violates this subsection shall be required to make full restitution to the aggrieved employee or payee, including reinstatement and backpay.

(6) When an obligor ceases employment with or is no longer entitled to income from an employer or other payor, the notice to withhold income shall not cease to operate against the obligor and income withholding shall continue to apply to any subsequent employment or income of the obligor. The notice to withhold income shall terminate with respect to the employer or other payor without any court action or action by the obligor thirty days after the obligor ceases employment with or is no longer entitled to income from such employer or other payor. A notice to withhold income shall also terminate when the child, spousal, or medical support obligation terminates and all past-due support has been paid, in which case the obligor shall notify the employer or other payor to cease withholding income.

(7) A notice to withhold income may be modified or revoked by a court of competent jurisdiction as a result of modification of the support order. A notice to withhold income may also be modified or revoked by a court of competent jurisdiction, for other good cause shown, after notice and a hearing on the issue.

(8) The obligee or obligor may file an action in district court to enforce this section.

(9) If after an order is issued in any case under this section the case becomes one in which services are provided under Title IV-D of the Social Security Act, as amended, the county attorney or authorized attorney or the Director of Social Services shall implement income withholding as otherwise provided in the Income Withholding for Child Support Act.

Sec. 68. That section 43-1720, Revised Statutes Supplement, 1993, be amended to read as follows:

43-1720. If the Director of Social Services has previously sent a notice of assignment and opportunity for hearing on the same support order under section 48-647, the county attorney or authorized attorney shall certify the amount to be withheld from an obligor's disposable income pursuant to section 43-1722 and shall notify the obligor's employer or other payor pursuant to section 43-1723. If the director has not previously sent such notice, and except in cases in which the court has ordered income withholding pursuant to subsection (1) of section 43-1718.01 or section 67 of this act, upon receiving certification pursuant to section 42-358 or notice of delinquent payments of medical support, the county attorney or authorized attorney shall send a notice by certified mail to the last-known address of the obligor stating:

(1) That an assignment of his or her income by means of income withholding will go into effect within fifteen days from the date the notice is sent;

(2) That the income withholding will continue to apply to any subsequent employer or other payor of the obligor;

(3) The amount of support the obligor owes;

(4) The amount of income that will be withheld; and

(5) That within the fifteen-day period, the obligor may request a hearing in the manner specified in the notice to contest a mistake of fact. For purposes of this subdivision, mistake of fact shall mean (a) an error in the amount of current or overdue support, (b) an error in the identity of the obligor, or (c) an error in the amount to be withheld as provided in section 43-1722.

Sec. 69. That section 43-1722, Revised Statutes Supplement, 1993, be amended to read as follows:

43-1722. (1) If no hearing is requested by the obligor, (2) if after a hearing the department determines that the assignment should go into effect, or (3) in cases in which the court has ordered income withholding pursuant to subsection (1) of section 43-1718.01, or (4) in cases in which the court has ordered income withholding pursuant to section 67 of this act, which

case subsequently becomes one in which services are being provided under Title IV-D of the Social Security Act, as amended, the county attorney or authorized attorney shall certify the amount to be withheld from the obligor's disposable income. Such amount shall not in any case exceed the maximum amount permitted to be withheld under section 303(b) of the Consumer Credit Protection Act, 15 U.S.C. 1673(b)(2)(A) and (B), and the amount withheld to satisfy an arrearage of child, spousal, or medical support when added to the amount withheld to pay current support and the fee provided for in section 43-1723 shall not exceed such maximum amount.

Sec. 70. That section 43-2919, Revised Statutes Supplement, 1993, be amended to read as follows:

43-2919. The Parenting Act shall not apply in any action filed by a county attorney or authorized attorney pursuant to his or her duties under sections 42-358, 43-512 to 43-512.18, and 43-1401 to 43-1418 and section 56 of this act, the Income Withholding for Child Support Act, and the Revised Uniform Reciprocal Enforcement of Support Act before January 1, 1994, and the Uniform Interstate Family Support Act for purposes of the establishment of paternity and the establishment and enforcement of child and medical support. A county attorney or authorized attorney shall not participate in the development of or court review of a parenting plan under the Parenting Act.

