



April 8, 2026

The Honorable Bill Cassidy, M.D.
Chairman
U.S. Senate Committee on Health, Education, Labor, and Pensions
428 Dirksen Senate Office Building
Washington, DC 20510

Dear Chairman Cassidy:

On behalf of the Head Start community, the National Head Start Association (NHSA) and the state, regional, and national Head Start associations signed below, we thank the Senate Committee on Health, Education, Labor, and Pensions (HELP) for the opportunity to submit feedback on the Child Care Program Integrity [discussion draft](#) to amend the Child Care and Development Block Grant Act.

Head Start grant recipients work closely with the Child Care and Development Fund (CCDF) in most states. Indeed, more than 35 percent of Head Start programs also receive child care subsidy¹ in order to better meet the needs of working parents by extending the program day or year. In addition, Early Head Start - Child Care Partnerships, a priority of Congress over the last decade, provide critical support for improving and stabilizing child care for infants and toddlers in many communities.

Federal early learning programs like CCDF are a lifeline for working families across the country, making it possible for parents to maintain employment while their children receive quality, nurturing care. As the discussion draft notes, CCDF currently reaches only about 1.4 million of the estimated 8 million eligible families, leaving demand for child care services far outpacing supply. It is imperative that CCDF operates in states in a way that upholds fiscal integrity standards designed to weed out fraud and misuse, while at the same time remaining accessible to eligible families and navigable for child care providers that make up the backbone of the program.

Changes to CCDF to address recent fraud allegations should be carefully crafted and data-driven to address real risks while acknowledging the wide variety of ways in which the CCDF block grant operates in states. NHSA urges the Committee to ensure integrity measures are precisely targeted, grounded in evidence, so that reforms do not create new barriers for families, children, and providers, including Head

¹ Bernstein, S., N. Reid, J. Harrington, and L. Malone. (2022), "Head Start's Interaction with Federal, State, and Local Systems," OPRE Report 2022-12, Washington, DC: U.S. Department of Health and Human Services, Administration for Children and Families, Office of Planning, Research, and Evaluation, <https://files.eric.ed.gov/fulltext/ED622889.pdf>.

Start grant recipients. With that balance in mind, we welcome this opportunity to provide feedback on the discussion draft and look forward to continuing to engage with the Committee as this legislation develops.

SECTION 2 – PAYMENT PRACTICES AND VERIFICATION

Protections for Working Parents and Minimum Periods

One of the most concerning provisions in the Committee’s draft is the proposed reduction of the minimum eligibility period from 12 months to six months, as well as the new requirement that parents self-report income and work status changes within 90 days. The 12-month eligibility period was a deliberate policy established in the bipartisan CCDBG reauthorization of 2014, reflecting Congress's recognition that frequent redeterminations destabilize child care arrangements and undermine families' ability to achieve economic self-sufficiency. Indeed, some states have echoed the one-year eligibility period in statute.

Cutting this period in half would double the administrative burden on families, providers, and states, increasing the likelihood that eligible children lose access to care due to paperwork delays, missed deadlines, or temporary fluctuations in income, not because they are actually ineligible. For Head Start families in particular, disruptions to child care undermine continuity and stability for families that are on the path to obtaining gainful employment and economic self-sufficiency.

The addition of a 90-day self-reporting requirement compounds these concerns: low-income working parents navigating multiple jobs, shifting schedules, and limited resources should not face the risk of losing child care assistance because they did not report a temporary income change within a rigid timeframe. At any one given point in time, parents’ income can vary considerably, even though when annualized, it falls below the CCDF income maximum. For example, those in seasonal jobs can be subject to extremes in income from one month to the next. Head Start programs use prior year tax returns to establish income eligibility, which avoids momentary distortions in income that would be caught up in a 90-day requirement.

Additionally, some states require in-person verification, making these timeline changes particularly difficult to comply with, given transportation challenges and the amount of time it takes to show up at a government office during a specific time window, especially in rural communities. Rather than advancing program integrity, these provisions would create new barriers for the very families CCDF was designed to support and could be a barrier to searching for and obtaining employment, not to mention contradict congressional intent in the 2014 bipartisan reauthorization to promote continuity of care.

