

LEGISLATURE OF NEBRASKA
ONE HUNDRED EIGHTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 1416

Introduced by Bostar, 29; at the request of the Governor.

Read first time January 18, 2024

Committee: Banking, Commerce and Insurance

1 A BILL FOR AN ACT relating to child care; to adopt the Child Care

2 Capacity Building and Workforce Act.

3 Be it enacted by the people of the State of Nebraska,

1 Section 1. Sections 1 to 13 of this act shall be known and may be
2 cited as the Child Care Capacity Building and Workforce Act.

3 Sec. 2. The Legislature finds that:

4 (1) There is a lack of licensed child care programs in Nebraska;

5 (2) Providing incentives and support to the child care workforce
6 will help maintain and increase the child care capacity in Nebraska;

7 (3) An increased child care capacity will bolster Nebraska's economy
8 by providing parents and guardians the ability to enter, re-enter, and
9 remain in the workforce; and

10 (4) The benefits of quality child care and early childhood education
11 are indisputable and a connection exists between a child's learning
12 experiences before entering kindergarten and success in school.

13 Sec. 3. For purposes of the Child Care Capacity Building and
14 Workforce Act:

15 (1) Capacity means the number of children receiving care or services
16 through an approved program;

17 (2) Community foundation means a tax-exempt, nonprofit, autonomous,
18 nonsectarian, philanthropic institution supported by the public with the
19 long-term goals of:

20 (a) Building permanent, component funds established by many separate
21 donors to carry out charitable interests; and

22 (b) Supporting the broad-based charitable interests and benefiting
23 the residents of a defined geographic area;

24 (3) Department means the Department of Economic Development;

25 (4) Eligible recipient means:

26 (a) Any city of the metropolitan class, city of the primary class,
27 city of the first class, city of the second class, village, or county;

28 (b) Any nonprofit organization, including any community foundation;
29 or

30 (c) Any other entity determined appropriate in rules and regulations
31 adopted and promulgated by the department;

1 (5) License-exempt provider means any approved license-exempt
2 provider enrolled in the child care subsidy program pursuant to sections
3 68-1202 and 68-1206;

4 (6) Licensed child care program means a program described in section
5 71-1911; and

6 (7) Regional facilitator hub means any entity that provides
7 administrative and technical support to any licensed child care program,
8 including any:

9 (a) Nonprofit organization; or

10 (b) Community foundation.

11 Sec. 4. (1) The Child Care Capacity Building and Workforce Grant
12 Program is created.

13 (2) The department shall contract with a statewide organization that
14 supports children and families to administer the program and provide
15 technical assistance to any grant recipient. Up to five percent of the
16 money appropriated to the department each fiscal year for purposes of the
17 Child Care Capacity Building and Workforce Act may be reserved by the
18 statewide organization to provide technical assistance to grant
19 recipients.

20 (3) Under the guidance of the department, the statewide organization
21 shall be responsible for the following under the program:

22 (a) Prescribing the form on which an eligible recipient may apply to
23 receive a grant under the program;

24 (b) Reviewing applications and identifying potential grant
25 recipients;

26 (c) Providing technical assistance to grant recipients; and

27 (d) Coordinating with the Department of Health and Human Services
28 and the State Department of Education to determine if the grant request
29 will help meet the child care needs of the eligible recipient.

30 (4) The Department of Economic Development shall:

31 (a) Award grants to eligible recipients across the state and in

1 urban and rural areas to the fullest extent possible;

2 (b) Award a grant to an eligible recipient based upon a list of the
3 potential grant recipients that are identified by the statewide
4 organization; and

5 (c) Prioritize applicants that are requesting a grant to:

6 (i) Increase child care capacity for children three years of age or
7 younger by creating a new licensed child care program or license-exempt
8 child care program serving children enrolled in child care subsidy or
9 expanding an existing licensed-child care or license-exempt child care
10 program serving children enrolled in child care subsidy;

11 (ii) Support the child care workforce; or

12 (iii) Create a child care program in a county that is not served by
13 any licensed or license-exempt child care program that offers full-day
14 full-year care.

15 Sec. 5. To be eligible to receive a grant under the Child Care
16 Capacity Building and Workforce Grant Program, an eligible recipient
17 shall complete the application form prescribed by the statewide
18 organization and provide for a one-to-one match for the amount of the
19 grant. The eligible recipient shall include the following required
20 information in its grant application:

21 (1) A needs assessment showing the child care capacity and the needs
22 of the eligible recipient at the time of application;

23 (2) How the eligible recipient plans to use the grant;

24 (3) How the eligible recipient plans to provide a one-to-one match
25 for the amount of any grant received. Such match shall be in the form of:

26 (a) Money or other collateral;

27 (b) An in-kind donation, including a donation of facilities,
28 maintenance, or equipment; or

29 (c) Any combination of money, collateral, or in-kind donation that
30 is approved by the department; and

31 (4) Any other information required by the department.