Sec. 71. The Department of Social Services may garnish the wages, salary, or other employment income of a person for the costs of health services provided to a child who is eligible for medical assistance pursuant to the medical assistance program established pursuant to sections 68-1018 to 68-1025 if:

- (1) The person is required by court or administrative order to provide health care coverage for the costs of such services; and
- (2) The person has received payment from a third party for the costs of such services but has not used the payment to reimburse either the other parent or guardian or the provider of such services.

The amount garnished shall be limited to the amount necessary to reimburse the department for its expenditures for the costs of such services under the medical assistance program. Any claim for current or past-due child support shall take priority over a claim for the costs of health services.

Sec. 72. For purposes of sections 72 to 78 of this act:

- (1) Department shall mean the Department of Social Services;
- (2) Insurer shall mean an entity offering a group health plan as defined in 29 U.S.C. 1167, a health maintenance organization, an entity offering a service benefit plan, and an insurer as defined in section 44-103; and

(3) Medical assistance program shall mean the program established pursuant to sections 68-1018 to 68-1025.

Sec. 73. An insurer shall not deny enrollment of a child under the health care coverage of the child's parent on the ground that:

- (1) The child was born out of wedlock;
- (2) The child is not claimed as a dependent on the parent's federal income tax return; or
- (3) The child does not reside with the parent or in the insurer's service area.

Sec. 74. (1) An insurer shall, in any case in which a parent is required by a court or administrative order to provide health care coverage for a child and the parent is eligible for family health care coverage through the insurer:

(a) Permit such parent to enroll under such family coverage any such child who is otherwise eligible for such coverage without regard to any enrollment season restriction;

(b) If such a parent is covered but fails to make application to obtain coverage for such child, enroll such child under such family coverage upon application by (i) the child's other parent without regard to any enrollment season restriction, (ii) in any case in which services are provided under Title IV-D of the Social Security Act, as amended, the county attorney or authorized attorney without regard to any enrollment season restriction, or (iii) in any case in which services are not provided under Title IV-D of the Social Security Act, as amended, the department without regard to any enrollment season restriction; and

(c) Not cancel or eliminate coverage for any such child unless the insurer is provided satisfactory written evidence that (i) such court or administrative order is no longer in effect or (ii) the child is or will be enrolled in comparable health care coverage through another insurer which will take effect not later than the effective date of such cancellation or elimination.

(2) An employer doing business in this state shall, in any case in



which a parent is required by a court or administrative order to provide health care coverage for a child and the parent is eligible for family health care coverage through the employer;

(a) Permit such parent to enroll under such family coverage any such child who is otherwise eligible for such coverage without regard to any enrollment season restriction;

(b) If such a parent is covered but fails to make application to obtain coverage for such child, enroll such child under such family coverage upon application by (i) the child's other parent without regard to any enrollment season restriction, (ii) in any case in which services are provided under Title IV-D of the Social Security Act, as amended, the county attorney or authorized attorney without regard to any enrollment season restriction, or (iii) in any case in which services are not provided under Title IV-D of the Social Security Act, as amended, the department without regard to any enrollment season restriction; and

(c) Not cancel or eliminate coverage for any such child unless (i) the employer is provided satisfactory written evidence that (A) such court or administrative order is no longer in effect or (B) the child is or will be enrolled in comparable health care coverage which will take effect not later than the effective date of such cancellation or elimination or (ii) the employer has eliminated family health care coverage for all of its employees.

Upon enrollment pursuant to this subsection, premiums shall be deducted from the parent's compensation and remitted directly to the insurer. The amount withheld shall not exceed the maximum amount permitted to be withheld under section 303(b) of the Consumer Credit Protection Act. Amounts withheld pursuant to the Income Withholding for Child Support Act shall have priority over amounts withheld pursuant to this subsection.

