

to OFAC any accounts, property, or interests in property that are blocked pursuant to any OFAC sanctions authority and in compliance with the Reporting Procedures and Penalties Regulations, 31 CFR part 501.

(2) *Notification.* If a transmittal of funds is prohibited pursuant to paragraph (b)(1) or is blocked consistent with Note 1 to paragraph (b)(1), the covered financial institution must notify affected persons associated with the transmittal of funds with which the covered financial institution maintains a direct commercial relationship.

(3) *Procedures for Removal from the List of A7 Network Sub-Agents.*

(i) A person identified by FinCEN as an A7 Network Sub-Agent may submit petition presenting arguments or evidence that the person believes establishes that insufficient basis exists for the person to be identified as an A7 Network Sub-Agent or that the circumstances resulting in being identified as an A7 Network Sub-Agent no longer apply. This submission must be made via email to

Globalinvestigations@fincen.gov.

(ii) For the purposes of such petitions:

(A) The information submitted by the person submitting a petition will be reviewed by FinCEN, which may request clarifying, corroborating, or other additional information.

(B) A person submitting a petition may request a meeting with FinCEN; however, such meetings are not required, and FinCEN may, at its discretion, decline to conduct such meetings prior to completing a review of the petition.

(C) After FinCEN has conducted a review of the petition, it will provide a written decision to the person that submitted the petition.

(4) *Special Due Diligence.* A covered financial institution shall take a risk-based approach when deciding what, if any, other due diligence measures it reasonably must adopt to guard against processing prohibited transmittals of funds associated with transactions involving any A7 Network Sub-Agent.

(5) *Recordkeeping and reporting.*

(i) A covered financial institution is required to document its compliance with the notification requirement set forth in this section.

(ii) Nothing in paragraph (b) of this section shall require a covered financial institution to report any information not otherwise required to be reported by law or regulation.

Jimmy L. Kirby,
Deputy Director, Financial Crimes
Enforcement Network.

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DEPARTMENT OF HEALTH AND HUMAN SERVICES

Administration for Children and Families

45 CFR Part 1355 and 1357

RIN 0970-AD32

Reforming Federal Reporting and Assessments in Child Welfare

AGENCY: Children's Bureau (CB), Administration on Children, Youth and Families (ACYF), Administration for Children and Families (ACF), Department of Health and Human Services (Department).

ACTION: Notice of proposed rulemaking.

SUMMARY: ACF proposes to remove regulations that implement title IV-B of the Social Security Act (the Act) because they are outdated and refer to dates that have passed, have been superseded by subsequent amendments to the Act, duplicate or restate requirements already in title IV-B of the Act or other Federal law, and/or impose administrative and reporting requirements on agencies that do not meaningfully support Federal program oversight and administration of title IV-B programs. Four of these regulatory requirements are redesignated to the regulations addressing titles IV-E and IV-B plan requirements. ACF also proposes to remove the regulation that articulates the principles of child and family services reviews because it does not prescribe any requirements that states and tribes must follow, but rather provides unenforceable recommendations, and to remove redundant cross-references.

DATES: Comments on this proposed rule must be received by November 4, 2026.

ADDRESSES: You may submit written comments, identified by docket number ACF-2026-0562 and/or Regulatory Information Number (RIN) 0970-AD32, through the Federal eRulemaking Portal: <https://www.regulations.gov> on or before the due date. Follow the instructions for submitting comments. All comments received will be posted without change to www.regulations.gov, including any personal information provided. In accordance with 5 U.S.C. 553(b)(4), a summary of this proposed rule may be found at [INSERT REGULATIONS.GOV CITE].

FOR FURTHER INFORMATION CONTACT:

Jennifer Haight, 202-329-6464; Administration on Children, Youth and Families, Administration for Children and Families, Department of Health and Human Services; cbcomments@acf.hhs.gov.

SUPPLEMENTARY INFORMATION:

I. Statutory Authority

The Department published this NPRM under the authority granted to the Secretary of the Department of Health and Human Services (the Secretary) by Section 1102 of the Social Security Act (the Act), 42 U.S.C. 1302, which authorizes the Secretary to publish regulations, not inconsistent with the Act, as may be necessary for the efficient administration of the functions with which the Secretary is charged under the Act.

II. Background

Title IV-B of the Act provides funding to states (including Washington, DC, territories, insular areas, (herein referred to as states) and Indian tribes, Tribal organizations and tribal consortia (herein referred to as tribes) to develop, expand, and coordinate child and family services programs that use community-based agencies for family support services, family preservation services, adoption promotion and support services, and family reunification services to ensure all children are raised in safe, loving families. The Stephanie Tubbs Jones Child Welfare Services Program authorized under title IV-B, subpart 1 of the Act (herein referred to as "subpart 1") funds preventive intervention, alternative placements, and reunification efforts to keep families together (section 421 *et seq.* of the Act). The MaryLee Allen Promoting Safe and Stable Families Program authorized under title IV-B, subpart 2 of the Act (herein referred to as "subpart 2") funds family support services, family preservation services, family reunification services, and services to support adoptions (section 430 *et seq.* of the Act).

To receive Federal funding under title IV-B, a state or tribal child welfare agency (agency) submits a Child and Family Services Plan (CFSP) for ACF approval (section 432 of the Act). The CFSP is a five-year strategic plan that consolidates the requirements in title IV-B subparts 1 and 2. It identifies goals for the continuum of child welfare services, focusing on safety, permanency, and the well-being of children and families (section 432(a)(2) of the Act). Annually, agencies submit to ACF a review of progress toward accomplishment of those goals in the Annual Progress and Services Report (APSR), revise the goals of the CFSP if necessary, and describe services that they will provide in the subsequent fiscal year (section 432(a)(2)(C) and (5) of the Act). In addition, agencies must

annually report expenditures to ACF on Form CFS-101 (section 432(a)(8)(B) of the Act). In the fifth year of the CFSP, agencies submit a final report to ACF on progress toward accomplishment of the goals (section 432(a)(2)(C) of the Act).

Federal regulations require that agencies use the CFSP, APSR, and final report to provide ACF information for title IV-B subpart 1 and 2 programs as well as information on the John H. Chafee Foster Care Program for Successful Transition to Adulthood (section 477 of the Act, hereafter referred to as Chafee) and the child abuse and neglect state grant programs under the Child Abuse Prevention and Treatment Act (CAPTA) (42 U.S.C. 5101 *et seq.*). Federal regulations at 45 CFR 1357.10, 1357.15, 1357.16 and 1357.20 set forth the program information that ACF requires agencies to submit. Sections 1357.30 and 1357.32 identify the fiscal requirements for state agencies and sections 1357.40 and 1357.50 provide the fiscal requirements for tribal agencies, and the information agencies must report through the CFS-101.

III. Purpose of the Proposed Rule

This NPRM proposes to remove the regulations in § 1357 because they: (1) refer to timeframes and dates that have passed, (2) refer to subsequently repealed or amended statutory changes, (3) duplicate federal law, and (4) increase administrative and reporting burdens on title IV-B agencies. Additionally, we propose to redesignate four regulatory requirements from § 1357 to § 1355.21, because they are necessary to retain and are more appropriately addressed as title IV-B plan requirements. We also propose conforming changes to § 1355; removal of 1355.21, which provides unenforceable suggestions; and removal of 1355.30, which duplicate other federal requirements. This proposal is consistent with the requirements in section 441 of the Act (42 U.S.C. 6291) and the Administration's priorities set forth in E.O. 14192 and E.O. 14219. If this NPRM becomes final, it would impact state and tribal title IV-B agencies. This NPRM does not propose any new requirements.

1. Remove Implementation Timeframes and Dates That Have Passed

The regulations for title IV-B of the Act were first issued in 1996 (61 FR 58655, Nov. 18, 1996, here after referred to as the 1996 final rule). We propose to remove regulations in § 1357 that refer to the original consolidation of the title IV-B planning requirements from the 1996 final rule. The transition period for the consolidation is complete,

and the dates no longer serve any operational or legal purpose.

2. Remove Regulatory Requirements That Were Subsequently Repealed or Amended by Statutory Changes

Since the 1996 final rule, Congress has extensively amended requirements under title IV-B, however the regulations have not been substantially updated to reflect these statutory changes. Therefore, we propose to remove regulatory requirements that have been superseded by subsequent amendments to title IV-B.

3. Remove Requirements That Duplicate Federal Law

The duplicative regulations are those that carry no impact because the authority and requirements stated in the regulation appear elsewhere in statute and other regulations. Our proposal will not change the agency's obligations to follow the law, because the statutory requirements continue to apply. The removal of these duplicative regulations will eliminate potential confusion between the statute, regulation and guidance.

4. Reduce Administrative Burden

The Supporting America's Children and Families Act (Pub. L. 118-258), signed into law on January 4, 2025, requires that the Department reduce administrative burden on the title IV-B program to eliminate duplication and streamline reporting requirements, specifically to reduce the burden of administering title IV-B and reduce the number of hours required for compliance by at least 15 percent (section 441 of the Act). It also requires ACF to modify subpart 2 reporting requirements imposed on tribes with a total allotment of not more than \$50,000 per fiscal year (section 428(b) of the Act). In this NPRM, we propose to meet these mandates by removing obsolete requirements from § 1357 and reducing administrative and reporting burdens on title IV-B agencies. Additionally, our proposal to remove unnecessary and burdensome administrative and reporting requirements is consistent with the Department's commitment to reducing unnecessary regulatory and paperwork burden, as described in E.O. 14219 and section 441 of the Act, which requires the Department to reduce the administrative burden of the title IV-B program.

The provisions in § 1357 that impose significant administrative and reporting requirements, beyond what is required by statute, do not meaningfully support Federal program oversight and administration of title IV-B programs.

Reducing unnecessary paperwork will allow agencies to focus resources on activities that directly support child and family outcomes. A recent report found that APSRs averaged 256 pages, with an average reading time of 7.18 hours and 41 to 78 percent of the language in each agency's APSR is the same as what they submitted for the previous year.¹

ACF understands that the reporting burden is due in large part to the regulations that require agencies to report duplicative information. ACF assesses that CFSPs and APSRs have become primarily compliance documents, rather than useful tools to improve the continuum of child welfare service delivery. This NPRM intends to correct this by removing the regulations above in order to eliminate duplication and streamline reporting requirements. As we describe in Section V., if this NPRM becomes final, we estimate an annual burden reduction of 60.78 percent.

July 2025 Federal Register Request for Public Comments

The Department's proposal is informed by public comments we received in response to ACF's **Federal Register** Notice Providing Technical Assistance Related to the Indian Child Welfare Act published on July 22, 2025 (90 FR 34506, hereafter referred to as the 2025 FRN) that requested broad input regarding implementation of new requirements from the Supporting America's Children and Families Act, including ways to reduce administrative burden for title IV-B program grantees. We received 23 comments in response to the 2025 FRN. The comments are available in the docket for this action on *Regulations.gov* (Docket ID ACF-2025-0038). We received 10 comments from state child welfare agencies and courts; four comments from tribes; three comments from organizations representing American Indians/Native Americans, interests; three comments from national advocacy, public interest, philanthropic, and professional organizations (organizations); and three comments from individuals. The Department carefully reviewed all the comments received in response to the 2025 FRN. The Department is using feedback to inform a myriad of work, including guidance, technical assistance, guidance and regulatory reform. The feedback on reducing the

¹ Abbott, Marissa, Jessica Rendon, and Jennifer Burnszynski. No States Have Ever Passed the Child and Family Services Reviews: Findings from an Analysis Over the Last 25 Years. Office of the Assistant Secretary for Planning and Evaluation, U.S. Department of Health and Human Services. November 2025.

administrative burden for title IV–B programs that we used to inform this NPRM is further explained in IV. Section-by-Section Discussion of Proposed Regulatory Changes.

Tribal Consultation

The Department's proposal is also informed by a series of consultations with tribal leaders that were hosted by ACF in: Arizona on September 25, 2025, Washington on November 18, 2025, Minnesota on August 25, 2025, and Washington, DC, on February 11, 2026 (collectively referred to as "tribal consultations"). Over 100 tribal leaders and partners participated in the consultations and ACF received 20 written submissions. A Summative Tribal Consultation Report from the consultations is available on CB's website. Like the 2025 FRN, the Department is using this feedback from the tribal consultations to inform a myriad of work, including guidance, technical assistance, and regulatory reform. The feedback that we used to inform this NPRM is further explained in section V. Section-by-Section Discussion of Proposed Regulatory Changes and section VI. Tribal Consultation Statement.

Severability

The provisions of this NPRM, once it becomes final, are intended to be severable, such that, in the event a court were to invalidate any particular provision or deem it to be unenforceable, the remaining provisions would continue to be valid. None of the provisions contained herein are central to an overall intent of the proposed rule, nor are any provisions dependent on the validity of other, separate provisions.

