

COMPARISON BETWEEN 2023 CHILD CARE AND DEVELOPMENT FUND (CCDF) NPRM AND 2024 CCDF FINAL RULE

Lowering Costs for Families Participating in CCDF

PROVISION	PREVIOUS POLICY (2016 FINAL RULE)	2023 NPRM (Proposal)	2024 FINAL RULE (Effective 4/30/24)
Family co-payment	Lead Agencies must use a sliding fee scale to charge parent co-payments that are not a barrier to families receiving CCDF assistance	Parent co-payments above 7% of family income (regardless of number of children and regardless of graduate phase-out) are considered a barrier to families receiving assistance and are prohibited.	No change from 2023 NPRM
Waiving parent co-payments	States/Territories/Tribes may waive parent co-payments without justification for: <ul style="list-style-type: none"> • Families under 100% FPL • Children who receive or need to receive protective services • Other criteria established by the Lead Agency. 	States/Territories may <i>additionally</i> waive parent co-payments without further justification for: <ul style="list-style-type: none"> • Families between 100-150% FPL • Families with children with disabilities. <p>Tribes may waive parent co-payments for all families.</p>	States/Territories may <i>additionally</i> waive parent co-payments without further justification for: <ul style="list-style-type: none"> • Families between 100-150% FPL • Families with children with disabilities • Families enrolled in Head Start or Early Head Start • Children in foster care or kinship care or otherwise receive or need to receive protective services • Families experiencing homelessness.

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			Tribes may waive parent co-payments for all families without justification.
Posting sliding fee scale online	States/Territories must post specified information to a consumer-friendly and easily accessible website.	States/Territories must also post current information about their sliding fee scale and policies for waiving parent co-payments to a consumer-friendly and easily accessible website.	States/Territories must post current information about their sliding fee scale, policies for waiving parent co-payments, and information on which co-payments are waived to consumer-friendly and easily accessible website.

Supporting Child Care Providers Participating in CCDF

PROVISION	PREVIOUS POLICY (2016 FINAL RULE)	2023 NPRM (Proposal)	2024 FINAL RULE (Effective 4/30/24)
Prospective payments to providers	States/Territories/Tribes have the option to pay providers participating in CCDF either prospectively or within 21 days of invoice.	State/Territory/Tribal payments to providers must be prospective.	<p>State/Territory payments to providers must be prospective. If State/Territory can demonstrate prospective payments are not the generally accepted practice for a certain type of care, payments must be timely but do not have to be prospective.</p> <p>Tribal grantees exempt from requirement to pay prospectively.</p>
Enrollment-based payments to providers	States/Territories/Tribes have the option to pay providers participating in CCDF either based on a child's enrollment or attendance (with allowance for occasional absences).	State/Territory/Tribal provider payments must be enrollment-based.	<p>State/Territory payments to child care providers must be enrollment-based unless they can demonstrate enrollment-based payment is not the generally accepted practice for a certain type of care.</p> <p>Tribal grantees exempt from requirement to pay based on enrollment.</p>

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Pay providers full established State/Territory/Tribal rate	Preamble stated it was allowable for States/Territories/Tribes to pay the full established rate to cover the cost of providing high-quality child care.	Flexibility for States/Territories/Tribes to pay providers the full established state/territory/tribal rate even if that rate is higher than what the provider charges private-pay families added into regulations.	No change from 2023 NPRM proposal
Use of grants or contracts	States/Territories must offer child care assistance to parents through vouchers and may offer services through grant/contract agreements with providers	<p>States/Territories must offer child care assistance to parents through vouchers and must offer some assistance through grant/contract agreements with providers and specifically for the following:</p> <ul style="list-style-type: none"> • Infant and toddler care; • Care for children with disabilities; and, • Non-traditional hour care <p>Tribes are exempt from new requirement</p>	<p>States/Territories must offer child care assistance to parents through vouchers and must offer some services through grant/contract agreements with providers and specifically for the following:</p> <ul style="list-style-type: none"> • Infant and toddler care; • Care for children with disabilities; and, • Underserved geographic areas <p>Grants/contracts are encouraged for nontraditional hour care to address supply issues as are alternative approaches to increasing supply</p> <p>Tribes are exempt from requirement to offer some assistance through grant/contract agreements</p>

Improving CCDF Enrollment Processes to Increase Access for Families

PROVISION	PREVIOUS POLICY (2016 FINAL RULE)	2023 NPRM (Proposal)	2024 FINAL RULE (Effective 4/30/24)
Presumptive eligibility	No mention of presumptive eligibility for family enrollment in CCDF or regulations though allowable	Clarifies presumptive eligibility for family enrollment in CCDF is allowable up to 3 months for States/Territories/Tribes not on a corrective action plan for improper payments	Clarifies presumptive eligibility for family enrollment in CCDF is allowable up to 3 months for States/Territories/Tribes and allows OCC to prohibit it for States/Territories/Tribes on a corrective action plan for improper payments if warranted. When using presumptive eligibility, limits prospective payments to providers to no more than term of presumptive eligibility.
Additional Children	Requires all children participating in CCDF to receive at least 12 months of eligibility	Clarifies that when a new child is added to the family unit, that child must receive at least 12 months of eligibility. Encourages aligning eligibility determination periods for all children.	No change from 2023 NPRM proposal
Cross-program eligibility verification	Not referenced	Clarifies that Lead Agencies may use a child's enrollment in other benefit programs or documents of verification used	No change from 2023 NPRM proposal

