

LEGISLATURE OF NEBRASKA  
ONE HUNDRED NINTH LEGISLATURE  
SECOND SESSION

**LEGISLATIVE BILL 867**

Introduced by Health and Human Services Committee: Hardin, 48,  
Chairperson; Ballard, 21; Hansen, 16; Meyer, G., 17.

Read first time January 08, 2026

Committee: Health and Human Services

1 A BILL FOR AN ACT relating to the Department of Health and Human  
2 Services; to amend sections 28-705, 28-706, 43-2624, 68-150, 68-716,  
3 68-916, 68-1006, 68-1007, 68-1509, 71-2226, 71-7450, and 81-3116,  
4 Reissue Revised Statutes of Nebraska, sections 30-38,113 and  
5 43-4504, Revised Statutes Cumulative Supplement, 2024, and sections  
6 38-131, 43-3342.04, and 68-919, Revised Statutes Supplement, 2025;  
7 to change requirements for rules and regulations regarding special  
8 needs trusts as prescribed; to change provisions regarding  
9 fingerprint requirements under the Uniform Credentialing Act; to  
10 redefine a term; to change requirements for the Title IV-D Customer  
11 Service Unit; to change funding provisions for child care grants; to  
12 change eligibility requirements for young adults in the bridge to  
13 independence program; to change and eliminate requirements relating  
14 to application for, determination of need for, and payment of  
15 assistance to the aged, blind, and disabled; to change a requirement  
16 of the state Commodity Supplemental Food program; to change  
17 responsibility requirements for the Division of Children and Family  
18 Services; to eliminate provisions relating to spousal assets under  
19 the Medical Assistance Act; to eliminate provisions relating to the  
20 Maternal and Child Health and Public Health Work Fund; to eliminate  
21 an obsolete Nurse Licensure Compact; to provide for the use of  
22 wholesale drug distributor license fees for the prescription drug

1 monitoring program; to harmonize provisions; to repeal the original  
2 sections; and to outright repeal sections 68-921, 68-922, 68-923,  
3 68-924, 68-925, 68-1008, 71,1795, 71-1795.02, 71-2201, 71-2202,  
4 71-2203, 71-2204, 71-2205, 71-2207, and 71-2208, Reissue Revised  
5 Statutes of Nebraska.  
6 Be it enacted by the people of the State of Nebraska,

1           **Section 1.** Section 28-705, Reissue Revised Statutes of Nebraska, is  
2 amended to read:

3           28-705 (1) Any person who abandons and neglects or refuses to  
4 maintain or provide for his or her spouse or his or her child or  
5 dependent stepchild, whether such child is born in or out of wedlock,  
6 commits abandonment of spouse, child, or dependent stepchild.

7           (2) For the purposes of this section, child shall mean an individual  
8 under the age of sixteen years.

9           (3) When any person abandons and neglects to provide for his or her  
10 spouse or his or her child or dependent stepchild for three consecutive  
11 months or more, it shall be prima facie evidence of intent to violate the  
12 provisions of subsection (1) of this section.

13           ~~(4) A designation of assets for or use of income by an individual in~~  
14 ~~accordance with section 68-922 shall be considered just cause for failure~~  
15 ~~to use such assets or income to provide medical support of such~~  
16 ~~individual's spouse.~~

17           (4) ~~(5)~~ Abandonment of spouse, child, or dependent stepchild is a  
18 Class I misdemeanor.

19           **Sec. 2.** Section 28-706, Reissue Revised Statutes of Nebraska, is  
20 amended to read:

21           28-706 (1) Any person who intentionally fails, refuses, or neglects  
22 to provide proper support which he or she knows or reasonably should know  
23 he or she is legally obliged to provide to a spouse, minor child, minor  
24 stepchild, or other dependent commits criminal nonsupport.