IV. Section-by-Section Discussion of Proposed Regulatory Changes

Section 1355.25 Principles of Child and Family Services

Section 1355.25 recommends guiding principles for child and family services that provide direction to states and tribes in developing, operating, and improving the continuum of services available. ACF agrees that many of the topics covered in this section are effective guiding principles, however, we propose to remove this section because it does not prescribe any requirements that states and tribes must follow but rather provides unenforceable recommendations. We believe these principles are more appropriate to set forth in a sub-regulatory guidance document. This proposal does not indicate a departure from ACF's position on what constitutes

effective principles of child and family services.

Section 1355.30 Other Applicable Regulations

We propose to remove § 1355.30, which cites to other federal regulations applicable to state and tribal programs funded under titles IV–B and IV–E of the Act. We propose to remove this section because the regulations cited are applicable to states and tribes and enforced regardless of § 1355.30. We believe a list of other applicable regulations is helpful but are more appropriate in a sub-regulatory guidance document.

Section 1357.10 Scope and Definitions

We propose to remove § 1357.10(a), which describes the scope of § 1357. Since we propose to remove § 1357, the paragraph is no longer necessary.

We propose to remove § 1357.10(b) and redesignate it as § 1355.21(c)(2), "Plan requirements for titles IV–B and IV–E." Paragraph (b) ensures that individuals who move from one state or tribal jurisdiction to another are able to obtain title IV–B services without being required to reside in the new state or tribal jurisdiction for a specified period before receiving services and that services are provided on the basis of need. We continue to believe that these requirements are important for ensuring continuity of title IV–B services and preventing barriers to children and families receiving services. However, we determined that this prohibition is more appropriately addressed in the regulations at § 1355.21, which govern title IV–B plan requirements. Therefore, agencies will continue to be prohibited from denying title IV–B services based on income or length of residence in a state or tribe's jurisdiction.

Section 1357.10(c) defines terms used in § 1357, including: child and family services plan, child welfare services, children, community-based services, families, family preservation services, family support services, and joint planning. We propose to remove the definitions because they are either superseded by subsequent statutory amendments or are already defined in section 475 of the Act and § 1355.20. Therefore, this proposed change will not alter the agency's obligations.

Section 1357.15 Comprehensive Child and Family Services Plan Requirements

Section 1357.15 describes the requirements for the five-year CFSP. In response to the 2025 FRN, two states, two tribes, and one tribal organization reported that the CFSP is not useful for purposes other than meeting the Federal

title IV–B reporting requirements, because agencies must write very lengthy reports in response. Those two states reported that none of their state oversight entities use them. However, comments received from two other states indicated they use the CFSP and APSRs to inform agency leadership about where improvements are needed in the child welfare system. Several other commenters responding to the 2025 FRN and participating in tribal consultations expressed that the amount of reporting far exceeds the benefit of the minimal funding that smaller tribes receive. During the tribal consultations, Tribal Leaders and their representatives shared that reducing the administrative burden for tribal child welfare programs will help ensure that tribal resources are used for direct services to families rather than consumed by excessive reporting requirements. ACF agrees that the extensive reporting requirements are an undue administrative burden on agencies when compared with the CFSPs utility and propose corresponding changes in this NPRM. Although the reporting requirements for the CFSP are rooted in statute, which is beyond the scope of a rulemaking, the Department assesses that the following proposal to remove § 1357.15 will help eliminate some burdensome reporting requirements.

Section 1357.15(a) describes what must be included in the CFSP. Current paragraph (a)(1) requires an agency to use one consolidated CFSP to meet the plan requirements for both title IV–B subpart 1 and subpart 2. As a result, tribal agencies that operate only a subpart 1 program must still follow the CFSP framework, including the planning cycle, submission timelines, and reporting structure associated with subpart 2, even though they do not operate a subpart 2 program. Section 432(b) of the Act does not require agencies to submit one consolidated plan covering both subpart 1 and subpart 2.

The Department now assesses that requiring one consolidated CFSP creates unnecessary administrative burden for tribal agencies that only receive subpart 1 funds. It also limits state and tribal agency flexibility in managing plan submissions and timelines. Therefore, we propose to remove paragraph (a)(1), which means that the regulations will not require agencies to follow the CFSP planning cycle and submission deadlines to receive title IV–B subpart 1 funds.

Section 1357.15(a)(2) requires agencies to report in their CFSP information on the independent living program in section 477 of the Act

(Chafee), and for states, CAPTA grants. While Chafee and CAPTA contain their own statutory requirements, the regulation incorporated their planning and reporting elements into the CFSP submission, because focus groups convened by the Children's Bureau (CB) to develop the 1994 NPRM (59 FR 50646, issued October 4, 1994), urged ACF to consolidate the planning and reporting for these programs to streamline administration and reduce redundancy for agencies by creating a single, integrated planning and reporting process rather than multiple separate submissions. In response to the 2025 FRN, we received several comments about whether submitting separate plans as opposed to one consolidated CFSP is less burdensome. Three states believe that continuing to combine the plans into one report is less burdensome than submitting separate program reports because it promotes program coordination within the state. In contrast, one state felt that separating program reporting would be less burdensome because it would allow them to manage workflow and deadlines. One tribe recommended consolidating all funding requirements into a single agreement or plan. In contrast, a tribal organization recommended separating the reporting requirements by individual program because clearly identifying which requirements apply to tribes would help tribes manage Federal reporting requirements more effectively. The Department now assesses that requiring agencies to consolidate Chafee and CAPTA requirements and reporting into one CFSP creates undue administrative burden on agencies and removes the agency's flexibility to report on each program using statutory timeframes. Our proposal to remove paragraph (a)(2) of this section means that agencies may submit separate plan information for title IV–B subpart 1, subpart 2, CAPTA and Chafee funding, following the timelines and reporting requirements set forth in statute for each such program. We believe allowing agencies to submit each program report in accordance with its statutory time frame will provide greater flexibility for agencies to determine how to meet timelines and program requirements and re-directs limited agency administrative capacity back towards program implementation. For example, title IV–B subpart 2, CAPTA and Chafee programs require agencies to report certain information and data annually; however, only subpart 2 and Chafee require agencies to submit annual data by June 30th of each year.

We propose to remove paragraph (a)(3) of this section, which explains that states must meet all requirements of § 1357.15 except those that apply only to tribal agencies. Tribal agencies must meet the requirements of § 1357.15 only as specified in the regulation. Because we propose to remove § 1357 in its entirety, this paragraph is no longer necessary.

We propose to remove paragraph (a)(4) of this section, which requires agencies to consolidate subparts 1 and 2 into a CFSP by June 30, 1997. The paragraph refers to phase-in dates that have passed, and therefore no longer serves any operational or legal purpose.

Section 1357.15(b) identifies the eligibility requirements for title IV–B funding. Paragraph (b)(1) of this section requires title IV–B agencies to submit a consolidated CFSP and annual CFS–101 for subparts 1 and 2. First, as we explained above, section 432(b) of the Act only requires that agencies submit a plan for the subpart 2 program. Second, the statute does not require agencies receiving only subpart 1 funding to submit a CFS–101. Therefore, we propose to remove paragraph (b)(1) because it imposes significant reporting requirements beyond what is required by statute. This means that regulations will no longer require tribes operating only subpart 1 programs to submit a CFS–101. If an agency operates both a subpart 1 and 2 program, it must submit a CFS–101 for both programs, as required in section 432(a)(8)(B)(ii) of the Act.

Section 1357.15(b)(2), (3), (5), and (7) refers to phase-in dates that have passed. Paragraphs (b)(2) and (3) require agencies to submit a consolidated CFSP, the first APSR, and the first CFS–101 certain dates in 1997. Paragraph (b)(5) requires agencies to submit the first APSR and CFS 101 by June 30, 1996. Paragraph (b)(7) requires agencies to submit the CFSP for FYs 1995–1999 by June 30, 1995. We propose to remove these paragraphs because they no longer serve any operational or legal purpose. This proposal will not alter the agency's obligations because agencies do not currently rely on these outdated paragraphs.

Section 1357.15(b)(4) requires agencies to jointly develop the CFSP and APSR with ACF, tribes, and a wide range of public and non-profit private agencies and community-based organizations. We propose to remove (b)(4) of this section because the requirement to jointly develop with ACF duplicates statutory requirements in sections 422(a) and 432(b)(1)(A) of the Act that already require joint planning between the agency and ACF.

Additionally, the requirement in section 432(b)(1)(A) of the Act requiring broad consultation with a wide range of stakeholders is applicable only to subpart 2, however § 1357.15(b)(4) applies the broad consultation requirement to subpart 1 plans. Based on 2025 FRN comments and our experience administering this program, the Department now concludes that this results in undue administrative and reporting burden on tribal agencies. The less time an agency spends on administrative tasks, the more time agency staff can spend working with children and families receiving services under title IV–B. The proposal to remove paragraph (b)(4) is consistent with comments on the 2025 FRN to eliminate the requirement to report on consultation and coordination. It means the regulation will no longer require that agencies consult with a wide range of public and non-profit private agencies and community-based organizations to develop a plan for subpart 1. Agencies that operate subpart 2 programs must continue to develop the subpart 2 plan and annual report in broad consultation with a wide range of stakeholders, but only those identified in statute.

Section 1357.15(b)(6) requires agencies to develop the APSR jointly with ACF and meet the requirements of § 1357.16 in order to receive title IV–B subpart 1 and 2 funding. We propose later in this document to remove § 1357.16, which makes this paragraph unnecessary. Additionally, section 432(a)(2)(C)(i) of the Act requires that agencies perform an interim review of progress toward accomplishment of the subpart 2 goals in the subpart 2 plan, and on the basis of the interim review, revise the statement of goals, if necessary, to reflect changed circumstances. Consistent with the statute, we propose to remove paragraph (b)(6) of this section. This means the regulation will no longer require tribal agencies operating only a subpart 1 program to submit an APSR.

Section 1357.15(c) describes the assurances agencies must provide to ACF. Paragraphs (c)(1) and (2) of this section require agencies to assure that they will participate in evaluations required by the Department and administer the CFSP in accordance with methods the Department determines are proper and efficient. These assurances duplicate requirements already established for subpart 2 in section 432(a)(8) of the Act. Thus, we propose to remove paragraphs (c)(1) and (2), which means that agencies receiving subpart 1 funding will provide the assurances in accordance with section

422 of the Act and agencies receiving subpart 2 funding will continue to provide assurances consistent with section 432(a)(8) of the Act.

Section 1357.15(c)(3) and (4) requires agencies to assure that they have a plan for training and employing paid paraprofessional staff and assure that they apply the childcare standards in title XX to the services under the CFSP. The Child and Family Services Improvement Act of 2006 (Pub. L. 109–288) removed these assurances from the Act. Therefore, we propose to remove paragraphs (c)(3) and (4) because they are obsolete.

Section 1357.15(d) requires agencies to develop a CFSP planning process that coordinates consultation with a wide range of stakeholders, title IV–B services with other Federal programs and collects information to determine which populations are most vulnerable or at risk. We propose to remove paragraph (d) of this section because it duplicates requirements already established in sections 422(b)(2) and 432(a)(3) and (b)(1)(A) of the Act and imposes additional burdensome requirements beyond what is required by statute. This proposed removal will not alter the agency's obligations to continue to coordinate services and benefits under other Federal or Federally assisted programs serving the same populations and state programs that have a relationship to title IV–B services as required in law. While we continue to believe that agencies should participate in robust consultation, we propose that agencies have more flexibility regarding whether to consult with a wide range of public and non-profit private agencies and community-based organizations and parents.

Section 1357.15(e) applies to states and requires the CFSP name the agency that will administer the title IV–B program, ensure the same agency also administers title IV–E and XX programs, and submit documentation of the organization and function of the agency with organization charts. Similarly, § 1357.15(f) applies to tribes and requires the CFSP name the Indian tribal organization that will administer the title IV–B subpart 1 and 2 programs, if appropriate, and submit documentation of the organization and function of the agency with organization charts. These duplicate requirements in section 422(b)(1) of the Act, and the Department now assesses that requiring agencies to provide further information, such as organizational charts, is not necessary for the Department to carry out effective oversight of title IV–B programs or to assess compliance with applicable Federal requirements.

Agencies will continue to report to ACF the name of the title IV–B agency that administers subpart 2, title IV–E, and title XX programs as required in section 422(b)(2) of the Act.

Section 1357.15(g) requires agencies to describe a vision statement in the CFSP. Focus groups convened by CB to develop the 1994 NPRM (59 FR 50646) recommended agencies have a vision statement to encourage development of a realistic yet forward-looking CFSP. We propose to remove paragraph (g) of this section because title IV–B of the Act does not require agencies to describe a vision statement and based on our experience administering title IV–B programs, the vision statement has limited utility for agencies and does not materially enhance our ability to evaluate program performance or compliance. This means agencies will not need to provide a vision statement in the subpart 2 plan.

