

E AND R AMENDMENTS TO LB 867

Introduced by Guereca, 7, Chairman Enrollment and Review

1           1. Strike the original sections and all amendments thereto and  
2 insert the following new sections:

3           **Section 1.** Section 30-38,113, Revised Statutes Cumulative  
4 Supplement, 2024, is amended to read:

5           30-38,113 (1) Each state agency that provides governmental benefits  
6 to individuals of any age with disabilities through means-tested  
7 programs, including the medical assistance program, shall adopt and  
8 promulgate rules and regulations that:

9           (a) Are not more restrictive than existing federal law, regulations,  
10 or policies with regard to the treatment of a special needs trust,  
11 including a trust defined in 42 U.S.C. 1396p(c)(2) and 42 U.S.C. 1396p(d)  
12 (4);

13           (b) Are not more restrictive than any state law regarding trusts,  
14 including any state law relating to the reasonable exercise of discretion  
15 by a trustee, guardian, or conservator in the best interests of the  
16 beneficiary;

17           (c) Do not require disclosure of a beneficiary's personal or  
18 confidential information without the consent of the beneficiary;

19           (d) Allow an individual account in a pooled special needs trust to  
20 be funded without financial limit;

21           ~~(e) Allow an individual to establish or fund an individual account~~  
22 ~~in a pooled special needs trust without an age limit or a transfer~~  
23 ~~penalty;~~

24           (e) ~~(f)~~ Allow an individual to fund a special needs trust for the  
25 individual's child with disabilities without a transfer penalty and  
26 regardless of the child's age; and

27           (f) ~~(g)~~ Allow all legally assignable income or resources to be

1 assigned to any special needs trust without limit.

2 (2) Nothing in this section may be interpreted to require a court  
3 order to authorize the funding of, or a disbursement from, a special  
4 needs trust.

5 **Sec. 2.** Section 38-131, Revised Statutes Supplement, 2025, is  
6 amended to read:

7 38-131 (1) An applicant for a ~~an initial~~ license to practice as a  
8 registered nurse, a licensed practical nurse, a physical therapist, a  
9 physical therapy assistant, a psychologist, an advanced emergency medical  
10 technician, an emergency medical technician, an audiologist, a speech-  
11 language pathologist, a licensed independent mental health practitioner,  
12 an occupational therapist, an occupational therapy assistant, a  
13 dietitian, a certified social worker, a certified master social worker, a  
14 licensed clinical social worker, a paramedic, a physician, an osteopathic  
15 physician, a physician or osteopathic physician who is an applicant for a  
16 temporary educational permit, a physician or osteopathic physician who is  
17 an applicant for a temporary visiting faculty permit, a physician  
18 assistant, a dentist, a dental hygienist, an optometrist, a podiatrist, a  
19 veterinarian, an advanced practice registered nurse-nurse practitioner,  
20 an advanced practice registered nurse-certified nurse midwife, or an  
21 advanced practice registered nurse-certified registered nurse anesthetist  
22 shall be subject to a criminal background check. Except as provided in  
23 subsection (4) of this section, such an applicant for a ~~an initial~~  
24 license shall submit a full set of fingerprints to the Nebraska State  
25 Patrol for a criminal history record information check. The applicant  
26 shall authorize release of the results of the national criminal history  
27 record information check by the Federal Bureau of Investigation to the  
28 department. The applicant shall pay the actual cost of the fingerprinting  
29 and criminal background check.

30 (2) The Nebraska State Patrol is authorized to submit the  
31 fingerprints of such applicants to the Federal Bureau of Investigation

1 and to issue a report to the department that includes the criminal  
2 history record information concerning the applicant. The Nebraska State  
3 Patrol shall forward submitted fingerprints to the Federal Bureau of  
4 Investigation for a national criminal history record information check.  
5 The Nebraska State Patrol shall issue a report to the department that  
6 includes the criminal history record information concerning the  
7 applicant.

8 (3) This section shall not apply to a dentist who is an applicant  
9 for a dental locum tenens under section 38-1122, to a physician or  
10 osteopathic physician who is an applicant for a physician locum tenens  
11 under section 38-2036, or to a veterinarian who is an applicant for a  
12 veterinarian locum tenens under section 38-3335.

13 (4) A physician or osteopathic physician who is an applicant for a  
14 temporary educational permit shall have ninety days from the issuance of  
15 the permit to comply with subsection (1) of this section and shall have  
16 such permit suspended after such ninety-day period if the criminal  
17 background check is not complete or revoked if the criminal background  
18 check reveals that the applicant was not qualified for the permit.

19 (5) The department and the Nebraska State Patrol may adopt and  
20 promulgate rules and regulations concerning costs associated with the  
21 fingerprinting and the national criminal history record information  
22 check.

23 (6) For purposes of interpretation by the Federal Bureau of  
24 Investigation, the term department in this section means the Division of  
25 Public Health of the Department of Health and Human Services.

26 **Sec. 3.** Section 43-2624, Reissue Revised Statutes of Nebraska, is  
27 amended to read:

28 43-2624 The Department of Health and Human Services shall award  
29 grants to persons, community-based organizations, or schools needing  
30 assistance to start or improve a child care program or needing assistance  
31 to provide staff training for a child care program. ~~No grant shall exceed~~

1 ~~ten thousand dollars.~~ A recipient of a grant shall not be eligible for a  
2 grant more than once in a three-year period. Child care grants shall be  
3 awarded on the basis of need for the proposed services in the community.  
4 Grants shall be given only to grantees who do not discriminate against  
5 children with disabilities or children whose care is funded by any state  
6 or federal funds. When considering grant applications of equal merit, the  
7 department shall award the grant to the applicant which has not  
8 previously received a grant from the Child Care Grant Fund. The  
9 department may award grants in excess of the appropriation for this  
10 program by spending available federal funds allowed for such grants.

11 **Sec. 4.** Section 43-3342.04, Revised Statutes Supplement, 2025, is  
12 amended to read:

13 43-3342.04 (1) The Title IV-D Division shall establish a Customer  
14 Service Unit. In hiring the initial staff for the unit, a hiring  
15 preference shall be given to employees of the clerks of the district  
16 court. The duties of the Customer Service Unit include, but are not  
17 limited to:

18 (a) Providing account information as well as addressing inquiries  
19 made by customers of the State Disbursement Unit; and

20 (b) Administering two statewide toll-free telephone systems, one for  
21 use by employers and one for use by all other customers, to provide  
22 responses to inquiries regarding income withholding, the collection and  
23 disbursement of support order payments made to the State Disbursement  
24 Unit, and other child support enforcement issues, including establishing  
25 a call center with sufficient telephone lines, a voice response unit, and  
26 adequate personnel available during normal business hours to ensure that  
27 responses to inquiries are made by the division's personnel or the  
28 division's designee.

29 (2) The physical location of the Customer Service Unit shall be in  
30 Nebraska and ~~shall result in the hiring of a number of new employees or~~  
31 ~~contractor's staff equal to at least one-fourth of one percent of the~~

1 ~~labor force in the county or counties in which the Customer Service Unit~~  
2 ~~is located.~~ Customer service staff responsible for providing account  
3 information related to the State Disbursement Unit may be located at the  
4 same location as the State Disbursement Unit.

5 **Sec. 5.** Section 43-4413, Revised Statutes Cumulative Supplement,  
6 2024, is amended to read:

7 43-4413 (1) There is hereby established a child welfare practice  
8 model work group. The work group may include, but is not limited to:

9 (a) The Director of Behavioral Health of the Division of Behavioral  
10 Health or the director's designee;

11 (b) The Director of Children and Family Services of the Division of  
12 Children and Family Services or the director's designee;

13 (c) The Director of Disability and Aging ~~Developmental Disabilities~~  
14 of the Division of Disability and Aging ~~Developmental Disabilities~~ or the  
15 director's designee;

16 (d) The Director of Medicaid and Long-Term Care of the Division of  
17 Medicaid and Long-Term Care or the director's designee;

18 (e) The Director of Public Health of the Division of Public Health  
19 or the director's designee;

20 (f) The Commissioner of Education or the commissioner's designee;

21 (g) The State Court Administrator;

22 (h) A representative of the state judicial branch to be appointed by  
23 the Chief Justice; and

24 (i) Representatives from each federally recognized Indian tribe  
25 within the State of Nebraska, appointed by each tribe's Tribal Council or  
26 Executive Committee.