25           (2) A parent or guardian who refuses to pay hospital costs, medical  
26 costs, or any other costs arising out of or in connection with an  
27 abortion procedure performed on a minor child or minor stepchild does not  
28 commit criminal nonsupport if:

29           (a) Such parent or guardian was not consulted prior to the abortion  
30 procedure; or

31           (b) After consultation, such parent or guardian refused to grant

1 consent for such procedure, and the abortion procedure was not necessary  
2 to preserve the minor child or stepchild from an imminent peril that  
3 substantially endangered her life or health.

4 (3) Support includes, but is not limited to, food, clothing, medical  
5 care, and shelter.

6 ~~(4) A designation of assets for or use of income by an individual in  
7 accordance with section 68-922 shall be considered just cause for failure  
8 to use such assets or income to provide medical support of such  
9 individual's spouse.~~

10 (4) ~~(5)~~ This section does not exclude any applicable civil remedy.

11 (5) ~~(6)~~ Except as provided in subsection ~~(6)~~ ~~(7)~~ of this section,  
12 criminal nonsupport is a Class II misdemeanor.

13 (6) ~~(7)~~ Criminal nonsupport is a Class IV felony if it is in  
14 violation of any order of any court.

15 **Sec. 3.** Section 30-38,113, Revised Statutes Cumulative Supplement,  
16 2024, is amended to read:

17 30-38,113 (1) Each state agency that provides governmental benefits  
18 to individuals of any age with disabilities through means-tested  
19 programs, including the medical assistance program, shall adopt and  
20 promulgate rules and regulations that:

21 (a) Are not more restrictive than existing federal law, regulations,  
22 or policies with regard to the treatment of a special needs trust,  
23 including a trust defined in 42 U.S.C. 1396p(c)(2) and 42 U.S.C. 1396p(d)  
24 (4);

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

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

31 (d) Allow an individual account in a pooled special needs trust to

1 be funded without financial limit;

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

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

8 ~~(f) (g)~~ Allow all legally assignable income or resources to be  
9 assigned to any special needs trust without limit.

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

13 **Sec. 4.** Section 38-131, Revised Statutes Supplement, 2025, is  
14 amended to read:

15 38-131 (1) An applicant for a ~~an initial~~ license to practice as a  
16 registered nurse, a licensed practical nurse, a physical therapist, a  
17 physical therapy assistant, a psychologist, an advanced emergency medical  
18 technician, an emergency medical technician, an audiologist, a speech-  
19 language pathologist, a licensed independent mental health practitioner,  
20 an occupational therapist, an occupational therapy assistant, a  
21 dietitian, a certified social worker, a certified master social worker, a  
22 licensed clinical social worker, a paramedic, a physician, an osteopathic  
23 physician, a physician or osteopathic physician who is an applicant for a  
24 temporary educational permit, a physician or osteopathic physician who is  
25 an applicant for a temporary visiting faculty permit, a physician  
26 assistant, a dentist, a dental hygienist, an optometrist, a podiatrist, a  
27 veterinarian, an advanced practice registered nurse-nurse practitioner,  
28 an advanced practice registered nurse-certified nurse midwife, or an  
29 advanced practice registered nurse-certified registered nurse anesthetist  
30 shall be subject to a criminal background check. Except as provided in  
31 subsection (4) of this section, such an applicant for a ~~an initial~~

1 license shall submit a full set of fingerprints to the Nebraska State  
2 Patrol for a criminal history record information check. The applicant  
3 shall authorize release of the results of the national criminal history  
4 record information check by the Federal Bureau of Investigation to the  
5 department. The applicant shall pay the actual cost of the fingerprinting  
6 and criminal background check.

7 (2) The Nebraska State Patrol is authorized to submit the  
8 fingerprints of such applicants to the Federal Bureau of Investigation  
9 and to issue a report to the department that includes the criminal  
10 history record information concerning the applicant. The Nebraska State  
11 Patrol shall forward submitted fingerprints to the Federal Bureau of  
12 Investigation for a national criminal history record information check.  
13 The Nebraska State Patrol shall issue a report to the department that  
14 includes the criminal history record information concerning the  
15 applicant.