Section 1357.15(h) requires that agencies specify the goals, based on the vision statement, they will achieve by the end of the five-year CFSP. The goals must be expressed in terms of improved outcomes for and the safety, permanency, and well-being of children and families, and in terms of a more comprehensive, coordinated, and effective child and family service delivery system. However, based on our experience administering title IV–B, the information collected under paragraph (h) of this section has limited utility for agencies, Federal monitoring, and does not materially enhance our ability to evaluate program performance or compliance. In addition, the requirements in paragraph (h) of this section extend beyond the statutory requirements in section 432(a)(2) of the Act by applying this requirement to agencies receiving subpart 1 funds and by directing all agencies to describe the goals in specific ways. Therefore, we propose to remove paragraph (h) of this section because based on our experience administering title IV–B programs, the Department now assesses the burden on agencies to report these details outweigh the benefit. The less time an agency spends on administrative tasks, the more time agency staff can spend working with children and families receiving services under title IV–B. Removing paragraph (h) means the regulations will not require agencies to include goals for the subpart 1 program, and agencies administering subpart 2 may identify their goals in the subpart 2 plan in a way that is appropriate for their needs, as required in section 432(a)(2) of the Act.

Section 1357.15(i) requires agencies to describe in the CFSP the objectives for

each goal and their progress providing title IV–B services to additional political subdivisions. The Act does not require agencies to describe objectives in the CFSP. Consistent with our proposal to remove paragraph (h) of this section above, the information collected under paragraph (i) of this section has limited utility for agencies, Federal monitoring, and does not materially enhance our ability to evaluate program performance or compliance. Based on comments received in response to the 2025 FRN and our experience administering title IV–B programs since the rule was published, the Department now assesses the burden on agencies to report these details outweighs the benefit. The less time an agency spends on administrative tasks, the more time agency staff can spend working with children and families receiving services under title IV–B. Therefore, we propose to remove paragraph (i) of this section, which means that regulations will not require agencies to describe objectives.

Section 1357.15(j) requires agencies to describe in the CFSP the methods used to measure progress toward meeting the goals and objectives. It duplicates requirements already established in section 432(a)(2)(b) of the Act and the Department now asserts that paragraph (j) extends the statutory requirement by requiring that agencies also describe the specific processes and procedures for assuring the production of valid and reliable data and information. This requirement was added by the 1996 final rule to give states flexibility in how to measure goal progress while states were still developing and implementing automated information systems. We propose to remove paragraph (j) because agencies now have automated information and reporting systems in place that identifies the methods to measure progress, therefore, requiring a narrative in the title IV–B plans on the process for validating reliable information is not useful for agencies or for ACF to evaluate program performance. This means the regulations will no longer require agencies to describe the specific measures of progress.

Section 1357.15(k) prescribes requirements for agencies to use and submit baseline information and trends on indicators of family needs and wellbeing that are used to measure progress over the five-year CFSP. We propose to remove paragraph (k)(1) because it is applicable to the original consolidation of title IV–B planning requirements from the 1996 final rule and longer serves any operational or legal purpose.

Section 1357.15(k)(2) and (3) requires agencies to collect, analyze, and report in the CFSP extensive state-wide/tribe-wide information about title IV–B services. This was originally added to the 1996 final rule because focus groups convened for the 1994 NPRM and respondents' comments emphasized the importance of baseline data to developing responsive goals and objectives. At that time, national child welfare data systems were still evolving and there was no standardized Federal data infrastructure. The CFSP narrative was one of the primary mechanisms for gathering baseline data. The Department now assesses this function is largely fulfilled by electronic information systems, eliminating the need for the narratives required from paragraphs (k)(2) and (3) of this section. This proposal means that instead of providing a narrative description of baseline data in the CFSP, agencies receiving subpart 2 funds will continue data collection and performance monitoring through their automated information systems.

Section 1357.15(l) requires agencies to consult with a broad range of stakeholders/partners and describe the consultation process used to inform the CFSP's development. It duplicates requirements already established in section 432(b)(1)(A) of the Act where agencies are required to identify stakeholders and partners with whom the agency must consult when developing the subpart 2 plan. However, the Department now takes the position that the 1996 final rule expanded paragraph (l) beyond the requirements in the Act. When CB convened focus groups to inform the 1994 NPRM, participants thought agencies would benefit from engaging in a broader and more active consultation process, therefore the 1996 final rule added additional stakeholders with whom the agency must consult. The Department now assesses it is best to align requirements more closely with the statute to give agencies greater flexibility in determining stakeholders for robust engagement. Accordingly, we propose to remove paragraph (l) of this section to give agencies the flexibility in determining which additional stakeholders and partners, beyond those required by statute, are most appropriate to consult in developing their plan for subpart 2 programs. This means agencies will continue to develop the plan for subpart 2 with appropriate public and nonprofit child agencies and community-based organizations identified in section 432(b)(1)(A) of the Act, but the regulation will not require

agencies to describe the consultation process. In addition, agencies are not required to follow these requirements for the subpart 1 program.

Section 1357.15(m) requires agencies to describe in the CFSP how they coordinate services with other social and health services. This paragraph duplicates statutory requirements in sections 422(b)(2) and 432(a)(3) of the Act, which require agencies to consult and coordinate with relevant agencies and service providers as a condition of receiving title IV–B funding. The Department now concludes that requiring agencies to describe the process of coordination in the CFSP does not meaningfully enhance Federal oversight, improve service delivery, or strengthen accountability. Accordingly, we propose to remove paragraph (m) of this section, which means that agencies will not need to describe the process but must continue to consult and coordinate as required by sections 422(b)(2) and 432(a)(3) of the Act.

Section 1357.15(n) requires agencies to describe services and report financial information. Paragraphs (n)(1) and (2) require agencies to describe the publicly funded child welfare services continuum. We propose to remove paragraphs (n)(1) and (2) of this section because they duplicate statutory requirements in sections 422(b)(3) and 432(a)(5)(A) of the Act. Additionally, statutory amendments in the Adoption and Safe Families Act of 1997 (Pub. L. 105–89) revised the service categories within title IV–B, rendering these paragraphs outdated.

Section 1357.15(n)(3) requires that agencies provide estimates for the next fiscal year for the subparts 1 and 2 services in either the CFSP or the CFS–101, including: the population the agency will serve, the geographic area where the agency will provide services, number of individuals the agency will serve, and the estimated expenditures for title IV–B, Chafee and CAPTA. In response to the 2025 FRN, three states recommend streamlining the CFS–101 to reduce duplication and burden in reporting expenditure and service information. Suggestions included eliminating parts II and III of the CFS–101 because they are duplicative. Commenters also suggested reporting only high-level expenditure summaries in the CFSP/APSAR and not estimated expenditure amounts, noting the expenditure reporting is duplicative across the CFSP, CFS–101, and CB–496. One tribe and a tribal organization recommend creating tribe-specific CFS–101 forms and simplifying the CFS–101 by eliminating reporting anticipated expenditures. Another tribe

recommended allowing tribes to submit Parts I and II only after allocation amounts are confirmed.

We propose to remove (n)(3) because it duplicates the requirements for the CFS–101 in section 432(a)(8)(B)(i) of the Act. This proposed change will not alter the agency's obligations under the statute, which continues to require that agencies report the following information: (1) the planned child and family services expenditures by the agency for the next fiscal year, and (2) for the most recent fiscal year, the number of families and children, the population served, the geographic areas served, and the actual expenditures of title IV–B funds. Consistent with our proposal to remove § 1357.15(a)(1), the regulation will not require tribes receiving only subpart 1 funding to submit a CFS–101. Although CFS–101 reporting requirements are rooted in statute beyond the scope of a rulemaking, we believe that removing paragraph (n)(3) will help eliminate some of the burdensome reporting requirements.

Section 1357.15(o) requires agencies to explain in the CFSP linkages and coordination between family preservation and family support services with other programs. Paragraphs (o)(1) and (3) of this section require agencies to explain how funds will be used to develop or expand services and how services are coordinated across other public service programs. We propose to remove paragraphs (o)(1) and (3) of this section because they duplicate statutory requirements in sections 422(b)(2) and 432(a)(3) of the Act and impose additional burdensome requirements beyond what is required by the statute. This proposed change will not alter the agency's obligations to describe coordination between federal and state programs, because the statutory requirements continue to apply. However, the regulatory requirement to describe in detail how title IV–B funds will be used to develop or expand family support and preservation services and how those services are coordinated with existing services across the child and family services continuum, other public systems (*e.g.*, health, education, housing, substance abuse, and courts), and federally and non-federally funded public and nonprofit programs is unnecessarily burdensome.

Section 1357.15(o)(2) requires states to describe how CAPTA and Chafee funds are coordinated with and integrated into the child and family services continuum. This provision was included in the 1996 final rule to ensure

that the CFSP included all components of the broader child and family services continuum. However, title IV–B of the Act does not require states to include information about CAPTA or Chafee coordination in the CFSP. CAPTA separately requires states to assure, to the maximum extent practicable, that the CAPTA plan is coordinated with the title IV–B plan (42 U.S.C. 5106a(b)(2)), and section 477 of the Act does not contain such a requirement. We propose to remove paragraph (o)(2) of this section because coordination is already addressed through CAPTA’s statutory requirements, and Chafee does not impose a title IV–B coordination requirement. Therefore, the Department now assesses that paragraph (o)(2) of this section is unnecessary and duplicative. This proposal means agencies will no longer need to explain how they coordinate and integrate CAPTA and Chafee programs into the service continuum.

Section 1357.15(p) requires that agencies describe in the CFSP how title IV–B services are designed to assure the safety and protection of children, consistent with the service principles in 45 CFR 1355.25. The 1996 final rule codified the child and family services principles in § 1355.25 to assure that services designed with title IV–B funding would be consistent with a vision expressed by practitioners in the field and used as the basis for development of effective, responsive, and quality services programs. However, based on ACF’s experience administering funding for title IV–B programs, this narrative in the CFSP has limited practical value for agencies or Federal oversight and we now believe it is burdensome, diverting agency resources from activities that directly support child and family outcomes. Therefore, we propose to remove paragraph (p) of this section and 1355.25, which means the regulations applicable to title IV–B will no longer require agencies to describe how services are consistent principals of child and family services.

Section 1357.15(q) requires states to explain in the CFSP how services help meet the requirements in section 422(b)(8) of the Act (previously codified at section 422(b)(9) of the Act) and how states will comply with section 422(b)(8) of the Act with respect to Indian children who may be under the jurisdiction of, or served by, a tribe. Section 422(b)(8) of the Act requires agencies to assure they operate and implement specific child welfare protections, including: a statewide information system; a case review system; a service program designed to

help children achieve permanency; a preplacement prevention services program; and procedures for children abandoned at or shortly after birth (often referred to collectively as “protections”). We propose to remove the first sentence of paragraph (q) because it duplicates the statutory requirements in sections 422(b)(8) and 471 of the Act. We propose to remove and redesignate the second sentence of paragraph (q) that requires states to describe in the CFSP the arrangements made with the tribe for protections in section 422(b)(8) of the Act to Indian children under both state and tribal jurisdiction, to § 1355.21(d). It is important for states to clearly identify and describe any arrangements with tribes to ensure that all children receive the protections and that no child is inadvertently excluded. A tribe may, pursuant to an agreement with the state, assume responsibility for providing these protections for Indian children, however, the state retains ultimate statutory responsibility for ensuring that the protections in section 422(b)(8) of the Act are provided to all children in foster care. The requirements of paragraph (q) are not specifically duplicated in statute, therefore we propose to remove and redesignate the second sentence of paragraph (q) to § 1355.21(d) to better align this requirement with the broader regulatory framework governing title IV–B and IV–E plan assurances and oversight.

Section 1357.15(r) requires title IV–B agencies to explain in the CFSP the process they use to select agencies and organizations for funding and how these agencies and organizations meet the requirement that family support services be community-based. This requirement was included in the regulations because focus groups convened by CB to develop the 1994 NPRM encouraged states to closely examine the work and accomplishments of community-based organizations. However, the Act does not require title IV–B agencies to provide this narrative in the CFSP. ACF therefore assesses that the existing regulatory requirement extends beyond what is necessary to implement the statutory requirements of title IV–B of the Act.

Moreover, in the decades since this requirement was established, title IV–B agencies have integrated the selection process for agencies and organizations into their policies, laws, systems, and routine practices for planning and delivering title IV–B services to children and families. ACF preliminarily determines that the purpose underlying the narrative is now largely fulfilled through these existing state policies,

laws, systems, and practices, eliminating the need to require title IV–B agencies to separately describe their provider selection process in the CFSP. Based on the ACF’s experience administering title IV–B programs since this regulation was promulgated, this narrative is also not necessary for effective Federal oversight.