27 (2) The work group shall develop a practice and finance model for  
28 child welfare system transformation in Nebraska, with consultation from  
29 key stakeholders, judges from separate juvenile courts and judges of  
30 county courts sitting as juvenile courts, private child welfare  
31 providers, individuals with lived experience in the child welfare system,

1 the Nebraska Children's Commission, the Inspector General of Nebraska  
2 Child Welfare, the Foster Care Review Office, child advocacy centers, law  
3 enforcement, and county attorneys. The practice and finance model shall  
4 include, but not be limited to:

5 (a) Development of a statewide mission and vision for the child  
6 welfare system in Nebraska;

7 (b) Development of values and practice priorities for the child  
8 welfare system in Nebraska;

9 (c) Development of statewide program goals and a practice and  
10 finance model for child welfare system case management and service  
11 delivery;

12 (d) Development of engagement strategies to support community  
13 involvement in child welfare system transformation;

14 (e) Development of strategies that strengthen relationships across  
15 the court system, probation, executive branch agencies, the State  
16 Department of Education, and community partners;

17 (f) Development of strategies that support integration across  
18 agencies;

19 (g) Development of accountabilities across the entire child welfare  
20 system;

21 (h) Evaluation of the state's Title IV-E claiming practices and  
22 identification of appropriate steps to optimize federal reimbursement for  
23 child welfare system expenditures;

24 (i) Opportunities and financial mechanisms for providers to pilot  
25 innovative solutions to meet program goals; and

26 (j) Development of a strategy for data collection and outcome  
27 monitoring.

28 (3) The work group shall provide monthly updates to the strategic  
29 leadership group.

30 **Sec. 6.** Section 43-4504, Revised Statutes Cumulative Supplement,  
31 2024, is amended to read:

1           43-4504 The bridge to independence program is available, on a  
2 voluntary basis, to a young adult:

3           (1) Who has attained the age of eligibility;

4           (2) Who was adjudicated to be a juvenile described in:

5           (a) Subdivision (3)(a) of section 43-247 or the equivalent under  
6 tribal law and (i) who, upon attaining the age of eligibility, was in an  
7 out-of-home placement or had been discharged to independent living or  
8 (ii) with respect to whom a kinship guardianship assistance agreement or  
9 an adoption assistance agreement was in effect pursuant to 42 U.S.C. 673,  
10 if the young adult had attained sixteen years of age before the agreement  
11 became effective, or with respect to whom a state-funded guardianship  
12 assistance agreement or a state-funded adoption assistance agreement was  
13 in effect if the young adult had attained sixteen years of age before the  
14 agreement became effective;

15           (b) Subdivision (8) of section 43-247 or the equivalent under tribal  
16 law if the young adult's guardianship or state-funded adoption assistance  
17 agreement was disrupted or terminated after he or she had attained the  
18 age of sixteen years and (i) who, upon attaining the age of eligibility,  
19 was in an out-of-home placement or had been discharged to independent  
20 living or (ii) with respect to whom a kinship guardianship assistance  
21 agreement or an adoption assistance agreement was in effect pursuant to  
22 42 U.S.C. 673, if the young adult had attained sixteen years of age  
23 before the agreement became effective, or with respect to whom a state-  
24 funded guardianship assistance agreement or a state-funded adoption  
25 assistance agreement was in effect if the young adult had attained  
26 sixteen years of age before the agreement became effective; or

27           (c) Subdivision (1), (2), or (3)(b) of section 43-247 and (i) after  
28 January 1, 2025, upon one day prior to attaining nineteen years of age or  
29 the age of majority under relevant tribal law, was in a court-ordered  
30 out-of-home placement and (ii) such placement had been authorized or  
31 reauthorized in the six months prior to the juvenile attaining nineteen

1 years of age or the age of majority under relevant tribal law in a court  
2 order finding that it would be contrary to the welfare of the juvenile to  
3 remain in or return to the juvenile's family home;

4 (3) Who is:

5 (a) Completing secondary education or an educational program leading  
6 to an equivalent credential;

7 (b) Enrolled in an institution which provides postsecondary or  
8 vocational education;

9 (c) Employed for at least eighty hours per month;

10 (d) Participating in a program or activity designed to promote  
11 employment or remove barriers to employment; or

12 (e) Incapable of doing any of the activities described in  
13 subdivisions (3)(a) through (d) of this section due to a medical  
14 condition, which incapacity is supported by regularly updated information  
15 in the case plan of the young adult;

16 (4) Who is a Nebraska resident, except that this requirement shall  
17 not disqualify a young adult who was a Nebraska resident but was placed  
18 outside Nebraska pursuant to the Interstate Compact for the Placement of  
19 Children; and

20 (5) Who does not meet the level of care for a nursing facility as  
21 defined in section 71-424, for a skilled nursing facility as defined in  
22 section 71-429, or for an intermediate care facility for persons with  
23 developmental disabilities as defined in section 71-421.

24 **Sec. 7.** Section 68-927, Reissue Revised Statutes of Nebraska, is  
25 amended to read:

26 68-927 For purposes of sections 68-926 to 68-933:

27 (1) Coordinate benefits means:

28 (a) Provide to the department information regarding the licensed  
29 insurer's or self-funded insurer's existing coverage for an individual  
30 who is eligible for a state benefit program; and

31 (b) Meet payment obligations;

1 (2) Coverage information means health information possessed by a  
2 licensed insurer or self-funded insurer that is limited to the following  
3 information about an individual:

- 4 (a) Eligibility for coverage under a health plan;
- 5 (b) Coverage of health care under the health plan; or
- 6 (c) Benefits and payments associated with the health plan;

7 (3) Health plan means any policy of insurance issued by a licensed  
8 insurer or any employee benefit plan offered by a self-funded insurer  
9 that provides for payment to, or on behalf of, an individual as a result  
10 of an illness, disability, or injury or change in a health condition and  
11 includes a service benefit plan, managed care organization, pharmacy  
12 benefit manager, or another party that is legally responsible by law,  
13 contract, or agreement for payment of a claim for a health care item or  
14 service;

15 (4) Individual means a person covered by a state benefit program,  
16 including the medical assistance program, or a person applying for such  
17 coverage;

18 (5) Licensed insurer means any insurer, except a self-funded  
19 insurer, including a fraternal benefit society, producer, or other person  
20 licensed or required to be licensed, authorized or required to be  
21 authorized, or registered or required to be registered pursuant to the  
22 insurance laws of the state; and

23 (6) Self-funded insurer means any employer or union who or which  
24 provides a self-funded employee benefit plan.

25 **Sec. 8.** Section 68-928, Reissue Revised Statutes of Nebraska, is  
26 amended to read:

27 68-928 (1) Except as provided in subsection (2) of this section, at  
28 the request of the department, a licensed insurer or a self-funded  
29 insurer shall provide coverage information to the department without an  
30 individual's authorization for purposes of:

31 (a) Determining an individual's eligibility for state benefit

1 programs, including the medical assistance program; or

2 (b) Coordinating benefits with state benefit programs.

3 Such information shall be provided within thirty days after the date  
4 of request unless good cause is shown. Requests for coverage information  
5 shall specify individual recipients for whom information is being  
6 requested.

7 (2)(a) Coverage information requested pursuant to subsection (1) of  
8 this section regarding a limited benefit policy shall be limited to  
9 whether a specified individual has coverage and, if so, a description of  
10 that coverage, and such information shall be used solely for the purposes  
11 of subdivision (1)(a) of this section.