(3) A notice to enroll sent by the county attorney, authorized attorney, or department to an insurer or employer pursuant to this section shall have the same effect as an enrollment application signed by the parent. Prior to sending a notice to enroll, the county attorney, authorized attorney, or department shall send notice to the parent of intent to enforce the court or administrative order by mail at his or her last-known address stating:

(a) The court or administrative order upon which the enforcement action is being taken;

(b) That if the county attorney, authorized attorney, or department sends a notice to enroll a child to an employer, the county attorney, authorized attorney, or department will also direct the employer to withhold from the employee's compensation the employee's share of the premium for health care coverage; and

(c) That within fifteen days after receiving the notice the parent may request a hearing to contest the enforcement action based upon evidence that he or she has enrolled the child in an insurance plan providing coverage required by the order or evidence that the premium cost to the parent exceeds the amount stated in subsection (2) of this section or is otherwise unreasonable.

If a hearing is requested, the department shall hold the hearing within fifteen days after the request, and the department shall notify the parent of its decision within fifteen days after the date the hearing is held. Notice to enroll by the county attorney, authorized attorney, or department to the parent's insurer or employer shall be held in abeyance pending the outcome of the hearing.

(4) The remedy provided in this section shall be in addition to and not in substitution for any other remedy and shall apply without regard to when the order was issued.

(5) An insurer or employer shall, upon request by the county attorney, authorized attorney, or department, provide the county attorney, authorized attorney, or department with the following information regarding a parent required by a court or administrative order to provide health care coverage for a child: (a) the social security number; (b) the address; (c) whether the parent has health care coverage and, if so, the policy name and number and the names of the persons covered; and (d) the cost to the parent of enrolling.

(6) Upon receipt of a copy of a court or administrative order requiring a parent to provide health care coverage for a child, an insurer or employer shall provide the child's other parent upon written request the information necessary to file an application pursuant to this section.

Sec. 75. The department shall adopt and promulgate rules and regulations to carry out section 74 of this act.

Sec. 76. An insurer may not impose requirements on the department when the department has been assigned the rights of an individual who is eligible for medical assistance pursuant to the medical assistance program and

who is covered for health benefits from the insurer that are different from requirements applicable to an agent or assignee of any other individual so covered.

Sec. 77. An insurer shall, in any case in which a child has health care coverage through the insurer of a noncustodial parent:

(1) Provide such information to the custodial parent as may be necessary for the child to obtain benefits through such coverage;

(2) Permit the custodial parent or the provider, with the custodial parent's approval, to submit claims for covered services without the approval of the noncustodial parent; and

(3) Make payment on claims submitted in accordance with subdivision (2) of this subsection directly to such custodial parent, the provider, or the department pursuant to section 68-1026.

Sec. 78. When enrolling an individual or making any payment for benefits to an individual or on an individual's behalf, an insurer shall not take into account that the individual is eligible for or is provided medical assistance pursuant to the medical assistance program or a medical assistance plan of another state.

Sec. 79. That section 44-761, Revised Statutes Supplement, 1992, be amended to read as follows:

44-761. Each group policy of sickness and accident insurance shall contain in substance the following provisions:

(1) A provision that the policy, the application of the policyholder if such application or copy thereof is attached to such policy, and the individual applications, if any, submitted in connection with such policy by the employees or members, shall constitute the entire contract between the parties, that all statements, in the absence of fraud, made by any applicant or applicants shall be deemed representations and not warranties, and that no such statement shall avoid the insurance or reduce benefits thereunder unless contained in a written application of which a copy is attached to the policy;

(2) A provision that the insurer will furnish to the policyholder, for delivery to each employee or member of the insured group, an individual certificate setting forth in summary form a statement of the essential features of the insurance coverage of such employee or member and to whom benefits thereunder are payable. If dependents are included in the coverage, only one certificate need be issued for each family unit;