16 (3) This section shall not apply to a dentist who is an applicant  
17 for a dental locum tenens under section 38-1122, to a physician or  
18 osteopathic physician who is an applicant for a physician locum tenens  
19 under section 38-2036, or to a veterinarian who is an applicant for a  
20 veterinarian locum tenens under section 38-3335.

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

27 (5) The department and the Nebraska State Patrol may adopt and  
28 promulgate rules and regulations concerning costs associated with the  
29 fingerprinting and the national criminal history record information  
30 check.

31 (6) For purposes of interpretation by the Federal Bureau of

1 Investigation, the term department in this section means the Division of  
2 Public Health of the Department of Health and Human Services.

3 **Sec. 5.** Section 43-2624, Reissue Revised Statutes of Nebraska, is  
4 amended to read:

5 43-2624 The Department of Health and Human Services shall award  
6 grants to persons, community-based organizations, or schools needing  
7 assistance to start or improve a child care program or needing assistance  
8 to provide staff training for a child care program. ~~No grant shall exceed~~  
9 ~~ten thousand dollars.~~ A recipient of a grant shall not be eligible for a  
10 grant more than once in a three-year period. Child care grants shall be  
11 awarded on the basis of need for the proposed services in the community.  
12 Grants shall be given only to grantees who do not discriminate against  
13 children with disabilities or children whose care is funded by any state  
14 or federal funds. When considering grant applications of equal merit, the  
15 department shall award the grant to the applicant which has not  
16 previously received a grant from the Child Care Grant Fund. The  
17 department may award grants in excess of the appropriation for this  
18 program by spending available federal funds allowed for such grants.

19 **Sec. 6.** Section 43-3342.04, Revised Statutes Supplement, 2025, is  
20 amended to read:

21 43-3342.04 (1) The Title IV-D Division shall establish a Customer  
22 Service Unit. In hiring the initial staff for the unit, a hiring  
23 preference shall be given to employees of the clerks of the district  
24 court. The duties of the Customer Service Unit include, but are not  
25 limited to:

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

28 (b) Administering two statewide toll-free telephone systems, one for  
29 use by employers and one for use by all other customers, to provide  
30 responses to inquiries regarding income withholding, the collection and  
31 disbursement of support order payments made to the State Disbursement

1 Unit, and other child support enforcement issues, including establishing  
2 a call center with sufficient telephone lines, a voice response unit, and  
3 adequate personnel available during normal business hours to ensure that  
4 responses to inquiries are made by the division's personnel or the  
5 division's designee.

6 (2) The physical location of the Customer Service Unit shall be in  
7 Nebraska ~~and shall result in the hiring of a number of new employees or~~  
8 ~~contractor's staff equal to at least one fourth of one percent of the~~  
9 ~~labor force in the county or counties in which the Customer Service Unit~~  
10 ~~is located.~~ Customer service staff responsible for providing account  
11 information related to the State Disbursement Unit may be located at the  
12 same location as the State Disbursement Unit.

13 **Sec. 7.** Section 43-4504, Revised Statutes Cumulative Supplement,  
14 2024, is amended to read:

15 43-4504 The bridge to independence program is available, on a  
16 voluntary basis, to a young adult:

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

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

19 (a) Subdivision (3)(a) of section 43-247 or the equivalent under  
20 tribal law and (i) who, upon attaining the age of eligibility, was in an  
21 out-of-home placement or had been discharged to independent living or  
22 (ii) with respect to whom a kinship guardianship assistance agreement or  
23 an adoption assistance agreement was in effect pursuant to 42 U.S.C. 673,  
24 if the young adult had attained sixteen years of age before the agreement  
25 became effective, or with respect to whom a state-funded guardianship  
26 assistance agreement or a state-funded adoption assistance agreement was  
27 in effect if the young adult had attained sixteen years of age before the  
28 agreement became effective;

29 (b) Subdivision (8) of section 43-247 or the equivalent under tribal  
30 law if the young adult's guardianship or state-funded adoption assistance  
31 agreement was disrupted or terminated after he or she had attained the

