

<h1>ACF</h1> <p>Administration for Children and Families</p>	U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES Administration on Children, Youth and Families	
	1. Log No: ACYF-CB-IM-20-01	2. Issuance Date: January 22, 2020
	3. Originating Office: Children's Bureau	
	4. Key Words: Family First Transition Act, Family First Prevention Services Act, Title IV-B, Title IV-E, Child Welfare Demonstration Projects	

INFORMATION MEMORANDUM

TO: State and Tribal Agencies Administering or Supervising the Administration of Titles IV-B and IV-E of the Social Security Act

SUBJECT: NEW LEGISLATION – Public Law (P.L.) 116-94 *Family First Transition Act* within Section 602, Subtitle F, Title I, Division N of the *Further Consolidated Appropriations Act, 2020*, enacted December 20, 2019

LEGAL AND RELATED REFERENCES: Sections 474 and 1130 of the Social Security Act (the Act), [ACYF-CB-PI-18-09](#), [ACYF-CB-PI-18-10](#), and [ACYF-CB-PI-19-06](#)

PURPOSE: To inform state and tribal title IV-E agencies of the enactment of the *Family First Transition Act* and provide basic information on the new law.

BACKGROUND: The President signed the [Further Consolidated Appropriations Act, 2020, P.L. 116-94](#) into law on December 20, 2019. P.L. 116-94 includes the Family First Transition Act (henceforth, “Transition Act”) in Section 602, Subtitle F, Title I, Division N. The Transition Act modifies the requirement that at least 50 percent of title IV-E prevention services expenditures be for “well-supported” practices, authorizes funding for Family First Prevention Services Act (FFPSA) transition grants, authorizes grants to provide funding certainty for certain title IV-E agencies that were operating title IV-E demonstration projects under section 1130 of the Act on September 30, 2019 (henceforth, “waiver agencies”), and makes other changes. The major changes of the Transition Act are described below.

Disclaimer: Information Memoranda (IM) provide information or recommendations to States, Tribes, grantees, and others on a variety of child welfare issues. IMs do not establish requirements or supersede existing laws or official guidance.

EFFECTIVE DATES: All provisions of the Transition Act are effective as if enacted as part of FFPSA on the date of enactment of FFPSA (February 9, 2018) (section 602(g) of the Transition Act).

INFORMATION:

Modification of the title IV-E prevention program requirement that at least 50 percent of title IV-E prevention services expenditures be for “well-supported” practices:

- Section 474(a)(6)(A)(ii) of the Act requires that at least 50 percent of the amounts expended by the state for a fiscal year (FY) for the title IV-E prevention program must be for services that meet the “well-supported” practice criteria described in section 471(e)(4)(C)(v) of the Act. Tribal title IV-E agencies are not subject to this requirement (ACYF-CB-PI-18-10, page 4).
- The Transition Act temporarily suspends this requirement for two FYs, then phases it back in as follows:
 - In FY 2020 and FY 2021 states are not required to meet the 50 percent “well-supported” expenditures requirement (section 602(b)(1) of the Transition Act).
 - In FY 2022 and FY 2023, at least 50 percent of the amounts expended by the state for a FY for the title IV-E prevention program must be for services that meet the “supported” and/or “well-supported” practice criteria” (section 602(b)(2) of the Transition Act).
 - Beginning with FY 2024 and for all FYs going forward, states must meet the 50 percent “well-supported” expenditures requirement as described in section 474(a)(6)(A)(ii) of the Act.

New enhanced funding for FFPSA transition grants and grants to provide funding certainty for eligible waiver agencies:

FFPSA transition grants

- Appropriates \$500,000,000 (out of any money in the Treasury not otherwise appropriated) for FY 2020 to the Department of Health and Human Services (HHS) to allot to states, territories, Indian tribes, and tribal organizations.
- Instructs that allotments to states and territories be made in accordance with the title IV-B, subpart 1 allotment formula in section 423 of the Act (section 602(c)(1)(A) and (B)(i) of the Transition Act).
- Reserves three percent of the appropriation for tribes and tribal organizations with an approved plan under title IV-B, subpart 1, for allotment based on each tribe or tribal organization's share of the total tribal child population among all such tribes and tribal organizations (section 602(c)(1)(B)(ii) of the Transition Act).
- The Children’s Bureau plans to award the FFPSA transition grants in late 3rd quarter or early 4th quarter of FY 2020.

