Improving Child Care Access, Affordability, and the Child Care and Development Fund (CCDF)
A Proposed Rule by the Health and Human Services Department on 7/13/2023
August 28, 2023

The Honorable Xavier Becerra
Secretary of United States Department of Health and Human Services

RE: Docket number ACF–2023–0003 / RIN number 0970–AD02

Dear Secretary Becerra,

Thank you for your commitment to addressing the challenges that face families seeking access to child care and workers providing care. This is especially important during a difficult time for the nation as we continue to experience the impacts and aftermath of the pandemic and navigate an ongoing and exacerbated child care crisis. We are writing to express appreciation for the proposed rules that will make child care more affordable and accessible and will also increase respect and support for providers. The signatories of this comment are dedicated national and state advocacy organizations, membership organizations representing parents and providers and early educators, and unions that are committed to a comprehensive, equitable, and well-funded child care system that supports all families and providers. We offer a deep expertise in the various challenges of existing child care policy as well as the solutions to improve it. We are submitting comments for consideration to strengthen child care systems across the country.

Access to high-quality and affordable child care benefits communities in various ways, and impacts children, families, and the child care workforce but also the nation at-large. Ensuring parents have secure care for their child(ren) while pursuing job opportunities or educational pursuits not only benefits families, but our entire economy. The Child Care and Development Fund (CCDF) is a lifeline for families who receive it, but far too few families who are eligible actually receive support. Only one in six children eligible[1] for child care assistance under federal law received it, as of data from 2019.

The policy improvements included in the Notice of Proposed Rulemaking (NPRM) reflect positive steps forward for which we have been advocating for many years. Because of the child care relief funding, as well as states' broader efforts to improve their own child care policies, many states are in the midst of implementing policies with both federal and state resources that are reflected in the proposed rules. Examples of these policies include but are not limited to establishing copayment policies that cap family contributions at 7 percent of their income, waiving copayments for additional families, reducing application burdens including establishing presumptive eligibility policies, and supporting providers through payments based on enrollment and that reflect the cost of care. We are pleased to see this alignment between state actions and the NPRM.

However, the impending expiration of ARPA child care funds—this September for stabilization grants funding and next September for CCDBG supplemental funding—and the ongoing debates over appropriations and the budget are creating tremendous uncertainty about future funding levels for CCDF. And in the absence of sufficient funding, it will be extremely challenging for states and territories to fully and faithfully implement the changes in the proposed rule without tradeoffs.

[1] Office of the Assistant Secretary for Planning and Evaluation, "Factsheet: Estimates of Child Care Eligibility & Receipt for Fiscal Year 2019," September 2022, https://aspe.hhs.gov/reports/child-care-eligibility-fy2019.

We also acknowledge that states may need time to approve legislative and/or administrative changes, adopt technology upgrades, train staff, inform families and providers, and take other steps necessary to implement any new rules. That is why it is imperative to also secure additional resources in this moment so that states can maintain the policies and strides that they have made throughout the pandemic with relief resources. Without such resources, the inequities in how states continue to advance these important policies and goals will be exacerbated.

In addition to the NPRM, we acknowledge the Department has opened a simultaneous comment period on the FY 2025-2027 CCDF plan preprint. It will be important for states to think about their state plan and implement the rules, once they become final, in tandem to best improve and update CCDF policies. It is our recommendation that the proposed rules, once final, be included in a revised version of the FY 2025-2027 CCDF plan. Doing so would mitigate confusion among states about which rules to follow and help to ensure that these rules are implemented effectively to maximize the impact for children, families, and providers. Additionally, we recommend guidance be disseminated to states that include necessary timelines to implement the proposed rules and any state plan modifications and distinguishing between explicit requirements and optional considerations. If feasible, an additional comment period that could inform future state amendments could be helpful in garnering feedback and information to include in any guidance.