1 age of sixteen years and (i) who, upon attaining the age of eligibility,  
2 was in an out-of-home placement or had been discharged to independent  
3 living or (ii) with respect to whom a kinship guardianship assistance  
4 agreement or an adoption assistance agreement was in effect pursuant to  
5 42 U.S.C. 673, if the young adult had attained sixteen years of age  
6 before the agreement became effective, or with respect to whom a state-  
7 funded guardianship assistance agreement or a state-funded adoption  
8 assistance agreement was in effect if the young adult had attained  
9 sixteen years of age before the agreement became effective; or

10 (c) Subdivision (1), (2), or (3)(b) of section 43-247 and (i) after  
11 January 1, 2025, upon one day prior to attaining nineteen years of age or  
12 the age of majority under relevant tribal law, was in a court-ordered  
13 out-of-home placement and (ii) such placement had been authorized or  
14 reauthorized in the six months prior to the juvenile attaining nineteen  
15 years of age or the age of majority under relevant tribal law in a court  
16 order finding that it would be contrary to the welfare of the juvenile to  
17 remain in or return to the juvenile's family home;

18 (3) Who is:

19 (a) Completing secondary education or an educational program leading  
20 to an equivalent credential;

21 (b) Enrolled in an institution which provides postsecondary or  
22 vocational education;

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

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

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

30 (4) Who is a Nebraska resident, except that this requirement shall  
31 not disqualify a young adult who was a Nebraska resident but was placed

1 outside Nebraska pursuant to the Interstate Compact for the Placement of  
2 Children; and

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

7 **Sec. 8.** Section 68-150, Reissue Revised Statutes of Nebraska, is  
8 amended to read:

9 68-150 An application for county general assistance or for county  
10 health services shall give a right of subrogation to the county  
11 furnishing such aid. Subrogation ~~Subject to sections 68-921 to 68-925,~~  
12 ~~subrogation~~ shall include every claim or right which the applicant may  
13 have against a third party when such right or claim involves money for  
14 medical care. The third party shall be liable to make payments directly  
15 to the county as soon as he or she is notified in writing of the valid  
16 claim for subrogation under this section.

17 **Sec. 9.** Section 68-716, Reissue Revised Statutes of Nebraska, is  
18 amended to read:

19 68-716 An application for medical assistance shall give a right of  
20 subrogation to the Department of Health and Human Services or its  
21 assigns. Subrogation ~~Subject to sections 68-921 to 68-925,~~ ~~subrogation~~  
22 shall include every claim or right which the applicant may have against a  
23 third party when such right or claim involves money for medical care. The  
24 third party shall be liable to make payments directly to the department  
25 or its assigns as soon as he or she is notified in writing of the valid  
26 claim for subrogation under this section.

27 **Sec. 10.** Section 68-916, Reissue Revised Statutes of Nebraska, is  
28 amended to read:

29 68-916 The application for medical assistance shall constitute an  
30 automatic assignment of the rights specified in this section to the  
31 department or its assigns effective from the date of eligibility for such

1 assistance. The assignment shall include the rights of the applicant or  
2 recipient and also the rights of any other member of the assistance group  
3 for whom the applicant or recipient can legally make an assignment.

4 Pursuant to this section ~~and subject to sections 68-921 to 68-925,~~  
5 the applicant or recipient shall assign to the department or its assigns  
6 any rights to medical care support available to him or her or to other  
7 members of the assistance group under an order of a court or  
8 administrative agency and any rights to pursue or receive payments from  
9 any third party liable to pay for the cost of medical care and services  
10 arising out of injury, disease, or disability of the applicant or  
11 recipient or other members of the assistance group which otherwise would  
12 be covered by medical assistance. Medicare benefits shall not be assigned  
13 pursuant to this section. Rights assigned to the department or its  
14 assigns under this section may be directly reimbursable to the department  
15 or its assigns by liable third parties, as provided by rule or regulation  
16 of the department, when prior notification of the assignment has been  
17 made to the liable third party.

