



# 2018 Early Childhood Policy Highlights

## 105<sup>th</sup> NEBRASKA LEGISLATURE ♦ SECOND SESSION



The second session of the 105th Legislature adjourned *sine die* on Wednesday, April 18, 2018. Senators introduced 481 new bills this session. With only 60 working days, lawmakers had two priorities: pass a mid-biennium budget package to balance a budget deficit of \$173 million and advance a comprehensive property tax relief plan. Unfortunately, legislators were unable to reach a consensus on property tax relief and will have to work over the summer to find a compromise instead.

Given Governor Ricketts' plans to introduce across-the-board cuts to agency programs to balance the budget, First Five Nebraska chose not to introduce new legislation this session. Instead, we focused on defending Nebraska's current investments in high-quality early childhood programs. Despite our efforts to shield these investments, as well as higher-than-anticipated revenue projections, early childhood programs sustained a 2% cut for FY2018-2019 and a 4% cut for FY2019-2020, translating to a loss of \$527,000 in funding across both fiscal years.

Although we understand the need for fiscal responsibility in the current budget environment, we regret lawmakers' decision to cut our public commitment to quality early care and learning when these investments can reduce expenditures on other publicly funded systems downstream. The savings realized by these cuts are minimal compared to the potential long-term costs of inadequate learning experiences during children's earliest years. It is important we remain focused on the continued development of Nebraska's citizens, communities and economy.

Every year, First Five Nebraska identifies new legislation with the potential to impact quality early learning in our state. The complete "Legislation to Watch" list for the 2018 session, along with testimony and letters for the record, are listed on our website under Public Policy and Legislation.

The conclusion of the 2018 legislative session marks the departure of eight Senators from the Unicameral. First Five Nebraska thanks Senators Roy Baker (District 30), Lydia Brasch (District 16), Burke Harr (District 8), Bob Krist (District 10), John Kuehn (District 38), Paul Schumacher (District 22), Jim Smith (District 14) and Tyson Larson (District 40) for their distinguished service.

As always, First Five Nebraska will continue to promote well-designed, fiscally responsible policies to support the lifelong success of our state's youngest children.

Elizabeth Everett  
Policy Associate, First Five Nebraska  
[eeverett@FirstFiveNebraska.org](mailto:eeverett@FirstFiveNebraska.org)

### **LB768: Local Economic Development Funds for Early Childhood Infrastructure**

LB768 allows communities to access local economic development funds to establish or expand early childhood programs if identified as a local infrastructure need.

Affordable, high-quality child care is an important factor in retaining and attracting young, working families to a community and promoting local economic development. This bill gives communities greater control over local funds so they can finance necessary improvements.

First Five Nebraska testified in support of this bill. LB768 was included in AM2065 and amended into LB873. The amended bill passed on Final Reading on April 18, 2018 on a vote of 26-15-8. On April 23, 2018, Governor Ricketts vetoed LB873 and returned it to the Legislature without his signature citing the statewide expansion of land bank authority as his primary objection.

### **LB803: Change Teacher Certification Requirements for Early Childhood Programs**

LB803 would remove teacher certification requirements for early childhood educators, increase the hours of daily instruction for kindergarteners and allow 5-year-olds, who are eligible for kindergarten, to be served by early childhood programs.

Senator Stinner introduced LB803 as a good-faith effort to help school districts address a significant teacher shortage in early childhood programs across the state. While removing the teacher certification requirement offered districts a short-term solution to meet early childhood workforce needs, this strategy was problematic. Because the greatest indicators of a high-quality program are the professionals who work with young children, Nebraska needs to promote various paths to certification, credentialing and core competencies. On this basis, First Five Nebraska testified in a neutral capacity on this bill.

The Education Committee worked with Senator Stinner to introduce AM1719 to LB803. The amendment allows the State Board of Education to adopt rules and regulations to determine if an early childhood program could be exempt from the teaching certification requirement. First Five Nebraska supported this compromise.

LB803 passed Final Reading with AM1719 on a vote of 47-0-2. The bill was approved by the Governor on April 17, 2018.

■ [First Five Nebraska's written testimony on LB803](#)

### **LB880: Early Childhood Assessment in Comprehensive Plans for Cities**

LB880 would require cities to include an early childhood assessment in their comprehensive plans. This bill requires cities to assess their current early childhood programs and identify gaps and community needs.

By encouraging communities to think more strategically about the role of early childhood in local infrastructure, LB880 offers a way to increase Nebraska's marketability as a desirable place to live, work and do business.

First Five Nebraska testified in support of LB880. The bill was amended into LB873 through AM2065. LB873 passed on Final Reading on April 18, 2018, on a vote of 26-15-8. On April 23, 2018, Governor Ricketts vetoed LB873 and returned it to the Legislature without his signature, citing the unnecessary expansion of land bank authority.

