

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	187,151	239,744	40,000	0	466,895
FY2027-2028	262,010	240,787	0	0	502,797
FY2028-2029	262,010	240,787	0	0	502,797
REVENUE	GENERAL	CASH	FEDERAL	REVOLVING	TOTAL
FY2025-2026	0	550,000	0	0	550,000
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 would require the Department of Health and Human Services to create a youth afterschool credential and an adult eligibility passport 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. Individuals who receive the newly created credentials and passport would still be required to complete necessary trainings and required background checks in order for the state to remain compliant with CCDBG requirements.

The creation of two new credential types in the DHHS Licensing system would require \$40,000 which could be federally funded assuming federal approval. Staffing costs to issue and renew the two new license types 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:	959	AM:	AGENCY/POLT. SUB: Nebraska Department of Health & Human Services	
REVIEWED BY:	Ann Linneman		DATE:	1-26-2026
COMMENTS: Concur with the Nebraska Department of Health and Human Services' assessment of fiscal impact.				

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE				
LB:	959	AM:	AGENCY/POLT. SUB: Nebraska State Patrol	
REVIEWED BY:	Ann Linneman		DATE:	1-27-2026
COMMENTS: No basis to disagree with the Nebraska State Patrol's 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 1-26-2026

Phone: (5) 471-6719

	<u>FY 2026-2027</u>		<u>FY 2027-2028</u>
	EXPENDITURES	REVENUE	EXPENDITURES
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 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

LB959 would require revisions under the Child Care Licensing Act to create a youth afterschool credential for individuals aged 16 or 17 who are seeking employment in school-aged child care programs or temporary nonresidential child care programs. Additionally, this bill would establish an adult eligibility passport to verify individuals aged eighteen or older who are program-ready status to provide portability of background check and training requirements between licensed child care programs and approved youth-serving programs. The youth afterschool credential and adult eligibility passport will be valid for one year from the date of issuance and would require annual renewals. The agency may promulgate the new regulations to enforce the provisions of this bill.

Implementation of the bill would require the state's Child Care Development Block Grant (CCDBG) plan to be amended to reflect any changes to the current processes for obtaining and recognizing national criminal information record checks. Furthermore, developing a process to verify employment status throughout the year and ensure the individual remains compliant in reporting crimes could potentially create further complications. Regardless of whether an individual has a credential or passport, they would not be eligible to work at a childcare program enrolled in the Child Care Subsidy Program unless they have completed the CCDBG Act required training. Allowing these individuals to work would put Nebraska out of compliance with CCDBG Act requirements.

Currently, the Office of Economic Assistance (OEA) utilizes federal Child Care and Development Funds (CCDF) to pay for the cost of fingerprint background checks. The cost per check is an estimated \$55.00 for all individuals that are required to complete a check. Enactment of this bill with the proposed youth afterschool credential could increase the number of 16 and 17-year-olds obtaining their criminal history record information background checks. OEA is unable to determine the fiscal impact for the potential increase in the number of applications for 16 and 17-year-olds for these positions. Moreover, the ability for minor staff to begin working without completed background checks would put the state out of compliance with federal regulations. In addition, the Department of Health and Human Services (DHHS) would be at risk if an individual has been separated from employment for more than 180 days and continues to work without new background checks. DHHS could face a 5% penalty of CCDF Funds for being out of compliance with background check requirements.

The Office of Children's Services Licensing (OCSL) would also need to amend their inspection checklist to require a minimum of 7 hours of orientation for new youth afterschool credential holders to meet the requirements of this bill. OCSL will need to work with the License Information System (LIS) vendor to create two new credential types in the system for a youth afterschool credential and an adult eligibility passport. Implementing the two new credential types, including initial issuance and annual renewal for approximately 10,000 child care staff based on the number of applications for eligibility determinations would require four additional DHHS OCSL Administrative Technicians. The staff costs will be listed as a state general fund cost

because the department already utilizes the available federal funds in the Child Care and Development Funds. Furthermore, the LIS vendor will require additional fees to set up two credential types for each prospective child care employee with 1-year expiration dates. The estimated costs for these changes in LIS would be around \$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

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2026

LB⁽¹⁾ 959

FISCAL NOTE

State Agency OR Political Subdivision
Name: ⁽²⁾

Nebraska State Patrol

Prepared by: ⁽³⁾ Carol Aversman

Date Prepared: 01/26/2026
⁽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 959 adds youth afterschool credentialing and adult eligibility passports to the Childcare Licensing Act.

To obtain a youth afterschool credential, an applicant shall complete all registry checks required for licensed child care staff, including the child abuse and neglect and sex offender registers, and any additional registry checks required by the document. They must all submit all background check documentation required by the department.

An adult applicant may apply for an adult eligibility passport by submitting all documentation required by the department including (a) a full criminal history record information check, including fingerprinting, (b) a check of the child abuse and neglect and sex offender registries, and any other background check information required by the department.

Both the youth afterschool credential and the adult eligibility passport are valid for one year, and shall be renewable annually through an expedited process established by the department. The department shall automatically update records if new background check information becomes available.

The State Patrol estimates that 4 additional FTE will be required to comply with the provisions of this LB. A volume of 10,000 applicants 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 EXPENDITURES	2027-28 EXPENDITURES
	26-27	27-28		
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