(3) A provision that to the group originally insured may be added from time to time eligible new employees or members or dependents, as the case may be, in accordance with the terms of the policy; and

(4) A provision that the insurance coverage of the employee or member may include, originally or by subsequent amendment, upon the application of the employee or member, any two or more eligible members of his or her family, including husband, wife, dependent children, any children enrolled on a full-time basis in any college, university, or trade school, or any children under a specified age which shall not exceed twenty-three years, and any other person dependent upon the policyholder. Any policy which provides that coverage of an unmarried dependent child shall terminate upon the attainment of the limiting age for unmarried dependent children specified in the policy shall also provide that attainment of such limiting age shall not operate to terminate the coverage of such child during the continuance of the insurance coverage of the employee or member under such policy and while such child is and continues to be (a) incapable of self-sustaining employment by reason of mental or physical handicap and (b) chiefly dependent upon the policyholder for support and maintenance, if proof of such incapacity and dependency is furnished to the insurer by the policyholder within thirty-one days of such child's attainment of the limiting age and subsequently as may be required by the insurer but not more frequently than annually after the two-year period following such child's attainment of the limiting age. The insurer may charge an additional premium for and with respect to any such continuation of coverage beyond the limiting age of the policy, which premium shall be determined by the insurer on the basis of the class of risks applicable to such child. The provisions of this subdivision shall be contained in all new policies of group sickness and accident insurance delivered or issued for delivery to any person in this state. No group policy of sickness and accident insurance shall contain any provisions which are in conflict with sections 72 to 78 of this act.

Sec. 80. That section 44-32,130, Revised Statutes Supplement, 1992, be amended to read as follows:

44-32,130. (1) An individual contract shall provide a ten-day period to examine and return the contract and have the premium refunded. If services were received during the ten-day period and the person returns the contract to receive a refund of the premium paid, he or she shall pay for such

services.

(2) A group or individual contract shall permit enrollees to voluntarily terminate enrollment for any reason at any time.

(3) A group contract shall permit enrollees to convert to individual enrollment upon termination of enrollment in the group.

(4) A group contract shall not contain provisions that are in conflict with sections 72 to 78 of this act.

Sec. 81. That section 48-647, Revised Statutes Supplement, 1993, be amended to read as follows:

48-647. (1) Any assignment, pledge, or encumbrance of any right to benefits which are or may become due or payable under sections 48-623 to 48-626 shall be void except as set forth in this section. Such rights to benefits shall be exempt from levy, execution, attachment, or any other remedy whatsoever provided for the collection of debt. Benefits received by any individual, so long as they are not mingled with other funds of the recipient, shall be exempt from any remedy whatsoever for the collection of all debts except debts incurred for necessities furnished to such individual or his or her spouse or dependents during the time when such individual was unemployed. Any waiver of any exemption provided for in this section shall be void. Any assignment, pledge, or encumbrance of any right or claim to contributions or to any money credited to any employer's reserve account in the Unemployment Compensation Fund shall be void, and the same shall be exempt from levy, execution, attachment, or any other remedy whatsoever provided for the collection of debt, and any waiver of any exemption provided for in this section shall be void.

(2)(a) An individual filing a new claim for unemployment compensation shall, at the time of filing such claim, disclose whether or not he or she owes child support obligations as defined under subdivision (h) of this subsection. If such individual discloses that he or she owes child support obligations and is determined to be eligible for unemployment compensation, the commissioner shall notify the Director of Social Services that the individual has been determined to be eligible for unemployment compensation.

