



DEPARTMENT OF HEALTH AND HUMAN SERVICES

Administration for Children and Families

45 CFR Part 402

RIN 0970-AD28

Reducing Bureaucracy and Burden for Refugee Resettlement Programs

AGENCY: Office of Refugee Resettlement (ORR), Administration for Children and Families (ACF), Department of Health and Human Services (HHS).

ACTION: Direct final rule, request for comments.

SUMMARY: The Department of Health and Human Services, Administration for Children and Families rescinds obsolete provisions of the State Legalization Impact Assistance Grants regulations (45 CFR Part 402). The Administration for Children and Families has undertaken a sweeping review aimed at eliminating outdated rules and reducing unnecessary regulatory burdens to streamline, simplify, and efficiently deregulate across multiple fronts simultaneously to better serve the public. The docket on <https://www.regulations.gov> will include a plain language summary of the direct final rule as required by 5 U.S.C. § 553(b)(4).

DATES: Effective [INSERT DATE 60 DAYS FROM PUBLICATION IN THE FEDERAL REGISTER], unless significant adverse comments are received on or before [INSERT DATE 30 DAYS FROM PUBLICATION IN THE FEDERAL REGISTER]. In the event the Administration for Children and Families receive significant adverse comments, the Administration for Children and Families will publish a timely withdrawal in the *Federal Register* informing the public the provisions of the rule(s) for which significant adverse comments were received and elimination will not take effect.

ADDRESSES: You may submit written comments, identified by docket number ACF-2026-0166 and/or RIN number **0970-AD28**, by one of the following methods:

- *Federal eRulemaking Portal:* Go to <https://www.regulations.gov>. Follow the instructions for submitting comments.
- *Email:* Deregulation@acf.hhs.gov. Include the docket number ACF-2026-0166 and/or RIN number **0970-AD28** in the subject line of the message.

Instructions: All submissions received must include the agency name and docket number or RIN number for this rulemaking. All comments received are a part of the public record and will be posted for public viewing on www.regulations.gov, without change. Please be advised that the substance of the comments and the identity of individuals or entities submitting the comments will be subject to public disclosure. Anonymous comments are accepted.

FOR FURTHER INFORMATION CONTACT: Adam N. Jones, Deputy Chief of Staff, Immediate Office of the Assistant Secretary, Administration for Children and Families, Department of Health and Human Services, Washington, D.C. 202-417-0115 or Deregulation@acf.hhs.gov.

SUPPLEMENTARY INFORMATION:

I. Statutory Authority

This final rule is being issued under the authority granted to the Secretary of Health and Human Services by Section 204 the Immigration Reform and Control Act of 1986 (IRCA), as amended, (8 U.S.C. 1255a note), and the subsequent repeal of Section 204 of IRCA by Section 199(a) of Public Law 105-220.

II. Background

Section 204 of IRCA established a temporary program of State Legalization Impact Assistance Grants (SLIAG) for states. Public Law (Pub. L.) 99-603 (Nov. 6, 1986). Section 201 of IRCA had allowed groups of aliens who had been living in the United States to adjust their immigration status. The purpose of SLIAG was to lessen the financial impact on state and local governments presented by individuals with newly adjusted status seeking public benefits. The SLIAG program provided reimbursement to states for costs of certain public assistance, public health, and education services they had provided these individuals.

IRCA directed HHS to issue regulations establishing a formula for allotting funds to each state and permitted HHS to issue other regulations as long as HHS consulted with state and local governments on any regulations. IRCA 204(b)(1), 204(i). HHS issued 45 CFR Part 402 on March 10, 1998. State Legalization Impact Assistance Grants, 53 Fed. Reg. 7832 (Mar. 10, 1988). Part 402 established uniform requirements for grant application, award, and administration, including eligible state uses of SLIAG funds, which included education, health care, and social services. This part also detailed financial management regulations, reporting, and auditing requirements.

Congress appropriated \$4 billion dollars for the SLIAG, starting with \$1 billion appropriated in fiscal year 1988 and another \$1 billion appropriated each year for the next three fiscal years, which states were authorized to obligate through the end of fiscal year 1994. IRCA 204(a)(1), (b)(4). In 1992, Congress amended the legislation to provide that any funds not expended by a state by December 30, 1994, be reallocated to states that had spent their entire SLIAG allotments and still had unreimbursed costs. Labor/Health and Human Services FY 1993, Pub. L. 102-394 (Oct. 6, 1992). In 1994, Congress provided that all the reallocated funds be spent by July 31, 1995. Labor/Health and Human Services FY 1995 Appropriations Act, Pub. L. 103-333 (Sept. 30, 1994). After that date, the

program ended. In 1998, Congress repealed the program. Workforce Investment Act of 1998, Pub. L. 105-220 (Aug. 7, 1998).

III. Executive Summary

Effective Date.

ACF expects all provisions included in the final rule to become effective 60 days from the date of publication of the final rule.

IV. Discussion of Changes

ORR is removing 45 CFR Part 402 in its entirety. The State Legalization Impact Assistance Grants were a time-limited program that operated from 1987 to 1995 to assist state and local agencies with any incurred costs related to the implementation of the Immigration Reform and Control Act of 1986. However, as this program has been inactive and unfunded for over 30 years, the regulatory framework is now obsolete and serves no current purpose. This action will decrease confusion and burden for grantees and will ensure that only actively enforced regulations remain in place.