Payment Practices – Verified Attendance and Delinking Absences

The Head Start community opposes the proposed shift from enrollment-based to attendance-based payment as the required standard for CCDF reimbursement. More than half of states have already

adopted enrollment-based payment policies. This policy was reinforced earlier this year when the Trump Administration issued an NPRM that preserves states' flexibility to choose enrollment or attendance-based payment practices. Enrollment-based reimbursement recognizes that the vast majority of child care costs are fixed regardless of whether a child is present on any given day. Rent, staff salaries, utilities, and overhead do not fluctuate with daily attendance, and reimbursing providers only for verified attendance days — even with a six-absence delink — would introduce significant revenue instability for programs that are already operating on razor-thin margins.

Additionally, the intent behind this provision is unclear. On any given day, programs take attendance multiple times and in multiple settings, validating that children who are enrolled do indeed attend. For example, Head Start bus drivers take attendance, as do teachers first thing in the morning, during transitions to other rooms or the playground, and at mealtime (a requirement for CACFP participation). Eliminating the flexibility for states to choose enrollment-based payment adds complexity without achieving any clear policy objective.

Verification of Eligibility; No Self-Certification

While we strongly support meaningful eligibility verification as a tool for program integrity, we have questions and concerns about the practical implementation of the proposed prohibition on self-certification for certain circumstances. For example, families experiencing homelessness may have no documentation of a fixed residence. Self-employed parents may lack traditional pay stubs or employer records to verify income. Parents subject to child support orders may be legally entitled to a specific monthly amount that has not actually been paid in months or years, effectively creating a gap between documented income and actual household resources. Foster families, who are often categorically eligible for CCDF assistance, present yet another situation where standard documentation requirements may not apply cleanly. It is also important to factor in that states use several categorical eligibility pathways beyond income alone, and a blanket prohibition on self-certification could inadvertently disrupt these established, lawful enrollment pathways. Before this provision moves forward, we urge the Committee to clarify what forms of third-party verification would be deemed acceptable across these varied circumstances, and to ensure that the final language preserves states' ability to apply reasonable flexibility for populations where documentation barriers are common and well-documented, such as waivers for the examples noted above.

NHSA and the undersigned associations strongly oppose the proposal to condition a child's eligibility for CCDF assistance on whether the child's parent meets the citizenship and immigration status requirements of title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA). The proposed addition of a parental citizenship verification requirement under new subparagraph (X) marks a significant break from the framework that has governed CCDF implementation for nearly three decades. The Personal Responsibility and Work Opportunity Act (PRWORA) classifies CCDF as a federal public benefit, but has consistently treated the child, not the parent, as the relevant beneficiary for purposes of determining eligibility based on citizenship or immigration status. Federal regulations at 45 C.F.R. § 98.20(c) reflect this longstanding principle. Shifting the focus to parental status also introduces significant practical complications: verifying a parent's immigration status is a

substantially more involved process than verifying a child's, carrying with it higher administrative costs, slower eligibility determinations, and an increased risk that children who are themselves U.S. citizens will be denied access to care that they otherwise qualify for. We urge the Committee to remove this provision and maintain the longstanding principle that CCDF eligibility is determined based on the child.

Electronic Authentication for Attendance Verification

We appreciate the Committee's interest in improving attendance verification and recognize that electronic tools can play a role in strengthening program integrity. However, we urge the Committee to approach this requirement with a clear-eyed understanding of how complex attendance tracking actually is in practice before mandating a uniform electronic authentication standard across all CCDF-funded providers. In a typical Head Start program, a child may be dropped off by any one of a dozen predetermined adults — parents, grandparents, older siblings, neighbors, foster parents — each of whom would require their own authentication credentials under this proposal. That same child may then be picked up by a bus driver for transportation to a health or developmental appointment, returned to the center, and picked up again at the end of the day by a different adult than the one who dropped them off. Attendance, in other words, is not a single daily event; it is a series of thoughtful transitions, each of which would need to be captured, authenticated, and reconciled.

States that have already invested in electronic attendance infrastructure report that implementation has been lengthy, costly, and technically complicated, and that the resulting systems frequently are not yet integrated with the subsidy payment platforms that actually process reimbursements — meaning the data collected may not yet serve the oversight purpose this provision intends. We therefore recommend that the Committee, rather than mandating a specific technological approach, direct HHS to issue flexible guidance that identifies acceptable verification methods, accommodates the operational realities of programs serving young children, and allows for phased implementation with adequate federal resources and technical assistance to support states and grantees in building systems that are both functional and sustainable.

SECTION 4: REVIEW OF COMPLIANCE

Monitoring and Compliance

We support the codification of compliance reviews on a regular three-year cycle and agree that consistent federal oversight is an important tool for ensuring CCDF funds reach eligible families as intended. However, we have concerns about the structure of the proposed sanctions and penalties.