Grants to ensure funding certainty for eligible waiver agencies

- Appropriates funding for FY 2020 and FY 2021 (out of any money in the Treasury not otherwise appropriated) for potential payments to ensure funding certainty for waiver agencies (section 602(c)(2)(A) of the Transition Act). Funds will remain available through the end of the third succeeding fiscal year (section 602(c)(2)(F) of the Transition Act).

- Requires HHS to provide payments to these waiver agencies for FY 2020 and FY 2021, if they experience a defined reduction in title IV-E funding as compared to amounts authorized under the waiver terms and conditions for FY 2019.
- Provides a formula for how to calculate the payment, applicable percentages for each FY, and a special rule for the calculation (section 602(c)(2) of the Transition Act).
- Requires waiver agencies receiving these grants to ensure funding certainty to distribute the funds to its jurisdictions that were operating demonstration projects in a manner consistent with each sub-state jurisdiction's proportionate loss as compared with FY 2019 (section 602(c)(2)(D) of the Transition Act).
- In calculating the payment, HHS must account for any adjustments the waiver agency makes to previously reported title IV-E expenditures for FY 2020 and FY 2021.
- Requires waiver agencies to report title IV-E expenditures in funding categories under the former demonstration project, and any adjustments to such expenditures within two years of the last day of the fiscal quarter in which the expenditure was made, in a manner determined by the Secretary (section 602(c)(2)(E) of the Transition Act).

Requirements for use and reporting of FFPSA transition grants and funding certainty grants for waiver agencies

- The FFPSA transition grants and funding certainty grants for waiver agencies can be used for:
 - the purposes specified in title IV-B;
 - waiver demonstration project activities to reduce any adverse fiscal impacts as jurisdictions transition funding sources for the projects; and
 - activities directly associated with implementing FFPSA (section 602(c)(3)(A) of the Transition Act).
- Requires states, territories and tribes receiving a FFPSA transition grant and/or a grant to provide funding certainty for waiver agencies to report to HHS on:
 - how funds are used to implement each part of FFPSA, with a separate statement with respect to each such part;
 - all programs, services, and operational costs to which the grant is put;
 - the characteristics of the families and children served;
 - the amounts the agency uses for each FY to continue activities previously funded under a waiver provided under section 1130 of the Act;
 - the agency's plan to transition the activities so that needed activities can be provided under the agency's title IV-E plan, or, if expenditures for the activities would not be eligible for payment under title IV-E, the reason for it not being eligible and the funding sources the agency plans to use to cover the costs of needed activities; and
 - any additional information HHS requires (section 602(d)(1) of the Transition Act).
- Adds the above report to the reports that title IV-B agencies are otherwise required to submit, per section 432(a)(8) of the Act (section 602(d)(2) of the Transition Act).
- States and tribes are prohibited from using FFPSA transition grants and grants to ensure funding certainty for waiver agencies as a match for federal funds under any program (section 602(c)(3)(B) of the Transition Act).

Renaming title IV-B, subpart 2:

- Changes the name of title IV-B, subpart 2 from “Promoting Safe and Stable Families” to the “MaryLee Allen Promoting Safe and Stable Families Program” (section 602(f) of the Transition Act).

The Children’s Bureau will provide further information on the title IV-E prevention program provisions, FFPSA transition grants, and grants to ensure funding certainty for waiver agencies at a later date.

INQUIRIES TO: Children’s Bureau Regional Program Managers

/s/

Elizabeth Darling
Commissioner,
Administration on Children, Youth and
Families

Attachments:

A -- [P.L. 116-94, Sec. 602 of Division N](#)

B -- [Children’s Bureau Regional Program Managers](#)