Waiver of Notice and Comment Process

When engaging in rulemaking, HHS will ordinarily publish a notice of proposed rulemaking in the *Federal Register* to provide a period for public comment before the provisions of a rule take effect in accordance with the Administrative Procedure Act (APA), 5 U.S.C. 553(b).¹ Under the APA,² an agency is not required to provide notice and public comment prior to issuing a direct final rule when it determines, for good cause, that such procedures are impracticable, unnecessary, or contrary to the public interest. In such instances, the agency must include in the rule a statement of its findings and the reasons supporting its determination that the notice and public comment

¹ <https://www.govinfo.gov/link/uscode/5/553>

² 5 U.S.C. 553(b)(B).

procedure generally required under the APA are impracticable, unnecessary, or contrary to the public interest.

At this point in time when the program is no longer functional, ACF finds that it is unnecessary to provide a public comment period before issuing this direct final rule. Courts have found “good cause” that notice and comment is unnecessary when changes are considered “a routine determination, insignificant in nature and impact, and inconsequential to the industry and to the public.” *Mack Trucks, Inc. v. EPA*, 682 F.3d 87, 94 (D.C. Cir. 2012) (quoting *Utility Solid Waste Activities Grp. v. EPA*, 236 F.3d 749, 755 (D.C. Cir. 2001)); accord *Nat. Res. Def. Council v. Nat’l Highway Traffic Safety Admin.*, 894 F.3d 95, 114 (2d Cir. 2018); *N.C. Growers’ Ass’n, Inc. v. United Farm Workers*, 702 F.3d 755, 766-67 (4th Cir. 2012); see Attorney General’s APA MANUAL 31 (“‘Unnecessary’ refers to the issuance of a minor rule in which the public is not particularly interested.”); APA LEGISLATIVE HISTORY 200 (“‘Unnecessary’ means unnecessary so far as the public is concerned, as would be the case if a minor or merely technical amendment in which the public is not particularly interested were involved.”).

The rescission of this part is not of interest to the public to provide comment on because the program is no longer funded. Rescinding the outdated requirements related to this program poses no harm or burden to programs or the public.

V. Regulatory Process Matters

Paperwork Reduction Act

Under the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*, as amended) (PRA), all Departments are required to submit to the Office of Management and Budget (OMB) for review and approval any reporting or recordkeeping requirements inherent in a proposed or final rule. This direct final rule does not contain any information requiring

OMB approval under the PRA and, therefore, will not create any new paperwork burdens or modify existing burdens subject to OMB review.

Executive Order 13132

Executive Order 13132 requires federal agencies to consult with state and local government officials if they develop regulatory policies with federalism implications. Federalism is rooted in the belief that issues that are not national in scope or significance are most appropriately addressed by the level of government close to the people. This direct final rule would not have substantial direct impact on the states, on the relationship between the federal government and the states, or on the distribution of power and responsibilities among the various levels of government. This direct final rule would not pre-empt state law. The changes in this direct final rule are removing unnecessary and obsolete regulations from the Office of Refugee Resettlement rules. Therefore, in accordance with section 6 of Executive Order 13132, it is determined that this action does not have sufficient federalism implications to warrant the preparation of a federalism summary impact statement.

Assessment of Federal Regulations and Policies on Families

Assessment of Federal Regulations and Policies on Families Section 654 of the Treasury and General Government Appropriations Act of 1999 (Pub. L. 105-277) requires federal agencies to determine whether a policy or regulation may negatively affect family well-being. 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. HHS believes it is not necessary to prepare a family policymaking assessment because the actions in this direct final rule will not have any impact on the autonomy or integrity of the family as an institution.

VI. Regulatory Impact Analysis

We have examined the impacts of this direct final rule under Executive Order 12866, Executive Order 13563, Executive Order 14192, the Regulatory Flexibility Act (5 U.S.C. 601-612), the Unfunded Mandates Reform Act of 1995 (Pub. L. 104-4) and the Congressional Review Act (5 U.S.C. 801, Pub. L. 104-121).

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. Rules are “significant” under Executive Order 12866 Section 3(f)(1) if they “have an annual effect on the economy of \$100 million or more; or adversely affect in a material way the economy, a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or state, local, or tribal governments or communities.” 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 has determined that this direct final rule is a significant action under Executive Order 12866 Section 3(f), but that it does not meet the criteria set forth in 5 U.S.C. 804(2) under the Congressional Review Act. This rule is a deregulatory action under Executive Order 14192 because it eliminates obsolete and unnecessary regulations.

The Regulatory Flexibility Act requires agencies to consider the impact of their regulatory proposals on small entities. Because this action would remove a program that is no longer in existence or funded, the Secretary certifies that the direct final 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 is \$187 million, using the most current (2024) Implicit Price Deflator for the Gross Domestic Product. This direct final rule would not result in an expenditure in any year that meets or exceeds this amount.

VII. Tribal Consultation Statement

Executive Order 13175, Consultation and Coordination with Indian Tribal Governments, requires agencies to consult with Indian tribes when regulations have tribal implications, meaning they 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. The SLIAG grants were awarded only to the 50 states and the territories, no funds were awarded to tribes. Thus, this change will not have tribal implications.

List of Subjects in 45 CFR Part 402

Education, Grant programs-education, Grant programs-health, Grant programs-social programs, Health care, Immigration, Public assistance programs, Reporting and recordkeeping requirements.

PART 402 – [REMOVED AND RESERVED]

For the reasons set forth in the preamble, under the authority of section 204 the Immigration Reform and Control Act of 1986 (IRCA), as amended (8 U.S.C. 1255a note), and the subsequent repeal of section 204 of IRCA by section 199(a) of Public Law 105-220, ACF removes and reserves 45 CFR part 402.

Robert F. Kennedy, Jr.,

Secretary,

Department of Health and Human Services.

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