Reply to
Attn. of: CACFP-492

Subject: Child and Adult Care Food Program (CACFP) Means Test

To: STATE AGENCY DIRECTORS - Colorado DPHE, Iowa, Kansas, Missouri DH
(Child Nutrition Programs) Montana DPHHS, Nebraska ED; North Dakota
South Dakota, Utah and Wyoming

There appears to be some confusion regarding the date on which the new two-tiered reimbursement structure becomes effective for family day care homes participating in the CACFP. The source of this confusion seems to be the welfare reform law’s requirement that Food and Consumer Service publish an interim rule on the means test by January 1, 1997 and a final rule by July 1, 1997.

A regulation has “the force of law” when it is published in interim or final form; however, regulations also have an “effective date” on which their changes may be implemented. For the interim means test rule, even though it must be published by January 1, 1997, the “effective date” is July 1, 1997, the same day by which the law requires that a final regulation be published. Normally a final regulation is not published so soon after publication of an interim. We assume that Congress required a January 1 interim regulation date for two reasons: (1) to ensure that States and sponsors began the process of preparing for July 1 implementation well in advance of that date (collecting area data, income applications where necessary, setting up claiming and reporting systems, etc.); and (2) the interim rule’s publication by January 1 ensures that there will be regulations in place which have the force of law when the changes are to go into effect on July 1.

Please contact a member of my staff at (303) 844-0359 if you have any questions concerning this matter.

[Signature]
ANN C. DEGROAT
Regional Director
Child Nutrition Programs