### **LB944: Mainline Budget Bill**

LB944, the mainline budget bill, was introduced by Speaker Scheer on behalf of Governor Ricketts. To offset the budget deficit, Governor Ricketts proposed across-the-board cuts to agency programs of 2% for FY2018-2019 and 4% for FY2019-2020. On February 28, the Nebraska Economic Forecasting Advisory Board reported revenues of \$55 million more than previously predicted.

Further, LB944 included language regarding Title X funds for Nebraska family planning clinics. The original language excluded from Title X funding clinics that provide or offer references for abortion services. After weeks of debate, Senators agreed on a compromise that would allow family clinics to provide information about pregnancy termination, but could only refer a patient to an abortion provider if it was a health emergency.

This bill passed on Final Reading with the emergency clause on a vote of 38-6-5. The Governor signed the bill on April 4, 2018.

### **LB947: Governor's Property Tax Relief Plan**

LB947 was introduced by Senator Smith on behalf of Governor Ricketts. This bill would provide homeowners and agricultural land owners new, refundable tax credits to offset a portion of their property taxes.

Despite their best efforts, Senators could not agree on a comprehensive property tax relief plan. Thirteen Senators asked members to sign a letter in support of convening a

special session to resolve this issue. However, the effort fell well short of the thirty-three signatures required by April 23 to convene a special session.

### **LB998: Create the Collaborative School Behavioral and Mental Health Program**

LB998 was intended to create a fund for a school behavioral and mental health program. Private donations of \$3.6 million would trigger implementation of the fund, permitting each educational service unit (ESU) in Nebraska to hire a social worker to provide school personnel and parents with necessary resources to help children with behavioral or mental health problems.

Upon disbursement of the private funding, the cost for the program would be shared by the ESUs, the school districts and private donations. No money from the General Fund was to be used for this initiative.

LB998 passed on Final Reading with AM2572, AM2044 and AM2713, on a vote of 31-15-3. However, on April 23, 2018, Governor Ricketts vetoed the bill, arguing that it unnecessarily involves state government in the relationship between private donors and the political subdivisions receiving donations, among other objections.

### **LB1108: School Readiness Tax Credit Changes**

As part of LB1108, Senator Harr introduced language that would fix issues found in the implementation of the School Readiness Tax Credit Act. The bill would have eliminated the sunset provision, increased the tax credit amounts and raised the funding cap from \$5 million to \$10 million.

First Five Nebraska testified in support of Senator Harr's language in LB1108. However, there are still problems with implementation of the School Readiness Tax Credit Act requiring attention. Among these is the fact that owners of home-based child care cannot access the refundable tax credit because they are not considered members of the early childhood workforce under current statute. Current statute also prevents child care providers designated as S-corporations from accessing the tax credit. Further, early childhood providers designated as S-corporations cannot access the tax credit under current statute.

Although Senator Harr made this a priority bill, LB1108 was not advanced out of committee. Moving forward, First Five Nebraska will work with the Legislature to fix

statutory language interfering with the ability of early childhood professionals to access the tax credit.

■ [First Five Nebraska's written testimony on LB1108](#)

### **LB1135: Alternative Pathways for Teacher Certification**

Introduced by Senator Vargas, LB1135 would create the Alternative Certification for Quality Teachers Act. This policy:

1. Allows individuals who hold teaching certificates from other states to teach in Nebraska
2. Allows individuals to receive a temporary two-year teaching permit if they have a bachelor's degree, have passed the necessary subject area examinations and are enrolled in an alternative teaching certificate program approved by the State Board of Education

We appreciate Senator Vargas' passion for early childhood and we commend his idea of providing an alternative pathway for teacher certification. First Five Nebraska testified in support of this bill.

LB1135 was not advanced out of committee. We will continue to work with the Legislature to develop solutions to the early childhood workforce shortage.

■ [First Five Nebraska's written testimony on LB1135](#)

### **LR270CA: Public Education for 3-Year-Olds**

LR270CA would allow Nebraska voters to decide if public education should be available for children at age 3.

Although this proposal is well-intended, several factors prevent such a policy from being practicable at this time.

1. Nebraska's severe early childhood workforce shortage indicates Nebraska would be unprepared to accommodate a large influx of young children into the education system as a result of this policy
2. Nebraska schools report they simply do not have the physical space to serve more children
3. The policy would require a significant funding increase

Until these challenges can be addressed, it would be extremely difficult to put this policy into practice. First Five Nebraska submitted a letter in neutral capacity on this bill. LR270CA was not advanced out of committee.