Accordingly, ACF proposes to remove paragraph (r) to eliminate a reporting requirement that is not required by statute and is no longer necessary to achieve its intended purpose, thereby reducing unnecessary reporting burden on agencies. The less time an agency spends on administrative tasks, the more time agency staff can spend working with children and families receiving services under title IV–B. Removing paragraph (r) does not change title IV–B agencies’ responsibilities for developing their title IV–B, subpart 2 plans with appropriate community-based agencies and organizations or otherwise complying with applicable title IV–B requirements. Rather, title IV–B agencies will continue to select community-based agencies and organizations through their established practices, policies, laws, and systems.

Section 1357.15(s) requires that states spend a “significant portion” (defined as 25 percent) of subpart 2 funding on two service categories: family support and family preservation services (this does not apply to tribes). The Act does not define “significant portion” and subsequent amendments to the Act expanded the subpart 2 program from two to four service categories, adding family reunification services and adoption promotion and support services (see section 431(a)(1), (2), (7), and (8) of the Act). As a result, section 432(a)(4) of the Act requires that agencies spend significant portions of subpart 2 expenditures for each of the four service categories. In response to the addition of two subpart 2 service categories, ACF issued sub-regulatory guidance re-interpreting “significant portion” to mean 20 percent for each of the four service categories (see ACYF–ACF–CB–PI–25–02, Attachment B). These changes rendered paragraph (s) of this section obsolete thus we propose to remove it. This proposal will not change states’ current funding responsibilities because they must continue to follow the statutory requirements in section 432(a)(4) of the Act.

Section 1357.15(t) requires agencies to describe in the CFSP specific information on their staff training, technical assistance, and evaluation planning. Paragraph (t)(1) of this section requires agencies to describe in the CFSP the staff development and training

funded under subparts 1 and 2 and under title IV–E of the Act. However, subpart 2 does not require agencies to report a training plan. The 1996 final rule consolidated these training plan descriptions within the CFSP to ensure that training supported by various Federal funding streams was coordinated and presented in a single location. We considered removing § 1357.15(t), however, this would eliminate the only requirement that ensures a unified training plan across title IV–B programs, potentially leading to fragmentation. Therefore, we propose removing and redesignating the requirement for a staff development and training plan to 45 CFR 1355.21(c)(3), which governs general Title IV–B plan requirements, and amending the language to require that agencies develop, maintain and implement a staff development and training plan applicable to programs funded under title IV–B of the Act. This preserves the requirement while aligning it with a program-wide framework rather than a subpart 2-specific plan.

Section 1357.15(t)(2) and (3) requires agencies to describe in the CFSP any technical assistance, evaluation, and research activities that support the agencies' goals and objectives. The Act does not require agencies to include this description in the CFSP. Thus, we propose to remove paragraphs (t)(2) and (3) of this section because the Department now obtains sufficient information on the agency's technical assistance activities through other required submissions and ongoing oversight processes, including CFSRs, program improvement plans, CB technical assistance centers and ongoing communication between CB regional office specialists and agencies.

Section 1357.15(u) requires agencies to describe in the CFSP the quality assurance system used to assess programs and services provided under the CFSP. This requirement was included in the 1996 final rule in response to a 1994 report issued by the HHS Office of Inspector General recommending that ACF require states to implement quality assurance systems. Since that time, ACF has implemented comprehensive regulatory and oversight frameworks to address quality assurance more directly and systematically in § 1355.34(b)(3). Therefore, we propose to remove paragraph (u) because it duplicates the regulatory requirement in § 1355.34(b)(3) and the Department now takes the position that a separate reporting requirement is not necessary to ensure accountability. We propose to make conforming amendments to § 1355.34(c)(3) to remove references to

§ 1357.15(u) under this section, as described later in this preamble.

Section 1357.15(v) requires agencies to describe how they will make the CFSP and APSR available to interested parties and how the state and tribal agency will exchange the documents with each other. We propose to remove paragraph (v) because the statutory requirements in section 432(a)(5)(A) of the Act and § 1355.21(c), that require plans to be available to the public, do not require the agency to provide a description of how they will do it. In addition, the statute does not specifically require state and tribal agencies to exchange their CFSP/APSR with one another. These requirements impose an additional burden on agencies beyond what is required by the statute. This proposed change will not alter the agency's obligation to make the title IV–B plans available to the public because the statutory and other regulatory requirements continue to apply.

Section 1357.16 Annual Progress Reviews and Services Reports

Section 1357.16 describes the information agencies must include in the APSR and final five-year report.

Section 1357.16(a) requires agencies to conduct an interim review of the progress made in the previous year and submit a report to ACF (the APSR). Paragraphs (a)(1) through (8) of this section require that agencies include in the APSR: (1) the specific accomplishments toward meeting the agency's goals and objectives; (2) a description of any necessary revisions to the goals, objectives, or training plan to reflect changed circumstances; (3) a summary of the child welfare and/or family preservation and family support services the agency will provide in the upcoming fiscal year, noting any changes in services or program design and including the information required under § 1357.15(n); (4) a description of planned activities in training, technical assistance, research, evaluation, and management information systems that support the plan's goals and objectives; (5) for states, an update on the Chafee program; and (6) for states, information demonstrating compliance with the maintenance of effort requirements in section 432(a)(7) and (8) of the Act.

In contrast, section 432(a)(2)(C) and (5) of the Act requires grantees receiving funding under subpart 2 to annually: (1) perform an interim review of progress toward accomplishment of the goals; (2) revise the statement of goals in the plan, if necessary; (3) report a description of the services the grantee will provide in the next fiscal year and (4) estimate the

populations the agency will serve in the next fiscal year. There is no annual review/reporting requirement in subpart 1. We propose to remove paragraphs (a)(1) through (8) of this section because the Department assesses that they significantly expand annual reporting requirements beyond the statutory requirements in section 432(a)(2)(C) and (5) of the Act. Based on our experience administering title IV–B, the information collected pursuant to paragraph (a) of this section has limited utility for grantees and Federal monitoring and does not materially enhance our ability to evaluate program performance or compliance. These requirements impose substantial administrative burden on agencies, including staff time dedicated to compiling narrative summaries and preparing documentation that frequently reiterates previously submitted material. This burden redirects limited agency administrative capacity and resources away from program implementation. This means that for the subpart 2 program only, agencies will perform an interim review of progress and report the information required in section 432(a)(2)(C) and (5) of the Act, but the regulation will not require agencies to annually report on progress for the subpart 1 program.

Section 1357.16(b) establishes the submission deadlines for the APSR and the CFS–101. Paragraphs (b)(1), (2), and (3) of this section require agencies to submit the APSR and the CFS–101 for both subparts 1 and 2 to the ACF Regional Office no later than June 30 of each year. As written, the regulation applies these reporting and submission deadlines to tribal agencies receiving only subpart 1 funding. However, neither section 422 nor 432 of the Act require tribal agencies only receiving subpart 1 funds to submit the APSR nor the CFS–101. The Department preliminarily determined this imposes obligations for subpart 1-only tribal agencies beyond those specified in statute. Accordingly, we propose to remove § 1357.16(b)(1), (2), and (3) to eliminate requirements that exceed statutory authority. This means tribal agencies receiving only subpart 1 funds will not be required to submit an APSR or CFS–101 by June 30th of each fiscal year.

Section 1357.16(b)(4) describes the APSR and CFS–101 submission requirements for FY 1996 through 1998. We propose to remove paragraph (b)(4) of this section because the phase-in dates have passed and no longer serve any operational or legal purpose.

Section 1357.16(c) describes the APSR requirements for 1994. We

propose to remove paragraph (c) of this section because it refers to phase-in dates that have passed and no longer serves any operational or legal purpose.

Section 1357.16(d) requires agencies to make the APSR available to the public. This requirement duplicates the statutory requirement in section 432(a)(5)(A) of the Act and § 1355.21(c) for the subpart 2 program. In addition, paragraph (d) of this section extends beyond the statutory language by requiring states and tribes to describe the exchange of APSRs between them. Since both states and tribes are independently required to make their APSR publicly available per section 432(a)(5)(A) of the Act, the Department now concludes that paragraph (d) is obsolete. Removing paragraph (d) of this section will not substantively change the grantee's obligations, because the statutory requirements continue to apply.

Section 1357.16(e) addresses requirements for the FY 1999 final review. We propose to remove paragraph (e) of this section because it refers to the phase-in dates that have passed and no longer serves any operational or legal purpose.

Section 1357.16(f) requires agencies to develop a five-year plan for FY 2000. We propose to remove paragraph (f) of this section because it refers to the phase-in dates that have passed and no longer serves any operation or legal purpose.

Section 1357.20 Child Abuse and Neglect Programs

Section 1357.20 requires the state to assure that any child abuse and neglect programs or projects funded under the title IV-B program meet the requirements of section 106(b)(1) and (2) of CAPTA, which are plan requirements for the CAPTA Basic State Grant. Section 106(b)(2)(A) of CAPTA requires states to assure that the CAPTA Basic State Grant plan is coordinated, to the maximum extent practicable, with the subpart 1 and 2 plans. Because CAPTA already governs and enforces requirements on coordination of services between subparts 1 and 2 and CAPTA, the Department now assesses that § 1357.20 is unnecessary.

Section 1357.25 Requirements for Eligibility for Additional Payments Under Section 427

Section 1357.25 describes the requirements agencies must meet to comply with section 427 of the Act. Section 427 of the Act previously addressed requirements for compliance reviews and provided the protections that are currently in section 422(a)(8) of

the Act. Subsequently, the Social Security Act Amendments of 1994 (Pub. L. 103-432) repealed section 427 effective for fiscal years beginning after April 1, 1996, therefore we propose to remove § 1357.25 because it is obsolete.

Section 1357.30 State Fiscal Requirements (Title IV-B, Subpart 1, Child Welfare Services)

Section 1357.30 describes the fiscal requirements for states under subpart 1, including allotments, re-allotments, payments, enforcement and termination, matching or cost-sharing, maintenance of effort, and time limits on expenditures.

Section 1357.30(a) defines the scope of § 1357.30 to include subpart 1 funding for state agencies. We propose removing paragraph (a) of this section because we propose to remove the entire section.

Section 1357.30(b) and (c) identifies section 421 of the Act as the authority for determining state allotments and section 423 of the Act as the authority for subpart 1 funding. These paragraphs merely cite the relevant statutory authority therefore we propose to remove paragraphs (b) and (c) of this section because they provide no utility. Our proposal to remove this duplicative information will not change the agency's obligations to follow the law, because the statutory requirements continue to apply.

Section 1357.30(d) identifies 2 CFR 200.339-200.340 as the authority for enforcement and termination of subpart 1 funding, in the event of an agency's failure to comply with the terms of the grant. We propose to remove paragraph (d) of this section because it duplicates government-wide requirements applicable to Federal grant awards at 2 CFR Parts 200 and 300.

Section 1357.30(e) describes the matching or cost sharing requirements for state subpart 1 grants. Paragraph (e)(1) of this section allows the state's contribution to be cash, donated funds, and non-public third-party in-kind contributions. We propose to remove paragraph (e)(1) of this section because it duplicates requirements described in § 200.306. This proposal will not change the allowable sources of non-Federal match.

Section 1357.30(e)(2) and (3) identifies limits on using subpart 1 funding for daycare, foster care, and adoption assistance payments, according to base year 1979. We propose to remove these paragraphs because they are superseded by amendments to section 424(c) and (d) of the Act. The statute now establishes FY 2005 as the base year for purposes of the subpart 1

expenditure limit. There is no impact on agencies because they must continue to follow the statutory requirements.

Section 1357.30(f) prohibits agencies from using subpart 1 funding for the purchase or construction of facilities. We propose to remove paragraph (f) of this section because it is inconsistent with the government-wide requirements applicable to Federal grant awards at 2 CFR Parts 200 and 300.

Section 1357.30(g) addresses requirements for the state's maintenance of effort and uses FY 1979 as the base year for purposes of the subpart 1 Federal and non-Federal expenditures. Subsequent amendments to section 424(c) of the Act updated the base year to 2005, thus, we propose to remove paragraph (g) of this section because it no longer serves any operation or legal purpose. There is no impact on agencies because they must continue to follow the statutory requirements.

Section 1357.30(h) explains how ACF will reallocate unused subpart 1 funding. It duplicates the framework for reallocation identified in section 423(e) of the Act and is therefore unnecessary. We propose to remove paragraph (h) of this section, which will not change the grantee's obligations because the statutory requirements in section 423(e) of the Act continue to apply.

Section 1357.30(i) places a time limit on the expenditure of subpart 1 funds. We propose to remove paragraph (i) of this section, because it duplicates ACF's Supplemental Terms and Conditions for the Stephanie Tubbs Jones Child Welfare Services Program, available on the ACF website at <https://acf.gov/grants/manage-grant/grant-award/award-terms> and therefore is not necessary. This proposal will not change the grantee's obligations, because the grant terms and conditions continue to apply. Agencies continue to have two fiscal years to spend the funds. After that period ends, the money is no longer available.