18 **Sec. 11.** Section 68-919, Revised Statutes Supplement, 2025, is  
19 amended to read:

20 68-919 (1) The recipient of medical assistance under the medical  
21 assistance program shall be indebted to the department for the total  
22 amount paid for medical assistance on behalf of the recipient if:

23 (a) The recipient was fifty-five years of age or older at the time  
24 the medical assistance was provided; or

25 (b) The recipient resided in a medical institution and, at the time  
26 of institutionalization or application for medical assistance, whichever  
27 is later, the department determines that the recipient could not have  
28 reasonably been expected to be discharged and resume living at home. For  
29 purposes of this section, medical institution means a nursing facility,  
30 an intermediate care facility for persons with developmental  
31 disabilities, an assisted-living facility, or an inpatient hospital.

1           (2)(a) The debt accruing under subsection (1) of this section arises  
2 during the life of the recipient but shall be held in abeyance until the  
3 death of the recipient. Any such debt to the department that exists when  
4 the recipient dies shall be recovered only after the death of the  
5 recipient's spouse, if any, and only after the recipient is not survived  
6 by a child who either is under twenty-one years of age or is blind or  
7 totally and permanently disabled as defined by the Supplemental Security  
8 Income criteria. In recovering such debt, the department shall not  
9 foreclose on a lien on the home of the recipient (i) if a sibling of the  
10 recipient with an equity interest in the home has lawfully resided in the  
11 home for at least one year before the recipient's admission and has lived  
12 there continuously since the date of the recipient's admission or (ii)  
13 while the home is the residence of an adult child who has lived in the  
14 recipient's home for at least two years immediately before the recipient  
15 was institutionalized, has lived there continuously since that time, and  
16 can establish to the satisfaction of the department that he or she  
17 provided care that delayed the recipient's admission. Such care may be  
18 reimbursed or unreimbursed.

19           (b) A written attestation by a physician stating that a sibling or  
20 an adult child of a recipient provided care that delayed the recipient's  
21 admission to a medical institution shall be sufficient documentation for  
22 the department to avoid foreclosure on the lien described in this  
23 subsection.

24           (3) The debt shall include the total amount of medical assistance  
25 provided when the recipient was fifty-five years of age or older or  
26 during a period of institutionalization as described in subsection (1) of  
27 this section and shall not include interest.

28           (4)(a) It is the intent of the Legislature that the debt specified  
29 in subsection (1) of this section be collected by the department before  
30 any portion of the estate of a recipient of medical assistance is enjoyed  
31 by or transferred to a person not specified in subsection (2) of this

1 section as a result of the death of such recipient. The debt may be  
2 recovered from the estate of a recipient of medical assistance. The  
3 department shall undertake all reasonable and cost-effective measures to  
4 enforce recovery under the Medical Assistance Act. All persons specified  
5 in subsections (2) and (4) of this section shall cooperate with the  
6 department in the enforcement of recovery under the act.

7 (b) For purposes of this section:

8 (i) Estate of a recipient of medical assistance means any real  
9 estate, personal property, or other asset in which the recipient had any  
10 legal title or interest at or immediately preceding the time of the  
11 recipient's death, to the extent of such interests. In furtherance and  
12 not in limitation of the foregoing, the estate of a recipient of medical  
13 assistance also includes:

14 (A) Assets to be transferred to a beneficiary described in section  
15 77-2004 or 77-2005 in relation to the recipient through a revocable trust  
16 or other similar arrangement which has become irrevocable by reason of  
17 the recipient's death; and

18 (B) ~~Assets Notwithstanding anything to the contrary in subdivision~~  
19 ~~(3) or (4) of section 68-923,~~ assets conveyed or otherwise transferred to  
20 a survivor, an heir, an assignee, a beneficiary, or a devisee of the  
21 recipient of medical assistance through joint tenancy, tenancy in common,  
22 transfer on death deed, survivorship, conveyance of a remainder interest,  
23 retention of a life estate or of an estate for a period of time, living  
24 trust, or other arrangement by which value or possession is transferred  
25 to or realized by the beneficiary of the conveyance or transfer at or as  
26 a result of the recipient's death. Such other arrangements include  
27 insurance policies or annuities in which the recipient of medical  
28 assistance had at the time of death any incidents of ownership of the  
29 policy or annuity or the power to designate beneficiaries and any pension  
30 rights or completed retirement plans or accounts of the recipient. A  
31 completed retirement plan or account is one which because of the death of