12 (b) For purposes of this section, limited benefit policy means a  
13 policy of insurance issued by a licensed insurer that consists only of  
14 one or more, or any combination of the following:

15 (i) Coverage only for accident or disability income insurance, or  
16 any combination thereof;

17 (ii) Coverage for specified disease or illness; or

18 (iii) Hospital indemnity or other fixed indemnity insurance.

19 (3) An entity that issues a health plan shall:

20 (a) Respond to a request by the department regarding a claim for  
21 payment for a health care item or service submitted not later than three  
22 years after the date of the provision of such health care item or  
23 service; and

24 (b) Not deny a claim submitted by the department solely on the basis  
25 of the date of submission, the type or format of the claim form, or a  
26 failure to present proper documentation at the point-of-sale, if (i) the  
27 claim is submitted by the department within the three-year period  
28 beginning on the date that the health care item or service was provided  
29 and (ii) an action by the department to enforce its rights with respect  
30 to such claim is commenced within six years after the date of the claim's  
31 submission. Such information shall be provided to the department within

1 thirty days after the date of its request unless good cause is shown. A  
2 request for coverage information shall specify the individual for whom  
3 information is being requested.

4 **Sec. 9.** Section 68-949, Revised Statutes Cumulative Supplement,  
5 2024, is amended to read:

6 68-949 (1) It is the intent of the Legislature that the department  
7 implement reforms to the medical assistance program such as those  
8 contained in the Medicaid Reform Plan, including (a) an incremental  
9 expansion of home and community-based services for aged persons and  
10 persons with disabilities consistent with such plan, (b) an increase in  
11 care coordination or disease management initiatives to better manage  
12 medical assistance expenditures on behalf of high-cost recipients with  
13 multiple or chronic medical conditions, and (c) other reforms as deemed  
14 necessary and appropriate by the department, in consultation with the  
15 committee.

16 (2) The department shall develop recommendations based on a  
17 comprehensive analysis of various options available to the state under  
18 applicable federal law for the provision of medical assistance to persons  
19 with disabilities who are employed, including persons with a medically  
20 improved disability, to enhance and replace current eligibility  
21 provisions contained in subdivision (8) of section 68-915.

22 (3) The department shall develop recommendations for further  
23 modification or replacement of the defined benefit structure of the  
24 medical assistance program. Such recommendations shall be consistent with  
25 the public policy in section 68-905 and shall consider the needs and  
26 resources of low-income Nebraska residents who are eligible or may become  
27 eligible for medical assistance, the experience and outcomes of other  
28 states that have developed and implemented such changes, and other  
29 relevant factors as determined by the department.

30 (4)(a) It is the intent of the Legislature that the total amount  
31 appropriated to the department for medicaid nursing facility rates be

1 identified as a dollar amount in the state budget and be used in the  
2 medicaid nursing facility rate calculation, including the calculation of  
3 the annual inflation factor. The total amount appropriated for medicaid  
4 nursing facility rates shall include amounts for rate enhancement and any  
5 other purpose related to medicaid nursing facility services and shall be  
6 used as the base for funding for the following fiscal year.

7 (b) The department may take into consideration utilization relating  
8 to client needs and preferred setting when establishing nursing facility  
9 rates for prospective rating periods. If the department uses an amount  
10 that differs from the identified appropriation in the calculation of  
11 nursing facility rates for the prospective rate period, the department  
12 shall calculate the average weighted medicaid nursing facility rate by  
13 dividing the projected total medicaid nursing facility expenditures by  
14 the projected total medicaid nursing facility days for the prospective  
15 rating period and such dollar amount and the number of projected medicaid  
16 nursing facility resident days used in the calculation shall be  
17 identified to the Legislature in the report required under subdivision  
18 (4)(c) of this section. The average weighted medicaid nursing facility  
19 daily rate shall not be less than the average weighted medicaid nursing  
20 facility daily rate as of January 1, 2026, unless directed by the  
21 Legislature or in the event of, and during, a state of emergency  
22 proclaimed by the Governor pursuant to section 81-829.40.

23 (c) ~~(b)~~ The department shall file a report electronically with the  
24 Legislative Fiscal Analyst and the Clerk of the Legislature no later than  
25 June 15 ~~August 1~~ of each year identifying how the inflation factor was  
26 calculated for that year's medicaid nursing facility rates and including  
27 the information described in subdivisions (4)(a) and (b) of this section.

28 (d) ~~(c)~~ The department shall file a report electronically with the  
29 Legislative Fiscal Analyst and the Clerk of the Legislature between  
30 December 15 and December 31 of each year identifying the amount of any  
31 remaining unobligated appropriation from the prior appropriations

1 earmarked for medicaid nursing facility payments. The report shall  
2 include an identification of encumbrances and retroactive payments.

3 (5) No later than December 31, 2026, the department shall submit an  
4 application to the federal Centers for Medicare and Medicaid Services to  
5 establish a money follows the person program to assist qualified  
6 individuals to transition from an institutional setting to a community  
7 setting while continuing to receive long-term care.

8 **Sec. 10.** Section 68-1006, Reissue Revised Statutes of Nebraska, is  
9 amended to read:

10 68-1006 The amount of assistance to the aged, blind, or disabled  
11 shall be based on the need of the individual and the circumstances  
12 existing in each case. When permitted by the federal old age and  
13 survivors insurance act, any accumulations of increased benefits under  
14 such act may be disregarded when determining need. ~~Payments shall be made~~  
15 ~~by state warrant directly to each recipient.~~

16 **Sec. 11.** Section 68-1007, Reissue Revised Statutes of Nebraska, is  
17 amended to read:

18 68-1007 In determining need for assistance to the aged, blind, or  
19 disabled, the Department of Health and Human Services shall take into  
20 consideration all other income and resources of the individual claiming  
21 such assistance, as well as any expenses reasonably attributable to the  
22 earning of any such income, except as otherwise provided in this section.  
23 In making such determination with respect to any individual who is blind,  
24 there shall be disregarded the first eighty-five dollars per month of  
25 earned income plus one-half of earned income in excess of eighty-five  
26 dollars per month and, for a period not in excess of twelve months, such  
27 additional amounts of other income and resources, in the case of an  
28 individual who has an approved plan for achieving self-support, as may be  
29 necessary for the fulfillment of such plan. ~~In making such determination~~  
30 ~~with respect to an individual who has attained age sixty-five, or who is~~  
31 ~~permanently and totally disabled, and is claiming aid to the aged, blind,~~

1 ~~or disabled, the department shall disregard earned income at least to the~~  
2 ~~extent such income was disregarded on January 1, 1972, as provided in 42~~  
3 ~~U.S.C. 1396a(f).~~

4 **Sec. 12.** Section 68-1530, Revised Statutes Supplement, 2025, is  
5 amended to read:

6 68-1530 (1) The Department of Health and Human Services shall apply  
7 for a three-year medicaid waiver under section 1915(c) of the federal  
8 Social Security Act to administer a family support program which is a  
9 home and community-based services program as provided in this section.

10 (2)(a) The Advisory Committee on Developmental Disabilities created  
11 in section 83-1212.01 shall assist in the development and guide the  
12 implementation of the family support program. The family support program  
13 shall be administered by the Division of Disability and Aging  
14 ~~Developmental Disabilities~~ of the Department of Health and Human  
15 Services.

16 (b) It is the intent of the Legislature that any funds distributed  
17 to Nebraska pursuant to section 9817 of the federal American Rescue Plan  
18 Act of 2021, Public Law 117-2, be used to eliminate unmet needs relating  
19 to home and community-based services for persons with developmental  
20 disabilities as much as is possible.

21 (c) If funds are distributed to Nebraska pursuant to section 9817 of  
22 the federal American Rescue Plan Act of 2021, it is the intent of the  
23 Legislature that such funds distributed to Nebraska should at least  
24 partially fund the family support program if doing so is in accordance  
25 with federal law, rules, regulations, or guidance.