1 Sec. 6. A grant recipient under the Child Care Capacity Building
2 and Workforce Grant Program may use the grant to provide financial or
3 other support to:

4 (1) The operation of a licensed child care program;

5 (2) The operation of a license-exempt provider serving children
6 enrolled in child care subsidy;

7 (3) The child care workforce;

8 (4) Parents or guardians with children in child care programs;

9 (5) A federal Head Start program or Early Head Start program;

10 (6) Start or expand any existing licensed child care program or
11 license-exempt program serving any child on a child care subsidy;

12 (7) An entity other than the statewide organization contracted to
13 administer the Child Care Capacity Building and Workforce Program that
14 provides administrative or technical support to a child care program;

15 (8) Build or remodel an existing building for child care purposes;

16 (9) Any purpose specified in rules and regulations adopted and
17 promulgated by the department; or

18 (10) Any combination of such purposes.

19 Sec. 7. (1) Each grant recipient under the Child Care Capacity
20 Building and Workforce Grant Program shall provide the one-to-one match
21 prior to receiving any disbursement of grant proceeds under the program.

22 (2) The department shall specify how a grant recipient may provide
23 proof of a one-to-one match for a grant.

24 (3) The department shall disburse the grant proceeds to any grant
25 recipient that provides satisfactory proof of a one-to-one match. The
26 grant may be disbursed in increments as determined by the department.

27 Sec. 8. (1)(a) If the department determines that a grant recipient
28 used the grant other than as provided in section 6 of this act, the
29 department may request the grant recipient to repay such grant and any
30 remaining portion of the grant in the possession of the grant recipient
31 to the department.

1 (b) If the department determines that a grant recipient falsified
2 any information provided in the application process, the department may
3 request the grant recipient to repay any or all of the grant disbursed to
4 the grant recipient.

5 (2) A grant recipient that receives a request to repay a grant
6 pursuant to subsection (1) of this section may appeal the decision, and
7 the appeal shall be in accordance with the Administrative Procedure Act.

8 (3) Any money received under this section shall be remitted to the
9 State Treasurer for credit to the Child Care Capacity Building and
10 Workforce Cash Fund.

11 Sec. 9. The department shall submit a report to the Legislature
12 electronically on July 1, 2025, and each July 1 thereafter. Each report
13 shall include the following:

14 (1) For each grant awarded under the Child Care Capacity Building
15 and Workforce Grant Program since the effective date of this act for the
16 first such report and since the most recent report under this section for
17 each subsequent report:

18 (a) The name of the grant recipient;

19 (b) The amount of the grant;

20 (c) The reason the grant was requested; and

21 (d) The number, age, and county location of any children served
22 through a valid use of a grant described under section 6 of this act;

23 (2) The total amount of money awarded as grants and the total number
24 of children served under subdivision (1) of this section;

25 (3) A compilation of ages and county locations of all children
26 served through a valid use of a grant described under section 6 of this
27 act;

28 (4) Administrative costs of the department to administer the Child
29 Care Capacity Building and Workforce Grant Program; and

30 (5) Any other information the department deems relevant to the Child
31 Care Capacity Building and Workforce Grant Program.

1 Sec. 10. (1) The Family Child Care Home Grant Program is created
2 and shall be administered by the department.

3 (2) The department shall provide grants for new and existing
4 licensed family child care home programs in residential and
5 nonresidential facilities and to create regional facilitator hubs in
6 order to provide administrative and technical support to new and existing
7 licensed family child care home programs in residential and
8 nonresidential facilities.

9 (3) Any licensed child care provider, nonprofit organization, for-
10 profit organization, community foundation, school, or regional
11 facilitator hub or any other entity specified in rules and regulations
12 adopted and promulgated by the department may apply for a grant under the
13 Family Child Care Home Grant Program.

14 (4) A grant recipient under the Family Child Care Home Grant Program
15 shall only use the grant to provide financial or other support to:

16 (a) An existing licensed family child care program in a residential
17 or nonresidential building that is licensed to serve up to twelve
18 children of mixed ages;

19 (b) Create a new licensed family child care home program in a
20 residential or nonresidential building that is licensed to serve up to
21 twelve children of mixed ages; or

22 (c) Regional facilitator hubs that will provide administrative and
23 technical support to family child care home programs.

24 Sec. 11. The department shall submit a report to the Legislature
25 electronically on July 1, 2025, and each July 1 thereafter. Each report
26 shall include the following:

27 (1) For each grant awarded under the Family Child Care Home Grant
28 Program since the effective date of this act for the first such report
29 and since the most recent report under this section for each subsequent
30 report:

31 (a) The name of the grant recipient;

1 (b) The amount of the grant;

2 (c) The reason the grant was requested and how the money was used by
3 the grant recipient; and

4 (d) The number, age, and county location of any children served
5 through a valid use of a grant described under section 10 of this act;

6 (2) The total amount of money awarded as grants and the total number
7 of children served under subdivision (1) of this section;

8 (3) A compilation of ages and county locations of all children
9 served through a valid use of a grant described under section 10 of this
10 act;

11 (4) Administrative costs of the department to administer the Family
12 Child Care Home Grant Program; and

13 (5) Any other information the department deems relevant to the
14 Family Child Care Home Grant Program.

15 Sec. 12. (1) The Child Care Capacity Building and Workforce Cash
16 Fund is created. The department shall administer the fund for purposes of
17 the Child Care Capacity Building and Workforce Act. The fund may consist
18 of money from any source.

19 (2) Any money in the fund available for investment shall be invested
20 by the state investment officer pursuant to the Nebraska Capital
21 Expansion Act and the Nebraska State Funds Investment Act.

22 Sec. 13. The department may adopt and promulgate rules and
23 regulations to administer the Child Care Capacity Building and Workforce
24 Act.