(b) The commissioner shall deduct and withhold from any unemployment compensation otherwise payable to an individual disclosing child support obligations:

(i) The amount specified by the individual to the commissioner to be deducted under this subsection, if neither subdivision (ii) nor (iii) of this subdivision is applicable;

(ii) The amount, if any, determined pursuant to an agreement between the Director of Social Services and such individual owing the child support obligations to have a specified amount withheld and such agreement being submitted to the commissioner, unless subdivision (iii) of this subdivision is applicable; or

(iii) The amount otherwise required to be so deducted and withheld from such unemployment compensation pursuant to legal process, as that term is defined in subdivision (2)(i) of this section, properly served upon the commissioner.

(c) Any amount deducted and withheld under subdivision (b) of this subsection shall be paid by the commissioner to the Director of Social Services.

(d) Any amount deducted and withheld under subdivision (b) or (g) of this subsection shall for all purposes be treated as if it were paid to the individual as unemployment compensation and paid by such individual to the Director of Social Services in satisfaction of his or her child support obligations.

(e) For purposes of subdivisions (a) through (d) and (g) of this subsection, the term unemployment compensation shall mean any compensation payable under the Employment Security Law and including amounts payable by the commissioner pursuant to an agreement by any federal law providing for compensation, assistance, or allowances with respect to unemployment.

(f) This subsection applies shall apply only if appropriate arrangements have been made for reimbursement by the Department of Social Services for the administrative costs incurred by the commissioner under this section which are attributable to child support obligations being enforced by the Department of Social Services.

(g) The Director of Social Services and the commissioner shall develop and implement a collection system to carry out the intent of this subsection. The system shall, at a minimum, provide that:

(i) The commissioner shall periodically notify the director of the information listed in section 43-1719 with respect to individuals determined to be eligible for unemployment compensation during such period;

(ii) Unless the county attorney or authorized attorney has sent a notice on the same support order under section 43-1720, upon the notification required by subdivision (2)(g)(i) of this section, the director shall send notice to any such individual who owes child support obligations and who is subject to income withholding pursuant to subdivision (2)(a), (2)(b)(ii), or (2)(b)(iii) of section 43-1718.01. The notice shall be sent by certified mail to the last-known address of the individual and shall state the same information as required under section 43-1720;

(iii)(A) If the support obligation is not based on a foreign support order entered pursuant to section 43-1729 and the individual requests a hearing, the Department of Social Services shall hold a hearing within fifteen days of the date of receipt of the request. The hearing shall be in accordance with the Administrative Procedure Act. The assignment shall be held in abeyance pending the outcome of the hearing. The department shall notify the individual and the commissioner of its decision within fifteen days of the date the hearing is held; and

(B) If the support obligation is based on a foreign support order entered pursuant to section 43-1729 and the individual requests a hearing, the county attorney or authorized attorney shall apply the procedures described in sections 43-1732 to 43-1742;

(iv)(A) If no hearing is requested by the individual under this subsection or pursuant to a notice sent under section 43-1720, (B) if after a hearing under this subsection or section 43-1721 the department determines that the assignment should go into effect, or (C) in cases in which the court has ordered income withholding pursuant to subsection (1) of section 43-1718.01, or (D) in cases in which the court has ordered income withholding pursuant to section 67 of this act and the case subsequently becomes one in which services are being provided under Title IV-D of the Social Security Act, as amended, the director shall certify to the commissioner the amount to be withheld for child support obligations from the individual's unemployment compensation. Such amount shall not in any case exceed the maximum amount permitted to be withheld under section 303(b) of the Consumer Credit Protection Act, 15 U.S.C. 1673(b)(2)(A) and (B), and the amount withheld to satisfy an arrearage of child support when added to the amount withheld to pay current support shall not exceed such maximum amount;

(v) The collection system shall comply with the requirements of Title III and Title IV-D of the Social Security Act, as amended;

(vi) The collection system shall be in addition to and not in substitution for or derogation of any other available remedy; and

(vii) The director and the commissioner shall adopt and promulgate rules and regulations to carry out subdivision (2)(g) of this section.

(h) For purposes of this subsection, the term child support obligations shall include only obligations which are being enforced pursuant to a plan described in section 454 of the Social Security Act which has been approved by the Secretary of Health and Human Services under Part D of Title IV of the Social Security Act.