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		for other benefit programs to verify CCDF eligibility	
Procedures to determine and redetermine eligibility	Prohibits Lead Agency eligibility redetermination procedures and policies that unduly disrupt parents' education, training, or employment, especially parents receiving assistance through TANF	Prohibits Lead Agency initial eligibility determination and eligibility redetermination procedures and policies that unduly disrupt parents' education, training, or employment, especially parents receiving assistance through TANF. Requires use of online applications, to the extent practicable.	No change from 2023 NPRM proposal

Technical Changes to Improve CCDF Implementation

PROVISION	PREVIOUS POLICY (2016 FINAL RULE)	2023 NPRM (Proposal)	2024 FINAL RULE (Effective 4/30/24)
Temporary transitional and legislative waivers	States may request a one-year temporary waiver from regulation(s) if time is needed to address conflicting requirements or pass through state legislature. They may request a one-year extension.	N/A	Lead Agencies may request up to a two-year transitional or legislative waiver from regulation(s) if additional time is needed to come into compliance with new regulations. Removes option to renew for an additional year.
Monitoring and inspection reports	Requires States/Territories to post full monitoring and inspection reports online. Does not define “full.”	Requires States/Territories to include areas of compliance and non-compliance in monitoring and inspection reports.	No change from 2023 NPRM proposal
Annual aggregate data	Requires States/Territories to post annual aggregate number of serious injuries and fatalities disaggregated by child care provider type and licensing status. Preamble says States/Territories should also post total number of children in care.	Additionally requires States/Territories to post total number of children in care by provider category and licensing status.	No change from 2023 NPRM proposal
Definition of <i>Major Renovation</i>	States/Territories may not spend CCDF on major renovation or construction. Tribes may spend CCDF on major renovation or	States/Territories may not spend CCDF on major renovation or construction. Tribes may spend CCDF on major renovation or	States/Territories may not spend CCDF on major renovation or construction. Tribes may spend CCDF on major renovation or

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	<p>construction through an ACF application process.</p> <p><i>Major renovation</i> defined as either (1) Structural changes to the foundation, roof, floor, exterior or load-bearing walls of a facility, or the extension of a facility to increase its floor area; or (2) Extensive alteration of a facility such as to significantly change its function and purpose for direct child care services, even if such renovation does not include any structural change.</p>	<p>construction through an ACF application process.</p> <p>Revised <i>major renovation</i> definition to be any renovation the costs more than \$250,000 for child care centers or \$25,000 for family child care homes with annual adjustments for inflation.</p>	<p>construction through an ACF application process.</p> <p>Revised <i>major renovation</i> definition to mean any renovation that has a cost equal to or exceeding \$350,000 in CCDF funds for child care centers and \$50,000 in CCDF funds for family child care homes, adjusted annually. If renovation costs exceed these thresholds and do not include:</p> <ul style="list-style-type: none"> • Structural changes to the foundation, roof, floor, exterior or load-bearing walls of a facility, or the extension of a facility to increase its floor area; or • Extensive alteration of a facility such as to significantly change its function and purpose for direct child care services, even if such renovation does not include any structural change; and improve the health, safety, and/or quality of child care, <p>are not considered major renovation.</p>

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Liquidation period for Tribal Major Renovation and Construction	Tribal Lead Agencies have 3 years to liquidate major renovation and construction funds. There is no obligation deadline.	Tribal Lead Agencies have 5 years to liquidate major renovation and construction funds. No obligation deadlines proposed.	Tribal Lead Agencies must obligate major renovation and construction funds within 3 years of award and liquidate those funds within 5 years of award.
Data reporting	Lead Agency must report on the ACF-801 any amount charged by a child care provider to a family more than the required co-payment in instances where the provider's price exceeds the subsidy payment, if allowed by the Lead Agency.	Delete this ACF-801 data element requirement.	Shifts the data element requirement from the ACF-801 to require Lead Agencies report on amounts providers charge parents above the required co-payment in detailed market rate survey report.
Criminal background checks (Employment)	States./Territories/Tribes must conduct, and review the results of background checks to determine if a staff member is eligible for employment by a child care provider.	Technical change to clarify that a State/Territory/Tribal entity must make the determination of eligibility for child care staff based on the background check and cannot provide background check results to the child care provider to make the determination.	Technical change to clarify that State/Territory/Tribal entity must make the determination of eligibility for child care staff based on the background check and cannot provide results to the child care provider to make the determination and further clarifies child care providers do not have a role in this stage of the employment eligibility determination process.

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Criminal background checks (Disqualifying crimes)	A conviction for a violent misdemeanor as an adult against a child, including a misdemeanor involving child pornography, is disqualifying for child care employment.	Technical change to clarify any misdemeanor involving child pornography disqualifies employment, regardless of whether the crime is classified as violent or non-violent.	No change from 2023 NPRM proposal
Background checks (5-year timeframe)	Child care providers must submit requests for background checks prior to when an individual becomes a staff member and at least once every five years except if a staff member already received a background check within the past five years.	Technical change to clarify prospective hires are not required to complete a new comprehensive background check if they have qualifying results within the same state, territory, or tribe in the prior 5 years.	Technical change to clarify prospective hires are not required to complete a new comprehensive background check if they have qualifying results within the same state, territory, or tribe in the prior 5 years.
Background checks (Prospective hires)	Prospective staff members may begin working with children (as long as they are supervised by a staff member whose background check is complete) only after they receive qualifying results for the FBI fingerprint check or the in-state criminal fingerprint check.	N/A	Clarifies a qualifying result from either the FBI fingerprint check or the in-state fingerprint criminal check is necessary <i>before</i> a staff member to begin working with children (and then only if supervised by a staff member whose background check is complete).