26 (3) The family support program shall:

27 (a) Offer an annual capped budget for long-term services and  
28 supports of ten thousand dollars for each eligible applicant;

29 (b) Offer a pathway for medicaid eligibility for disabled children  
30 by disregarding parental income and establishing eligibility based on a  
31 child's income and assets;

1 (c) Allow a family to self-direct services, including contracting  
2 for services and supports approved by the division; and

3 (d) Not exceed eight hundred fifty participants.

4 (4) The department, in consultation with the advisory committee,  
5 shall adopt and promulgate rules and regulations for the implementation  
6 of the family support program to be set at an intermediate care facility  
7 institutional level of care to support children with intellectual and  
8 developmental disabilities and their families. Such rules and regulations  
9 shall include, but not be limited to:

10 (a) Criteria for and types of long-term services and supports to be  
11 provided by the family support program;

12 (b) The method, as provided in section 68-1532, for allocating  
13 resources to family units participating in the family support program;

14 (c) Eligibility determination, including, but not limited to, a  
15 child's maximum income and assets;

16 (d) The enrollment process;

17 (e) Limits on benefits; and

18 (f) Processes to establish quality assurance, including, but not  
19 limited to, measures of family satisfaction.

20 (5) The division shall administer the family support program within  
21 the limits of the appropriations by the Legislature for such program.

22 (6) Until December 31, 2027, the division shall submit an annual  
23 report electronically to the Legislature on the family support program.  
24 The report shall include:

25 (a) The distribution of available funds, the total number of  
26 children and families served, and the status of the waiting list for the  
27 comprehensive waiver and other applicable waivers;

28 (b) A summary of any grievances filed by family units pertaining to  
29 the family support program, including any appeals and a description of  
30 how such grievances were resolved;

31 (c) The number and demographics of children with disabilities and

1 their families who applied under the family support program but who were  
2 not found eligible and the reason such children and their families were  
3 not found eligible;

4 (d) Quality assurance activities and the results of annual measures  
5 of family satisfaction; and

6 (e) Recommendations to innovate the family support program, improve  
7 current programming, and maximize limited funding, including, but not  
8 limited to, the potential utilization of other medicaid pathways or  
9 medicaid waivers that could help increase access to medicaid and long-  
10 term services and supports for children with disabilities or special  
11 health care needs.

12 **Sec. 13.** Section 71-561, Revised Statutes Cumulative Supplement,  
13 2024, is amended to read:

14 71-561 Sections 71-561 to 71-567 and section 19 of this act shall be  
15 known and may be cited as the Aging, Alzheimer's, and Disease and Other  
16 Dementia Support Act.

17 **Sec. 14.** Section 71-563, Revised Statutes Cumulative Supplement,  
18 2024, is amended to read:

19 71-563 For purposes of the Aging, Alzheimer's, and Disease and Other  
20 Dementia Support Act:

21 (1) Council means the Aging, Alzheimer's, and Dementia Alzheimer's  
22 Disease and Other Dementia Advisory Council; and

23 (2) Department means the Department of Health and Human Services.

24 **Sec. 15.** Section 71-564, Revised Statutes Cumulative Supplement,  
25 2024, is amended to read:

26 71-564 (1) The Aging, Alzheimer's, and Dementia Alzheimer's Disease  
27 and Other Dementia Advisory Council is created and shall include:

28 (a) Seventeen ~~Twelve~~ voting members appointed by the Governor. The  
29 voting members shall consist of: (i) An individual living with  
30 Alzheimer's disease or another dementia or a family member or care  
31 partner with experience caring for ~~of~~ such an individual; (ii) an

1 individual who is a state representative of a nationwide organization  
2 that advocates for aging adults or individuals living with Alzheimer's  
3 disease or other dementia ~~the family caregiver of an individual living~~  
4 ~~with Alzheimer's disease or another dementia~~; (iii) an individual who is  
5 a medical professional with experience diagnosing or treating Alzheimer's  
6 disease or other dementia ~~represents nursing homes~~; (iv) an individual  
7 who represents assisted-living facilities; (v) an individual who  
8 represents providers of nonmedical home and community-based services,  
9 including home care, respite, or adult day care services ~~represents~~  
10 ~~providers of adult day care services~~; (vi) an individual who conducts  
11 research regarding aging and dementia-related issues ~~represents home care~~  
12 ~~providers~~; (vii) an individual representing nursing homes; (viii) an  
13 individual at large representing those who are aging in Nebraska; (ix) an  
14 individual or an advocate with experience or expertise in aging and  
15 special populations; and (x) one representative from each of the eight  
16 planning-and-service areas as designated in the Nebraska Community Aging  
17 Services Act ~~a medical professional who has experience diagnosing and~~  
18 ~~treating Alzheimer's disease~~; (viii) ~~an individual who conducts research~~  
19 ~~regarding Alzheimer's disease or other dementia~~; (ix) ~~an individual who~~  
20 ~~represents a leading, nationwide organization that advocates on behalf of~~  
21 ~~individuals living with Alzheimer's disease or other dementia~~; (x) ~~an~~  
22 ~~individual who represents an area agency on aging~~; (xi) ~~an individual~~  
23 ~~representing an organization that advocates for older adults~~; and (xii)  
24 ~~an individual with experience or expertise in the area of the specific~~  
25 ~~needs of individuals with intellectual and developmental disabilities and~~  
26 ~~Alzheimer's disease or other dementia~~; and

27 (b) Five nonvoting members. The nonvoting members shall consist of:  
28 (i) The Director of Public Health or the director's designee; (ii) the  
29 Director of Disability and Aging Medicaid and Long Term Care or the  
30 director's designee; (iii) the administrator ~~a representative of the~~  
31 ~~State Unit on Aging or the administrator's designee of the Division of~~

1 ~~Medicaid and Long-Term Care designated by the Director of Medicaid and~~  
2 ~~Long-Term Care;~~ (iv) a representative of the Nebraska Workforce  
3 Development Board designated by the board; and (v) the state long-term  
4 care ombudsman or the ombudsman's designee.

5 (2) The terms of the initial members shall begin on the date of the  
6 first meeting as called by the Director of Public Health and (a) one-  
7 third shall serve for two-year terms, (b) one-third shall serve for  
8 three-year terms, and (c) one-third shall serve for four-year terms,  
9 including the chairperson and vice-chairperson. Thereafter all members  
10 shall serve four-year terms. Members may not serve more than two  
11 consecutive four-year terms. Vacancies shall be appointed by the Governor  
12 in the same manner as described in subdivision (1)(a) of this section.

13 (3) Members of the council shall select the chairperson and vice-  
14 chairperson who shall not be employees of the state and may serve in such  
15 role for up to four consecutive years. The Director of Public Health or  
16 the director's designee shall call and preside over the first meeting  
17 until a chairperson is selected. Thereafter, the council shall meet at  
18 least quarterly at the call of the chairperson. A majority of the voting  
19 members shall constitute a quorum for the conduct of meetings.

20 (4) The council shall hold meetings at least once every calendar  
21 quarter.

22 (5) Members shall serve on the council without compensation but  
23 shall be compensated for expenses incurred for such service as provided  
24 in sections 81-1174 to 81-1177.

25 (6) The department shall provide staff and support to the council as  
26 necessary to assist the council in the performance of its duties.

27 **Sec. 16.** Section 71-565, Revised Statutes Cumulative Supplement,  
28 2024, is amended to read:

29 71-565 (1) The purpose of the council shall be to examine (a) the  
30 needs of aging individuals and individuals living with Alzheimer's  
31 disease or other dementia, (b) the services available in the state for

1 those individuals and their family caregivers, and (c) the ability of  
2 health care providers and facilities to meet the current and future needs  
3 of such individuals.

4 (2) The council shall collaborate with the department and other  
5 state departments as needed to gather input on issues and strategies that  
6 pertain to aging, Alzheimer's disease, and other dementia and identify  
7 proactive approaches on public health, workforce, caregiver support, and  
8 care delivery. The council shall monitor analysis, policy development,  
9 and program implementation related to aging, Alzheimer's disease, and  
10 other dementia.