1 the recipient of medical assistance ceases to have elements of retirement  
2 relating to such recipient and under which one or more beneficiaries  
3 exist after such recipient's death; and

4 (ii) Notwithstanding anything to the contrary in subdivision (4)(b)  
5 of this section, estate of a recipient of medical assistance does not  
6 include:

7 (A) Insurance proceeds, any trust account subject to the Burial Pre-  
8 Need Sale Act, or any limited lines funeral insurance policy to the  
9 extent used to pay for funeral, burial, or cremation expenses of the  
10 recipient of medical assistance;

11 (B) Conveyances of real estate made prior to August 24, 2017, that  
12 are subject to the grantor's retention of a life estate or an estate for  
13 a period of time;

14 (C) Life estate interests in real estate after sixty months from the  
15 date of recording a deed with retention of a life estate by the recipient  
16 of medical assistance;

17 (D) Any pension rights or completed retirement plans to the extent  
18 that such rights or plans are exempt from claims for reimbursement of  
19 medical assistance under federal law; and

20 (E) Life estate interests in real estate after twelve months from  
21 the recording of a deed with retention of a life estate by the recipient  
22 of medical assistance if a relative resides solely and continuously with  
23 the recipient and establishes to the satisfaction of the department that  
24 the relative provided care that delayed the recipient's admission to a  
25 medical institution. A written attestation by a physician stating that  
26 the relative of the recipient provided care that delayed the recipient's  
27 admission to a medical institution shall be sufficient documentation to  
28 exclude the life estate interest from the recipient's estate under this  
29 subdivision.

30 (c) The department, upon application of the personal representative  
31 of an estate, any person or entity otherwise authorized under the

1 Nebraska Probate Code to act on behalf of a decedent, any person or  
2 entity having an interest in assets of the decedent which are subject to  
3 this subsection, a successor trustee of a revocable trust or other  
4 similar arrangement which has become irrevocable by reason of the  
5 decedent's death, or any other person or entity holding assets of the  
6 decedent described in this subsection, shall timely certify to the  
7 applicant, that as of a designated date, whether medical assistance  
8 reimbursement is due or an application for medical assistance was pending  
9 that may result in medical assistance reimbursement due. An application  
10 for a certificate under this subdivision shall be provided to the  
11 department in a delivery manner and at an address designated by the  
12 department, which manner may include email. The department shall post the  
13 acceptable manner of delivery on its website. Any application that fails  
14 to conform with such manner is void. Notwithstanding the lack of an order  
15 by a court designating the applicant as a person or entity who may  
16 receive information protected by applicable privacy laws, the applicant  
17 shall have the authority of a personal representative for the limited  
18 purpose of seeking and obtaining from the department this certification.  
19 If, in response to a certification request, the department certifies that  
20 reimbursement for medical assistance is due, the department may release  
21 some or all of the property of a decedent from the provisions of this  
22 subsection.

23 (d) An action for recovery of the debt created under subsection (1)  
24 of this section may be brought by the department against the estate of a  
25 recipient of medical assistance as defined in subdivision (4)(b) of this  
26 section at any time before five years after the last of the following  
27 events:

- 28 (i) The death of the recipient of medical assistance;
- 29 (ii) The death of the recipient's spouse, if applicable;
- 30 (iii) The attainment of the age of twenty-one years by the youngest  
31 of the recipient's minor children, if applicable; or

1 (iv) A determination that any adult child of the recipient is no  
2 longer blind or totally and permanently disabled as defined by the  
3 Supplemental Security Income criteria, if applicable.

