

(7) Recovery must be attempted in all cases of fraud, in all cases involving current recipients, and in all cases where the overpayment amount would equal or exceed the costs of recovery.

(8) States must collect and maintain information on the collection of overpayments and make appropriate adjustments for Federal matching, consistent with requirements established by the Secretary.

[54 FR 42263, Oct. 13, 1989, as amended at 57 FR 34459, Aug. 4, 1992]

§255.5 Child care standards.

(a) The State IV-A agency must establish procedures to ensure that center-based child care will be subject to State and local (and/or Tribal, where applicable) requirements designed to ensure basic health and safety (including fire safety) protections.

(b) The State must also endeavor to develop guidelines for family day care if it has not already done so.

(c) Upon request of the Secretary, the State IV-A agency must make available information on applicable standards of State and local law, including the requirements specified in paragraph (a) of this section and the guidelines specified in paragraph (b) of this section.

§255.6 Uniform reporting requirements for child care.

Each State IV-A agency shall be required to provide such child care information and data as are determined to be necessary by the Secretary to ensure the effective implementation of the provisions under this part and part 250. The uniform reporting requirements include, at a minimum, the average monthly number of families served, the types of such families, the amounts expended with respect to families assisted, the types of paid child care arrangements, and the length of time for which such families are assisted. The information and data for these families shall be separately stated with respect to families who have earnings and those who do not, and with respect to families who are receiving aid under the State IV-A plan and those who are not.

PART 256—TRANSITIONAL CHILD CARE

Sec.

256.0 Purpose.

256.1 State plan requirements.

256.2 Eligibility.

256.3 Fee requirement.

256.4 Other provisions.

AUTHORITY: Secs. 402, 403 and 1102 of the Social Security Act as amended (42 U.S.C. 602, 603 and 1302).

SOURCE: 54 FR 42267, Oct. 13, 1989, unless otherwise noted.

§256.0 Purpose.

This part pertains to child care available to families whose eligibility for AFDC assistance has ceased due to increased hours of, or earnings from, employment or as a result of the loss of income disregards due to the expiration of the time limits at §233.20(a)(11).

§256.1 State plan requirements.

(a) The State Supportive Services plan specified under §255.1 must include a description of:

(1) The methods the State IV-A agency will use to provide transitional child care;

(2) The sliding fee scale under which families will contribute toward the cost of child care;

(3) The methods and procedures the State IV-A agency shall use to ensure that fees are collected; and

(4) The application requirements established by the State.

(b) A State IV-A agency which has not implemented a JOBS program as of April 1, 1990 must submit a Supportive Services plan for transitional care which includes the provisions described in this part and the provisions at §255.1 which apply to transitional child care (i.e., paragraphs (a), (b), (e), (f), (i), (k) and (l)).

§256.2 Eligibility.

(a) The State IV-A agency must guarantee child care for a child who is: under age 13; is physically or mentally incapable of caring for himself or herself, as verified by the State based on a determination of a physician or a licensed or certified psychologist; or under court supervision, and who would be a dependent child, if needy,

(and for a child who would be a dependent child except for the receipt of benefits under Supplemental Security Income under title XVI or foster care under title IV-E), to the extent that such care is necessary to permit a member of an AFDC family to accept or retain employment.

(b) A family is eligible for transitional child care provided the following conditions are met:

(1) The family must have ceased to be eligible for AFDC as a result of increased hours of, or increased income from, employment or the loss of income disregards due to the time limitations at §233.20(a)(11);

(2) The family must have received AFDC in at least three of the six months immediately preceding the first month of ineligibility;

(3) The family requests transitional child care benefits, provides the information necessary for determining eligibility and fees, and meets appropriate application requirements established by the State; and

(4) The family ceased to be eligible for AFDC on or after April 1, 1990.

(c) Notwithstanding when the family requests assistance under this part, eligibility for transitional child care begins with the first month for which the family is ineligible for AFDC, for the reasons included in paragraph (b)(1), and continues for a period of 12 consecutive months. Families may begin to receive child care in any month during the 12-month eligibility period.

(d) The family is not eligible for child care under this part for any remaining portion of the 12-month period if the caretaker relative:

(1) Terminates employment without good cause, as defined in §250.35; or

(2) Fails to cooperate with the State IV-A agency in establishing payments and enforcing child support obligations, as defined in §232.12.

(e)(1) If the caretaker relative loses a job with good cause, and then finds another job, the family can qualify for the remaining portion of the 12-month eligibility period.

(2) If the family re-establishes eligibility for AFDC during this period, it could qualify for a new 12-month eligibility period if it met the necessary

conditions of eligibility (including the 3-of-6 month requirement).

§256.3 Fee requirement.

(a) The State IV-A agency must require each family receiving transitional child care to contribute toward the payment for such care based on the family's ability to pay.