11 **Sec. 17.** Section 71-566, Revised Statutes Cumulative Supplement,  
12 2024, is amended to read:

13 71-566 The council shall consider and make findings and  
14 recommendations on the following topics:

15 (1) Trends in the state's aging and Alzheimer's disease and other  
16 dementia populations and service needs, including:

17 (a) The state's role in providing or facilitating long-term care,  
18 family caregiver support, home and community-based services to the aging,  
19 and assistance to those with early-stage or early-onset Alzheimer's  
20 disease or other dementia;

21 (b) The state's policies regarding services provided to aging  
22 individuals and individuals with Alzheimer's disease or other dementia;

23 (c) The fiscal impact of Alzheimer's disease and other dementia on  
24 publicly funded health care programs; and

25 (d) The establishment of a surveillance system to better determine  
26 the number of individuals diagnosed with Alzheimer's disease or other  
27 dementia and to monitor changes to such numbers;

28 (2) Existing resources, services, and capacity relating to the  
29 diagnosis and care of individuals living with Alzheimer's disease or  
30 other dementia, including:

31 (a) The type, cost, and availability of dementia care services;

1 (b) The availability of health care workers who can serve people  
2 with dementia, including, but not limited to, neurologists,  
3 geriatricians, and direct care workers;

4 (c) Dementia-specific training requirements for public and private  
5 employees who interact with people living with Alzheimer's disease or  
6 other dementia which shall include, but not be limited to, long-term care  
7 workers, case managers, adult protective services, law enforcement, and  
8 first responders;

9 (d) Home and community-based services, including respite care for  
10 individuals sixty years of age and older or for individuals exhibiting  
11 symptoms of Alzheimer's disease or other dementia and their families;

12 (e) Quality care measures for home and community-based services and  
13 residential care facilities; and

14 (f) State-supported Alzheimer's disease and other dementia research  
15 conducted at universities located in this state; ~~and~~

16 (3) Policies and strategies that address the following:

17 (a) Increasing public awareness of Alzheimer's disease and other  
18 dementia;

19 (b) Educating providers to increase early detection and diagnosis of  
20 Alzheimer's disease and other dementia;

21 (c) Improving the health care received by individuals diagnosed with  
22 Alzheimer's disease or other dementia;

23 (d) Evaluating the capacity of the health care system in meeting the  
24 growing number and needs of those with Alzheimer's disease and other  
25 dementia;

26 (e) Increasing the number of health care professionals necessary to  
27 treat the growing aging and Alzheimer's disease and other dementia  
28 populations;

29 (f) Improving services provided in the home and community to delay  
30 and decrease the need for institutionalized care for individuals sixty  
31 years of age or older or individuals diagnosed with Alzheimer's disease

1 or other dementia;

2 (g) Improving long-term care, including assisted living, for those  
3 with Alzheimer's disease or other dementia;

4 (h) Assisting unpaid Alzheimer's disease or dementia caregivers;

5 (i) Increasing and improving research on Alzheimer's disease and  
6 other dementia;

7 (j) Promoting activities to maintain and improve brain health;

8 (k) Improving the collection of data and information related to  
9 Alzheimer's disease and other dementia and the resulting public health  
10 burdens;

11 (l) Improving public safety and addressing the safety-related needs  
12 of those with Alzheimer's disease or other dementia;

13 (m) Addressing legal protections for, and legal issues faced by,  
14 individuals with Alzheimer's disease or other dementia; and

15 (n) Improving the ways in which the government evaluates and adopts  
16 policies to assist individuals diagnosed with Alzheimer's disease or  
17 other dementia and their families; -

18 (4) The collection of facts and statistics and special studies of  
19 the conditions and problems pertaining to the employment, health,  
20 financial status, recreation, social adjustment, or other conditions and  
21 problems relating to the general welfare of aging individuals of the  
22 state;

23 (5) State and local agencies serving aging individuals for purposes  
24 of coordinating such agencies' activities, and reports from the various  
25 state agencies and institutions relating to matters within the  
26 jurisdiction of the council;

27 (6) The latest developments of research, studies, and programs being  
28 conducted throughout the nation relating to the problems and needs of  
29 aging individuals;

30 (7) The mutual exchange of ideas and information relating to aging  
31 individuals among federal, state, and local governmental agencies,

1 private organizations, and individuals; and

2 (8) Cooperation with federal, state, and local agencies or private  
3 organizations in administering and supervising demonstration programs of  
4 services for aging individuals designed to foster continued participation  
5 of such individuals in family and community life and to prevent, insofar  
6 as possible, the onset of dependency and the need for long-term  
7 institutional care.

8 **Sec. 18.** Section 71-567, Revised Statutes Cumulative Supplement,  
9 2024, is amended to read:

10 71-567 (1)(a) No later than December 31, 2024, the council shall  
11 compile the findings and recommendations ~~under the Alzheimer's Disease~~  
12 ~~and Other Dementia Support Act~~ and submit them as a State Alzheimer's  
13 Plan to the Legislature and the Governor.

14 (b) No later than December 31, 2028, and every ~~Every~~ four years  
15 thereafter, the council shall issue an updated State Alzheimer's Plan  
16 addressing the items in sections 71-565 and 71-566 and any other issues  
17 the council deems necessary and relevant toward addressing Alzheimer's  
18 disease and dementia in Nebraska.

19 (2) By October 1 of each year after the creation of the State  
20 Alzheimer's Plan, the council shall electronically submit to the  
21 Legislature and the Governor an annual report on the status of  
22 implementation of the State Alzheimer's Plan recommendations and any  
23 barriers to implementation.

24 **Sec. 19.** The Aging, Alzheimer's, and Dementia Advisory Council Fund  
25 is created. The fund shall consist of federal funds and grants or gifts  
26 for the purposes authorized by the Aging, Alzheimer's, and Dementia  
27 Support Act. Expenditures from the fund shall be subject to any  
28 conditions agreed upon for receiving such funds, grants, or gifts. Such  
29 funds, grants, or gifts shall be remitted to the State Treasurer for  
30 credit to the fund. Any money in the fund available for investment shall  
31 be invested by the state investment officer pursuant to the Nebraska

1 Capital Expansion Act and the Nebraska State Funds Investment Act.

2 **Sec. 20.** Section 71-814, Revised Statutes Supplement, 2025, is  
3 amended to read:

4 71-814 (1) The State Advisory Committee on Mental Health and  
5 Substance Use Services is created. Members of the committee shall have a  
6 demonstrated interest and commitment and specialized knowledge,  
7 experience, or expertise relating to the provision of mental health  
8 services in the State of Nebraska. The committee shall consist of twenty-  
9 three members appointed by the Governor as follows: (a) One regional  
10 governing board member, (b) one regional administrator, (c) twelve  
11 consumers of behavioral health services or their family members, (d) two  
12 providers of behavioral health services, (e) two representatives from the  
13 State Department of Education, including one representative from the  
14 Division of Vocational Rehabilitation of the State Department of  
15 Education, (f) three representatives from the Department of Health and  
16 Human Services representing mental health, social services, and medicaid,  
17 (g) one representative from the Nebraska Commission on Law Enforcement  
18 and Criminal Justice, and (h) one representative from the Housing Office  
19 of the Community and Rural Development Division of the Department of  
20 Economic Development.

21 (2) The committee shall be responsible to the division and shall (a)  
22 serve as the state's mental health planning council as required by Public  
23 Law 102-321, (b) conduct regular meetings, (c) provide advice and  
24 assistance to the division relating to the provision of mental health  
25 services and, beginning July 1, 2026, substance use disorder services in  
26 the State of Nebraska, including, but not limited to, the development,  
27 implementation, provision, and funding of organized peer support  
28 services, (d) promote the interests of consumers and their families,  
29 including, but not limited to, their inclusion and involvement in all  
30 aspects of services design, planning, implementation, provision,  
31 education, evaluation, and research, (e) provide reports as requested by

1 the division, and (f) engage in such other activities as directed or  
2 authorized by the division.

