



## LB304 Frequently Asked Questions | Protect Child Care for Working Families

### IN SUMMARY

#### What's the bottom line about LB304?

- LB304 protects child care access for working Nebraska families. It helps parents stay employed, ensures children have stable care, and secures Nebraska's future workforce.

#### What benefits will Nebraska realize when child care assistance levels are permanent instead of extending a sunset?

- Permanent child care assistance levels give Nebraska communities a stable foundation to solve their child care challenges.
- Without that stability, uncertainty discourages investment, limits provider growth, and weakens the workforce.
- Consistency allows communities, businesses, and providers to plan, invest, and expand, while ensuring families can rely on care and remain in the workforce.

#### Why must Nebraska maintain current child care assistance levels rather than reduce them?

- Child care assistance levels should be maintained because the underlying economic pressures have not eased.
- Many critical workers—across agriculture, health care, construction, retail, and service sectors— need this assistance to go to work everyday.
- Reducing or eliminating support would strain working families, disrupt the workforce, and weaken the industries that underpin Nebraska's economy.

#### How does passing LB304 stabilize the workforce for Nebraska businesses?

- At a time when Nebraska businesses are already having trouble attracting and retaining a sufficient workforce, losing child care assistance would make this challenge even more difficult.

#### How can supporters of LB304 help pass the bill and remove the sunset?

- Call or email your state senator and ask them to support LB304 with these details:
- Support LB304 as advanced by the Health and Human Services Committee.
- Please keep child care assistance eligibility levels at 185% of the Federal Poverty Level permanently, with no sunset.
- Permanent child care assistance levels give Nebraska communities a stable foundation to solve their child care challenges.

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## LB304 Frequently Asked Questions | In Detail

### LB304 BACKGROUND

#### What is LB304?

LB304 is a bill in the Nebraska Legislature that makes permanent the current income eligibility requirements for child care assistance. It ensures that more working families can afford quality child care and stay in the workforce. Without LB304, eligibility for child care assistance will be reduced in 2026, cutting off thousands of Nebraska families.

#### What is child care assistance?

Child care assistance is a public funding effort offered in each state to offset the high costs of child care, enabling parents to pursue employment or education so they can better provide for their families. To qualify for this assistance, families must meet certain income requirements.

#### How does child care assistance work?

Child care assistance helps cover the high cost of care for families with low or moderate incomes. Families qualify based on their household income, which is compared to the Federal Poverty Level (FPL).

#### What is the Federal Poverty Level (FPL)?

The Federal Poverty Level is a measure the government sets each year to determine who qualifies for certain programs. For a family of four in 2026, the poverty line is about \$33,000.

#### How does LB304 change things?

- Today: A family of four earning up to about \$61,050 qualifies for child care assistance.
- Without LB304: That drops to \$42,900 in 2026. This change would mean thousands of Nebraska families, who are already working and paying taxes, would no longer qualify for child care assistance.

#### Here's how the Federal Poverty Level (FPL) works in practice:

- 100% FPL = Head Start eligibility (a family of four making about \$33,000 or less)
- 130% FPL = free school meals (a family of four making about \$42,900 or less)
- 160% FPL = a family of four making about \$52,800 or less
- 185% FPL = reduced-price school meals and Nebraska's current child care assistance (a family of four making about \$61,050 or less)

### LB304'S IMPACT ON NEBRASKA FAMILIES, COMMUNITIES, BUSINESSES AND ECONOMY

#### Why must Nebraska maintain current child care assistance levels rather than reduce them?

Child care assistance levels should be maintained because the underlying economic pressures have not eased. Inflation has continued to drive up the cost of living while wages in many essential industries have not kept pace. Reducing assistance now would place additional strain on working families and the employers who depend on them.

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Wages in critical industries across Nebraska show that many essential professions fall within the income ranges affected by child care assistance eligibility.

If current assistance levels are reduced or eliminated, many of Nebraska’s essential workers—particularly in agriculture, construction, nursing and home health, retail, and service industries—may lose child care assistance. Many of these workers earn wages that fall within the eligibility thresholds for child care assistance. These roles are foundational to the state’s economy and community stability. The U.S. Bureau of Labor Statistics report these 2025 Nebraska annual median incomes:

- Retail Sales Persons \$30,350
- Home Health \$34,330
- Nursing Assistants (CNA) \$38,620
- Agricultural Technicians \$42,420
- Light Truck Drivers \$42,940
- Construction Laborers \$46,750
- Farm Equipment Mechanics \$51,060

**What’s the impact on children if LB304 does not pass?**

If LB304 fails, thousands of children will lose access to stable, quality child care. The early years are critical for learning and development, and disruptions in care can set children back.

**Why does passing LB304 matter for Nebraska families?**

Child care is one of the biggest costs families face. Without support, many parents can’t afford to work. LB304 ensures parents have access to child care so they can stay employed, provide for their families, and contribute to Nebraska’s economy.

- Making this assistance permanent is important because child care is one of the biggest costs that working families face.
- Child care services are a significant cost for Nebraska families with young children, with median annual costs ranging between \$9,000 to \$15,000 annually. Family child care homes may also cost many thousands of dollars each year.
- Every day across Nebraska, parents work hard to provide for their families and give their children a strong start. But for many, the cost of child care is a major barrier to financial stability.

**How does passing LB304 stabilize the workforce for Nebraska businesses?**

Parents can’t work without child care. When families lose access, Nebraska employers lose reliable workers. LB304 helps keep parents in the workforce and strengthens Nebraska’s economy.

Fewer people in the workforce due to child care constraints means less business productivity and decreased economic activity through our communities and state. Employers acknowledge that even short-term disruptions in child care access interfere with efficiency, recruitment, and retention.

Economic bottom line: At a time when Nebraska businesses are already having trouble attracting and retaining a sufficient workforce, losing child care assistance would make this challenge even more difficult.

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### **What benefits will Nebraska realize when child care assistance levels are permanent instead of extending a sunset?**

Making child care assistance levels permanent provides the stability communities need to build lasting solutions. When assistance is consistent and predictable, it creates a reliable foundation that local governments, businesses, and private partners can plan around. This stability allows communities to invest in and expand child care capacity, knowing the baseline support for families will remain in place.

In contrast, sunset provisions create uncertainty. When communities cannot count on continued assistance, it becomes much harder to attract private investment, support new providers, or develop long-term child care strategies.

Permanent assistance levels also strengthen the child care workforce. Child care providers are more likely to enter and remain in the field when funding is stable and demand is reliable. Without that stability, uncertainty discourages workforce growth and contributes to ongoing shortages.

Ultimately, consistent child care assistance benefits families and providers, as well as employers and communities. Families can plan and remain in their communities with confidence, providers can operate sustainably, employers have stability in their workforce, and communities across Nebraska can build more stable and effective long-term child care systems.

### **Why is child care assistance especially important in rural communities?**

In many small and mid-sized towns, access to child care is a key factor in both retaining current families and attracting new ones. Child care assistance not only benefits individual families but serves as a foundation for economic resilience and growth in rural Nebraska.

Child care assistance is especially important for rural Nebraska, where the percentage of children in the child care gap is nearly triple the percentage of children in the same gap in urban parts of the state. In many of Nebraska's rural communities, families face long waitlists, high costs, or a complete lack of licensed providers, which can make it difficult for parents to work.

By maintaining child care assistance in these communities, Nebraska helps ensure that parents can stay in the workforce, support their families, and contribute to the local economy. This support also helps attract and retain workers, which is essential for small businesses and local employers who often struggle with staffing shortages. Additionally, investing in rural child care strengthens the overall stability of our communities.