

PREPARED BY: Mikayla Findlay  
DATE PREPARED: March 13, 2025  
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**LB 505**

Revision: 00

# FISCAL NOTE

## LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2025-26		FY 2026-27	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	See below		See below	

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

This bill states legislative intent to appropriate \$10,000,000 in federal Temporary Assistance for Needy Families funds in FY26 and FY27 for grants to food assistance programs.

DHHS indicates an additional Program Specialist starting in October 2025 would be needed to establish procedures, enter into agreements, and monitor compliance. The cost of the staff person amounts to \$59,982 in FY26 and \$83,976 in FY27.

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

LB:	505	AM:	AGENCY/POLT. SUB: Nebraska Department of Health & Human Services		
REVIEWED BY:	Ann Linneman		DATE:	3-13-2025	PHONE: (402) 471-4180
COMMENTS: Concur with the Nebraska Department of Health and Human Services' assessment of fiscal impact.					
<u>Technical Note:</u> The current appropriation language is not sufficient to create an appropriation. The fiscal impact assessment assumes an accompanying A-bill articulating appropriation in accordance with §49-804.					

**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 3-13-25

Phone: (5) 471-6719

**FY 2025-2026****FY 2026-2027**

	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
<b>GENERAL FUNDS</b>				
<b>CASH FUNDS</b>				
<b>FEDERAL FUNDS</b>	\$10,059,982		\$10,083,976	
<b>OTHER FUNDS</b>				
<b>TOTAL FUNDS</b>	\$10,059,982		\$10,083,976	

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

**Explanation of Estimate:**

LB505 would require the Department of Health and Human Services (DHHS) to allocate \$10,000,000 for Fiscal Year 2025-2026 and \$10,000,000 for Fiscal Year 2026-2027 from the federal Temporary Assistance for Needy Families (TANF) grant to nonprofit organizations that provide food assistance, distribute food in ten or more counties in Nebraska, and qualify for The Emergency Food Assistance Program (TEFAP) administered by the United States Department of Agriculture.

Currently, Food Access and Services are included in the TANF State Plan under TANF Purpose One, aimed at assisting needy families to care for children in their own homes or the homes of relatives. The proposed bill would require the Office of Economic Assistance (OEA) to monitor fund expenditures for compliance with federal regulations and state statutes. OEA will collaborate with the Office of Procurement and Grants (OPG) to create requests for applications (RFA) and subawards to identify eligible applicants. Current TANF funds support a full-time temporary DHHS Program Specialist for these services, which will need to continue through Fiscal Years 2025-2026 and 2026-2027.

In Fiscal Year 2023-2024, LB814 allocated \$10,000,000 in federal TANF funds for the same intended purpose. The full amount requested for allowable costs was awarded to each of the eligible applicants to expend from 8/1/2024 to 6/30/2025, which totaled \$5,725,765.23. OEA is in the process of awarding the remaining \$4,274,234.77 to the subrecipients currently awarded funds for this purpose for Fiscal Year 2025-2026.

If federal TANF funds are expended as projected, allocating \$10,000,000 in Fiscal Years 2025-2026 and 2026-2027 for this service, this will result in a reduction in TANF funds allocated for other programs, services, or activities for the Federal Fiscal Year 2027 (FFY), and may create a need for state general fund appropriation.

**MAJOR OBJECTS OF EXPENDITURE**

<b>PERSONAL SERVICES:</b>				
POSITION TITLE	NUMBER OF POSITIONS		2025-2026	2026-2027
	26-26	26-27	EXPENDITURES	EXPENDITURES
C73210 – DHHS Program Specialist	0.75	1	\$37,095	\$51,933
Benefits.....			\$12,983	\$18,177
Operating.....			\$9,904	\$13,866
Travel.....				
Capital Outlay.....				
Aid.....			\$10,000,000	\$10,000,000
Capital Improvements.....				
<b>TOTAL.....</b>			<b>\$10,059,982</b>	<b>\$10,083,976</b>