Section 1357.32 State Fiscal Requirements (Title IV-B, Subpart 2, Family Preservation and Family Support Services)

Section 1357.32 describes the fiscal requirements for states under subpart 2, including: allotments, re-allotments, payments, matching or cost sharing, maintenance of effort and time limits for expenditures.

Section 1357.32(a) defines the scope of § 1357.32 to include subpart 2 funding for state agencies. We propose to remove paragraph (a) of this section because we propose to remove the entire section, and therefore defining the scope is unnecessary.

Section 1357.32(b) and (c) identifies section 433 of the Act as the authority for determining state allotments and section 434 of the Act as the authority for title IV–B subpart 2 funding. These paragraphs merely cite the relevant statutory authority. We propose to remove paragraphs (b) and (c) of this section, which will not change the obligation of the state agency to adhere to statutory requirements.

Section 1357.32(d) describes the matching or cost sharing requirements for subpart 2 grants. Paragraph (d)(1) of this section allows the state's contribution to be cash, donated funds, and non-public third-party in-kind contributions. This paragraph duplicates requirements described in 2 CFR 200.306. We propose to remove paragraph (d)(1) of this section because it is duplicative of government-wide requirements applicable to Federal grant awards at 2 CFR Parts 200 and 300.

Paragraph (d)(2) of this section prohibits states from using other Federal funding to meet the state's match. We propose to remove paragraph (d)(2) of this section because it duplicates the requirements described in section 434(b)(1) of the Act and therefore is not necessary. The state must continue to abide by the prohibition in statute.

Section 1357.32(e) prohibits the agency from using subpart 2 funds for the purchase or construction of facilities. We propose to remove paragraph (e) of this section because it is inconsistent with the government-wide requirements applicable to Federal grant awards at 2 CFR Parts 200 and 300.

Section 1357.32(f) prohibits states from using subpart 2 funds to supplant Federal or non-Federal funds for family preservation and family support services and sets the base year as 1992. Subsequent amendments to subpart 2 expanded the service categories from two to four. This paragraph duplicates statutory requirements in section 432(a)(7)(A) of the Act requiring states to assure that subpart 2 funding will not supplant Federal or non-Federal funds for existing services and activities, which promote the purposes of subpart 2. Therefore, we propose to remove paragraph (f) of this section. This proposal will not alter the obligations of state agencies because agencies must continue to adhere to the requirements in section 432(a)(7)(A) of the Act.

Section 1357.32(g) places a two-year time limit on the expenditure of funds. We propose to remove it because it duplicates requirements in section 434(b)(2) of the Act and is therefore unnecessary. This proposal will not change the state agency's obligations

because they will continue to follow the statute.

Section 1357.32(h) places limitations on using subpart 2 funding for the state's administrative costs. We propose to remove paragraph (h)(1) of this section, which prohibits states from using subpart 2 funds for more than 10 percent of costs necessary to administer the program because it duplicates the requirements in section 432(a)(4) of the Act. This proposal will not impact state agency obligations because states must abide by the requirements in statute.

Section 1357.32(h)(2) and (3) defines administrative costs and clarify that costs related to developing and implementing the CFSP are program costs. When the regulation was issued in 1996, it defined “administrative costs” and “program costs” in response to comments on the 1994 NPRM and clarified that planning/preparation of the CFSP is a program cost and therefore not subject to the 10 percent administrative cap limitation. Since that time, agencies have reported such costs separate from the administrative costs on the CFS–101. Therefore we propose to remove paragraphs (h)(2) and (3) of this section because we believe this clarification is no longer necessary. The distinction between administrative and program costs is now well established in title IV–B reporting and agencies will continue to identify and report these costs as program costs through the CFS–101 and in accordance with applicable cost principles and ACF instructions. Removing these paragraphs will not change the treatment of allowable planning and preparation costs, rather, it would eliminate regulatory text that is no longer needed.

Section 1357.40 Direct Payments to Indian Tribal Organizations (Title IV–B, Subpart 1, Child Welfare Services)

Section 1357.40 describes the fiscal requirements applicable to tribal agencies under title IV–B, subpart 1, including: eligibility, development of a five-year plan, child welfare services and protections, grants, enforcement and termination, matching or cost sharing, and time limits on expenditures.

Section 1357.40(a) allows Indian tribal organizations, consortia or other group of eligible tribal organizations to apply for a subpart 1 grant. We propose to remove this paragraph because it duplicates section 428 of the Act, and therefore it is unnecessary. This change does not result in any substantive changes for tribal agencies because they will continue to follow the statute.

Section 1357.40(b)(1) requires tribal agencies to have an approved CFSP to

receive funding under subpart 1. This requires that tribal agencies operating only the subpart 1 program adhere to the CFSP framework, including the same planning cycles, submission timelines, and reporting structures that were statutorily required only for agencies that receive subpart 2 funding. Consistent with the proposal in § 1357.15(a) the Department now assesses that requiring tribal agencies receiving only subpart 1 to adhere to the CFSP requirements creates undue administrative burden and removes their flexibility to manage timeframes. Therefore, we propose to remove paragraph (b)(1) of this section, which means the regulations will no longer require tribal agencies receiving only subpart 1 funding to submit a CFSP.

Section 1357.40(b)(2) only requires tribal agencies to comply with section 422(b)(1) through (8) of the Act and § 1355 because at the time this paragraph was promulgated, section 422(b) only contained eight paragraphs. Subsequent statutory amendments added section 422(b)(9) through (19) to the Act. These requirements are applicable to tribal agencies, but this regulation was never updated to reference paragraphs (9) through (19). Specifically, section 422(b)(9), (10), (11), and (12) of the Act was added by the Adoption and Safe Families Act of 1997, paragraphs (13) and (14) were added by the Fostering Connections to Success and Increasing Adoptions Act of 2008 (Pub. L. 110–351), paragraphs (15) and (16) were added by the Preventing Sex Trafficking and Strengthening Families Act (Pub. L. 113–183), enacted in 2014, and paragraphs (17), (18), and (19) were added by the Family First Prevention Services Act (Pub. L. 115–123) enacted in 2018. Therefore, we propose to remove § 1357.40(b)(2) because it is out of date.

Section 1357.40(c)(1) requires tribes to describe how they work with states for providing child welfare services and the protections in section 422(b)(8) of the Act for children under both state and tribal jurisdiction. We propose to remove paragraph (c)(1) of this section because it duplicates § 1357.15(q), which we proposed to redesignate as § 1355.21(d)(2). As we described in § 1357.15(q), a tribe may, pursuant to an agreement with the state, assume responsibility for providing these protections for Indian children. However, the state retains ultimate statutory responsibility for ensuring that the protections required by section 422(b)(8) are provided to all children in foster care, including Indian children. We determined that this prohibition is more appropriately addressed in the

regulations at § 1355.21, which govern title IV–B plan requirements, thus, agencies will continue to be required to provide the protections.

Section 1357.40(c)(2) and (3) requires tribal agencies to describe: its legal responsibility for children in foster care on the reservation and those awaiting adoption, the tribes' jurisdiction in civil and criminal matters, whether the tribe has a court and the type of court and codes. We propose to remove paragraphs (c)(2) and (3) of this section because ACF does not use this information for any specific purpose, nor to evaluate program performance or compliance. This means the regulations will not require tribal agencies to describe their legal responsibilities, jurisdiction, and court structure.

Section 1357.40(c)(4) requires that tribal agencies receiving subpart 1 funding identify the standards for foster family homes, institutional care, and day care. We propose to remove paragraph (c)(4) of this section because we now conclude that it imposes a requirement on tribal agencies that are not similarly imposed on state agencies administering comparable child welfare programs. We cannot identify a reason why ACF now needs this information and requiring it only for tribes creates an unnecessary administrative burden for tribal agencies. Removing paragraph (c)(4) of this section would promote regulatory parity and reduce administrative burden on tribes without compromising the safety and well-being of children in care.

Section 1357.40(c)(5) requires tribes to describe their political subdivisions. We propose to remove paragraph (c)(5) of this section because ACF does not use this information to evaluate program performance or compliance. The Department assesses this requirement imposes a burden on tribal agencies without any corresponding benefits. This proposal means the regulation will no longer require tribal title IV–B agencies operating a subpart 1 program to submit information about its political subdivisions.

Section 1357.40(c)(6), (7), and (8) requires that tribal organizations provide documentation demonstrating that the tribal organization is controlled, sanctioned, or chartered by the governing body of the Indians to be served, along with Tribal resolution(s) authorizing the application for a direct subpart 1 grant. We propose redesigning these requirements as § 1355.21(e)(2) because we believe this information is important to retain as a reporting requirement. A tribal organization represents a group of tribes, however, in some circumstances, not all tribes in the

organization may opt to participate in the title IV–B program. Clearly identifying which tribes in the organization are applying for the title IV–B grant, and the tribe's authorization, is essential for determining an accurate grant allotment. The requirements of paragraphs (c)(6), (7) and (8) are not specifically duplicated by a statutory requirement, thus, we propose to remove and redesignate them to § 1355.21(e)(2) to better align this requirement with the broader regulatory framework governing title IV–B and IV–E plan assurances and oversight.

Section 1357.40(d)(1) requires a tribe receiving only a subpart 1 grant to submit a CFSP. This requires that tribal agencies operating only the subpart 1 program adhere to the CFSP framework, including the same planning cycles, submission timelines, and reporting structures that were statutorily required only for entities that receive subpart 2 funding. Consistent with the proposal to remove § 1357.15(a), the Department now assesses that requiring tribal agencies receiving only subpart 1 to adhere to the CFSP requirements creates undue administrative burden and removes their flexibility to manage timeframes. Therefore, we propose to remove paragraph (d)(1) of this section, which means that the regulations will no longer require tribal agencies receiving only subpart 1 funding to submit a CFSP.

Section 1357.40(d)(2) describes the process for determining the tribal allotment of subpart 1 funds. We propose to remove paragraph (d)(2) of this section because it duplicates section 428(b) of the Act. This proposal will not change the tribal agency's obligations, because the statutory requirements continue to apply.

Section 1357.40(d)(3) explains that if a tribal title IV–B agency's service area includes population from more than one state, a proportionate amount of the subpart 1 grant will be paid from each state's allotment. We propose to redesignate (d)(3) to § 1355.21(e)(1) because it is important to retain information for agencies and applicants on how ACF determines the formula for Federal funding.

Section 1357.40(d)(4) prohibits tribes from using subpart 1 funds to supplant Federal or non-Federal funds. We propose to remove this requirement because it is better suited to be included in the grant terms and conditions.

Section 1357.40(d)(5) describes the fiscal and administrative requirements that apply to tribal agencies that receive subpart 1 funding. We propose to remove paragraphs (d)(5)(i) and (ii)(A)

of this section because it duplicates the government-wide regulations applicable to Federal grants. This will not change the obligations of tribal agencies because 2 CFR Parts 200 and 300 continue to apply.

Section 1357.40(d)(5)(ii)(B) specifies the total amount of allowable Federal funding and permissible sources of non-Federal match for tribes. We propose to remove paragraph (ii)(B) of this section because it is superseded by amendments to section 424(c) and (d) of the Act. The statute now establishes FY 2005 as the base year for purposes of the subpart 1 expenditure limit. There is no impact on tribal agencies because they will continue to meet the statutory requirements.

Section 1357.40(d)(5)(ii)(c) allows the tribal agency's match for subpart 1 funds to include foster care maintenance payments in any amount. We propose to remove this paragraph because it duplicates ACF's Supplemental Terms and Conditions for the Stephanie Tubbs Jones Child Welfare Services Program, available on the ACF website at <https://acf.gov/grants/manage-grant/grant-award/award-terms>.

Section 1357.40(d)(5)(iii) prohibits tribal agencies from using title IV–B subpart 1 funding for the purchase or construction of facilities. We propose to remove paragraph (5)(iii) of this section because it is addressed in the government-wide requirements applicable to Federal grant awards at 2 CFR parts 200 and 300.

Section 1357.40(d)(5)(iv) places a time limit on the expenditure of funds by tribal agencies. We propose to remove this paragraph because it duplicates ACF's Supplemental Terms and Conditions for the Stephanie Tubbs Jones Child Welfare Services Program, available on the ACF website at <https://acf.gov/grants/manage-grant/grant-award/award-terms>. This will not change the agency's obligations, because the grant terms and conditions continue to apply. Tribal agencies continue to have two fiscal years to spend the funds. After that period ends, the money is no longer available for the tribal agency to spend.

Section 1357.40(d)(6) explains the formula for determining how much Federal funding will be available to tribes. We propose to redesignate (d)(6) to § 1355.21(e)(1), because it is important to retain information for tribal agencies and applicants on how ACF determines the formula for Federal funding.

Section 1357.50 Direct Payments to Indian Tribal Organizations (Title IV–B, Subpart 2, Family Preservation and Support Services)

Section 1357.50 identifies the fiscal and administrative requirements applicable to tribes administering grants under subpart 2, including: eligibility for funding, allotments, exemptions of certain requirements, matching requirements, and time limits on expenditures.