3 (3) Beginning July 1, 2026, the State Advisory Committee on Mental  
4 Health and Substance Use Services shall also perform the duties of the  
5 State Advisory Committee on Substance Abuse Services.

6 **Sec. 21.** Section 71-1908, Revised Statutes Supplement, 2025, is  
7 amended to read:

8 71-1908 (1) Sections 71-1908 to 71-1923.03 and section 22 of this  
9 act shall be known and may be cited as the Child Care Licensing Act.

10 (2) The Legislature finds that there is a present and growing need  
11 for quality child care programs and facilities. There is a need to  
12 establish and maintain licensure of persons providing such programs to  
13 ensure that such persons are competent and are using safe and adequate  
14 facilities. The Legislature further finds and declares that the  
15 development and supervision of programs are a matter of statewide concern  
16 and should be dealt with uniformly on the state and local levels. There  
17 is a need for cooperation among the various state and local agencies  
18 which impose standards on licensees, and there should be one agency which  
19 coordinates the enforcement of such standards and informs the Legislature  
20 about cooperation among the various agencies.

21 **Sec. 22.** (1) The department shall establish a youth afterschool  
22 eligibility letter for individuals who are sixteen or seventeen years of  
23 age and who are seeking employment in school-age child care programs or  
24 temporary nonresidential child care programs. For purposes of this  
25 section, temporary nonresidential child care program means a program in  
26 which child care is provided (a) for no more than twelve consecutive  
27 hours, (b) not on a continuous or regularly scheduled basis, and (c) in a  
28 location not ordinarily used as a licensed child care center.

29 (2)(a) To obtain a youth afterschool eligibility letter, an  
30 applicant shall:

31 (i) Complete all registry checks required for licensed child care

1 staff, including the child abuse and neglect and sex offender registries,  
2 and any additional registry checks required by the department;

3 (ii) Submit all background check documentation required by the  
4 department; and

5 (iii) Complete a minimum seven-hour new staff orientation for  
6 school-age programs approved by the department.

7 (b) If an applicant is seeking employment in a school-age child care  
8 program or a temporary nonresidential child care program, the applicant  
9 shall reimburse the state for the cost of the application.

10 (3) An applicant who has submitted all required background check  
11 materials may engage in provisional employment while such checks are  
12 pending if: (a) The applicant is not left alone in a room with children;  
13 (b) the applicant is not included in staff-to-child ratio requirements;  
14 and (c) the applicant's provisional employment is limited to school-age  
15 child care programs and temporary nonresidential child care programs.

16 (4)(a) Upon completion of the requirements in subsection (2) of this  
17 section, the department shall issue a youth afterschool eligibility  
18 letter. The eligibility letter may be used to obtain initial employment  
19 in a school-age child care program or a temporary nonresidential child  
20 care program for one hundred eighty days after the date of issuance of  
21 such letter.

22 (b) If the eligibility letter holder begins employment in a school-  
23 age child care program or a temporary nonresidential child care program  
24 within one hundred eighty days after the date of issuance, the  
25 eligibility letter shall remain valid for purposes of such employment for  
26 one year after the date of issuance if the eligibility letter holder  
27 maintains continuous employment with such program.

28 (c) A youth afterschool eligibility letter that is not used within  
29 one hundred eighty days after the date of issuance shall expire and shall  
30 not be used to obtain future employment.

31 (d) A youth afterschool eligibility letter may be renewed through an

1 expedited process established by the department.

2 (5) A licensed child care program or youth-serving program approved  
3 by the department may accept a valid youth afterschool eligibility letter  
4 as verification that the eligibility letter holder has met the initial  
5 background check and training requirements under this section.

6 (6) The department may adopt and promulgate rules and regulations to  
7 carry out this section, including, but not limited to, application  
8 procedures, background check verification, renewal procedures, fees,  
9 approval of training providers, and privacy and data-sharing protections.

10 (7) This section does not apply if it would result in a loss of  
11 federal funding for a child care or an early childhood education program  
12 or any successor program, including funds received under the federal  
13 Child Care and Development Block Grant Act of 1990, or would otherwise  
14 violate federal requirements for such funds.

15 **Sec. 23.** Section 71-2226, Reissue Revised Statutes of Nebraska, is  
16 amended to read:

17 71-2226 The Department of Health and Human Services is authorized to  
18 have a state CSF program to protect the health and welfare of the  
19 citizens of Nebraska by providing nutritious foods donated for such  
20 program by the United States Department of Agriculture, nutrition  
21 education, and such other benefits as are available to ~~women, infants,~~  
22 ~~children,~~ and elderly persons in Nebraska who are low income and  
23 vulnerable to malnutrition as long as federal funds are available from  
24 the CSF program and are granted to the department.

25 To the extent consistent with state law, the Department of Health  
26 and Human Services may establish, operate, and maintain the program in a  
27 way that will qualify it to receive federal funds and that is uniform  
28 with United States Department of Agriculture's standards, enter into  
29 agreements with the federal government to establish a CSF program, adopt  
30 and promulgate rules and regulations to implement a CSF program which are  
31 consistent with federal regulations and such other rules and regulations

1 as may be necessary to implement the CSF program, and enter into such  
2 other agreements as may be necessary to implement the program within this  
3 state.

4 **Sec. 24.** Section 71-7450, Reissue Revised Statutes of Nebraska, is  
5 amended to read:

6 71-7450 (1) Licensure activities under the Wholesale Drug  
7 Distributor Licensing Act shall be funded by license fees. An applicant  
8 for an initial or renewal license under the act shall pay a license fee  
9 as provided in this section.

10 (2) License fees shall include (a) a base fee of fifty dollars and  
11 (b) an additional fee of not more than five hundred dollars based on  
12 variable costs to the department of inspections and of receiving and  
13 investigating complaints, other similar direct and indirect costs, and  
14 other relevant factors as determined by the department.

15 (3) If the licensure application is denied, the license fee shall be  
16 returned to the applicant, except that the department may retain up to  
17 twenty-five dollars as an administrative fee and may retain the entire  
18 license fee if an inspection has been completed prior to such denial.

19 (4) The department shall also collect a fee for reinstatement of a  
20 license that has lapsed or has been suspended or revoked. The department  
21 shall collect a fee of ten dollars for a duplicate original license.

22 (5) The department shall remit all license fees collected under this  
23 section to the State Treasurer for credit to the Health and Human  
24 Services Cash Fund. License fees collected under this section shall only  
25 be used for activities related to the licensure of wholesale drug  
26 distributors or for the payment of expenses related to the prescription  
27 drug monitoring system created under section 71-2454 , ~~except for the~~  
28 ~~transfer of funds provided for under subsection (6) of this section.~~

29 ~~(6) The State Treasurer shall transfer three million seven hundred~~  
30 ~~thousand dollars from the Health and Human Services Cash Fund to the~~  
31 ~~General Fund on or before June 30, 2018, on such dates and in such~~

~~1 amounts as directed by the budget administrator of the budget division of  
2 the Department of Administrative Services. It is the intent of the  
3 Legislature that the transfer to the General Fund in this subsection be  
4 from funds credited to the Wholesale Drug Distributor Licensing subfund  
5 of the Health and Human Services Cash Fund.~~

6 **Sec. 25.** Section 81-6,122, Reissue Revised Statutes of Nebraska, is  
7 amended to read:

8 81-6,122 (1) The Department of Health and Human Services shall, in  
9 collaboration with the Department of Correctional Services, the  
10 Department of Economic Development, the Department of Labor, the  
11 Department of Transportation, the Department of Veterans' Affairs, the  
12 State Department of Education, the University of Nebraska, and the Equal  
13 Opportunity Commission, develop a comprehensive strategic plan for  
14 providing services to qualified persons with disabilities in the most  
15 integrated community-based settings pursuant to the Olmstead decision.

