



Office of Child Care Updated Waiver Guidance

September 21, 2021

Dear CCDF Administrators:

Thank you for all you have done over the past year to keep your communities safe and address the challenges of the coronavirus disease 2019 (COVID-19) pandemic. We know that this has been a particularly challenging time and greatly appreciate the measures you have taken to support families, children, and providers participating in your Child Care and Development Fund (CCDF) program.

The Child Care and Development Block Grant (CCDBG) Act of 2014 allows the Secretary of Health and Human Services the *option to temporarily waive* requirements in certain circumstances. With respect to extraordinary circumstances (e.g., natural disaster or financial crisis), lead agencies may apply for waivers for no more than 2 years, as applicable to the temporary circumstance or situation as specified in the CCDF Final Rule at 45 CFR § 98.19. Waiver approval is at the discretion of the Secretary and must be linked to the extraordinary circumstance at the time of the request.

Nationally, businesses, restaurants, and movie theaters are reopening. Students are going back to school, and many child care programs have been open for more than a year. Seventy-four percent of American adults have received at least one dose of a COVID-19 vaccine. We are learning more about how the virus spreads and how to keep our communities safe. We are experiencing a record-setting economic recovery, with historic growth in employment and wages.

You have all taken tremendous, and at the time necessary, steps to protect the families, children, and providers in your care. And it is finally time to start building back better. **Therefore, the Office of Child Care (OCC) is winding down the existing waiver request and approval framework linked to COVID-19 initially approved in April 2020. OCC expects lead agencies to transition from any approved CCDBG waivers by October 1, 2021; return to its child care operations as required by CCDF; and demonstrate in their CCDF Plans that these policies, enacted through waivers, are no longer in effect as October 1, 2021. No additional waiver requests or waiver extensions linked to the existing COVID-19 framework will be considered at this time. This includes all states, territories, and Tribes, including those Tribes who have consolidated CCDF into an approved 102-477 Plan.**

The Biden Administration has provided states, Tribes, and territories with unprecedented funding for expansions and improvements for child care, giving you an extraordinary opportunity to invest in early care and learning. The American Rescue Plan's \$39 billion investment in child care is the single largest investment in child care in our nation's history. This Administration is focused on supporting our nation's child care providers and providing financial relief to this critical sector with an equity lens that recognizes the importance of this sector led by women, and especially women of color. The \$24 billion for a new child care stabilization fund to help child care providers reopen or stay open, provide safe and healthy learning environments, keep workers on payroll, and provide mental health supports for educators and children does just that. We are laying a foundation to build a system that meets the needs of children, families, and child care providers.

In addition, states, Tribes, and territories now have additional flexibility to fund child care assistance for low-income families and essential workers. The [OCC guidance](#) to states, Tribes, and territories for the American Rescue Plan's additional \$15 billion in discretionary CCDBG funding strongly recommends that lead agencies focus resources on investing in child care in ways that strengthen the system and ensure that families have equal access to high-quality, affordable child care to support them during and after the pandemic. The Administration has gone further to encourage state and local governments to finance quality child care options for parents and increase wages for the early childhood workforce, investments needed to support recovery from the pandemic. The guidance strongly encourages states to use this significant investment to increase subsidy payments and compensation for the child care workforce so that child care programs can keep their doors open and families can find care, build the supply of high-quality child care for historically underserved communities, and provide child care assistance to more low- and middle-income families.

These additional investments in CCDBG have reduced the need for certain waivers since each contains provisions that allow certain activities to be funded without a waiver. For example, the Coronavirus Aid, Relief, and Economic Security (CARES) Act; Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act; and American Rescue Plan Act CCDBG supplemental grants all allow—without the need for a CCDBG waiver—essential workers to receive child care assistance without regard to income eligibility. CRRSA funds also allow copayments to be waived for all families without the need for a CCDBG waiver.

With this momentous and long overdue investment in businesses and schools reopening, it is time to transition back to the health and safety measures and CCDF policies that protect families and children and preserve their right to equal access. The decision to allow current waivers to expire on September 30, 2021, is consistent with the information released in both the May 10, 2021, guidance ([CCDF-ACF-IM-2021-02](#)) and the June 11, 2021, guidance ([CCDF-ACF-IM-2021-03](#)). Starting October 1, 2021, **non-COVID-19-related** waivers **may** only be allowed in very limited circumstances that align with the CCDBG requirement that temporary waivers be tied to extraordinary circumstances. Separate guidance will be issued after October 1, 2021, to identify potential waiver requests that may be considered going forward.

The OCC is committed to supporting states, Tribes, and territories in their efforts to recover from the pandemic and build back better child care systems. [Help is already on the way](#) in the form of universal, targeted, and individualized technical assistance (TA) so that lead agencies can support child care providers with the American Rescue Plan child care stabilization grants and families, children, and providers with the additional supplemental funding (resources can be found on the [OCC TA website](#) and by contacting your regional office).

It is time to address the long-standing child care crisis and rebuild toward a stronger system that allows families equal access to choose high-quality child care that supports children's development and early learning, meets parents' employment needs, and supports a professionalized workforce that is fairly and appropriately compensated for the essential skilled work that they do. The OCC looks forward to working with you to meet these goals.

Sincerely,

/s/

Ruth Friedman, Ph.D.
Director
Office of Child Care