Section 1357.50(a) defines the terms, “Alaska Native Organization,” “Indian tribe,” and “tribal organization.” We propose to remove paragraph (a) of this section because these terms are defined in section 431(a)(5) and (6) of the Act. Removing the regulatory definitions will not impact tribal agencies.

Section 1357.50(b), (c), and (d) explains tribal eligibility requirements for phase-in dates that passed. We propose to remove paragraphs (b), (c), and (d) of this section because they are obsolete.

Section 1357.50(e) explains tribal allotments are based on section 433 of the Act. We propose to remove paragraph (e) of this section because it merely cites the relevant statutory authority, and, therefore, it is not necessary. This proposal will not impact tribal agencies because the statute continues to apply.

Section 1357.50(f) identifies subpart 2 exemptions for tribal agencies. Section 432(b)(2)(A) of the Act authorizes the Secretary to exempt tribes from the 10 percent limit on administrative costs and the requirement that tribal agencies use a significant portion of funds toward each of the service categories. Paragraph (f) exercises the Secretary’s statutory authority to waive these requirements. However, we propose to remove paragraph (f) of this section to provide the Secretary more flexibility to make such determinations based on changes in statute and child welfare programs.

Section 1357.50(g)(1) and (2) identifies the tribal matching requirements for subpart 2 grants. We propose to remove paragraphs (g)(1) and (2) of this section because it duplicates requirements in section 434(a)(1) of the Act and 2 CFR part 200. Removing paragraphs (g)(1) and (2) will not change the tribe’s obligations because the statute and regulatory requirements continue to apply.

Section 1357.50(g)(3) allows tribal agencies operating a subpart 2 program to use funds received under the Indian Child Welfare Act of 1978 (ICWA), the Indian Self-Determination and Education Assistance Act (ISDEAA), and the Community Development Block

Grant (CDBG) program as matching funds. In general, whether Federal funds may be used to satisfy a non-Federal matching requirement depends on the statutory authority governing those funds. At the time the 1996 final rule was promulgated, the statutes authorizing ICWA, ISDEAA, and CDBG funds permitted their use as non-Federal matching funds in certain circumstances (see for example, 25 U.S.C. 1931(b) and 25 U.S.C. 5322(c)). We propose to remove paragraph (g)(3) of this section because, at this time, it duplicates the relevant statutes’ authority to use Federal funds as match. This proposal also prevents the regulation from becoming outdated or inconsistent with the law, whenever there is a change to the statute. There is no change for tribal agencies at this time. The tribal agency may continue to use other Federal funds to meet the title IV–B non-Federal match as permitted by the applicable statute.

Section 1357.50(h) places a time limit on the expenditure of subpart 2 funds. We propose to remove paragraph (h) of this section because it duplicates requirements in section 434(b)(2) of the Act and is therefore unnecessary. This will not change the agency’s obligations, because the statutory requirements continue to apply. Tribal agencies continue to have two fiscal years to spend the funds. After that period ends, the money is no longer available for the tribal agency to expend.

Section 1355.21 Plan Requirements for Titles IV–E and IV–B

We propose the following changes in 45 CFR 1355.21.

We propose revising § 1355.21(c) to redesignate it as paragraph (c)(1), reference the title IV–B subpart 1 plan, and remove references to § 1357.15 and § 1357.16 consistent with our proposal to remove § 1357.

We propose a new paragraph § 1355.21(c)(2) to include the regulatory requirements we proposed to redesignate to § 1355 from § 1357.10(b). As previously explained, this continues to ensure that individuals who move from one state or tribal jurisdiction to another are able to obtain title IV–B services without being required to reside in the new state or tribal jurisdiction for a specified period before receiving services and that services are provided on the basis of need.

We propose a new paragraph § 1355.21(c)(3) to include the regulatory requirements we proposed to redesignate to § 1355 from § 1357.15(t), requiring title IV–B agencies to develop, maintain, and implement a staff development and training plan

applicable to programs funded under title IV–B subparts 1 and 2 of the Act.

We propose adding a new § 1355.21(d) consistent with our proposal to redesignate the requirements in § 1357.15(q) to § 1355.21. As previously explained, states must continue to describe the arrangements made with the tribe to provide for protections in section 422(b)(8) of the Act to Indian children under both state and tribal jurisdiction and a statement of legal responsibility for children in foster care on the reservation and those awaiting adoption.

We propose adding a new § 1355.21(e) addressing tribal title IV–B programs consistent with our proposal to redesignate the requirements in § 1357.40(d)(3) and (6) to § 1355.21. We propose to add a new § 1355.21(e)(1) to continue providing tribal agencies and applicants information on how ACF determines the formula for Federal funding for tribes under title IV–B subpart 1.

We propose adding a new § 1355.21(e)(2) consistent with our proposal to redesignate the requirements in § 1357.40(c)(6), (7), and (8) to § 1355.21. As previously explained, tribes and tribal organizations must continue to provide documentation demonstrating that the tribal organization is controlled, sanctioned, or chartered by the governing body of the Indians to be served, along with Tribal Resolution(s) authorizing the application for a direct subpart 1 grant, and subpart 2 if applicable.

Section 1355.33 Procedures for the Review

We propose conforming changes in 45 CFR 1355.33.

We propose revising § 1355.33(a)(2)(ii) to remove the reference to 45 CFR 1357.15(l) and replace it with a reference to the statutory authority in section 432(b)(1) of the Act. This is consistent with our proposal to remove § 1357.

We propose revising § 1355.33(c)(4)(iv) to remove the reference to reference to 45 CFR 1357.15(l) consistent with our proposal to remove § 1357.

Section 1355.34 Criteria for Determining Substantial Conformity

We propose the following conforming changes in 45 CFR 1355.34.

We propose revising § 1355.34(b)(2)(ii), which addresses both title IV–B subpart 1 and 2 requirements and assurances, to remove the reference to the CFSP. This edit is consistent with

our proposal to remove § 1357.15(a)(1), which means that agencies will only report subpart 2 requirements.

We propose revising § 1355.34(b)(2)(A) and (B) to remove the references to § 1357.15(p) consistent with our proposal to remove § 1357.

We propose revising § 1355.34(c)(3) to remove the reference to § 1357.15(u). We propose revising paragraph (c)(3)(ii) to remove “CFSP” and replace it with “title IV–B plans” because a title IV–E agency will be evaluating the quality of services under both subparts 1 and 2. This is consistent with the proposal to remove § 1357.15(a)(1).

We propose revising § 1355.34(c)(4) to remove the reference to § 1357.15(t) consistent with our proposal to remove § 1357.

We propose revising § 1355.34(c)(4)(i) to remove the reference to objectives consistent with our proposal to remove § 1357.

We propose revising § 1355.34(c)(4)(iv) to remove the reference to the CFSP and replace it with “title IV–B plans” because a title IV–E agency will provide ongoing training for both the subpart 1 and subpart 2 programs pursuant to § 1355.21(d).

We propose revising § 1355.34(c)(5) to remove the reference to § 1357.15(n) consistent with our proposal to remove § 1357.

We propose revising § 1355.34(c)(6)(i) through (6)(iv) to remove references to § 1357.15 and replace them with references to the statutory authority in section 432(a) and (b) of the Act consistent with our proposal to remove § 1357.

Section 1355.35 Program Improvement Plans

We propose revising § 1355.35(f) to remove the reference to “objectives” and replace the reference to § 1357.16 with a reference to the statutory authority section 432(b)(a)(2)(C) of the Act. These proposed revisions are consistent with our proposal to remove § 1357.

V. Regulatory Impact Analysis

1. Introduction

We have examined the impacts of the proposed rule under E.O. 12866, Executive Order 13563, Executive Order 14192, the Regulatory Flexibility Act (5 U.S.C. 601–612), and the Unfunded Mandates Reform Act of 1995 (Pub. L. 104–4).

Executive Orders 12866 and 13563 direct us to assess all benefits and costs of available regulatory alternatives and, when regulation is necessary, to select

regulatory approaches that maximize net benefits. Executive Order 14192 requires that any new incremental costs associated with significant new regulations “shall, to the extent permitted by law, be offset by the elimination of existing costs associated with at least ten prior regulations.” The Office of Information and Regulatory Affairs (OIRA) has determined that this proposed rule is a significant action under Executive Order 12866 Section 3(f). This analysis indicates that the proposed rule, if finalized, would be a deregulatory action under Executive Order 14192 because it is anticipated to result in \$1.4 million in annualized savings.

The Regulatory Flexibility Act (RFA) requires agencies to consider the impact of their regulatory proposals on small entities. This proposed rule affects state and tribal title IV–E/IV–B agencies, and those entities are not considered to be small entities for purposes of the RFA. Further, the proposed rule would reduce the burden on these entities. Therefore, this analysis concludes, and HHS certifies, that the proposed rule would not have a significant economic impact on a substantial number of small entities.

The Unfunded Mandates Reform Act of 1995 (UMRA) generally requires that each agency conduct a cost-benefit analysis; identify and consider a reasonable number of regulatory alternatives; and select the least costly, most cost-effective, or least burdensome alternative that achieves the objectives of the rule before promulgating any proposed or final rule that includes a Federal mandate that may result in expenditures of more than \$100 million (adjusted for inflation) in at least one year by State, local, and tribal governments, in the aggregate, or by the private sector. Each agency issuing a rule with relevant effects over that threshold must also seek input from State, local, and tribal governments. The current threshold, after adjustment for inflation using the gross domestic product implicit price deflator, is \$193 million, reported in constant 2025 dollars. This proposed rule would not result in an expenditure in any year that meets or exceeds this amount.

2. Analysis of Economic Impacts

We have assessed the likely economic impacts of the proposed rule by comparing the policy scenario with a baseline scenario of the relevant regulations (45 CFR 1357 that implement title IV–B of the Social Security Act) continuing without modification. We anticipate the most notable economic impacts would relate

to a reduction in burden for child welfare agencies from reduced time spent on administrative and reporting requirements related to title IV–B programs, and corresponding reductions in time spent by ACF staff receiving and reviewing these reports. The “Paperwork Reduction Act” Section of this document describes our approach to quantifying these impacts, which generally entails a comparison of our quantitative projection of the time and costs under the baseline scenario with a similar projection corresponding to the policy scenario of the NPRM. That analysis identifies annual cost savings of about \$1.4 million for child welfare agencies (Table 3) and about \$0.3 million in annual cost savings for ACF, both reported in 2025 dollars. Combined, we estimate total annual cost savings of about \$1.7 million. For the purposes of this analysis, we assume that these cost savings would begin to accrue in 2027 and occur in every subsequent year. Given that these cost savings are constant over time, we report annualized estimates of \$1.7 million, which are unaffected by the choice of discount rate (e.g., 3% or 7%, per Office of Management and Budget (OMB) Circular A–4), or the chosen time horizon of analysis (e.g., 1 year). This estimate is most relevant for Executive Order 12866.

Following the Accounting Methods under Executive Order 14192, we also report an estimate that adjusts these estimates to 2024 dollars using the GDP Deflator and adopts a base year for discounting of 2024. For this calculation, we assume the NPRM would not result in any economic impacts any year prior to 2027, and that the identified annual cost savings would accrue in perpetuity. With these assumptions, we report an annualized cost savings of \$1.4 million for the purposes of Executive Order 14192.

3. Alternatives Considered

ACF considered removing only sections of the regulation that agencies no longer rely on because they are obsolete, superseded or duplicated in statute. However, agencies are not currently reporting this information, therefore, this option does not reduce the regulatory burden as required by the Supporting America’s Children and Families Act.

4. Assessment of Federal Regulations and Policies on Families

The Treasury and General Government Appropriations Act of 1999 requires Federal agencies to determine whether a policy or regulation may negatively affect family well-being (Pub.

L. 105–277, 654, 112 Stat. 2681–528). If the agency determines a policy or regulation negatively affects family well-being, then the agency must prepare an impact assessment addressing seven criteria specified in the law. ACF concluded it is not necessary to prepare a family policymaking assessment because this NPRM will not have any impact on the autonomy or integrity of the family as an institution.

5. Paperwork Reduction Act

The Paperwork Reduction Act of 1995 (Pub. L. 104–13) seeks to minimize government-imposed burden from information collections on the public. In keeping with the notion that government information is a valuable asset, it also is intended to improve the practical utility, quality, and clarity of information collected, maintained, and disclosed. The Paperwork Reduction Act defines “information” as any statement or estimate of fact or opinion, regardless of form or format, whether numerical, graphic, or narrative form, and whether oral or maintained on paper, electronic, or other media (5 CFR 1320.3(h)). This includes requests for information to be sent to the government, such as forms, written reports and surveys, recordkeeping

requirements, and third-party or public disclosures (5 CFR 1320.3(c)). Collection requirements for Title IV–B, Chafee and CAPTA programs are currently authorized under OMB number 0970–0426. There is no new burden to the Federal government or to states and tribes as a result of this proposed regulation. However, we provide the following burden estimate because the Supporting America’s Children and Families Act requires that the Department reduce the administrative burden required for compliance with the title IV–B program by at least 15 percent and modify subpart 2 reporting requirements imposed on tribes with a total allotment of not more than \$50,000 per fiscal year (section 441(a)(2) of the Act).