Again, we want to thank you for addressing both the programmatic and systemic challenges within child care programs to build a better system and address the needs of families, providers, and communities. We acknowledge, as do you, that true long-term, systemic changes require Congressional action and significant investment, and will not be achieved by this change in rules, but these changes will provide movement in the right direction. We have included various considerations on the proposed rules by section which you will find below. Our comments focus solely on the proposals and modifications in the NPRM and are not exhaustive of the broader improvements we know would benefit children, families, and providers.

Lowering Families' Costs for Child Care

- § 98.45(l)(3) **Provides for affordable family copayments not to exceed 7 percent of income for all families,** regardless of the number of children in care who may be receiving CCDF assistance, that are not a barrier to families receiving assistance under this part;

We applaud the Department's recognition that child care must be more affordable in order to support families' access. We appreciate and support the 7 percent copayment cap per family, regardless of the number of children, and know that many states have or are currently working to implement this provision already, acknowledging that families simply cannot afford to pay more. In fact, research indicates that, for families with low incomes, the cost of child care is a barrier to access at any copayment level.[2] Many states have implemented more affordable copayment scales that limit copayment fees to 7 percent or lower. For example, in 2023, California established policies to reduce family copayments, joining South Dakota that had an existing policy. California's policy will establish a no-fee approach for families earning under 75 percent of the State Median Income (SMI) starting on October 1, 2023. Further, South Dakota has implemented a $0 copayment amount to families earning at

[2] Gina Adams and Eleanor Pratt, "Assessing Child Care Subsidies through an Equity Lens: A Review of Policies and Practices in the Child Care and Development Fund," Page 41, September 2021, https://www.urban.org/sites/default/files/publication/104777/assessing-child-care-subsidies-through-an-equity-lens.pdf

or below 170 percent of the Federal Poverty Level (FPL).[3] Through these policies, these states aim to enroll more eligible families, and reducing copayments is a potentially effective way to increase child care access.

Families with low incomes spend 35 percent of their income on care while families with higher incomes spend 7 percent of their income according to the most recent published data from the most recent Survey of Income and Program Participation (SIPP). This shows that care is incredibly unaffordable for families with lower incomes, like families who are eligible for CCDF, and leads to tighter budgets and harder decisions for families who are often already in a challenging financial position. While requiring states to cap their copayment fees at 7 percent is a good start, states need increased and sustained funding to meet the recommended copayment requirement. Especially with the upcoming expiration of COVID relief funding, it is crucial to give states guidance on how to best meet this requirement, especially for states that have made limited or no progress on this provision. It is important to acknowledge that the 7 percent cap is the maximum and that states can and should set copayment rates at lower levels for families with lower incomes. The Department could even consider encouraging or requiring states to use a scale that enforces this (such as the one used in the Child Care for Working Families Act, for example).

It is our recommendation that the cost of capping a family's copayment to 7 percent is not passed along to providers by reducing payments and instead, these additional costs should be covered by the Lead Agency. Otherwise, providers who rely on family contributions may face compensation and operational challenges that could prevent them from staying open or staying in the child care workforce. We appreciate that this is directly addressed in the preamble. We think more information and clarification from Lead Agencies should be required to fully ensure this will be true. This could mean requiring an inclusion in the state plan as to what this will look like or requiring states to certify that the cost shift is fully covered by the Lead Agency in some other way.

We understand that providers are concerned about adverse consequences of lowered payment rates, and we deeply appreciate ACF's intent to "closely monitor Lead Agency payment rates to ensure reductions in family copayments do not lead to funding cuts for providers." We recommend that ACF further clarify and specify the mechanisms that will be implemented to ensure state payment rates are not lowered in response to the requirements around family copayments. This will also help providers move away from circumstances where they have to pass lost costs back to parents by charging families additional amounts above the required copayment, as is allowed by 38 states.

Further, it is our recommendation that Lead Agencies clarify components related to copayment scales such as household size, frequency with which families pay (i.e., monthly, weekly, per child, etc.), and other information on the Lead Agency's posted scale as further outlined in the consumer education section in our below comments.

