

To: Kelsi Feltz
Office of Information and Regulatory Affairs (OIRA)
Office of Management and Budget (OMB)

From: Rachel McKinnon
Office of Child Care
Administration for Children and Families (ACF)

Date: March 8, 2023

Subject: NonSubstantive Change Request – CCDF Discretionary Reallotment Report (OMB #0970-0510)

This memo requests approval of nonsubstantive changes to the approved information collection, CCDF Discretionary Reallotment Report (OMB #0970-0510)

Background

Any Child Care and Development Fund (CCDF) program funds not obligated by their obligation deadline are returned to the Federal Treasury. The Child Care and Development Block Grant (CCDBG) allows State and Tribal Lead Agencies to return CCDF Discretionary program funds that cannot be obligated in time to the Administration for Children and Families (ACF), and those State and Tribal CCDF program funds can be reallocated to other State and Tribal CCDF Lead Agencies to support children and families. As required by 45 CFR 98.64, State and Tribal Lead Agencies must inform ACF by April 3, 2023, of the amount they will be unable to obligate by September 30, 2023. (We are extending the deadline to April 3 because April 1—the usual deadline— falls on a weekend this year). This timing is necessary to allow ACF adequate time to de-obligate the funds and reallocate them to other State and Tribal Lead Agencies.

In addition to the annually appropriated CCDF Discretionary program funds, at the end of this FFY the American Rescue Plan (ARP) Act Supplemental CCDF Discretionary program funds will reach the end of their obligation period. This was an additional \$15 billion dollars appropriated for the CCDF program in FFY 2021. While we anticipate that most State Lead Agencies will meet the obligation deadline, we believe that some State Lead Agencies and many Tribal Lead Agencies will not. We do not have the authority to issue fiscal waivers to extend the obligation deadline for these funds. The reallocation process increases the likelihood that these funds will remain with children, families, and child care providers that it was meant to support, rather than be returned to the Federal Treasury.

Overview of Requested Changes

The requested change revises the announcement sent to State and Tribal CCDF Lead Agencies for the federal fiscal year (FFY) 2023 reallocation process. The announcement updates the deadline for FFY 2023 and specifies the grants for which the reallocation is applicable. There are also minor changes to the language for clarity. The announcement is sent to State and Tribal CCDF Administrators through the Office of Child Care (OCC) listserve.

Time Sensitivities

The regulatory deadline to submit reports of CCDF Discretionary program funds that will not be obligated by September 30, 2023, is April 3. In order to leave time for CCDF Administrators to obtain signed letters reporting that their CCDF Discretionary cannot be obligated, the announcement will need to go out by March 17th.