

Kathy Hochul Governor 52 WASHINGTON STREET RENSSELAER, NY 12144

Sheila J. Poole Commissioner

Informational Letter

Transmittal:	22-OCFS-INF-06				
To:	Local Departments of Social Services Commissioners				
Issuing Division/Office:	Division of Child Care Services				
Date:	May 27, 2022				
Subject:	Direct Deposit for Child Care Providers Receiving Payment for Child Care Assistance				
Suggested Distribution:	Directors of Social Services Directors of Services Child Care Supervisors Child Care Assistance Staff				
Contact Person(s):	Sonoma Pelton, OCFS Bureau of Child Care Assistance, 518-408-6074 <u>Sonoma.Pelton@ocfs.ny.gov</u> <u>ocfs.sm.districtsupport.subsidy@ocfs.ny.gov</u>				
Attachments:	None				

Filing References

Previous ADMs/INFs	Releases Cancelled	NYS Regs.	Soc. Serv. Law & Other Legal Ref.	Manual Ref.	Misc. Ref.
		18 NYCRR 415	§390-c		

I. Purpose

The purpose of this Informational Letter (INF) is to inform local social services districts (districts) of an amendment to New York State Social Services Law (SSL) §390-c, which requires the New York State Office of Children and Family Services (OCFS) to promulgate regulations that require districts to offer a direct deposit payment option for child care providers receiving payments for child care assistance.

II. Background

On December 1, 2021, Governor Kathy Hochul signed chapter 650 of the Laws of 2021 into law, which amended SSL §390-c to require OCFS to promulgate regulations by December 1, 2022, that require social services districts to offer a direct deposit payment option for providers receiving child care assistance payments. Districts and stakeholders, including members of the public, will have the opportunity to comment on the proposed rule once the Notice of Proposed Rulemaking has been published in the *State Register*.

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III. Program Implications

These regulatory changes will require districts to offer and allow direct deposit for providers accepting child care assistance payments using a bank account of the provider's choice. OCFS acknowledges that it will be beneficial to offer a single statewide solution to enable districts to comply with this requirement and is actively exploring options to manage a statewide direct deposit system to be available to districts to pay providers who have opted into the direct deposit payment option.

Because OCFS is exploring options on how to best support district adoption and implementation as well as facilitating the enrollment and use of direct deposit by providers, no action is required of districts at this time. An Administrative Directive (ADM) further detailing program implications, required actions and deadlines, and implementation will be issued following the adoption of the regulations and creation of the statewide system.

IV. Contacts

Any questions concerning this release should be directed to the District Support Mailbox at: ocfs.sm.districtsupport.subsidy@ocfs.ny.gov.

/s/ Janice M. Molnar, Ph.D.

Issued by:

Name: Janice M. Molnar, Ph.D. Title: Deputy Commissioner

Division/Office: Division of Child Care Services