2025 FRN comments: In response to the 2025 FRN, one commenter estimated that the current cost to tribal agencies of developing an application and complying with reporting requirements can easily reach \$5,000 per year, with as much as \$8,000 in staff time to develop the CFSP and \$4,000 to develop the APSR. Another commenter reported that a tribe receiving \$5,000 annually spent \$7,000 annually to complete the CFSP and APSR. We also received a comment that estimated a state agency spends 500

hours of work with stakeholders and contracted providers for APSR and over 600 hours for CFSP. ACF considered the information provided by these commenters as we developed the burden estimate for this NPRM. However ACF could not use this information to calculate the average burden hours/cost of this NPRM because there were too few commenters and the information was not sufficiently detailed to generalize to all agencies.

Burden Estimate

Baseline Estimated Burden Hours: We used data from the 2023–2026 Information Collection Request for the CFSP, APSR and Form CFS–101 (herein referred to as “Information Collection”) as the baseline for the current burden hours per respondent associated with the requirements in section 1357. This NPRM is considered a deregulatory action because we propose to reduce the burden associated with implementing the and monitoring the title IV–B, CAPTA, and Chafee programs. To determine the burden reduction, we took the number of requirements that agencies must report in the Information Collection and estimated the burden hours associated with each reporting requirement. See Table 1.

TABLE 1—ESTIMATED BURDEN HOURS WITH NO CHANGES TO THE REGULATION

	Number of reporting requirements	Average hours per requirement	Total burden hours per respondent from #0970–0426	Number of respondents	Total annual burden hours
APSR	55	1.49	82	235	19,270
CFSP	56 (every 5 years)/11.2 per year ...	10.98	123	235	28,905
CFS–101	3	1.66	5	235	1,175
Total					49,350

Assumptions for Estimates

We made the following assumptions when calculating the burden and costs associated with the changes to remove section 1357:

- We estimate 235 respondents receive title IV–B subpart 2 funding, which is comprised of 56 states, territories and insular areas and 179 tribes.
- We used Bureau of Labor Statistics (BLS) wage data from May 2024 to determine the cost per hour, applying the same estimates for our baseline and proposed rule scenario. We used the BLS job code for Social and Human Services Assistants [21–1093] and wage data from May 2024, which is \$22.64 per hour. To account for fringe benefits and overhead the rate was multiplied by

two and adjusted to constant 2025 dollars using the GDP deflator, resulting in a fully loaded average hourly wage of \$46.56. As a point of comparison that does not factor into our assessment of the change in burden under this proposed rule, this represents a 22.3 percent nominal increase in the estimated labor rate from the Information Collection, which used the BLS wage data from May 2022, which was \$18.52 per hour.

- The Information Collection includes the number of responses for the title IV–B subpart 1 and subpart 2, CAPTA, and Chafee programs in the burden estimated for the CFSP, APSR and CFS–101. Agencies must submit the final report once every five years, therefore it is included in reporting

requirements under the CFSP, which is also due once every five years. We reviewed the statutory requirements, regulations and sub-regulatory instructions to estimate that agencies report approximately 56 requirements every five years for the CFSP (for purposes of this cost estimate, this is 11.2 requirements per year), 55 requirements for the APSR, and 3 requirements for the CFS–101. Removing section 1357 eliminates many of the regulatory reporting requirements, which will drastically reduce the burden estimated to be associated with the CFSP, APSR, and CFS–101 under this NPRM.

- The baseline Information Collection for the CFSP, APSR and CFS–101 shows each respondent annually spends 123

hours completing the CFSP, 82 hours completing the APSR, and 5 hours completing the CFS–101.

- To determine how much time it takes agencies to report each item, we divided the burden hours identified in the Information Collection by the number of requirements agencies must report (total burden hours ÷ number of reporting requirements). We estimate respondents spend 10.98 hours reporting each requirement for the CFSP, 1.49 hours reporting each requirement for the APSR, and 1.66 hours reporting each requirement for the CFS–101. This is an estimated average across all respondents.

- To estimate the annualized costs to the Federal government, we used the hourly wage information for a GS–12 step 5 from the 2025 Office of Personnel Management Pay Tables to estimate the

salary, expenses, operating costs, etc. borne by CB to review the CFSP, APSR, and CFS–101. The hourly rate is \$55.07/hour. To account for fringe benefits and overhead we multiplied the average hourly wage by two, which is \$110.14/hour.

Burden Hours Associated With This NPRM

This NPRM does not impose any new reporting requirements for agencies. We propose to remove 1355.25 and 1355.30, however there are no significant burden hours or costs associated with those regulations because they do not require agencies to report any information. We propose to remove section 1357, which eliminates many requirements that agencies currently report in the CFSP, APSR, and CFS–101. We estimate the burden of this NPRM by calculating the

burden hours associated with reporting on the remaining requirements for the CFSP, APSR, and CFS–101. Currently, information for the CAPTA and Chafee programs is included in the CFSP, APSR, and CFS–101, thus the burdens associated with them are part of the Information Collection baseline. By removing section 1357 the regulations will no longer require agencies to report on requirements for the CAPTA and Chafee programs in the CFSP, APSR, and CFS–101, although they may still choose to do so. Thus, for purpose of this burden estimate, we continue to include those reporting requirements in the CFSP, APSR, and CFS–101 burden estimates for consistency. This is an estimated average across all respondents.

TABLE 2—ESTIMATED BURDEN HOURS IF THE NPRM BECOMES FINAL

NPRM burden hours	Number of proposed reporting requirements in NPRM	Average hours per requirement	Total burden hours per respondent	Number of respondents	Total annual burden hours
APSR	7	1.49	10.43	235	2,451.05
CFSP	32 (every 5 years)	10.98	70.27	235	16,513.92
	6.4 annually				
CFS–101	1	1.66	1.66	235	390.1
Total					19,355.07

Estimated number of reporting requirements in NPRM. We estimate agencies will report approximately 32 requirements in the CFSP and final report every five years (6.4 annually), 7 requirements in the APSR annually, and 1 requirement for the CFS–101 annually.

Total Burden hours per respondent. To estimate the burden hours per respondent, we took the number of hours we estimated that each agency spends on individual requirements for the CFSP, APSR, and CFS–101, then multiplied that by the number of requirements that remain. For the CFSP, 32 five-year reporting requirements remain after removal of § 1357 (6.4 annually), multiplied by 10.98 hours per year to complete each requirement, equals 70.27 annual hours to complete the CFSP per agency. For the APSR, 7

requirements remain, multiplied by 1.49 hours to complete each requirement, equals 10.43 hours to complete the APSR per agency. For the CFS–101, 1 requirement remains, multiplied by 1.66 hours to complete each requirement, equals 1.66 hours to complete the CFS–101 per agency. This is an estimated average across all respondents.

Total annual burden hours. We estimate that the 235 agencies will spend a total of 16,513.92 hours annually reporting the CFSP, 2,451.05 hours annually reporting the APSR, and 390.1 hours annually reporting the CFS–101. This is a total of 19,355.07 annual burden hours. (CFSP: 70.272 hours per requirement × 235 respondents = 16,513.92 hours. APSR: 10.43 hours per requirement × 235 respondents = 2,451.05 hours. CFS–101: 1.66 hours per requirement × 235 respondents = 390.1

hours. CFSP/APSR/CFS–101: 16,513.92 + 2,451.05 + 390.1 = 19,355.07 total hours). Under our baseline scenario, we estimated 49,350 total burden hours. Thus, we anticipate that the impact of the proposed rule if finalized would be a reduction of 29,994 burden hours representing a 60.78 percent reduction in administrative burden ((49,350 – 19,355.07)/49,350 × 100 = 60.78%).

Total Annual Cost. We multiplied the total annual burden hours by \$46.56 per hour fully loaded wage rate, calculated above, to estimate the total annual cost of \$901,258 (19,355.07 total burden hours × \$46.56). This is an estimated average across all respondents under the proposed rule. Thus, we anticipate that the impact of the proposed rule, if finalized would result in a savings of \$1,396,520.64 (\$46.56 × 29,994 reduction in burden hours) per year.

TABLE 3—BURDEN REDUCTION AND COST SAVINGS OF THIS NPRM

	Estimated total burden hours if the regulation remains unchanged	Estimated total annual burden hours for NPRM	Estimated difference (hours)	Estimated difference (cost)
FY 2027	49,350	19,355.07	29,995	\$1,396,520.64

Annualized Costs to the Federal Government

As explained above, the cost to the Federal government is estimated to be \$110.14/hour based on a GS-12 step 5. The baseline Information Collection estimated 5,082 hours of CB Regional and Central Office staff time to review and approve agency submissions. As a result of the proposed changes in this NPRM, we estimate CB would only need 1,993.16 hours of CB staff time annually, which represents a 60.78 percent reduction of CB staff time relative to the baseline $((5,082 - 1,993.16) / 5,082 \times 100 = 60.78\%)$. This brings the estimated annualized federal costs to be \$219,526.54 (1,993.16 hours $\times$ \$110.14 = \$219,526.54). This represents annual savings of \$340,204.83 $((5,082 - 1,993.16) \times \$110.14)$.

VI. Tribal Consultation Statement

Executive Order 13175, Consultation and Coordination with Indian Tribal Governments, requires agencies to consult with Indian tribes when regulations have substantial direct effects on one or more Indian tribes, on the relationship between the Federal Government and Indian tribes, or on the distribution of power and responsibilities between the Federal Government and Indian tribes and either impose substantial direct compliance costs on tribes or preempt state law. Similarly, ACF's Tribal Consultation Policy provides that consultation is triggered by a rulemaking that significantly affects tribes, meaning the proposed rule has substantial direct effects on one or more Indian tribes, on the amount or duration of ACF program funding, on the delivery of ACF programs or services to one or more Indian tribes, or on the distribution of power and responsibilities between the Federal Government and Indian tribes.

ACF held consultations with Tribal leaders and their representatives in Arizona (September 25, 2025), Minnesota (August 25, 2025), Washington (November 18, 2025), and Washington, DC (February 11, 2026). More than 100 Tribal Nations and partners participated and 20 tribes and partners submitted written statements. ACF appreciates the thoughtful input shared by tribes and partners throughout this consultation and values the opportunity to engage in meaningful government-to-government dialogue. A Summative Tribal Consultation Report from the consultations is available on CB's website. The Department is using this feedback to inform a myriad of on-

going work, including guidance, technical assistance, or ongoing policy development. The Department used the following feedback to inform development of the NPRM:

- Current reporting requirements are duplicative and the data collected is rarely useful for tribal program management. Limiting reporting requirements to applicable statutory requirements and eliminating duplicative requirements enables tribal child welfare programs to focus resources on serving families rather than meeting extensive administrative and reporting requirements.

- For smaller tribes, application and reporting costs often outweigh the funding received. Scaling reporting requirements based on funding level and tribal capacity may help address the imbalance by creating a more reasonable reporting framework and timeline.

- The CFS-101 Parts I and II are often difficult to use, not tailored to tribal needs, duplicative of other Federal reports, and of limited practical use. Simplifying and improving the usability of the form may help streamline reporting structures across federal programs and reduce administrative burden.

We believe the proposals in the NPRM are consistent with the feedback from tribes and partners. For example, if this proposal becomes a final rule:

- Regulations will no longer require tribes receiving title IV-B subpart 1 funds to submit an APSR, CFSP, or CFS-101 or follow the CFSP planning cycle and submission deadlines. Tribes could choose to submit subpart 1 plan requirements at the time of application, unless a substantial change is made. In addition, the regulation will no longer require that agencies identify goals nor consult with a wide range of public and non-profit private agencies and community-based organizations to develop a plan for subpart 1.

- The reporting requirements in regulations for tribes receiving subpart 2 funding will be significantly reduced. For example, the regulations will no longer require tribes to describe a vision statement nor objectives.

- We propose to eliminate reporting requirements that do not serve a specific purpose. For example, regulations will no longer require tribes to provide organizational charts and descriptions of tribal office structures, legal responsibilities, jurisdiction, political subdivisions, court structure, standards for foster family homes, institutional care, and day care. The remaining data that ACF requests will focus on oversight or program improvement.

- For tribes receiving subpart 2 funds, regulations will no longer require duplicative and low-value reporting in the CFS-101.

Together, these regulatory proposals move toward reducing unnecessary administrative burden and better aligning Federal requirements with tribal priorities and practices. By streamlining reporting and increasing flexibility, the NPRM supports more effective use of tribal resources to serve children and families. We welcome any comments or feedback on how the proposals in this NPRM impact tribal nations and agencies, as well as community, families, and children.