16 (2) The chief executive officer of the Department of Health and  
17 Human Services shall convene a team to:

18 (a) Develop the strategic plan described in subsection (1) of this  
19 section;

20 (b) Appoint and convene a stakeholder advisory committee to assist  
21 in the review and development of the strategic plan, such committee  
22 members to include a representative from the State Advisory Committee on  
23 Mental Health and Substance Use Services, the Advisory Committee on  
24 Developmental Disabilities, the Nebraska Statewide Independent Living  
25 Council, the Nebraska Planning Council on Developmental Disabilities, the  
26 Division of Rehabilitation Services in the State Department of Education,  
27 the Public Service Commission, the Commission for the Deaf and Hard of  
28 Hearing, the Commission for the Blind and Visually Impaired, a housing  
29 authority in a city of the first or second class and a housing authority  
30 in a city of the primary or metropolitan class, the Assistive Technology  
31 Partnership, the protection and advocacy system for Nebraska, an

1 assisted-living organization, the behavioral health regions, mental  
2 health practitioners, developmental disability service providers, an  
3 organization that advocates for persons with developmental disabilities,  
4 an organization that advocates for persons with mental illness, an  
5 organization that advocates for persons with brain injuries, and an area  
6 agency on aging, and including two persons with disabilities representing  
7 self-advocacy organizations, and, at the department's discretion, other  
8 persons with expertise in programs serving persons with disabilities;

9 (c) Arrange for consultation with an independent consultant to  
10 assist with the continued analysis and revision of the strategic plan and  
11 determine whether the benchmarks, deadlines, and timeframes are in  
12 substantial compliance with the strategic plan;

13 (d) Provide continuing analysis of the strategic plan and a report  
14 on the progress of the strategic plan and changes or revisions to the  
15 Legislature by December 15, 2021, and every three years thereafter; and

16 (e) Provide the completed strategic plan to the Legislature and the  
17 Governor by December 15, 2019.

18 (3) The reports and completed plan shall be submitted electronically  
19 to the Legislature.

20 **Sec. 26.** Section 81-1316, Revised Statutes Supplement, 2025, is  
21 amended to read:

22 81-1316 (1) All agencies and personnel of state government shall be  
23 covered by sections 81-1301 to 81-1319 and shall be considered subject to  
24 the State Personnel System, except the following:

- 25 (a) All personnel of the office of the Governor;
- 26 (b) All personnel of the office of the Lieutenant Governor;
- 27 (c) All personnel of the office of the Secretary of State;
- 28 (d) All personnel of the office of the State Treasurer;
- 29 (e) All personnel of the office of the Attorney General;
- 30 (f) All personnel of the office of the Auditor of Public Accounts;
- 31 (g) All personnel of the Legislature;

- 1 (h) All personnel of the court systems;
- 2 (i) All personnel of the Board of Educational Lands and Funds;
- 3 (j) All personnel of the Public Service Commission;
- 4 (k) All personnel of the Nebraska Brand Committee;
- 5 (l) All personnel of the Commission of Industrial Relations;
- 6 (m) All personnel of the State Department of Education;
- 7 (n) All personnel of the Nebraska state colleges and the Board of  
8 Trustees of the Nebraska State Colleges;
- 9 (o) All personnel of the University of Nebraska;
- 10 (p) All personnel of the Coordinating Commission for Postsecondary  
11 Education;
- 12 (q) All personnel of the Governor's Policy Research Office;
- 13 (r) All personnel of the Commission on Public Advocacy;
- 14 (s) All agency heads;
- 15 (t)(i) The Director of Behavioral Health of the Division of  
16 Behavioral Health; (ii) the Director of Children and Family Services of  
17 the Division of Children and Family Services; (iii) the Director of  
18 Disability and Aging Developmental Disabilities of the Division of  
19 Disability and Aging Developmental Disabilities; (iv) the Director of  
20 Medicaid and Long-Term Care of the Division of Medicaid and Long-Term  
21 Care; and (v) the Director of Public Health of the Division of Public  
22 Health;
- 23 (u) The chief medical officer established under section 81-3115, the  
24 Administrator of the Office of Juvenile Services, and the chief executive  
25 officers of the Beatrice State Developmental Center, Lincoln Regional  
26 Center, Norfolk Regional Center, Hastings Regional Center, Central  
27 Nebraska Veterans' Home, Norfolk Veterans' Home, Eastern Nebraska  
28 Veterans' Home, Western Nebraska Veterans' Home, and each youth  
29 rehabilitation and treatment center;
- 30 (v) The chief executive officers of all facilities operated by the  
31 Department of Correctional Services and the medical director for the

1 department appointed pursuant to section 83-4,156;

2 (w) All personnel employed as pharmacists, physicians,  
3 psychiatrists, or psychologists by the Department of Correctional  
4 Services;

5 (x) All personnel employed as pharmacists, physicians,  
6 psychiatrists, psychologists, service area administrators, or facility  
7 operating officers of the Department of Health and Human Services or the  
8 Department of Veterans' Affairs;

9 (y) Deputies and examiners of the Department of Banking and Finance  
10 and the Department of Insurance as set forth in sections 8-105 and  
11 44-119, except for those deputies and examiners who remain in the State  
12 Personnel System;

13 (z) All personnel of the Tax Equalization and Review Commission;

14 (aa) The associate director of the Conservation Division of the  
15 Nebraska State Historical Society and all personnel employed as a  
16 Conservator I or Conservator II of the Conservation Division of the  
17 Nebraska State Historical Society;

18 (bb) Assistant directors and deputies of the Nebraska Public  
19 Employees Retirement Systems; and

20 (cc) The Chief Water Officer, assistant directors, and deputies of  
21 the Department of Water, Energy, and Environment.

22 (2) At each agency head's discretion, up to the following number of  
23 additional positions may be exempted from the State Personnel System,  
24 based on the following agency size categories:

25	Number of Agency	Number of Noncovered
26	Employees	Positions
27	less than 25	0
28	25 to 100	1
29	101 to 250	2
30	251 to 500	3

1	501 to 1000	4
2	1001 to 2000	5
3	2001 to 3000	8
4	3001 to 4000	11
5	4001 to 5000	40
6	over 5000	50

7           The purpose of having such noncovered positions shall be to allow  
8 agency heads the opportunity to recruit, hire, and supervise critical,  
9 confidential, or policymaking personnel without restrictions from  
10 selection procedures, compensation rules, career protections, and  
11 grievance privileges. Persons holding the noncovered positions shall  
12 serve at the pleasure of the agency head and shall be paid salaries set  
13 by the agency head. An agency with over five thousand employees shall  
14 provide notice in writing to the Health and Human Services Committee of  
15 the Legislature when forty noncovered positions have been filled by the  
16 agency head pursuant to this subsection.

17           (3) No changes to this section or to the number of noncovered  
18 positions within an agency shall affect the status of personnel employed  
19 on the date the changes become operative without their prior written  
20 agreement. A state employee's career protections or coverage by personnel  
21 rules and regulations shall not be revoked by redesignation of the  
22 employee's position as a noncovered position without the prior written  
23 agreement of such employee.

24           **Sec. 27.** Section 81-2205, Reissue Revised Statutes of Nebraska, is  
25 amended to read:

26           81-2205 Council Committee shall mean the Aging, Alzheimer's, and  
27 Dementia Advisory Council ~~Division of Medicaid and Long-Term Care~~  
28 ~~Advisory Committee on Aging.~~

29           **Sec. 28.** Section 81-2212, Reissue Revised Statutes of Nebraska, is  
30 amended to read:

1           81-2212 The council ~~In addition to duties enumerated in section~~  
2 ~~68-1104, the committee~~ shall advise the department regarding:

3           (1) The state plan on aging as developed and prepared by the  
4 department;

5           (2) Policies adopted by the department;

6           (3) The needs of the state's older individuals;

7           (4) The development of the state plan and policies which affect the  
8 state's older individuals;

9           (5) Such rules, regulations, and standards as may be adopted by the  
10 department; and

11          (6) A community aging services budget for submission to the  
12 Legislature by the department.

13          The council ~~committee~~ shall also act as a panel for the hearing and  
14 resolution of any appeal requested by an area agency on aging should the  
15 department disapprove the area plan and budget or amendments as  
16 submitted.

