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**Comments of Day Care Council of New York
On Proposed Rulemaking by U.S. Department of Health and Human Services
Administration for Children and Families
for Improving Child Care Access, Affordability, and Stability in the Child Care and
Development Fund (CCDF)**

August 28, 2023

The Day Care Council of New York (DCCNY) is the membership organization of early childhood provider organizations in New York City. DCCNY supports its member organizations and New York City's early childhood field at large through policy research and advocacy, labor relations and mediation, professional development and training for the early childhood workforce, and referral services for parents looking to find child care. DCCNY member organizations provide early care and education to over 200 sites in neighborhoods across all five boroughs.

Most DCCNY member organizations work with contracts issued by New York City Public Schools (NYCPS). NYCPS uses funds from the Child Care and Development Fund (CCDF) allocated to social service districts by New York State's Office of Children and Family Services (OCFS). DCCNY member organizations also provide early childhood education through

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privately-funded programs and the Federal Office of Head Start. DCCNY member organizations operate in all five boroughs and employ over 4,000 New Yorkers, most of whom are black and brown women.

DCCNY applauds the U.S. Department of Health and Human Services Administration for Children & Families for its work to increase access to child care. The proposed changes outlined in the Notice of Proposed Rule-Making (NPRM) represent a significant step forward in increasing the accessibility and affordability of child care for families. We are grateful for the opportunity to submit comments on these proposed changes.

Reduced Co-Payments

DCCNY supports lowering the co-payment threshold, as outlined in NPRM § 98.45(b)(5). This NPRM recommends that family co-payments do not exceed more than 7% of a family's income.

While CCDF requires co-payments in many circumstances, all efforts should be made to ensure that co-payments are not burdensome and do not prevent an obstacle to families accessing early care and education. New York, and most other states, rightly mandate that children just a few years older attend school and receive a sound education. Burdensome co-payment requirements make it difficult for families to access care and education for their young children. Families must not be denied care and education at their children's earliest, crucial stage of development.

This year, New York State capped family co-payments at 1% over the federal poverty level. Increasing accessibility for families is paramount, and we encourage the Administration for Children and Families (ACF) to continue their efforts to reduce this cost burden on families. The NPRM's move to cap co-payments to 7% of family income represents a step in the right direction.

Co-Payment Flexibility

DCCNY recognizes the importance of waiving child care co-payments for families facing hardship. NPRM § 98.45(l)(4) offers greater latitude for Lead Agencies to waive co-payments for families with income up to 150% of the Federal Poverty Guidelines (\$37,290 per year for a family of three or \$45,000 per year for a family of four). The NPRM also allows Lead Agencies to waive co-payments for eligible families with a child with a disability. DCCNY supports waiving co-payments for these populations.

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In addition to waiving co-payments for the families listed above, DCCNY echoes the New York State Office of Children and Family Services (NYS OCFS) recommendation to allow Lead Agencies to waive co-pays for:

- Families in foster care,
- Families contending with homelessness, and
- Children receiving protective and/or preventative services.

DCCNY also urges ACF to extend co-payment waivers to:

(1) families working in child care, and

(2) migrant families.

The child care workforce devotes their careers to caring for and educating the children in their community. By waiving child care workers' co-payments, ACF demonstrates care for workers' children, too. Child care workers already contend with low wages and deserve burden-free access to care.

DCCNY also urges ACF to allow Lead Agencies to extend waivers to families impacted by a range of adverse circumstances, particularly those individuals facing trauma and poverty. In the midst of the migrant crisis and general economic hardship, widening the co-payment eligibility provides more opportunities for families and children to thrive.

Presumptive Eligibility

Presumptive eligibility, as proposed in § 98.21(e) and (h)(5), enables families to access care while their applications for assistance remain pending. Families must meet a set of minimum established requirements in order to demonstrate their likelihood of eligibility, and families can then enroll their child in care programs for three months as the paperwork processes.

DCCNY is a strong proponent of presumptive eligibility because it:

- Supports parents working by ensuring that they have a child care option more quickly;
- Reduces the administrative burden that providers, lead agencies, and City and County agencies face;
- Ensures that parents are able to choose the option that best meets the needs of their child and family, rather than focusing on which provider can most quickly process paperwork

Families who qualify for child care assistance often cannot wait for the length of time it takes to complete the application and approval process in order to receive care. This remains particularly true for parents who obtain a job and must be able to access child care on short notice.

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Presumptive eligibility offers a more equitable solution by ensuring that families with fewer resources can access assistance without undue barriers. It enables families to obtain quicker access to child care, and it allows parents to start, maintain, and advance in their employment without a protracted waiting period.

DCCNY urges ACF to require Lead Agencies to implement presumptive eligibility.

Contracting

DCCNY supports adjustments to NPRM §§ 98.16(y), 98.30(b), and 98.50(a)(3), which advocate for the use of grants and contracts to increase childcare supply. In particular, the proposed rule change presents more education and care opportunities for underserved communities.

The Day Care Council of New York was founded when New York City created some of the nation's first contracted child care centers to support the families of service members leaving to fight in the Second World War. Since then, New York City's contracted system offered a model for the national Head Start program and other contracted systems throughout the country. Further, New York State employs a contracting model to fund 4410 Preschool Special Education Programs.

Child Care and Development Funds (CCDF) remain an essential part of New York City's contracted systems. This model blends funds from disparate sources, including New York State Pre-Kindergarten Funds, Head Start programs, and investments made by the City. Benefits of the contracted system include:

- Sustaining long-standing community-based organizations, with programs often serving their respective communities for decades
- Incubating innovative practices, including through community engagement, multi-generational programming, and increased family support
- Building a more stable network of providers. Contracted systems ensure continuity of care and offer a long-term workforce with expertise in early childhood education

DCCNY strongly supports the expansion of contracts and grants and urges ACF to continually work with lead agencies and child care providers to ensure that regulations support the development and maintenance of contracted child care systems.

Payment Practices

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Payment practices play a significant role in ensuring the sustainability of child care systems. The ACF's NPRM § 98.45(m)(1) recommends structuring payments to child care providers in a manner similar to a private-pay model. This would require Lead Agencies to pay providers prospectively rather than base payments on student attendance.

In a city with a high rate of homelessness and migrant populations, attendance can fluctuate. Children in these populations need a safe place to learn and grow, and the payment model should reflect this priority. NPRM § 98.45(m)(1) effectively addresses this concern. Adopting a private pay model where costs are determined irrespective of attendance supports the true cost of care for providers.

Simplifying Application Processes

DCCNY welcomes the addition of digital paperwork options to extend the accessibility and ease of application processes for assistance, as outlined in NPRM § 98.21(f)(1). Many eligible families do not complete the paper submission process due to the complexity of the application process. Digital portals can reduce the stress of paperwork and encourage a more streamlined and straightforward application experience.

At the same time, it is important to retain the paper submission component; not all applicants can readily access the Internet, and many applicants struggle with digital literacy. The proposal states that the paperwork application will remain, which is helpful. DCCNY recommends the long-term continuance of the paperwork option.

DCCNY also encourages ACF to ensure that digital paperwork enables applicants to complete the paperwork in their primary language. This further reduces the barriers preventing eligible applicants from obtaining assistance.

Thank you again for offering the opportunity to comment on the proposed policies, and we appreciate your consideration. DCCNY commends the Administration for Children and Families for advancing policies to improve access to care and education for families in need.

Sincerely,

The Day Care Council of New York

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