Allow Lead Agencies to Waive Copayments for Additional Families

- § 98.45(l)(4) At Lead Agency discretion, **allows for co-payments to be waived for families whose incomes are at or below 150 percent of the poverty level** for a family of the same size, that have children who receive or need to receive protective services, that have children who have a disability, or that meet other criteria established by the Lead Agency.

[3] South Dakota Department of Social Services, South Dakota 2023 Child Care Subsidy Co-Payments, March 1, 2023, dss.sd.gov/docs/childcare/assistance/Sliding_Fee_Scale.pdf

As was previously mentioned, data from the SIPP, released in 2019, demonstrate that families with lower incomes spend approximately five times the share of their income on child care compared to families with higher incomes. Therefore, we applaud the encouragement for states to waive copayments for eligible families with incomes up to 150 percent of the Federal Poverty Level (FPL) and eligible families with a child with a disability.

However, states would also benefit from additional federal flexibilities that would provide them the option to completely waive copayments for other populations beyond families with incomes up to 150 percent of FPL. CCDF is a program targeted at families with low incomes, and in many states, families with incomes above 150 percent of FPL are still struggling to afford their basic needs and cannot afford copayments. Therefore, states should have the ability to waive copayments for families at a higher income threshold or even for all families, if resources allow. States would also benefit from flexibilities to waive copayments or encouragement to develop eligibility policies for families enrolled in other programs and/or belonging to particular populations that could benefit from child care assistance. Some examples include: early educators working in child care programs, families receiving Temporary Assistance for Needy Families (TANF), families with children enrolled in Head Start or Early Head Start, families experiencing homelessness, families at risk of becoming homeless, families involved with the state child welfare agency, children in foster care, and teen parents.

Consumer Education

- § 98.33(a)(8) **Require Lead Agencies to post current information about their process for setting the sliding fee** scale and for policies related to waiving copayments and estimated payment amounts for families.

We are supportive of the requirement of Lead Agencies to post current information about their process for setting the sliding fee scale for parent copayments and other related policies. For families, having information about copayments, and the circumstances in which they are waived, is crucial to decision-making about accessing child care services. As for specific information that should be included in posts on consumer education websites, the Department should consider recommending that Lead Agencies use simple, concise language that is accessible to all families, including those with limited literacy. The information should include a clear definition of copayments, how the copayments are calculated, the copayment policies such as when they must be paid, the copayment and sliding fee scale, and how parents and providers were engaged in the process for determining the copayment and sliding fee scale. The Department should also encourage Lead Agencies to include a calculator of what FPL or SMI range a family would be in based on their income and family size, which will help families estimate what their copayment would be. For transparency, the Department should also encourage Lead Agencies to include a description of how copayments might differ based on the provider a family selects. Finally, copayment sliding scales should be presented in a clear, accessible format.

We commend Lead Agencies for expanding their information dissemination strategies, with 32 states using a combination of print materials, electronic media, counseling referrals from agencies, and mass media. However, even with these expanded methods for information delivery, it is important to consider how information asymmetry persists. State websites only show up in 17 percent of local child

care searches, and 43 percent of households with lower incomes do not have broadband services.[4,5] To make copayment information more accessible, states should consider using all four information dissemination strategies if they are not already doing so and should adopt search engine optimization strategies to increase the visibility of state websites in online searches. Furthermore, we suggest that HHS encourage states to consider and address other barriers to this information apart from the ones identified above. This could include, but is not limited to, access to information for mobile-only internet users and for people with limited literacy and limited English proficiency. States should consider sharing information in multiple languages and incorporating a translation option for online information. Finally, Lead Agencies should consider alternative methods for disseminating manual information such as pamphlets and booklets, at locations including but not limited to, food banks, shelters, churches/places of worship, advocacy groups, and other community-based spaces.

