

Regulatory Impact Statement

1) Statutory Authority:

Section 20(3)(d) of the Social Services Law (SSL) authorizes the commissioner of the New York State Office of Children and Family Services (OCFS) to establish rules, regulations, and policies to carry out OCFS' powers and duties under the SSL.

Section 34(3)(f) of the SSL authorizes OCFS to establish regulations for the administration of public assistance and care within the state.

Section 410-u of the SSL establishes the New York State Child Care Block Grant Program (NYSCCBGP).

Section 410-w of the SSL delineates which families may be eligible to receive child care assistance funded by the NYSCCBG and for how long such families may be eligible.

Section 410-x(8) of the SSL requires child care assistance payments under the NYSCCBGP to be in accordance with OCFS regulations.

2) Legislative Objectives:

Social Services Law Section 410-w(3) and (5)(a) previously stated that social services districts must provide child care services under the NYSCCBGP for a period of 12 months from the date of eligibility determination. These provisions were revised to allow social services districts the option to provide child care services under the NYSCCBGP for a period of 24 months. OCFS must change relevant child care regulations to achieve compliance with these revisions.

The federal Child Care and Development Block Grant Act requires timely payment practices for child care providers. Providers must be paid within no more than 21 calendar days of receipt of a complete invoice for services. OCFS must change relevant child care regulations to achieve compliance.

Revisions are required to include that child care providers who falsely obtained OCFS funds through a grant opportunity will be disqualified for five years from the date of disqualification. A provider who does not make full restitution will remain ineligible for future grant opportunities offered by OCFS.

3) Needs and Benefits:

This rule is necessary to implement practices that will comply with the state law which allows 24-month eligibility periods as a district option and federal regulation requiring prompt payments to providers. In addition, this rule is necessary to implement additional program integrity measures.

This rule will benefit families and child care providers across New York state by expanding families' access to child care assistance, expediting provider payment processes, and preserving the integrity of the NYSCCBGP's resources. The rule will combat the statewide child care crisis that has continued to impact New York State since the onset of the global pandemic, despite consistent and prolonged efforts.

4) Costs:

The amendments to reducing time frames to process claims and implementing new program integrity measures may place additional administrative costs on the district, however these expenses can be absorbed as an expense to the districts' child care block grant allocation.

5) Local Government Mandates:

Social services districts must comply with the reduced provider payment time frame and new fraud guidelines imposed by this rule. Additionally, each social services district must update its Child and Family Services Plan (CFSP) to reflect any changes that result from these regulatory changes.

6) Paperwork:

Each district that makes changes must update its CFSP to reflect changes in accordance with these regulatory changes. OCFS will support and assist in this process. OCFS' Division of Child Care Services will be available to assist with questions.

7) Duplication:

This rule does not duplicate state or federal requirements.

8) Alternatives:

There are no alternatives. Revisions are required pursuant to federal and state law and to preserve program integrity.

9) Federal Standards:

This rule is consistent with applicable federal requirements.

10) Compliance Schedule:

Districts must come into compliance on March 31, 2023.