

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)					
EXPENDITURES	GENERAL	CASH	FEDERAL	REVOLVING	TOTAL
FY2025-2026	0	0	0	0	0
FY2026-2027	0	0	0	0	0
FY2027-2028	0	0	0	0	0
FY2028-2029	0	0	0	0	0
REVENUE	GENERAL	CASH	FEDERAL	REVOLVING	TOTAL
FY2025-2026	0	0	0	0	0
FY2026-2027	0	0	0	0	0
FY2027-2028	0	0	0	0	0
FY2028-2029	0	0	0	0	0

Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.

This bill creates the Child Care Cash Fund to be administered by the Department of Health and Human Services to be used for the child care subsidy program. The bill prohibits use of the fund to supplant the state's required match for federal Child Care Development Block Grant funds. The bill states legislative intent to appropriate an unspecified amount from the fund annually. The bill specifies revenues include transfers from the General Fund, which if authorized, would result in a reduction to General Fund revenues. The bill requires an annual report to the Legislature on the child care subsidy program with specified detail.

DHHS indicates the cost to establish the fund and complete the reports can be absorbed within current agency appropriations.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 1177	AM:	AGENCY/POLT. SUB: Nebraska Department of Health & Human Services	
REVIEWED BY:	Ann Linneman	DATE: 2-6-2026	PHONE: (402) 471-4180
COMMENTS: Concur with the Nebraska Department of Health and Human Services' assessment of fiscal impact.			

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

State Agency or Political Subdivision Name:(2)) Department of Health and Human Services

Prepared by: (3) John Meals

Date Prepared 2-6-2026

Phone: (5) 471-6719

	FY 2026-2027		FY 2027-2028	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$0	\$0	\$0	\$0

Return by date specified 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

LB1177 creates the Child Care Cash Fund to be administered by the Department of Health and Human Services (DHHS). The fund is composed of transfers authorized by the legislature, including State General Funds, private gifts, grants, donations, and other funds as directed by the Legislature to be utilized for the child care subsidy program. The bill includes an intent to appropriate funds to the Child Care cash fund but does not specify the type or amount of funds to be appropriated. The bill also specifies that these funds will not be used to supplant the state's required match and Maintenance of Effort (MOE) funds.

Implementation of the bill would require the Office of Economic Assistance (OEA) to submit an annual report sharing data with legislature. Additionally, based on how the funds are utilized it may require OEA to create agreements with child care providers for quality improvement or workforce support. There would be staff costs associated with the development of the cash fund and administering any required funding transfers. The department will absorb these costs.

MAJOR OBJECTS OF EXPENDITURE

PERSONAL SERVICES:

POSITION TITLE	NUMBER OF POSITIONS		2026-2027	2027-2028
	26-27	27-28	EXPENDITURES	EXPENDITURES
Benefits.....				
Operating.....				
Travel.....				
Capital Outlay.....				
Aid.....				
Capital Improvements.....				
TOTAL.....			\$0	\$0