(i) For purposes of this subsection, the term legal process shall mean any writ, order, summons, or other similar process in the nature of garnishment, which:

(i) Is issued by a court of competent jurisdiction of any state, territory, or possession of the United States or an authorized official pursuant to order of such a court of competent jurisdiction or pursuant to state law. For purposes of this subdivision, the Director of Social Services shall be deemed an authorized official pursuant to order of a court of competent jurisdiction or pursuant to state law; and

(ii) Is directed to, and the purpose of which is to compel, the commissioner to make a payment for unemployment compensation otherwise payable to an individual in order to satisfy a legal obligation of such individual to provide child support.

Sec. 82. Notwithstanding any other provision of law regarding confidentiality of records, every district or corporation organized under Chapter 70 shall, upon request, furnish to any county attorney, any authorized attorney as defined in section 42-347, or the Department of Social Services a utility service subscriber's name, social security number, and mailing and residence addresses only for the purposes of establishing and collecting child, spousal, and medical support and of conducting reviews under sections 43-512.12 to 43-512.18. Such information shall be used for no other purpose. An action may be filed in district court to enforce this section. For purposes of this section, utility service shall mean electrical, gas, water, telephone, garbage disposal, or waste disposal service.

Sec. 83. That section 71-628, Revised Statutes Supplement, 1992, be amended to read as follows:

71-628. In case of the legitimation of any child born in Nebraska by the subsequent marriage of its parents as provided in section ~~43-1409~~ 43-1406, the Bureau of Vital Statistics, upon the receipt of a certified copy of the marriage certificate of the parents and a statement of the husband acknowledging paternity, shall prepare a new certificate of birth in the new name of the child so legitimated, in substantially the same form as that used for other live births, and shall charge a filing fee of seven dollars. The department shall charge and collect an additional fee of one dollar for each new certificate of birth prepared. Such fees collected shall be remitted to the State Treasurer for credit to the General Fund.

Sec. 84. That section 77-27,160, Revised Statutes Supplement, 1993, be amended to read as follows:

77-27,160. It is the intent of the Legislature to establish and maintain a procedure to set off against a debtor's income tax refund or state lottery prize any debt which is assigned to the Department of Social Services or which any individual not eligible as a public assistance recipient is attempting to collect, which has accrued through written contract, subrogation, or court judgment and is in the form of a liquidated amount due and owing for the care, support, or maintenance of a child or for spousal support.

Sec. 85. That section 77-27,161, Revised Statutes Supplement, 1993, be amended to read as follows:

77-27,161. For purposes of sections 77-27,160 to 77-27,173 and section 86 of this act, unless the context otherwise requires:

(1) Debt shall mean any liquidated amount due and owing any claimant which has accrued through assignment, contract, subrogation, court judgment, or operation of law, regardless of whether there is an outstanding judgment for such amount, and which is for the care, support, or maintenance of a child or for spousal support and shall include the costs of health services subject to section 86 of this act;

(2) Debtor shall mean any individual owing money to or having a delinquent account with any claimant which has not been satisfied by court order, set aside by court order, or discharged in bankruptcy;

(3) Claimant shall mean:

(a) The Department of Social Services with respect to collection of a debt owed by a parent in a case involving a recipient of aid to dependent children in which rights to child, spousal, or medical support payments have been assigned to this state;

(b) An individual who is not eligible as a public assistance recipient and to whom a child, spousal, or medical support debt is owed; or

(c) Any person or entity entitled to receive child support, spousal support, as defined in section 43-1715, or medical support as defined in section 43-1712.01 pursuant to an order issued by a court or agency of another state or jurisdiction, including an agency of another state or jurisdiction to which a person has assigned his or her right to receive such support. Such a claimant shall submit certification and documentation sufficient to satisfy the requirements of section 43-1730;

