

AMENDMENTS TO LB1072  
(Amendments to AM2649)

Introduced by Hansen, 16.

1           1. Strike sections 156 and 158 and insert the following new  
2 sections:

3           **Sec. 156.** Section 68-1206, Revised Statutes Cumulative Supplement,  
4 2024, is amended to read:

5           68-1206 (1) The Department of Health and Human Services shall  
6 administer the program of social services in this state. The department  
7 may contract with other social agencies for the purchase of social  
8 services at rates not to exceed those prevailing in the state or the cost  
9 at which the department could provide those services. The statutory  
10 maximum payments for the separate program of aid to dependent children  
11 shall apply only to public assistance grants and shall not apply to  
12 payments for social services.

13           (2)(a) As part of the provision of social services authorized by  
14 section 68-1202, the department shall participate in the federal child  
15 care assistance program under 42 U.S.C. 9857 et seq., as such sections  
16 existed on January 1, 2026 ~~2023~~, and provide child care assistance to  
17 families with incomes up to (i) one hundred eighty-five percent of the  
18 federal poverty level prior to October 1, 2028 ~~2026~~, or (ii) one hundred  
19 thirty percent of the federal poverty level on and after October 1, 2028  
20 ~~2026~~.

21           (b)(i) As part of the provision of social services authorized by  
22 this section and section 68-1202, the department shall participate in the  
23 federal Child Care Subsidy program. A child care provider seeking to  
24 participate in the federal Child Care Subsidy program shall comply with  
25 the criminal history record information check requirements of the Child  
26 Care Licensing Act. In determining ongoing eligibility for this program,

1 ten percent of a household's gross earned income shall be disregarded  
2 after twelve continuous months on the program and at each subsequent  
3 redetermination. In determining ongoing eligibility, if a family's income  
4 exceeds one hundred eighty-five percent of the federal poverty level  
5 prior to October 1, 2028 ~~2026~~, or one hundred thirty percent of the  
6 federal poverty level on and after October 1, 2028 ~~2026~~, the family shall  
7 receive transitional child care assistance through the remainder of the  
8 family's eligibility period or until the family's income exceeds eighty-  
9 five percent of the state median income for a family of the same size as  
10 reported by the United States Bureau of the Census, whichever occurs  
11 first. When the family's eligibility period ends, the family shall  
12 continue to be eligible for transitional child care assistance if the  
13 family's income is below two hundred percent of the federal poverty level  
14 prior to October 1, 2028 ~~2026~~, or one hundred eighty-five percent of the  
15 federal poverty level on and after October 1, 2028 ~~2026~~. The family shall  
16 receive transitional child care assistance through the remainder of the  
17 transitional eligibility period or until the family's income exceeds  
18 eighty-five percent of the state median income for a family of the same  
19 size as reported by the United States Bureau of the Census, whichever  
20 occurs first. The amount of such child care assistance shall be based on  
21 a cost-shared plan between the recipient family and the state and shall  
22 be based on a sliding-scale methodology. A recipient family may be  
23 required to contribute a percentage of such family's gross income for  
24 child care that is no more than the cost-sharing rates in the  
25 transitional child care assistance program as of January 1, 2015, for  
26 those no longer eligible for cash assistance as provided in section  
27 68-1724.

28 (ii) A licensed child care program that employs a member of an  
29 eligible household shall make reasonable accommodations so that the  
30 eligible applicant or adult household member is not a primary caregiver  
31 to such applicant's or adult household member's child. If reasonable

1 accommodation cannot be made, the department shall allow the applicant or  
2 adult household member to receive child care assistance for the  
3 applicant's or adult household member's child including when the  
4 applicant or adult household member is the primary caregiver for such  
5 child.

6 (iii) A licensed child care provider eligible for the child care  
7 subsidy may enroll the household member's child in a child care program  
8 other than the household member's child care program to receive child  
9 care assistance.

10 (iv) Subdivisions (2)(b)(ii) and (2)(b)(iii) of this section shall  
11 become operative on July 1, 2025. The department shall promulgate rules  
12 and regulations consistent with these subdivisions.