Information included in any posting or manual resource should include: how parents and providers were engaged in the process, the multiple ways the information will be shared, and the actual policies and sliding fee scale presented in a straightforward and consumable way. As previously mentioned, Lead Agencies should clarify components related to copayment scales such as household size, frequency in which families pay (i.e., monthly, weekly, per child, etc.), and other information on the Lead Agency's posted scale.

Building Supply with Grants and Contracts to Expand Parent Choice

- § 98.30(b)(1) **Require states and territories to provide some child care services through grants and contracts** as one of many strategies to increase the supply and quality of child care, including at a minimum, using some grants or contracts for infants and toddlers, children with disabilities, and nontraditional hour care.

We are supportive of the proposal to require states and territories to use some grants and contracts for child care services, at a minimum for infants and toddlers, children with disabilities, and nontraditional-hour care. We appreciate the recognition that there is a serious shortage of child care, particularly for these populations. This shortage justifies the proposed rule requiring states and territories to employ grants and contracts—among other approaches—to address the problem. By reducing provider uncertainty, grants and contracts can be an effective tool to increase the supply, stability, and quality of child care. They also improve parent choice by expanding the range of quality options in communities where currently few are available, enhancing resources available to diverse providers who often do not have access to such opportunities.

We recommend that the proposed rule require states and territories to design their grants and contracts and the application process for grants and contracts so that they are available and accessible to all types of child care providers, including small child care centers, licensed and regulated family child care homes, and family, friend, and neighbor care providers that meet the state's or territory's requirements for participation in the CCDBG program; grants and contracts should also be available to networks that support home-based child care providers. Parents often utilize home-based settings for their very young children and children with disabilities because of the familiarity and one-on-one

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[4] Patti Banghart, Zoelene Hill, Gabriella Guerra, et al., *Supporting Families' Access to Child Care and Early Education: A Descriptive Profile of States' Consumer Education Websites*, OPRE, 2021, https://files.eric.ed.gov/fulltext/ED616310.pdf

[5] Emily A. Vogels, "Digital divide persists even as Americans with lower incomes make gains in tech adoption," *Pew Research Center,* June 22, 2021, https://www.pewresearch.org/short-reads/2021/06/22/digital-divide-persists-even-as-americans-with-lower-incomes-make-gains-in-tech-adoption/

attention these settings offer.[6] Parents working nontraditional hours are also often more comfortable having their child cared for by a relative or in another home-based setting during late night, overnight, or early morning hours.[7] Grants and contracts should reflect and respond to these preferences in order to build a supply that truly meets families' and children's needs by ensuring they have a range of quality options.

The proposed rule should also provide a clear definition of grants and contracts so that states and territories are not fulfilling this requirement in name only. To have a real impact on the supply of child care, contracts and grants should provide a structure that is substantially different than an individual voucher. Grants and contracts should not only provide prospective payment and payment based on enrollment—which would be required for vouchers as well under the proposed rule—but also offer other advantages to the grantee/contracting program, such as higher payment rates; a commitment that the resources will be provided for an extended period of time; and technical assistance (including in the application process), coaching, monitoring, and other supports to help the grantee/contractor open a new child care program or expand an existing program, recruit and retain child care teachers and other staff, meet CCDBG and/or licensing standards, offer specialized care (such as care for children with disabilities or care during nontraditional hours), and continually improve quality.

Improving Parent Choice in Child Care and Strengthening Payment Practices to Child Care Providers

- § 98.45(m)(1) **Require states to pay prospectively (not as a reimbursement) and** § 98.45(m)(2) **based on enrollment not attendance**, or some alternative proposed by the Lead Agency and approved by the OCC. Those that say they cannot pay prospectively must provide evidence that their proposed alternative reflects private pay practices for most child care providers in the state, territory, or Tribe and does not undermine the stability of child care providers participating in the CCDF program.