(4) Refund shall mean any Nebraska state income tax refund which the Department of Revenue determines to be due an individual taxpayer. In the case of a joint income tax return, it is presumed that each partner to the marriage submitting such return contributed one-half of the earnings upon which the refund is based. The presumption may be contested by the state, the delinquent taxpayer, and the innocent spouse by virtue of the hearing process prescribed in section 77-27,169; and

(5) Spousal support shall have the same meaning as in section 43-1715; and

(6) State lottery prize shall mean any lottery prize in excess of five hundred dollars to be awarded to an individual pursuant to the State Lottery Act upon presentation of a winning lottery ticket to the Lottery Division of the Department of Revenue for redemption.

Sec. 86. The Department of Social Services shall use the procedures in this section and sections 77-27,160 to 77-27,173 to set off against a debtor's income tax refund the costs of health services provided to a child of the debtor if:

(1) The debtor is required by court or administrative order to provide coverage for the costs of such services; and

(2) The debtor has received payment from a third party for the costs of such services but has not used the payment to reimburse either the other parent or guardian or the provider of such services.

The amount of the setoff shall be limited to the amount necessary to reimburse the department for its expenditures for the costs of such services under the medical assistance program established pursuant to sections 68-1018

to 68-1025. Any claim for current or past-due child support shall take priority over a claim for setoff for the costs of health services.

Sec. 87. That section 81-8,244, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

81-8,244. The Public Counsel may select, appoint, and compensate as he may see or she sees fit, within the amount available by appropriation, such assistants and employees as he may deem or she deems necessary to discharge his the responsibilities under sections 81-8,240 to 81-8,254. He or she shall appoint and designate one of his assistants one assistant to be a deputy public counsel, and another one assistant to be a deputy public counsel for corrections, and one assistant to be a deputy public counsel for welfare services.

Such Both such deputy public counsels shall be subject to the control and supervision of the Public Counsel.

The authority of the deputy public counsel for corrections shall extend to all facilities and parts of facilities, offices, houses of confinement, and institutions which are operated by the Department of Correctional Services.

The authority of the deputy public counsel for welfare services shall extend to all complaints pertaining to administrative acts of administrative agencies when those acts are concerned with the rights and interests of individuals involved in the welfare services system of the State of Nebraska.

The Public Counsel may delegate to members of his the staff any of his authority or duty under sections 81-8,240 to 81-8,254 except the power of delegation and the duty of formally making recommendations to administrative agencies or reports to the Governor or the Legislature.

Sec. 88. That section 84-712.05, Revised Statutes Supplement, 1993, be amended to read as follows:

84-712.05. The following records, unless publicly disclosed in an open court, open administrative proceeding, or open meeting or disclosed by a public entity pursuant to its duties, may be withheld from the public by the lawful custodian of the records:

- (1) Personal information in records regarding a student, prospective student, or former student of any tax-supported educational institution maintaining such records, other than routine directory information;
- (2) Medical records, other than records of births and deaths and except as provided in subdivision (5) of this section, in any form concerning any person, and also records of elections filed under section 44-2821;
- (3) Trade secrets, academic and scientific research work which is in progress and unpublished, and other proprietary or commercial information which if released would give advantage to business competitors and serve no public purpose;
- (4) Records which represent the work product of an attorney and the public body involved which are related to preparation for litigation, labor negotiations, or claims made by or against the public body or which are confidential communications as defined in section 27-503;
- (5) Records developed or received by law enforcement agencies and other public bodies charged with duties of investigation or examination of persons, institutions, or businesses, when the records constitute a part of the examination, investigation, intelligence information, citizen complaints or inquiries, informant identification, or strategic or tactical information used in law enforcement training, except that this subdivision shall not apply to records so developed or received relating to the presence of and amount or concentration of alcohol or drugs in the blood of any person;
- (6) Appraisals or appraisal information and negotiation records concerning the purchase or sale, by a public body, of any interest in real or personal property, prior to completion of the purchase or sale;
- (7) Personal information in records regarding personnel of public bodies other than salaries and routine directory information;
- (8) Information solely pertaining to protection of the physical security of public property such as guard schedules or lock combinations;
- (9) With respect to public utilities and except as provided in section 43-512.06 and section 82 of this act, personally identified private citizen account payment information, credit information on others supplied in confidence, and customer lists;
- (10) Records or portions of records kept by a publicly funded library which, when examined with or without other records, reveal the identity of any library patron using the library's materials or services;
- (11) Correspondence, memoranda, and records of telephone calls related to the performance of duties by a member of the Legislature. The lawful custodian of such correspondence, memoranda, and records of telephone

