

## LEGISLATIVE BILL 867

Approved by the Governor April 14, 2026

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

A BILL FOR AN ACT relating to public health and welfare; to amend sections 43-2624, 68-927, 68-928, 68-1006, 68-1007, 71-2226, 71-7450, 81-6,122, 81-2205, 81-2212, 81-2226, 81-2234, 81-2235, 81-3113, 81-3116, 83-1201, 83-1204, and 83-1206, Reissue Revised Statutes of Nebraska, sections 30-38,113, 43-4413, 43-4504, 68-949, 71-561, 71-563, 71-564, 71-565, 71-566, and 71-567, Revised Statutes Cumulative Supplement, 2024, and sections 38-131, 43-3342.04, 68-1530, 71-814, 71-1908, and 81-1316, Revised Statutes Supplement, 2025; to change requirements for rules and regulations relating to special needs trusts, fingerprints under the Uniform Credentialing Act, funding provisions for child care grants, the Title IV-D Division Customer Service Unit, and eligibility for young adults in the bridge to independence program; to redefine a term and provide requirements for licensed and self-funded insurers under the Medical Assistance Act; to change requirements relating to establishing medicaid nursing facility rates; to provide for a money follows the person program for medicaid benefits; to change and eliminate requirements relating to the application for, determination of need for, and payment of assistance to the aged, blind, or disabled; to change provisions of and rename the Alzheimer's Disease and Other Dementia Support Act and the Alzheimer's Disease and Other Dementia Advisory Council and create a fund; to rename the State Advisory Committee on Mental Health; to provide requirements for a youth afterschool eligibility letter for child care employment; to change a requirement of the state Commodity Supplemental Food program; to provide for the use of wholesale drug distributor license fees for the prescription drug monitoring program; to change provisions relating to care management units; to provide for the maintenance of epinephrine by certain schools; to rename the Division of Developmental Disabilities of the Department of Health and Human Services and the Director of Developmental Disabilities; to change and eliminate provisions relating to divisions of the Department of Health and Human Services; to eliminate the Division of Medicaid and Long-Term Care Advisory Committee on Aging; to eliminate provisions relating to the Maternal and Child Health and Public Health Work Fund; to eliminate an obsolete Nurse Licensure Compact; to eliminate obsolete provisions; to harmonize provisions; to provide operative dates; to repeal the original sections; and to outright repeal sections 68-1008, 68-1101, 68-1103, 68-1104, 68-1106, 71-1795, 71-1795.02, 71-2201, 71-2202, 71-2203, 71-2204, 71-2205, 71-2207, 71-2208, 81-3133.02, 81-3134, 83-1216.02, 83-1227, and 83-1228, Reissue Revised Statutes of Nebraska, and section 68-1105, Revised Statutes Cumulative Supplement, 2024; and to declare an emergency.

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

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

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

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

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

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

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

(e) Allow an individual to establish or fund an individual account in a pooled special needs trust without an age limit or a transfer penalty, except that a transfer by an individual sixty-five years of age or older into a special needs trust shall comply with 42 U.S.C. 1396p(C) in order to avoid a transfer penalty;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Disbursement Unit.

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

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

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

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

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

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

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

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

(g) The State Court Administrator;

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

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

(2) The work group shall develop a practice and finance model for child welfare system transformation in Nebraska, with consultation from key stakeholders, judges from separate juvenile courts and judges of county courts sitting as juvenile courts, private child welfare providers, individuals with lived experience in the child welfare system, the Nebraska Children's Commission, the Inspector General of Nebraska Child Welfare, the Foster Care Review Office, child advocacy centers, law enforcement, and county attorneys. The practice and finance model shall include, but not be limited to:

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

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

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

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

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

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

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

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

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

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

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

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

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

(1) Who has attained the age of eligibility;

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

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

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

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

six months prior to the juvenile attaining nineteen years of age or the age of majority under relevant tribal law in a court order finding that it would be contrary to the welfare of the juvenile to remain in or return to the juvenile's family home;

(3) Who is:

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

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

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

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

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

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

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

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

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

(1) Coordinate benefits means:

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

(b) Meet payment obligations;

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

(a) Eligibility for coverage under a health plan;

(b) Coverage of health care under the health plan; or

(c) Benefits and payments associated with the health plan;

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

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

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

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

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

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

(a) Determining an individual's eligibility for state benefit programs, including the medical assistance program; or

(b) Coordinating benefits with state benefit programs.

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

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

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

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

(ii) Coverage for specified disease or illness; or

(iii) Hospital indemnity or other fixed indemnity insurance.