As part of a commitment to bringing additional providers into the subsidy system to increase family choice and ensuring that programs are supported by payments that are consistent, timely, and reflect the true costs of quality care, we are very supportive of the requirement to pay providers prospectively. This practice increases stability, supports the ECE workforce across settings, and aligns with the payment practices of the vast majority of programs that serve families paying out of pocket. Twenty-eight states took steps to pay based on enrollment or use contracts to provide direct services using COVID-19 funding and a majority of states opted to use CCDBG funding to provide grants to child care providers during the COVID-19 pandemic to help support their businesses throughout periods of reduced enrollment or temporary closure.[8]

- § 98.45(g) **Clarifies that Lead Agencies may pay providers an amount higher than they charge private paying parents when the CCDF agency established payment rate is above the providers' private pay price**.

[6] Home Grown, "Home-Based Child Care Fact Sheet," May 25, 2023, https://homegrownchildcare.org/wp-content/uploads/2023/05/Home-Grown-Child-Care-Fact-Sheet-final.pdf

[7] Home Grown, "Home-Based Child Care Fact Sheet," May 25, 2023, https://homegrownchildcare.org/wp-content/uploads/2023/05/Home-Grown-Child-Care-Fact-Sheet-final.pdf

[8] Office of Child Care, "COVID Investments in Child Care: Supporting Children, Families, and Providers," May 25, 2023, https://www.acf.hhs.gov/occ/infographic/covid-investments-child-care-supporting-children-families-and-providers

We are very supportive of the codification of the language making it possible to pay all providers paid at the CCDF agency established rate, even when that rate exceeds their private pay price. This practice will support the continued stability of providers and have the potential to mitigate providers leaving the subsidy system in pursuit of higher or more stable wages. Allowing providers to receive a state rate above their private-pay fee will be particularly important for providers in low-income communities where they cannot raise fees because private-paying parents could not afford to pay more for care.

Clarification and additional guidance is welcome.

Reducing Bureaucracy for Better Implementation

- § 98.21 At a Lead Agency's option, **a child may be considered presumptively eligible for up to three months** and begin to receive child care subsidy prior to full documentation and eligibility determination.

We appreciate the proposal regarding the use of presumptive eligibility for children, while their eligibility for subsidies is being fully determined. This proposed rule encourages states to employ a transformative solution that seeks to minimize bureaucratic barriers for families in need.[9]

As written in this proposed rule, a presumptive eligibility policy would allow families to receive immediate access to child care services for up to three months, while their eligibility for the program is being determined. This proposed rule allows states the option to provide eligible families with prompt support, ensuring that families can engage in work or educational pursuits, as well as support enhanced child development outcomes.[10]

We support the three-month time frame as it is well-balanced and accounts for the necessary processing time, while also addressing the immediate needs of families seeking child care services. We also support the flexibility in allowing Lead Agencies to define a minimum level of criteria for awarding presumptive eligibility to families and the flexibility granted to the Lead Agencies to end presumptive eligibility before the 12-month eligibility period in cases where families do not provide the required information or are deemed ineligible. These clarifications ensure that the system remains fair and efficient, as well as encourage families to cooperate and actively participate in the determination process.

Moreover, the proposed rule further ensures that providers are paid for services rendered, regardless of eligibility determination. Specifying that payments to providers will not be deemed improper payments if a child is ultimately determined to be ineligible and will not be subject to disallowance—except in cases of fraud or intentional program violation—is a significant step toward ensuring that providers are supported, and states can utilize the necessary resources to create a presumptive eligibility policy. The requirement for Lead Agencies to track and assess the numbers of presumptively eligible children who turn out to be ineligible further demonstrates a commitment to accountability and continuous improvement in the eligibility determination process.

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[9] How Presumptive Eligibility Can Help Families Access Child Care, CLASP, May 2023, https://www.clasp.org/publications/fact-sheet/how-presumptive-eligibility-can-help-families-access-child-care/

[10] Presumptive Eligibility in Child Care: Frequently Asked Questions, CLASP, May 2023, https://www.clasp.org/publications/fact-sheet/presumptive-eligibility-in-child-care-frequently-asked-questions/

While the proposed rule exemplifies a thoughtful approach to address the challenges faced by families in obtaining child care services, we also encourage the Department to consider the potential impacts such a policy would have on families, providers, and states.