calls, whether created prior to, on, or after April 2, 1993, upon approval of the Executive Board of the Legislative Council, shall release such correspondence, memoranda, and records of telephone calls which are not designated as sensitive or confidential in nature pursuant to subsection (3) of section 81-1120.27 to the person the Executive Board of the Legislative Council has contracted with pursuant to section 50-401.04. A member's correspondence, memoranda, and records of telephone calls related to the performance of his or her legislative duties shall only be released to any other person with the explicit approval of the member;

(12) Records or portions of records kept by public bodies which would reveal the location, character, or ownership of any known archaeological, historical, or paleontological site in Nebraska when necessary to protect such site from a reasonably held fear of theft, vandalism, or trespass. This section shall not apply to the release of information for the purpose of scholarly research, examination by other public bodies for the protection of the resource or by recognized tribes, the Unmarked Human Burial Sites and Skeletal Remains Protection Act, or the federal Native American Graves Protection and Repatriation Act; and

(13) Records or portions of records kept by public bodies which maintain collections of archaeological, historical, or paleontological significance which reveal the names and addresses of donors of such articles of archaeological, historical, or paleontological significance unless the donor approves disclosure, except as the records or portions thereof may be needed to carry out the purposes of the Unmarked Human Burial Sites and Skeletal Remains Protection Act or the federal Native American Graves Protection and Repatriation Act.

Sec. 89. The Revisor of Statutes shall assign section 86 of this act within sections 77-27,160 to 77-27,173, and any reference to sections 77-27,160 to 77-27,173 shall include section 86 of this act.

Sec. 90. Sections 45, 52, 57 to 60, 62 to 64, 66 to 69, 71 to 81, 83 to 86, 89, and 91 of this act shall become operative on July 1, 1994. Sections 47 to 49, 55, 56, 70, and 92 of this act shall become operative on January 1, 1995. This section and section 94 of this act shall become operative on their effective date. The other sections of this act shall become operative three calendar months after adjournment of this legislative session.

Sec. 91. That original sections 43-1409, 43-1412, and 43-1416, Reissue Revised Statutes of Nebraska, 1943, sections 43-512.04, 43-1701, 43-1718, 44-761, 44-32,130, and 71-628, Revised Statutes Supplement, 1992, and sections 42-364.13, 43-1406, 43-1411, 43-1415, 43-1720, 43-1722, 48-647, 77-27,160, and 77-27,161, Revised Statutes Supplement, 1993, are repealed.

Sec. 92. That original sections 43-104.03 and 43-1401, Reissue Revised Statutes of Nebraska, 1943, and sections 42-371, 42-748, and 43-2919, Revised Statutes Supplement, 1993, are repealed.

Sec. 93. That original sections 25-506.01, 25-2203, 30-2487, 42-358.08, 42-364.16, 43-1414, and 81-8,244, Reissue Revised Statutes of Nebraska, 1943, sections 42-347, 42-358, 43-512, 43-512.03, 43-512.06, 43-512.08, and 43-1704, Revised Statutes Supplement, 1992, and sections 25-1563.02, 36-213, and 84-712.05, Revised Statutes Supplement, 1993, are repealed.

Sec. 94. Since an emergency exists, this act shall be in full force and take effect, from and after its passage and approval, according to law.