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

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

(b) Not deny a claim submitted by the department solely on the basis of the date of submission, the type or format of the claim form, or a failure to present proper documentation at the point-of-sale, if (i) the claim is

submitted by the department within the three-year period beginning on the date that the health care item or service was provided and (ii) an action by the department to enforce its rights with respect to such claim is commenced within six years after the date of the claim's submission. Such information shall be provided to the department within thirty days after the date of its request unless good cause is shown. A request for coverage information shall specify the individual for whom information is being requested.

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

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

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

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

(4)(a) It is the intent of the Legislature that the total amount appropriated to the department for medicaid nursing facility rates be identified as a dollar amount in the state budget and be used in the medicaid nursing facility rate calculation, including the calculation of the annual inflation factor. The total amount appropriated for medicaid nursing facility rates shall include amounts for rate enhancement and any other purpose related to medicaid nursing facility services and shall be used as the base for funding for the following fiscal year.

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

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

(d) ~~(c)~~ The department shall file a report electronically with the Legislative Fiscal Analyst and the Clerk of the Legislature between December 15 and December 31 of each year identifying the amount of any remaining unobligated appropriation from the prior appropriations earmarked for medicaid nursing facility payments. The report shall include an identification of encumbrances and retroactive payments.

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

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

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

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

68-1007 In determining need for assistance to the aged, blind, or disabled, the Department of Health and Human Services shall take into

consideration all other income and resources of the individual claiming such assistance, as well as any expenses reasonably attributable to the earning of any such income, except as otherwise provided in this section. In making such determination with respect to any individual who is blind, there shall be disregarded the first eighty-five dollars per month of earned income plus one-half of earned income in excess of eighty-five dollars per month and, for a period not in excess of twelve months, such additional amounts of other income and resources, in the case of an individual who has an approved plan for achieving self-support, as may be necessary for the fulfillment of such plan. ~~In making such determination with respect to an individual who has attained age sixty five, or who is permanently and totally disabled, and is claiming aid to the aged, blind, or disabled, the department shall disregard earned income at least to the extent such income was disregarded on January 1, 1972, as provided in 42 U.S.C. 1396a(f).~~

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

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

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

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

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

(3) The family support program shall:

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

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

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

(d) Not exceed eight hundred fifty participants.

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

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

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

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

(d) The enrollment process;

(e) Limits on benefits; and

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

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

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

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

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

(c) The number and demographics of children with disabilities and their families who applied under the family support program but who were not found eligible and the reason such children and their families were not found eligible;

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

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

**Sec. 13.** Section 71-561, Revised Statutes Cumulative Supplement, 2024, is

amended to read:

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

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

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

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

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

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

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

(a) ~~Fourteen~~ Twelve voting members appointed by the Governor. The voting members shall consist of: (i) An individual living with Alzheimer's disease or another dementia or a family member or care partner with experience caring for ~~of~~ such an individual; (ii) an individual who is a state representative of a nationwide organization that advocates for individuals living with Alzheimer's disease or other dementia; (iii) an individual who is a state representative of a nationwide organization that advocates for aging adults; (iv) a medical professional with experience diagnosing or treating Alzheimer's disease or other dementia; (v) a medical or licensed professional with experience working with aging populations; (vi) an individual who conducts research relating to Alzheimer's disease and other dementia issues; (vii) an individual who represents long-term care; (viii) an individual who represents nursing facilities; (ix) an individual who represents nonmedical home and community-based services, including home care, respite, or adult day care services; (x) an individual who represents assisted-living facilities; (xi) one representative from each congressional district representing a planning-and-service area as designated in the Nebraska Community Aging Services Act; and (xii) an individual with experience with vulnerable aging populations the family caregiver of an individual living with Alzheimer's disease or another dementia; (iii) an individual who represents nursing homes; (iv) an individual who represents assisted-living facilities; (v) an individual who represents providers of adult day care services; (vi) an individual who represents home care providers; (vii) a medical professional who has experience diagnosing and treating Alzheimer's disease; (viii) an individual who conducts research regarding Alzheimer's disease or other dementia; (ix) an individual who represents a leading, nationwide organization that advocates on behalf of individuals living with Alzheimer's disease or other dementia; (x) an individual who represents an area agency on aging; (xi) an individual representing an organization that advocates for older adults; and (xii) an individual with experience or expertise in the area of the specific needs of individuals with intellectual and developmental disabilities and Alzheimer's disease or other dementia; and

(b) Five nonvoting members. The nonvoting members shall consist of: (i) The Director of Public Health or the director's designee; (ii) the Director of Disability and Aging Medicaid and Long-Term Care or the director's designee; (iii) the administrator a representative of the State Unit on Aging or the administrator's designee of the Division of Medicaid and Long-Term Care designated by the Director of Medicaid and Long-Term Care; (iv) a representative of the Nebraska Workforce Development Board designated by the board; and (v) the state long-term care ombudsman or the ombudsman's designee.