Namely, it is important to clarify if these proposed policies to ease enrollment are solely intended to make the process less stressful for those already enrolling, or, if they are supposed to enable more new families to enter the subsidy system. As we anticipate, if they are well-implemented, these changes would bring more families into the system, which would require additional funding to actually serve them. It is important to acknowledge that without additional funding, new families may still end up on a waitlist.

With this in mind, we encourage the Department to acknowledge the potential cost saving that Lead Agencies can receive from reducing administrative burdens to elevate the potential benefits of increasing the number of families entering the subsidy system. We also recognize that easier enrollment processes will require more funding to serve additional families. This acknowledgement is important in considering which policies will be most feasible for each state to implement and that states may have to consider additional funding streams to support child care programs.

Eligibility Verification

- § 98.21(g)(1) and (2) At the Lead Agency's option, **enrollment in other benefit programs or documents or verification used for other benefit programs may be used to verify eligibility** for CCDF.

We appreciate that the Department clarified § 98.21(g)(1) and (2) to permit Lead Agencies to examine the eligibility criteria of other public benefit programs in their jurisdictions to predetermine which benefits programs have eligibility criteria aligned with CCDF. This allows families to satisfy specific components of CCDF eligibility such as income eligibility, work, participation in education or training activities, or residency without additional documentation.

Additionally, we support that if the eligibility criteria for other benefit programs within the Lead Agency's jurisdiction are completely aligned with CCDF requirements, this can satisfy CCDF eligibility requirements in full for those families or establish CCDF eligibility policies using the criteria of other public benefits programs. Eligibility policies such as these are especially useful in reducing the administrative burden for families navigating multiple eligibility processes by reducing the amount of information gathering and application processes families must complete. Additionally, these eligibility policies streamline and simplify the verification process for Lead Agencies.[11,12] We also encourage ACF to expand eligibility for additional populations including but not limited to families enrolled in Temporary Assistance for Needy Families (TANF), families with children enrolled in Head Start or Early Head Start, families experiencing homelessness, families at risk of becoming homeless, families involved with the

[11] Expanding Access to Child Care Assistance: Opportunities in the Child Care and Development Fund, CLASP, June 2023, https://www.clasp.org/publications/report/brief/expanding-access-child-care-development-fund/

[12] Confronting the Child Care Eligibility Maze: Simplifying and Aligning with Other Work Supports, CLASP, December 2013 https://www.clasp.org/publications/report/brief/confronting-child-care-eligibility-maze-simplifying-and-aligning-other/

state child welfare agency, children in foster care, and teen parents, as well as child care workers as this benefit may help recruit and retain employees.[13]

Application Processes

- § 98.21(f)(1) **The Lead Agency shall establish procedures and policies for eligibility that minimize disruptions to employment, education, or training**, including the use of online applications and other measures, to the extent practicable; and ensure that parents are not required to unduly disrupt their education, training, or employment in order to complete the eligibility determination or redetermination process.

We strongly encourage the Department to require Lead Agencies to implement eligibility policies and procedures that minimize disruptions to parental employment, education, or training opportunities to the extent possible. Research has shown that burdensome application processes hinder a family's ability to receive much-needed care.[14] Parents and caregivers are often stressed due to lengthy waits, burdensome application requirements, and the hassle of gathering and submitting necessary documents.

Although we are pleased to see the Department acknowledge this, we also support its recognition that the solution is not merely encouraging Lead Agencies to have an online application for assistance. The Department should require that all Lead Agencies offer both paper and online applications at minimum, but also encourage states to reduce any undue burden placed on families when seeking assistance by revising their policies and procedures.