List of Subjects

45 CFR Part 1355

Adoption and foster care, Child welfare, Computer technology, Grant programs—social programs, Reporting and recordkeeping requirements.

45 CFR Part 1357

Adoption and foster care, Child welfare, Grant programs—social programs, Indians, Reporting and recordkeeping requirements.

For the reasons set forth in the preamble, ACF proposes to amend 45 CFR part 1355 as follows:

PART 1355—GENERAL

■ 1. The authority citation for part 1355 continues to read as follows:

Authority: 42 U.S.C. 620 *et seq.*, 42 U.S.C. 670 *et seq.*, 42 U.S.C. 1302.

■ 2. In § 1355.21, revise paragraph (c) and add paragraphs (d) and (e) to read as follows:

§ 1355.21 Plan requirements for titles IV-E and IV-B.

* * * * *

(c) The State agency and the Indian Tribe must:

(1) Make available for public review and inspection the title IV-B subpart 1 plan, subpart 2 plan and annual updates. The title IV-E agency also must make the title IV-E plan available for public review and inspection.

(2) Provide child and family services under title IV-B, subparts 1 and 2 on the basis of need for services and must not deny services on the basis of income or length of residence in the State or within the Indian Tribe's jurisdiction.

(3) Develop, maintain, and implement a staff development and training plan applicable to programs funded under title IV-B subparts 1 and 2 of the Act.

(d) The title IV-B State plan must describe child welfare services and protections for Indian children, including:

(1) the arrangements, jointly developed with the Indian Tribes within its borders, made for the provision of the child welfare services and protections in section 422(b)(8) of the Act to Indian children under both State and Tribal jurisdiction; and

(2) a statement of the legal responsibility, if any, for children who are in foster care on the reservation and those awaiting adoption.

(e) Tribal title IV–B programs.

(1) To determine the amount of Federal funds available under title IV–B subpart 1 for a direct grant to an eligible Indian tribe, Tribal organization, or consortium, the Department shall first divide the State's title IV–B allotment by the number of children in the State, then multiply the resulting amount by a multiplication factor determined by the Secretary, and then multiply that amount by the number of Indian children in the Indian tribe, Tribal organization or consortium population. The multiplication factor will be set at a level designed to achieve the purposes of the act and revised as appropriate. If an Indian tribe, Tribal organization or consortia includes population from more than one State, a proportionate amount of the grant will be paid from each State's allotment.

(2) The Tribal agency must describe in the title IV–B plan(s):

(i) Whether the Tribal organization is controlled, sanctioned or chartered by the governing body of Indians to be served and if so, documentation of that fact;

(ii) Any limitations on authorities granted to the Indian Tribal organizations; and

(iii) The Tribal resolution(s) authorizing an application for a direct title IV–B, subpart 1 and if applicable, subpart 2.

* * * * *

§ 1355.25 [Removed and Reserved]

■ 3. Remove and reserve § 1355.25

§ 1355.30 [Removed and Reserved]

■ 4. Remove and reserve § 1355.30

■ 5. In § 1355.33, revise paragraphs (a)(2)(ii) and (c)(4)(iv) to read as follows:

(a) * * *

(2) * * *

(ii) Representatives selected by the title IV–E agency, in collaboration with the ACF Regional Office, from those with whom the title IV–E agency was required to consult in developing its title IV–B subpart 2 plan, as described and required in section 432(b)(1) of the Act;

* * * * *

(c) * * *

(4) * * *

(iv) Interviews with key stakeholders, both internal and external to the agency, which, at a minimum, must include those individuals who participated in the development of the State's or Tribal title IV–E agency's subpart 2 plan, courts, administrative review bodies, children's guardians ad litem and other individuals or bodies assigned responsibility for representing the best interests of the child.

* * * * *

■ 6. In § 1355.34, revise paragraphs (b)(2)(ii)(A) and (B), (c)(3), (c)(3)(i) and (ii), (c)(4) and (c)(4)(i) and (iv), (c)(5), and (c)(6)(i)–(iv) to read as follows:

§ 1355.34 Criteria for determining substantial conformity.

* * * * *

(b) * * *

(2) * * *

(ii) Implemented the following title IV–B requirements or assurances:

(A) Services designed to assure the safety and protection of children and the preservation and support of families;

(B) Permanency provisions for children and families in sections 422 and 471 of the Act;

* * * * *

(c) * * *

(3) *Quality assurance system*: The title IV–E agency has developed and implemented standards to ensure that children in foster care placements are provided quality services that protect the safety and health of the children (section 471(a)(22)) and is operating an identifiable quality assurance system that:

(i) Is in place in the jurisdictions within the State/Tribal service area where services included in the title IV–B plans are provided;

(ii) Is able to evaluate the adequacy and quality of services provided under the title IV–B plans.

* * * * *

(4) *Staff training*: The title IV–E agency is operating a staff development and training program that:

(i) Supports the goals in the title IV–E agency's title IV–B subpart 2 plan;

* * * * *

(iv) Provides ongoing training for staff that addresses the skills and knowledge base needed to carry out their duties with regard to the services included in the title IV–B plans; and,

* * * * *

(5) *Service array*: Information from the assessment and on-site review determines that the title IV–E agency has in place an array of services (section 422(b)(8)(A)(iii) and (iv) of the Act) that includes, at a minimum:

* * * * *

(v) Services that are accessible to families and children in all political subdivisions and/or the entire title IV–B service area.

(6) Agency responsiveness to the community:

(i) The title IV–E agency, in implementing the provisions of the title IV–B subpart 2 plan, engages in ongoing consultation with a broad array of individuals and organizations representing the State/Tribal and county/local agencies responsible for implementing the plan and other major stakeholders in the services delivery system including, at a minimum, Tribal representatives, consumers, service providers, foster care providers, the juvenile court, and other public and private child and family serving agencies (section 432(a)(3) and (b) of the Act);

(ii) The agency develops, in consultation with these or similar representatives, annual reports of progress and services delivered pursuant to section 432(b)(a)(2)(C) of the Act;

(iii) There is evidence that the agency's goals included in the title IV–B subpart 2 plan reflect consideration of the major concerns of stakeholders consulted in developing the plan and on an ongoing basis (section 432(a)(3) and 432(b)(1) of the Act); and

(iv) There is evidence that the services under the plan are coordinated with services or benefits under other Federal or Federally assisted programs serving the same populations to achieve the goals in the plan (sections 422(b)(2), 432(a)(3) and 432(b)(1) of the Act).

■ 7. In § 1355.35, revise paragraphs (e)(2) and (f) to read as follows:

(e) * * *

(2) The frequency of evaluating progress will be determined jointly by the title IV–E agency and Federal team members, but no less than annually. Evaluation of progress will be performed in conjunction with the annual updates of the title IV–E agency's title IV–B subpart 2 plan, as described in paragraph (f) of this section;

* * * * *

(f) Integration of program improvement plans with title IV–B subpart 2 planning. The elements of the program improvement plan must be incorporated into the goals of the title IV–E agency's subpart 2 plan. Progress in implementing the program improvement plan must be included in the annual reviews and progress reports related to the plan required in section 432(b)(a)(2)(C) of the Act.

PART 1357 [Removed and Reserved]

■ 8. Under the authority of 42 U.S.C. 620 *et seq.*, 42 U.S.C. 670 *et seq.*, and 42 U.S.C. 1302, remove and reserve part 1357.

Robert F. Kennedy, Jr.,
Secretary, Department of Health and Human Services.

[FR Doc. 2026–20329 Filed 10–2–26; 8:45 am]

BILLING CODE 4184–25–P

GENERAL SERVICES ADMINISTRATION**48 CFR Parts 541 and 552**

[GSAR Case 2026–G502; Docket No. GSA–GSAR–2026–0595; Sequence No. 1]

RIN 3090–AL14

General Services Administration Acquisition Regulation; GSAR Implementation of Executive Order 14275, Acquisition of Utility Services

AGENCY: Office of Acquisition Policy, General Services Administration (GSA).
ACTION: Proposed rule.

SUMMARY: GSA is proposing to amend the General Services Administration Acquisition Regulation (GSAR) part 541 which outlines procedures and guidance for the procurement of utility services. GSA guidance does not apply to agencies using their special authorities listed in Federal Acquisition Regulation (FAR) section 41.103(a)(2) and (3). This proposed rule would align the GSAR with the FAR Council's proposed rule for FAR part 41.

DATES: Interested parties should submit written comments to the Regulatory Secretariat Division at the address shown below on or before November 4, 2026 to be considered in the formation of the final rule.

ADDRESSES: Submit comments in response to GSAR case 2026–G502 to: <https://www.regulations.gov> via the Federal eRulemaking portal by searching for “GSAR Case 2026–G502”. Select the link “Comment Now” that corresponds with GSAR Case 2026–G502. Follow the instructions provided at the “Comment Now” screen. Please include your name, company name (if any), and “GSAR Case 2026–G502” on your attached document. If your comment cannot be submitted using <https://www.regulations.gov>, call or email the points of contact in the **FOR FURTHER INFORMATION CONTACT** section of this document for alternate instructions.

To view the docket summary, click on “View docket” on the top left corner of the screen.”

Instructions: Please submit comments only and cite GSAR Case 2026–G502, in all correspondence related to this case. Comments received generally will be posted without change to <https://www.regulations.gov>, including any personal and/or business confidential information provided. To confirm receipt of your comment(s), please check <https://www.regulations.gov>, approximately two to three days after submission to verify posting.

FOR FURTHER INFORMATION CONTACT: For clarification of content, contact Bryon Boyer at GSARPolicy@gsa.gov or call 202–430–0972 and cite “GSAR Case 2026–G502”. For information pertaining to status or publication schedules, contact the Regulatory Secretariat Division at 202–501–4755 or GSARRegSec@gsa.gov. Please cite GSAR Case 2026–G502.

SUPPLEMENTARY INFORMATION:**I. Background**

Office of Federal Procurement Policy (OFPP), Office of Management and Budget (OMB); Department of Defense (DoD); General Services Administration (GSA); and National Aeronautics and Space Administration (NASA) (collectively referred to as the Federal Acquisition Regulatory Council or FAR Council) are working to amend the FAR to implement Executive Order (E.O.) 14275, Restoring Common Sense to Federal Procurement. The E.O. directs the elimination of excessive acquisition regulations to stop the inefficient use of American taxpayer dollars. In response to E.O. 14275, the Office of Management and Budget issued memorandum M–25–26, Overhauling the Federal Acquisition Regulation. The Memo directed the FAR Council to complete a “revolutionary overhaul” of the FAR (herein referred to as “Revolutionary FAR Overhaul” or “RFO”). The FAR Council is issuing several proposed rules that collectively will streamline the FAR in its entirety.

One of the FAR Council's RFO proposed rules (FAR case 2026–002) revises FAR part 41, acquisitions of utility services, to only include regulations applicable to the Department of Defense and Department of Energy when using their special statutory authorities (see FAR 41.103), and directs other agencies (and Department of Defense and Department of Energy when not using their special statutory authorities) to use the procedures and guidance provided by GSA. As a result, GSA is proposing to amend the GSAR to adopt relevant regulations in GSAR part 541.

II. Discussion and Analysis

This proposed change would simplify the acquisition process for agencies when ordering utility services, and further encourages the use of GSA's “areawide” contracts, which are governmentwide ordering vehicles, to ensure efficient and consolidated procurement to the maximum extent practicable.

A. General

The proposed revisions move the regulations governing utilities currently found in FAR part 41 to GSA's Federal Acquisition Supplement—the GSAR—which reflects the principles of the RFO and directs agencies to contact GSA prior to making any utility-related acquisition. This will allow GSA subject-matter experts to ensure the most efficient procurement strategy, typically use of GSA areawide contracts.

B. Summary of Changes**1. Statutory Requirements**

Statutory requirements and principles retained in the revised ordering procedures include 40 U.S.C. 501, Services for Executive Agencies.

2. Plain Language Requirements

The revised utility services acquisition procedures align with the federal plain language guidelines as directed by the Plain Writing Act of 2010 (Pub. L. 111–274). Plain language revisions include the following:

- Changes to active voice.
- Edits to improve readability and clarity.
- Reorganization to present information more logically.
- Replacing the term “shall” with “must” or “will,” as appropriate.

3. Harmonization With the RFO

The proposed rule harmonizes utility services ordering requirements and moves them to the GSAR in support of the RFO. Revisions include moving requirements into the GSAR and directing agencies to follow GSA guidance and collaborate with GSA prior to making acquisitions.

4. Applicability to Agencies and GSA's Guidance

The proposed rule directs agencies to first contact GSA for assistance prior to acquiring utility services (so that GSA can offer expert advice and direct agencies to the most efficient vehicles for acquiring utility services). Next, the proposed rule provides a mechanism for agencies to request GSA to delegate contracting authority and specific contracting assistance requests, specific to utilities-related acquisitions.