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

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

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

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

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

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

71-565 (1) The purpose of the council shall be to examine (a) the needs of aging individuals and individuals living with Alzheimer's disease or other dementia, (b) the services available in the state for those individuals and their family caregivers, and (c) the ability of health care providers and facilities to meet the current and future needs of such individuals.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(3) Policies and strategies that address the following:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

organizations, and individuals; and

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

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

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

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

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

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

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

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

(2) The committee shall be responsible to the division and shall (a) serve as the state's mental health planning council as required by Public Law 102-321, (b) conduct regular meetings, (c) provide advice and assistance to the division relating to the provision of mental health services and, beginning July 1, 2026, substance use disorder services in the State of Nebraska, including, but not limited to, the development, implementation, provision, and funding of organized peer support services, (d) promote the interests of consumers and their families, including, but not limited to, their inclusion and involvement in all aspects of services design, planning, implementation, provision, education, evaluation, and research, (e) provide reports as requested by the division, and (f) engage in such other activities as directed or authorized by the division.

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

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

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

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

**Sec. 22.** (1) The department shall establish a youth afterschool eligibility letter for individuals who are sixteen or seventeen years of age and who are seeking employment in school-age child care programs or temporary nonresidential child care programs. For purposes of this section, temporary nonresidential child care program means a program in which child care is

provided (a) for no more than twelve consecutive hours, (b) not on a continuous or regularly scheduled basis, and (c) in a location not ordinarily used as a licensed child care center.

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

(i) Complete all registry checks required for licensed child care staff, including the child abuse and neglect and sex offender registries, and any additional registry checks required by the department;

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

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

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

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

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

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

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

(d) A youth afterschool eligibility letter may be renewed through an expedited process established by the department.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(b) Appoint and convene a stakeholder advisory committee to assist in the review and development of the strategic plan, such committee members to include a representative from the State Advisory Committee on Mental Health and Substance Use Services, the Advisory Committee on Developmental Disabilities, the Nebraska Statewide Independent Living Council, the Nebraska Planning Council on Developmental Disabilities, the Division of Rehabilitation Services in the State Department of Education, the Public Service Commission, the Commission for the Deaf and Hard of Hearing, the Commission for the Blind and Visually Impaired, a housing authority in a city of the first or second class and a housing authority in a city of the primary or metropolitan class, the Assistive Technology Partnership, the protection and advocacy system for Nebraska, an assisted-living organization, the behavioral health regions, mental health practitioners, developmental disability service providers, an organization that advocates for persons with developmental disabilities, an organization that advocates for persons with mental illness, an organization that advocates for persons with brain injuries, and an area agency on aging, and including two persons with disabilities representing self-advocacy organizations, and, at the department's discretion, other persons with expertise in programs serving persons with disabilities;

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

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

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

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

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

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

- (a) All personnel of the office of the Governor;
- (b) All personnel of the office of the Lieutenant Governor;
- (c) All personnel of the office of the Secretary of State;
- (d) All personnel of the office of the State Treasurer;
- (e) All personnel of the office of the Attorney General;
- (f) All personnel of the office of the Auditor of Public Accounts;
- (g) All personnel of the Legislature;
- (h) All personnel of the court systems;
- (i) All personnel of the Board of Educational Lands and Funds;
- (j) All personnel of the Public Service Commission;
- (k) All personnel of the Nebraska Brand Committee;
- (l) All personnel of the Commission of Industrial Relations;
- (m) All personnel of the State Department of Education;
- (n) All personnel of the Nebraska state colleges and the Board of Trustees of the Nebraska State Colleges;
- (o) All personnel of the University of Nebraska;
- (p) All personnel of the Coordinating Commission for Postsecondary

Education;

(q) All personnel of the Governor's Policy Research Office;  
 (r) All personnel of the Commission on Public Advocacy;  
 (s) All agency heads;  
 (t)(i) The Director of Behavioral Health of the Division of Behavioral Health; (ii) the Director of Children and Family Services of the Division of Children and Family Services; (iii) the Director of Disability and Aging Developmental Disabilities of the Division of Disability and Aging Developmental Disabilities; (iv) the Director of Medicaid and Long-Term Care of the Division of Medicaid and Long-Term Care; and (v) the Director of Public Health of the Division of Public Health;

(u) The chief medical officer established under section 81-3115, the Administrator of the Office of Juvenile Services, and the chief executive officers of the Beatrice State Developmental Center, Lincoln Regional Center, Norfolk Regional Center, Hastings Regional Center, Central Nebraska Veterans' Home, Norfolk Veterans' Home, Eastern Nebraska Veterans' Home, Western Nebraska Veterans' Home, and each youth rehabilitation and treatment center;

(v) The chief executive officers of all facilities operated by the Department of Correctional Services and the medical director for the department appointed pursuant to section 83-4,156;

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

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

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

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

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

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

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

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

Number of Agency Employees	Number of Noncovered Positions
less than 25	0
25 to 100	1
101 to 250	2
251 to 500	3
501 to 1000	4
1001 to 2000	5
2001 to 3000	8
3001 to 4000	11
4001 to 5000	40
over 5000	50

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

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

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

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

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

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

- (1) The state plan on aging as developed and prepared by the department;
- (2) Policies adopted by the department;
- (3) The needs of the state's older individuals;
- (4) The development of the state plan and policies which affect the state's older individuals;
- (5) Such rules, regulations, and standards as may be adopted by the department; and
- (6) A community aging services budget for submission to the Legislature by the department.

