



## CCDF Notice of Proposed Rulemaking 2026 Summary

On January 2, 2026, the U.S. Department of Health and Human Services, Administration for Children and Families announced a [notice of proposed rulemaking \(NPRM\)](#) in the Federal Register. The NPRM proposes to remove or modify some of the mandatory provisions included in the 2024 CCDF Final rule changes. Comments are due 30 days from publication on **February 4, 2026**.

The Department of Health and Human Services (HHS) argues it is issuing the NPRM to address feedback from states that some of the requirements included in the [2024 CCDF Final Rule](#) were more costly and difficult to implement than initially estimated. The NPRM estimates \$6.1 million in annual generated cost savings if the proposed changes become final. It also notes that state Lead Agencies would still have the flexibility to implement the policies required by the 2024 CCDF Final rule, but they would no longer be required to do so.

### Summary of Changes

The NPRM proposes to remove or modify some of the mandatory provisions included in the 2024 CCDF Final Rule:

- **Rescinds the requirement for states to cap family copayments at 7%.** The NPRM proposes to return to the 2016 language, which simply requires states to ensure that family copayments are not a barrier for families receiving subsidy. The NPRM also includes a conforming change to remove the requirement that Lead Agencies describe in their CCDF Plans how copayments do not exceed 7%.
- **Rescinds the requirement that states use some grants or contracts for direct services for infants and toddlers, children with disabilities, and children in underserved geographic areas.** The NPRM proposes to revert to the 2016 language that state CCDF Plans must include strategies to increase the supply and improve the quality of child care services in underserved areas, infants and toddlers, children with disabilities, and children who receive nontraditional hour care, including whether the Lead Agency plans to use grants and contracts, among other strategies.
- **Rescinds the requirement that states pay child care providers based on a child's enrollment, rather than attendance.** The NPRM proposes to return to the 2016 language that allows Lead Agencies to meet the requirement to delink provider payments from occasional absences through multiple options, including: paying providers based on enrollment; paying a full payment to providers as long as the child attends for 85% of the time; provide full payment to providers as long as a child is absent

for five or fewer days in a month; or establishing an alternative approach in its CCDF Plan.

- **Rescinds the requirements that states pay child care providers prospectively.** The NPRM proposes to return to the 2016 language that gives Lead Agencies the option to pay prospectively or pay providers within 21 calendar days.
- **Removes language clarifying the total payment to providers.** While not a requirement under the 2024 CCDF Final Rule, but included as a clarification, the NPRM also proposes to remove language that requires Lead Agencies to demonstrate in their CCDF Plans that the total payment to a provider would not decrease due to lower family copayments. It argues that since the NPRM proposes to remove the 7% copayment cap language, this clarification would be no longer relevant.

Under the 2024 CCDF Final Rule, all these requirements apply to states and territories. The 7% cap on copayments also applies to tribes under the 2024 CCDF Final Rule.

If the provisions included in the NPRM become finalized in a final rule, it would take effect 60 days from publication.

### Specific Feedback Requests

HHS requests specific feedback on two points regarding payment practices in the NPRM:

- **Timely payments:** HHS notes that some providers continue to express concerns about not receiving payments for long periods of time after services are rendered, which sometimes impacts their decisions to participate in CCDF. HHS is seeking comments on whether instead of requiring payment within 21 days of services, if a different deadline (i.e., 7 or 14 days after receiving a completed invoice) would better support provider stability.
- **Delinking payments from absences:** HHS is seeking comments on whether a different number of paid absences (i.e., providing full payment as long as a child is absent 10 days or fewer instead of 5 days in a month) or a different attendance rate (i.e., 75% instead of 85% of authorized time) would increase child care provider participation in CCDF.

### Next Steps

The public may weigh in on the changes included in the NPRM by submitting written comments. They may do so by submitting through the [Federal eRulemaking Portal](#) or by emailing [OCCPolicyInfo@acf.hhs.gov](mailto:OCCPolicyInfo@acf.hhs.gov). Both methods require that the agency name (Department of Health and Human Services) and RIN number (RIN 0970-AD20) are included in the submission.