Converting discretionary sanctions to mandatory ones by requiring the Secretary to impose recoupment, withholding, and disqualification without regard to the nature, severity, or duration of the noncompliance removes the judgment and proportionality that responsible oversight requires. A mandatory 5% penalty on top of any amounts recouped or withheld, with no cap and no graduated structure, could result in severe financial consequences resulting from administrative errors, including those that were caught and corrected through normal program operations. Treating routine reconciliation issues the same as

deliberate fraud or systemic mismanagement risks destabilizing programs serving vulnerable families. We urge the Committee to restructure sanctions incrementally, with clearly defined milestones and proportionality to the severity and persistence of noncompliance.

We also urge the Committee to bring greater clarity to several key terms before this legislation moves forward. The term "high-risk" as currently defined relies heavily on improper payment rates, but the draft does not sufficiently distinguish between inadvertent errors, administrative discrepancies, and actual fraud — three categories that are meaningfully different in both cause and appropriate response. Improper payment rates, as currently measured, can capture a wide range of technical errors, including clerical mistakes, documentation gaps, and timing discrepancies, that do not reflect fraud or intentional misuse of funds.

SECTION 5: REPORTS AND AUDITS

Data Collection, Reports and Audits

NHSA and the undersigned organizations broadly support the intent of this section and agree that strengthening data collection, error reporting, and audit remediation are important tools for ensuring accountability in the administration of CCDF funds. We also agree that verified fraud should be captured within federal error reporting, consistent with how improper payments have been treated in the past.

However, we strongly urge the Committee to ensure that the final regulations require error reports to break down improper payments into clear subcategories — distinguishing overpayments, underpayments, administrative errors, and fraud — so that policymakers, states, and the public have an accurate picture of what is driving a given state's error rate. Without this disaggregation, the conflation of routine administrative discrepancies with intentional fraud risks stigmatizing well-functioning programs and obscuring where targeted interventions are actually needed.

Regarding the proposed database of disqualified providers, we urge the Committee to address critical due process questions, such as what conduct triggers disqualification, what notice and appeal rights providers have, and how errors in the database are identified and corrected.

SECTION 6: ELIGIBILITY

Change in Asset Cap

Regarding the proposed reduction in the CCDF asset cap from \$1,000,000 to \$500,000, we urge the Committee to consider the unintended consequences this change could have for families who are genuinely low-income but hold illiquid assets. This may include families who own a small business, operate a family farm, or have inherited a home -- assets that may appear substantial on paper but generate little to no income and cannot easily be converted to cash to pay for child care. We urge the

Committee to consider carve-outs or valuation adjustments for illiquid assets such as family farms, small businesses, and primary residences before lowering this threshold.

In conclusion, we appreciate the opportunity to provide feedback on this discussion draft. Head Start and CCDF have long worked in partnership to support working families and give young children the strong start they need to achieve success in school and life. We share the Committee's desire to maintain a program that is both fiscally sound and accessible to the families and providers who rely on CCDF.

As this draft moves forward, we urge the Committee to keep the child and their family at the center of every policy decision. Reforms that reduce fraud and improper payments are worth pursuing, but also must be carefully designed to avoid disrupting the child care arrangements that working families, communities, and local economies depend on. Blunt instruments that increase administrative burden, eliminate state flexibility, or tie a child's eligibility to factors beyond their control will not strengthen CCDF; they will weaken it.

NHSA and the undersigned organizations look forward to continuing to work with the Committee to expand access to quality child care and Head Start for every child who needs it.

Sincerely,

National Head Start Association
National Indian Head Start Directors' Association

New England Head Start Association
Region II Head Start Association
Region III Head Start Association
Region IV Head Start Association

Region VI Head Start Association
Region VII Head Start Association
Region VIII Head Start Association
Head Start WEST

Alaska Head Start Association
Arizona Head Start Association
Head Start California
Delaware Head Start Association
Illinois Head Start Association
Indiana Head Start Association
Kansas Head Start Association
Massachusetts Head Start Association
Missouri Head Start Association

Nebraska Head Start Association
New Jersey Head Start Association
Ohio Head Start Association
Oregon Head Start Association
Pennsylvania Head Start Association
Rhode Island Head Start Association
Virginia Head Start Association
Washington State Association of Head Start and ECEAP
West Virginia Head Start Association

CC: Members of the Senate HELP Committee