17          **Sec. 29.** Section 81-2226, Reissue Revised Statutes of Nebraska, is  
18 amended to read:

19          81-2226 In the event of a documented malfeasance on the part of any  
20 area agency on aging in the administration of its area plan, and the  
21 failure of the governing unit of the area agency to take corrective  
22 action within a reasonable time, the department shall, with the advice of  
23 the council ~~committee~~, terminate funding to the area agency governing  
24 unit by disapproving the area plan for that area agency on aging.

25          **Sec. 30.** Section 81-3113, Reissue Revised Statutes of Nebraska, is  
26 amended to read:

27          81-3113 The Department of Health and Human Services is created. The  
28 department shall have five divisions to be known as (1) the Division of  
29 Behavioral Health, (2) the Division of Children and Family Services, (3)  
30 the Division of Disability and Aging ~~Developmental Disabilities~~, (4) the  
31 Division of Medicaid and Long-Term Care, and (5) the Division of Public

1 Health.

2 **Sec. 31.** Section 81-3116, Reissue Revised Statutes of Nebraska, is  
3 amended to read:

4 81-3116 The responsibilities of the divisions created in section  
5 81-3113 include, but are not limited to, the following:

6 (1) The Division of Behavioral Health shall administer (a) the state  
7 hospitals for the mentally ill designated in section 83-305 and (b)  
8 publicly funded community-based behavioral health services;

9 (2) The Division of Children and Family Services shall administer  
10 (a) protection and safety programs and services, including child welfare  
11 programs and services and the Office of Juvenile Services, (b) economic  
12 and family support programs and services, and (c) service areas as may be  
13 designated by the chief executive officer or by the Director of Children  
14 and Family Services under authority of the chief executive officer  ~~,~~  
15 ~~except that on and after September 1, 2012, the western, central, and~~  
16 ~~northern service areas shall be aligned to be coterminous with the~~  
17 ~~district court judicial districts described in section 24-301.02;~~

18 (3) The Division of Disability and Aging ~~Developmental Disabilities~~  
19 shall administer (a) the Beatrice State Developmental Center, (b) aging  
20 services, and (c) (b) publicly funded community-based developmental  
21 disabilities services;

22 (4) The Division of Medicaid and Long-Term Care shall administer (a)  
23 the medical assistance program also known as medicaid  ~~, (b) aging~~  
24 ~~services,~~ and (b) (c) other related programs and services; and

25 (5) The Division of Public Health shall administer (a) preventive  
26 and community health programs and services, (b) the regulation and  
27 licensure of health-related professions and occupations, and (c) the  
28 regulation and licensure of health care facilities and health care  
29 services.

30 **Sec. 32.** Section 83-1201, Reissue Revised Statutes of Nebraska, is  
31 amended to read:

1           83-1201 Sections 83-1201 to 83-1226 ~~83-1228~~ shall be known and may  
2 be cited as the Developmental Disabilities Services Act.

3           **Sec. 33.** Section 83-1204, Reissue Revised Statutes of Nebraska, is  
4 amended to read:

5           83-1204 Department shall mean the Division of Disability and Aging  
6 ~~Developmental Disabilities~~ of the Department of Health and Human  
7 Services.

8           **Sec. 34.** Section 83-1206, Reissue Revised Statutes of Nebraska, is  
9 amended to read:

10          83-1206 Director shall mean the Director of Disability and Aging  
11 ~~Developmental Disabilities~~ of the Division of Disability and Aging  
12 ~~Developmental Disabilities~~.

13          **Sec. 35.** The State Department of Education may authorize any  
14 accredited or approved public, private, denominational, or parochial  
15 school to maintain epinephrine in any form approved by the federal Food  
16 and Drug Administration for the purpose of emergency first aid to  
17 students who experience allergic reactions.

18          **Sec. 36.** Original sections 43-2624, 68-927, 68-928, 68-1006,  
19 68-1007, 71-2226, 71-7450, 81-6,122, 81-2205, 81-2212, 81-2226, 81-3113,  
20 81-3116, 83-1201, 83-1204, and 83-1206, Reissue Revised Statutes of  
21 Nebraska, sections 30-38,113, 43-4413, 43-4504, 68-949, 71-561, 71-563,  
22 71-564, 71-565, 71-566, and 71-567, Revised Statutes Cumulative  
23 Supplement, 2024, and sections 38-131, 43-3342.04, 68-1530, 71-814,  
24 71-1908, and 81-1316, Revised Statutes Supplement, 2025, are repealed.

25          **Sec. 37.** The following sections are outright repealed: Sections  
26 68-1008, 68-1101, 68-1103, 68-1104, 68-1106, 71-1795, 71-1795.02,  
27 71-2201, 71-2202, 71-2203, 71-2204, 71-2205, 71-2207, 71-2208,  
28 81-3133.02, 81-3134, 83-1216.02, 83-1227, and 83-1228, Reissue Revised  
29 Statutes of Nebraska, and section 68-1105, Revised Statutes Cumulative  
30 Supplement, 2024.

31          2. On page 1, strike beginning with "the" in line 1 through line 22

1 and insert "public health and welfare; to amend sections 43-2624, 68-927,  
2 68-928, 68-1006, 68-1007, 71-2226, 71-7450, 81-6,122, 81-2205, 81-2212,  
3 81-2226, 81-3113, 81-3116, 83-1201, 83-1204, and 83-1206, Reissue Revised  
4 Statutes of Nebraska, sections 30-38,113, 43-4413, 43-4504, 68-949,  
5 71-561, 71-563, 71-564, 71-565, 71-566, and 71-567, Revised Statutes  
6 Cumulative Supplement, 2024, and sections 38-131, 43-3342.04, 68-1530,  
7 71-814, 71-1908, and 81-1316, Revised Statutes Supplement, 2025; to  
8 change requirements for rules and regulations relating to special needs  
9 trusts, fingerprints under the Uniform Credentialing Act, funding  
10 provisions for child care grants, the Title IV-D Division Customer  
11 Service Unit, and eligibility for young adults in the bridge to  
12 independence program; to redefine a term and provide requirements for  
13 licensed and self-funded insurers under the Medical Assistance Act; to  
14 change requirements relating to establishing medicaid nursing facility  
15 rates; to provide for a money follows the person program for medicaid  
16 benefits; to change and eliminate requirements relating to the  
17 application for, determination of need for, and payment of assistance to  
18 the aged, blind, or disabled; to change provisions of and rename the  
19 Alzheimer's Disease and Other Dementia Support Act and the Alzheimer's  
20 Disease and Other Dementia Advisory Council and create a fund; to rename  
21 the State Advisory Committee on Mental Health; to provide requirements  
22 for a youth afterschool eligibility letter for child care employment; to  
23 change a requirement of the state Commodity Supplemental Food program; to  
24 provide for the use of wholesale drug distributor license fees for the  
25 prescription drug monitoring program; to provide for the maintenance of  
26 epinephrine by certain schools; to rename the Division of Developmental  
27 Disabilities of the Department of Health and Human Services and the  
28 Director of Developmental Disabilities; to change and eliminate  
29 provisions relating to divisions of the Department of Health and Human  
30 Services; to eliminate the Division of Medicaid and Long-Term Care  
31 Advisory Committee on Aging; to eliminate provisions relating to the

1 Maternal and Child Health and Public Health Work Fund; to eliminate an  
2 obsolete Nurse Licensure Compact; to eliminate obsolete provisions; to  
3 harmonize provisions; to repeal the original sections; and to outright  
4 repeal sections 68-1008, 68-1101, 68-1103, 68-1104, 68-1106, 71-1795,  
5 71-1795.02, 71-2201, 71-2202, 71-2203, 71-2204, 71-2205, 71-2207,  
6 71-2208, 81-3133.02, 81-3134, 83-1216.02, 83-1227, and 83-1228, Reissue  
7 Revised Statutes of Nebraska, and section 68-1105, Revised Statutes  
8 Cumulative Supplement, 2024."

9 3. On page 2, strike lines 1 through 5.