

# FISCAL NOTE

## LEGISLATIVE FISCAL ANALYST ESTIMATE

### ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)

	FY 2025-26		FY 2026-27	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS	See below		See below	See below
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

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

This bill appropriates \$7,500,000 from the Health Care Cash Fund in FY26 and FY27 to the Department of Health and Human Services (DHHS) Program 502, Health Aid, for state aid to the seven Federally Qualified Health Centers (FQHC). The bill directs \$700,000 to each FQHC with the remaining \$2.6m to be distributed to each FQHC based on the number of uninsured patients.

Note that the specified cash fund would not be able to sustain the appropriations without provision of additional funds. The Health Care Cash Fund is funded by annual transfers from the Nebraska Tobacco Settlement Trust Fund in section 71-7611. This annual transfer is increased for FY2025-26, but not in the subsequent years to accommodate the amounts indicated in this bill.

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

LB:	621	AM:	AGENCY/POLT. SUB: Nebraska Department of Health & Human Services	
REVIEWED BY:	Ann Linneman		DATE:	2-5-2025
			PHONE:	(402) 471-4180
COMMENTS: Concur with the Nebraska Department of Health and Human Services' assessment of fiscal impact.				
<u>Technical Note:</u> LB621 increases the transfer from the Nebraska Tobacco Settlement Trust Fund to the Nebraska Health Care Cash Fund \$7,450,000 for only one year, FY2025-26. There is a great deal of uncertainty in projecting Tobacco Master Settlement Agreement payments into the Health Care Cash Fund. Any increase in spending from the fund will jeopardize the sustainability of this fund in the future.				
<u>Technical Note:</u> The current appropriation language is not sufficient to create an appropriation. The fiscal impact assessment assumes an accompanying A-bill articulating appropriation in accordance with §49-804.				

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

State Agency or Political Subdivision Name:(2) Department of Health and Human Services

Prepared by: (3) John Meals                      Date Prepared 2-4-25                      Phone: (5) 471-6719

	FY 2025-2026		FY 2026-2027	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS	\$7,500,000		\$7,500,000	
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$7,500,000	\$0	\$7,500,000	\$0

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

Explanation of Estimate:

LB621 provides an intent to transfer \$7,500,000 for each year in the biennium from the Nebraska Health Care Cash Fund to Department of Health and Human Services (DHHS), Program 502 for aid to the seven Nebraska Community Health Centers. Each center shall receive \$700,000 with remaining funds distributed proportionately based the ratio of uninsured patients.

If an associated “A” Bill for LB621 is passed to appropriate the funds, \$7,500,000 million dollars from the Nebraska Health Care Cash Fund would be appropriated to DHHS to carry out this section.

MAJOR OBJECTS OF EXPENDITURE				
PERSONAL SERVICES:				
	NUMBER OF POSITIONS		2025-2026	2026-2027
	25-26	26-27	EXPENDITURES	EXPENDITURES
Benefits.....				
Operating.....				
Travel.....				
Capital Outlay.....				
Aid.....			\$7,500,000	\$7,500,000
Capital Improvements.....				
TOTAL.....			\$7,500,000	\$7,500,000