

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

Revised to include State Patrol Response

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	187,151	239,744	40,000	0	466,895
FY2027-2028	262,010	240,878	0	0	502,888
FY2028-2029	262,010	240,878	0	0	502,888
REVENUE	GENERAL	CASH	FEDERAL	REVOLVING	TOTAL
FY2025-2026	0	0	0	0	0
FY2026-2027	0	550,000	0	0	550,000
FY2027-2028	0	550,000	0	0	550,000
FY2028-2029	0	550,000	0	0	550,000

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

This bill modifies provisions under the Child Care Licensing Act. DHHS would require federal approval of modification to the Child Care Development Block Grant plan in order to implement the provisions of the bill including allowing new child care staff to work after qualifying background check results, inclusion of background checked volunteers to count toward staff-to-child ratios, and portability of background check results from other states. The state plan would need updates and federal approval in order for the state to remain compliant with CCDBG requirements.

The changes to the DHHS Licensing system would require \$40,000 which could be federally funded assuming federal approval. Staffing costs to implement the changes amount to \$187,151 in FY27 and \$262,010 in FY28 to hire 4 Administrative Technicians.

The Nebraska State Patrol would require 4 additional staff to process the estimated 10,000 new background checks. The fee is \$55 per applicant which would net \$550,000 in new cash fund revenue.

There is no basis upon which to disagree with these estimates.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE

LB: 891	AM:	AGENCY/POLT. SUB: Nebraska Department of Health & Human Services
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REVIEWED BY: Ann Linneman	DATE: 1-26-2026	PHONE: (402) 471-4180
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COMMENTS: Concur with the Nebraska Department of Health and Human Services' assessment of fiscal impact.
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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 1-26-2026

Phone: (5) 471-6719

	FY 2026-2027		FY 2027-2028	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$187,151		\$262,010	
CASH FUNDS	\$40,000			
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$227,151	\$0	\$262,010	\$0

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

Explanation of Estimate:

LB891 would require modifications to the provisions under the Child Care Licensing Act. The bill would allow prospective child care staff members to begin working under supervision after receiving qualifying background check results. It would also allow Family Child Care Home I providers to reside outside the home where the program is operated and would permit volunteers to be part of the staff-to-child ratios. Regulations shall be promulgated to include volunteers in the definition of staff. Furthermore, the bill would expand the portability of national criminal history record information checks. The provisional updates can be managed with existing staff. The costs associated with these updates would utilize both Federal Child Care Development Funds (CCDF) and State General Funds.

Moreover, the Department of Health and Human Services (DHHS) would amend the Child Care Development Block Grant (CCDBG) state plan accordingly to ensure compliance and approval from Administration for Children and Families (ACF). If the state does not comply with CCDBG Act background check requirements, OEA could face a 5% reduction in funding from the CCDF Act.

Implementation of the bill would require Office of Children's Services Licensing (OCSL) to develop and provide separate eligibility notifications to child care staff/providers which includes one for the completed state check and one for the completed federal check. This will require four additional OCSL Administrative Technicians for approximately 10,000 new child care staff annually and will be paid using state general funds because the available child care and development federal funds are already utilized. In addition, the License Information System (LIS) vendor will require additional fees to set up the two eligibility determinations for each prospective child care employee with 5-year expiration dates. The estimated cost for LIS changes would be \$40,000.

MAJOR OBJECTS OF EXPENDITURE

PERSONAL SERVICES:

POSITION TITLE	NUMBER OF POSITIONS		2026-2027	2027-2028
	26-27	27-28	EXPENDITURES	EXPENDITURES
S01013 – Administrative Technician	3	4	\$115,740	\$162,035
Benefits.....			\$40,509	\$56,712
Operating.....			\$70,902	\$43,263
Travel.....				
Capital Outlay.....				
Aid.....				
Capital Improvements.....				
TOTAL.....			\$227,151	\$262,010

Please complete ALL (5) blanks in the first three lines.

2026

LB⁽¹⁾ 891

FISCAL NOTE

State Agency OR Political Subdivision
Name: ⁽²⁾

Nebraska State Patrol

Prepared by: ⁽³⁾ Carol Aversman

Date Prepared: 01/27/2026
⁽⁴⁾

Phone: ⁽⁵⁾ 402-471-4545

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2026-27		FY 2027-28	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS	\$239,744	\$550,000	\$240,878	\$550,000
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$239,744	\$550,000	\$240,878	\$550,000

Explanation of Estimate:

LB 891 modifies certain provisions under the Child Care Licensing Act.

After receiving qualifying results for a national criminal history record information check, the bill provides for a prospective child care staff member to begin work for a child care provider for purposes of employment in child care or for a staffing agency or substitute child care staff pool operator, for purposes of employment in child care as a substitute child care staff member. Pending completion of all background check components, the staff member shall be supervised at all times by an individual who received a qualifying result on a background check.

The bill also eliminates any prohibitions from including a volunteer in the staff-to-child ratio if (a) the volunteer submits to a national criminal history record information check and all other background checks as required in Section 71-1912, (b) is supervised at all times by an individual who received a qualifying result on a background check, and (c) meets staff qualifications if working more than twenty hours per week in a licensed child care center, school-age-only center, or preschool. Furthermore, no child care program licensed under the Child Care Licensing Act shall be prohibited from including a volunteer in the unsupervised staff-to-child ratio, if the volunteer (a) submits to a national criminal history record check and all other background checks as required by section 71-1912 and (b) meets staff qualifications and training requirements.

The State Patrol estimates that 4 additional FTE will be required to comply with the provisions of this LB. A volume of 10,000 checks has been estimated per year. Operational costs include the cost of leasing a laptop, the costs of related computer equipment, office supplies, OCIO costs, and document scanners. These total \$15,153 in FY 26/27 and \$11,873 in FY 27/28.

Revenues have been reflected based upon a standard \$55.00 fee charged per applicant, which covers the added costs of the 4 additional FTE as well as a portion of ongoing fixed costs that is incurred by the State patrol (such as facility costs, software maintenance, and upgrades).

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2026-27	2027-28
	26-27	27-28	EXPENDITURES	EXPENDITURES
Administrative Technician	1	1	\$39,447	\$40,729

Office Specialist	1	1	\$36,695	\$37,888
Forensic Technician	2	2	\$85,434	\$86,135
Benefits			\$63,015	\$64,253
...				
Operating			\$15,153	\$11,873
....				
Travel				
.				
Capital				
outlay				
Aid				
.				
Capital				
improvements				
TOTAL			\$239,744	\$240,878