



PRIORITIZING NEBRASKA'S FAMILIES: BALANCING THE BUDGET FAIRLY AND RESPONSIBLY

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The impending budget shortfall in the state will force Nebraskans to make some very tough and clear decisions about our priorities. A truly just and responsible budget process must examine all options available to the Legislature to ensure a genuine dialogue about our priorities as a state.

As we enter this special session on the budget, Appleseed believes that we must make smart choices that protect families during this economic downturn and provide opportunities for families, communities, and our economy to recover as quickly as possible.

➤ **Assure that Federal dollars continue to flow into Nebraska's economy**

Not all budget cuts are the same. Some state programs, like Kids Connection, Medicaid, and Food Stamps, receive significant federal funding through federal "matching funds." The federal match means that for every dollar spent in state funds, Nebraska receives over a dollar in federal funding. Those federal dollars help our local economies. Cuts to federal match programs then have a compounded negative effect: the loss of state funding for critical family services AND the loss of revenue for our economy. The Legislature should consider this additional harm when making cuts to social service programs with a federal match.

➤ **Maintain the commitment to our children's health**

Last session the Legislature made a commitment to prioritize our children's physical and mental health. Part of that commitment included an increase in eligibility for Kids Connection from 185% to 200% of the Federal Poverty Level and some effort to address the huge gap in children's behavioral health services exposed by the safe haven law. The increase in Kids Connection makes good fiscal sense because it takes advantage of the 72% federal match available under the Children's Health Insurance Reauthorization Act. Covering kids in an economic downturn helps our families maintain their health as they work to make ends meet and find new work. Now is not the time to turn our backs on our children.

➤ **Ensure that the recovery begins with Nebraska families**

During these difficult economic times, many low-income Nebraskans are struggling to meet their basic needs. So many have already given what they can – losing their jobs, losing their benefits, and using their savings and retirement. Protecting eligibility levels for social programs that serve low-income families should be a priority, as these programs prevent families from falling deeper into poverty and need. In particular, it is important to protect the recent eligibility increases in the Kid's Connection and Low Income Home Energy Assistance programs.

➤ **Delay implementation of unnecessary programs**

Re-evaluate the duplicative and expensive requirements of LB 403 which creates a new and unnecessary system for citizenship verification. Re-evaluate whether the implementation of ACCESS Nebraska should

be delayed or terminated entirely as this move could end up costing more than it could save. Examine all programs for opportunities to extend certification periods, decrease reporting requirements, and otherwise ease administrative processing.

➤ **Re-evaluate state spending in non-human service areas**

The Legislature should re-evaluate state spending on non-income related tax credits and other programs that do not benefit the hard working Nebraskans that are struggling in this economy.

➤ **Consider use of the Cash Reserve**

The economic downturn is one of the worst in decades. This is our rainy day. The Legislature must be allowed to at least consider using some of the Cash Reserve to address these considerable budget shortfalls.

➤ **Consider simple revenue generating ideas**

Balancing a budget without considering revenue generators is not responsible or realistic. Nebraskans deserve a debate that considers how revenue is raised in the state and whether the responsibility is fairly shared.

Those are our ideas, but the Legislature needs to hear from you.

Senator Nordquist and members of the Appropriations Committee have created a new way for you to express your priorities to them as they work on these difficult budget cuts. They want to hear from you. Please go to www.nebraskabudget.com to access a simple form that allows you to identify your budget priorities. The message is then sent to the Appropriations committee.