4 (5) In any probate proceedings in which the department has filed a  
5 claim under this section, no additional evidence of foundation shall be  
6 required for the admission of the department's payment record supporting  
7 its claim if the payment record bears the seal of the department, is  
8 certified as a true copy, and bears the signature of an authorized  
9 representative of the department.

10 (6) The department may waive or compromise its claim, in whole or in  
11 part, if the department determines that enforcement of the claim would  
12 not be in the best interests of the state or would result in undue  
13 hardship as provided in rules and regulations of the department.

14 (7)(a) Whenever the department has provided medical assistance  
15 because of sickness or injury to any person resulting from a third  
16 party's wrongful act or negligence and the person has recovered damages  
17 from such third party, the department shall have the right to recover the  
18 medical assistance it paid from any amounts that the person has received  
19 as follows:

20 (i) In those cases in which the person is fully compensated by the  
21 recovery, the department shall be fully reimbursed subject to its  
22 contribution to attorney's fees and costs as provided in subdivision (b)  
23 of this subsection; or

24 (ii) In those cases in which the person is not fully compensated by  
25 the recovery, the department shall be reimbursed that portion of the  
26 recovery that represents the same proportionate reduction of medical  
27 expenses paid that the recovery amount bears to full compensation of the  
28 person subject to its contributions to attorney's fees and costs as  
29 provided in subdivision (b) of this subsection.

30 (b) When an action or claim is brought by the person and the person  
31 incurs or will incur a personal liability to pay attorney's fees and

1 costs of litigation or costs incurred in pursuit of a claim, the  
2 department's claim for reimbursement of the medical assistance provided  
3 to the person shall be reduced by an amount that represents the  
4 department's reasonable pro rata share of attorney's fees and costs of  
5 litigation or the costs incurred in pursuit of a claim.

6 (8) The department may adopt and promulgate rules and regulations to  
7 carry out this section.

8 (9) The changes made to this section by Laws 2019, LB593, shall  
9 apply retroactively to August 30, 2015.

10 **Sec. 12.** Section 68-1006, Reissue Revised Statutes of Nebraska, is  
11 amended to read:

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

18 **Sec. 13.** Section 68-1007, Reissue Revised Statutes of Nebraska, is  
19 amended to read:

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

1 ~~with respect to an individual who has attained age sixty-five, or who is~~  
2 ~~permanently and totally disabled, and is claiming aid to the aged, blind,~~  
3 ~~or disabled, the department shall disregard earned income at least to the~~  
4 ~~extent such income was disregarded on January 1, 1972, as provided in 42~~  
5 ~~U.S.C. 1396a(f).~~

6 **Sec. 14.** Section 68-1509, Reissue Revised Statutes of Nebraska, is  
7 amended to read:

8 68-1509 The department, in considering the needs and eligibility  
9 criteria of families and disabled persons, shall consider various  
10 factors, including, but not limited to:

11 (1) Total family income , ~~except that the amount which the spouse~~  
12 ~~may designate as provided in section 68-922 shall be excluded in~~  
13 ~~determining total family income per month;~~

14 (2) The cost of providing supplemental services to the family or the  
15 disabled person;

16 (3) The need for each program or service received by the family or  
17 the disabled person;

18 (4) The eligibility of the family or the disabled person for other  
19 support programs;

20 (5) The costs of providing for the family or the disabled person in  
21 an independent living situation, notwithstanding the special  
22 circumstances of providing for a disabled person;

23 (6) The number of persons in the family; and

24 (7) The availability of insurance to cover the cost of needed  
25 programs and services.

26 ~~If assets have been designated for an individual in accordance with~~  
27 ~~section 68-922, such assets shall not be considered in determining the~~  
28 ~~eligibility for support of the individual's disabled spouse.~~

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

31 71-2226 The Department of Health and Human Services is authorized to

1 have a state CSF program to protect the health and welfare of the  
2 citizens of Nebraska by providing nutritious foods donated for such  
3 program by the United States Department of Agriculture, nutrition  
4 education, and such other benefits as are available to ~~women, infants,~~  
5 ~~children,~~ and elderly persons in Nebraska who are low income and  
6 vulnerable to malnutrition as long as federal funds are available from  
7 the CSF program and are granted to the department.