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

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

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

**Sec. 30.** Section 81-2234, Reissue Revised Statutes of Nebraska, is amended to read:

81-2234 (1) Care management clients may contribute to the costs of receiving care management services, as provided under section 81-2230. A client family income schedule, using the federal poverty guidelines, shall be used to determine a care management client's voluntary contribution. Individuals who have family income below three hundred percent of a poverty level determined by the Department of Health and Human Services based on any federal poverty index or similar guidelines may contribute shall pay from zero to ninety percent of the cost fee for the services provided by a care management unit. The client family income schedule fee scale shall be adopted and promulgated as rules and regulations by the department and shall reflect the income range of individuals.

(2) A care management unit may receive reimbursement from state and federal government programs which allow for reimbursement for care management or case management services.

~~(3) Individuals not covered by subsection (1) or (2) of this section shall pay the full fee for services provided by a care management unit.~~

**Sec. 31.** Section 81-2235, Reissue Revised Statutes of Nebraska, is amended to read:

81-2235 (1) Each care management unit may be reimbursed by the Department of Health and Human Services for costs ~~not paid for by the individual~~ or through other reimbursement specified in section 81-2234. Reimbursement by the department shall be based on actual casework time units expended on all care management services provided and shall include expenses for personnel, administration and planning, client eligibility review, contractual services, and necessary support services and other necessary actual and indirect costs. Standardized rates of reimbursement shall be adopted and promulgated by the department and shall be adjusted at least every three years.

(2) Appropriations for reimbursement by the department for services provided under sections 81-2229 to 81-2235 and for the costs of the department to administer the program shall be appropriated separately from funds appropriated under the Nebraska Community Aging Services Act.

**Sec. 32.** Section 81-3113, Reissue Revised Statutes of Nebraska, is amended to read:

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

**Sec. 33.** Section 81-3116, Reissue Revised Statutes of Nebraska, is amended to read:

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

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

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

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

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

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

**Sec. 34.** Section 83-1201, Reissue Revised Statutes of Nebraska, is amended to read:

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

**Sec. 35.** Section 83-1204, Reissue Revised Statutes of Nebraska, is amended to read:

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

**Sec. 36.** Section 83-1206, Reissue Revised Statutes of Nebraska, is amended to read:

83-1206 Director shall mean the Director of Disability and Aging Developmental Disabilities of the Division of Disability and Aging Developmental Disabilities.

**Sec. 37.** The State Department of Education may authorize any accredited or approved public, private, denominational, or parochial school to maintain epinephrine in any form approved by the federal Food and Drug Administration for the purpose of emergency first aid to students who experience allergic reactions.

**Sec. 38.** Sections 1, 2, 3, 4, 5, 6, 7, 8, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 39, and 41 of this act become operative three calendar months after the adjournment of this legislative session. The other sections of this act become operative on their effective date.

**Sec. 39.** Original sections 43-2624, 68-927, 68-928, 68-1006, 68-1007, 71-2226, 71-7450, 81-6,122, 81-2205, 81-2212, 81-2226, 81-2234, 81-2235, 81-3113, 81-3116, 83-1201, 83-1204, and 83-1206, Reissue Revised Statutes of Nebraska, sections 30-38,113, 43-4413, 43-4504, 71-561, 71-563, 71-564, 71-565, 71-566, and 71-567, Revised Statutes Cumulative Supplement, 2024, and sections 38-131, 43-3342.04, 68-1530, 71-814, 71-1908, and 81-1316, Revised Statutes Supplement, 2025, are repealed.

**Sec. 40.** Original section 68-949, Revised Statutes Supplement, 2024, is repealed.

**Sec. 41.** The following sections are outright repealed: Sections 68-1008, 68-1101, 68-1103, 68-1104, 68-1106, 71-1795, 71-1795.02, 71-2201, 71-2202, 71-2203, 71-2204, 71-2205, 71-2207, 71-2208, 81-3133.02, 81-3134, 83-1216.02, 83-1227, and 83-1228, Reissue Revised Statutes of Nebraska, and section 68-1105, Revised Statutes Cumulative Supplement, 2024.

**Sec. 42.** Since an emergency exists, this act takes effect when passed and approved according to law.