13 (c) For the period beginning July 1, 2021, through September 30,  
14 ~~2028~~ ~~2026~~, funds provided to the State of Nebraska pursuant to the Child  
15 Care and Development Block Grant Act of 1990, 42 U.S.C. 9857 et seq., as  
16 such act and sections existed on January 1, ~~2026~~ ~~2023~~, shall be used to  
17 pay the costs to the state resulting from the income eligibility changes  
18 made in subdivisions (2)(a) and (b) of this section by Laws 2021, LB485.  
19 If the available amount of such funds is insufficient to pay such costs,  
20 then funds provided to the state for the Temporary Assistance for Needy  
21 Families program established in 42 U.S.C. 601 et seq. may also be used.  
22 No General Funds shall be used to pay the costs to the state, other than  
23 administration costs, resulting from the income eligibility changes made  
24 in subdivisions (2)(a) and (b) of this section by Laws 2021, LB485, for  
25 the period beginning July 1, 2021, through September 30, ~~2028~~ ~~2026~~.

26 (d) The Department of Health and Human Services shall collaborate  
27 with a private nonprofit organization with expertise in early childhood  
28 care and education for an independent evaluation of the income  
29 eligibility changes made in subdivisions (2)(a) and (b) of this section  
30 by Laws 2021, LB485, if private funding is made available for such  
31 purpose. The evaluation shall be completed by July 1, 2024, and shall be

1 submitted electronically to the department and to the Health and Human  
2 Services Committee of the Legislature.

3 (3) In determining the rate or rates to be paid by the department  
4 for child care as defined in section 43-2605, the department shall adopt  
5 a fixed-rate schedule for the state or a fixed-rate schedule for an area  
6 of the state applicable to each child care program category of provider  
7 as defined in section 71-1910 which may claim reimbursement for services  
8 provided by the federal Child Care Subsidy program, except that the  
9 department shall not pay a rate higher than that charged by an individual  
10 provider to that provider's private clients. The schedule may provide  
11 separate rates for care for infants, for children with special needs,  
12 including disabilities or technological dependence, or for other  
13 individual categories of children. The schedule may also provide tiered  
14 rates based upon a quality scale rating of step three or higher under the  
15 Step Up to Quality Child Care Act. The schedule shall be effective on  
16 October 1 of every year and shall be revised annually by the department.

17 **Sec. 158.** Section 68-1724, Revised Statutes Cumulative Supplement,  
18 2024, is amended to read:

19 68-1724 (1) Cash assistance shall be provided for a period or  
20 periods of time not to exceed a total of sixty months for recipient  
21 families with children subject to the following:

22 (a) If the state fails to meet the specific terms of the self-  
23 sufficiency contract developed under section 68-1719, the sixty-month  
24 time limit established in this section shall be extended;

25 (b) The sixty-month time period for cash assistance shall begin  
26 within the first month of eligibility;

27 (c) When no longer eligible to receive cash assistance, assistance  
28 shall be available to reimburse work-related child care expenses even if  
29 the recipient family has not achieved economic self-sufficiency. The  
30 amount of such assistance shall be based on a cost-shared plan between  
31 the recipient family and the state which shall provide assistance up to

1 two hundred percent of the federal poverty level prior to October 1, 2028  
2 ~~2026~~, or one hundred eighty-five percent of the federal poverty level on  
3 and after October 1, 2028 ~~2026~~. A recipient family may be required to  
4 contribute up to twenty percent of such family's gross income for child  
5 care. It is the intent of the Legislature that transitional health care  
6 coverage be made available on a sliding-scale basis to individuals and  
7 families with incomes up to one hundred eighty-five percent of the  
8 federal poverty level if other health care coverage is not available; and

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

15 The department shall develop policy guidelines to allow for cash  
16 assistance to persons who have received the maximum cash assistance  
17 provided by this section and who face extreme hardship without additional  
18 assistance. For purposes of this section, extreme hardship means a  
19 recipient family does not have adequate cash resources to meet the costs  
20 of the basic needs of food, clothing, and housing without continuing  
21 assistance or the child or children are at risk of losing care by and  
22 residence with their parent or parents.

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

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

30 (b) The payment standard shall be based upon family size;

31 (c) The adults in the recipient family shall ensure that the minor

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

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

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

23 (f) For adults who are not biological or adoptive parents or  
24 stepparents of the child or children in the family, if assistance is  
25 requested for the entire family, including the adults, a self-sufficiency  
26 contract shall be entered into as provided in section 68-1719. If  
27 assistance is requested for only the child or children in such a family,  
28 such children shall be eligible after consideration of the family's  
29 income and if (i) the family cooperates in pursuing child support and  
30 (ii) the minor children of the family regularly attend school.