8 To the extent consistent with state law, the Department of Health  
9 and Human Services may establish, operate, and maintain the program in a  
10 way that will qualify it to receive federal funds and that is uniform  
11 with United States Department of Agriculture's standards, enter into  
12 agreements with the federal government to establish a CSF program, adopt  
13 and promulgate rules and regulations to implement a CSF program which are  
14 consistent with federal regulations and such other rules and regulations  
15 as may be necessary to implement the CSF program, and enter into such  
16 other agreements as may be necessary to implement the program within this  
17 state.

18 **Sec. 16.** Section 71-7450, Reissue Revised Statutes of Nebraska, is  
19 amended to read:

20 71-7450 (1) Licensure activities under the Wholesale Drug  
21 Distributor Licensing Act shall be funded by license fees. An applicant  
22 for an initial or renewal license under the act shall pay a license fee  
23 as provided in this section.

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

29 (3) If the licensure application is denied, the license fee shall be  
30 returned to the applicant, except that the department may retain up to  
31 twenty-five dollars as an administrative fee and may retain the entire

1 license fee if an inspection has been completed prior to such denial.

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

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

12 ~~(6) The State Treasurer shall transfer three million seven hundred~~  
13 ~~thousand dollars from the Health and Human Services Cash Fund to the~~  
14 ~~General Fund on or before June 30, 2018, on such dates and in such~~  
15 ~~amounts as directed by the budget administrator of the budget division of~~  
16 ~~the Department of Administrative Services. It is the intent of the~~  
17 ~~Legislature that the transfer to the General Fund in this subsection be~~  
18 ~~from funds credited to the Wholesale Drug Distributor Licensing subfund~~  
19 ~~of the Health and Human Services Cash Fund.~~

20 **Sec. 17.** Section 81-3116, Reissue Revised Statutes of Nebraska, is  
21 amended to read:

22 81-3116 The responsibilities of the divisions created in section  
23 81-3113 include, but are not limited to, the following:

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

27 (2) The Division of Children and Family Services shall administer  
28 (a) protection and safety programs and services, including child welfare  
29 programs and services and the Office of Juvenile Services, (b) economic  
30 and family support programs and services, and (c) service areas as may be  
31 designated by the chief executive officer or by the Director of Children

1 and Family Services under authority of the chief executive officer ,  
2 ~~except that on and after September 1, 2012, the western, central, and~~  
3 ~~northern service areas shall be aligned to be coterminous with the~~  
4 ~~district court judicial districts described in section 24-301.02;~~

5 (3) The Division of Developmental Disabilities shall administer (a)  
6 the Beatrice State Developmental Center and (b) publicly funded  
7 community-based developmental disabilities services;

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

11 (5) The Division of Public Health shall administer (a) preventive  
12 and community health programs and services, (b) the regulation and  
13 licensure of health-related professions and occupations, and (c) the  
14 regulation and licensure of health care facilities and health care  
15 services.

16 **Sec. 18.** Original sections 28-705, 28-706, 43-2624, 68-150, 68-716,  
17 68-916, 68-1006, 68-1007, 68-1509, 71-2226, 71-7450, and 81-3116, Reissue  
18 Revised Statutes of Nebraska, sections 30-38,113 and 43-4504, Revised  
19 Statutes Cumulative Supplement, 2024, and sections 38-131, 43-3342.04,  
20 and 68-919, Revised Statutes Supplement, 2025, are repealed.

21 **Sec. 19.** The following sections are outright repealed: Sections  
22 68-921, 68-922, 68-923, 68-924, 68-925, 68-1008, 71-1795, 71-1795.02,  
23 71-2201, 71-2202, 71-2203, 71-2204, 71-2205, 71-2207, and 71-2208,  
24 Reissue Revised Statutes of Nebraska.