(b) Each State IV-A agency shall establish a sliding fee scale which will provide for some level of contribution by all recipients.

(c) A State IV-A agency may vary the period of collection for different fee levels.

(d) The State IV-A agency may establish whether fees are paid to the providers or the State agency. In cases where the family's contribution is paid to the State IV-A agency, such contribution is subject to the program income requirements in §74.42(c), subpart F. Claims for Federal matching funds for child care expenditures shall be adjusted to reflect collection of fees under this part.

(e) Individuals who fail to cooperate in paying required fees will, subject to appropriate notice and hearings requirements, lose eligibility for benefits under this part for so long as back fees are owed, unless satisfactory arrangements are made to make full payment.

§256.4 Other provisions.

(a) The State IV-A agency, in providing transitional child care, must meet the requirements in §§255.3(a) paragraphs (1)-(5) and (7), (b), (c), (d), and (h); 255.5; and 255.6.

(b) The provisions on child care costs and matching rates at §255.4 shall apply to this Part, except in the case of Puerto Rico, Guam, the Virgin Islands, and American Samoa, child care expenditures under this Part are not covered as JOBS expenditures, but as expenditures subject to the limitation under section 1108 of the Act.

(c) The State IV-A agency must notify all families of their potential eligibility for transitional child care services under this part in writing, and orally as appropriate, at the time they become ineligible for AFDC. The notification must include information on the

steps they must take to establish eligibility for benefits and of their rights and responsibilities under the program.

(d) Provision of benefits under this part are subject to the notice and hearings provisions at §205.10, except that timely notice requirements do not apply to changes in the manner of payment, unless those changes result in a discontinuation, suspension, reduction, or termination of benefits, or they force a change in child care arrangements.

PART 257—AT-RISK CHILD CARE PROGRAM

Sec.

- 257.1 Purpose.
- 257.10 State IV-A agency administration.
- 257.20 Requirement for a State At-Risk Child Care plan.
- 257.21 State plan content.
- 257.30 Eligibility.
- 257.31 Fee requirement.
- 257.40 Methods of providing child care.
- 257.41 Child care standards.
- 257.50 Reporting requirements.
- 257.60 Availability of funding.
- 257.61 Grant awards.
- 257.62 Matching requirements.
- 257.63 Allowable expenditures.
- 257.64 Non-supplantation.
- 257.65 General administrative requirements.
- 257.66 Financial reporting.
- 257.67 Cost allocation.
- 257.68 Disallowance procedures.

AUTHORITY: 42 U.S.C. 602, 603, and 1302.

SOURCE: 57 FR 34459, Aug. 4, 1992, unless otherwise noted.

§257.1 Purpose.

This part pertains to the At-Risk Child Care program which permits States to provide assistance to low-income working families who need child care in order to work and are otherwise at risk of becoming eligible for AFDC.

§257.10 State IV-A agency administration.

(a) The State agency responsible for administering or supervising the State's title IV-A Plan is responsible for administering the At-Risk Child Care program.

(b) The following functions must be performed by the State IV-A agency:

(1) Planning for and design of the At-Risk Child Care program, including

submission of the State Plan to the Secretary;

- (2) Establishing eligibility criteria;
- (3) Setting local market rates and the sliding fee scale;
- (4) Issuing policies, rules, and regulations governing the program;
- (5) Submitting reports required by the Secretary as specified at §257.50;
- (6) Submitting quarterly estimates and expenditure reports pursuant to §257.61; and
- (7) Submitting Standard Form LLL (SF-LLL) which assures that funds will not be used for political lobbying purposes, pursuant to part 93 of this title, prior to the beginning of each fiscal year.

(c) Except for functions described in paragraph (b) of this section, the State IV-A agency may carry out the At-Risk Child Care program through written arrangements or contracts with other State or local administrative entities, or other public or private organizations.

(1) In doing so, the entity or organization must follow the policies, rules, and regulations of the State IV-A agency and must not have the authority to review, change, or disapprove any State IV-A agency administrative decision. Neither shall the entity or organization substitute its judgment for that of the State IV-A agency in the application of policies, rules and regulations promulgated by the State IV-A agency.

(2) Other entities or organizations may determine individual eligibility for the At-Risk Child Care program in accordance with rules established by the State IV-A agency.

§257.20 Requirement for a State At-Risk Child Care plan.

(a) The State IV-A agency must submit the At-Risk Child Care plan to the Secretary for approval.

(b)(1) The At-Risk Child Care plan shall be submitted as an amendment to the State Supportive Services plan which is defined at §255.1 of this chapter.

(2) An At-Risk Child Care plan may be submitted at any time during the quarter in which the State intends it to be effective. Upon its approval, the plan will be effective not earlier than