While the Department has provided extensive technical assistance, particularly in the form of the model application, it should consider clarifying which questions in the application are required and which are not.[15] For example, the Department should clarify in the final rule that the hours of care do not have to match the hours of the eligible activity, thus Lead Agencies that are asking families to provide documentation of their work or school hours are doing so unnecessarily and adding additional barriers for families to access assistance.[16,17] Furthermore, the Department should encourage Lead Agencies to have flexible documentation requirements for income verification for people with informal employment or gig workers.

Finally, although we recognize the importance of online applications, it is crucial for the Department to also recognize the significance of broadband access in today's digital age. The majority of individuals, especially those from underserved communities, rely heavily on mobile phones as their primary means

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[13] Providing Child Care for Child Care Providers: A Strategy for Addressing Staffing Shortages and Compensation for Early Childhood Educators, NAEYC, December 2022 https://www.naeyc.org/sites/default/files/wysiwyg/user-73607/providing_child_care_for_child_care_providers.december_2022.pdf#:~:text=Categorical%20eligibility%20in%20this%20case%20means%20that%20qualifying,child%20care%20centers%20and%20family%20child%20care%20homes

[14] United States Government Accountability Office, "Child Care: Subsidy Eligibility and Use in Fiscal Year 2019 and State Program Changes During the Pandemic," March 2023, https://www.gao.gov/assets/gao-23-106073.pdf.

[15] Creating a family-friendly child care assistance application, Department of Health and Human Services, Child Care Technical Assistance Network, https://childcareta.acf.hhs.gov/creating-family-friendly-child-care-assistance-application#WhyGuide

[16] Family-Friendly Applications are Key to Equitable Access in Child Care, CLASP, March 2023, https://www.clasp.org/blog/family-friendly-applications-are-key-to-equitable-access-in-child-care/

[17] Confronting the Child Care Eligibility Maze: Simplifying and Aligning with Other Work Supports, CLASP, December 2013 https://www.clasp.org/publications/report/brief/confronting-child-care-eligibility-maze-simplifying-and-aligning-other/

of accessing the internet. As such, the Department should require Lead Agencies to ensure online application systems are designed to be mobile-friendly. Recognizing the prevalence of mobile internet access can lead to more inclusive policies and user-friendly interfaces that cater to the needs of a diverse population. By acknowledging this reality, the Department can contribute to bridging the digital divide and ensuring that all families, regardless of their technological resources, can easily access the application and services they require.

Additional Children in Families Already Receiving Subsidies

- § 98.21(d) **The Lead Agency shall establish policies and processes to incorporate additional eligible children in the family** (e.g., siblings or foster siblings), including ensuring a minimum of 12 months of eligibility between eligibility determination and redetermination for children previously determined eligible and for new children who are determined eligible, without placing undue reporting burden on families.

We support the effort to clarify that the minimum 12-month eligibility requirement applies when children are newly added to the case of a family already participating in the subsidy program. Codifying this requirement will help to make sure there is consistent implementation of the policy and will help reduce confusion among Lead Agencies, families, providers.

Additionally, we support the encouragement for Lead Agencies to align eligibility periods to the newest child's eligibility period for families with multiple children accessing assistance. However, we acknowledge that the recommended process to extend the eligibility period for the existing child beyond 12 months may require additional funding. Yet the resulting reduction in administrative burden for the Lead Agencies and for families may mitigate the additional costs. Furthermore, we support the recommendation for Lead Agencies to leverage existing family eligibility verification information and only requiring the minimum necessary information for the additional child.

Simplifying the application process for additional children can reduce significant barriers for families that are already accessing child care assistance and increase capacity for Lead Agencies that have already reviewed a family's application information.

Conclusion

Again, we appreciate the Department's efforts to address issues facing families, children, and providers in child care systems across the country and the opportunity to share comments and feedback. Thank you for your consideration of these comments for the proposed rulemaking. We look forward to working with you to implement the changes once the final rule is published. Don't hesitate to call on any of our organizations for more information in the meantime.