



## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### 45 CFR Part 96

#### Administration for Children and Families

### 45 CFR Parts 1000 and 1080

#### RIN 0970-AD41

#### Reducing Bureaucracy and Burden for Community Services Programs

**AGENCY:** Office of Community Services (OCS), Administration for Children and Families (ACF), Department of Health and Human Services (HHS).

**ACTION:** Notice of proposed rulemaking.

**SUMMARY:** The Department of Health and Human Services, Administration for Children and Families proposes to amend the Block Grants regulations, the Individual Development Account Reserve Funds Established Pursuant to Grants for Assets for Independence regulations, and the Emergency Community Services Homeless Grant Program regulations to eliminate unnecessary or obsolete regulations. The docket on <https://www.regulations.gov> will include a plain language summary of the NPRM as required.

**DATES:** In order to be considered, written comments on this proposed rule must be received on or before [INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].

**ADDRESSES:** You may submit written comments, identified by docket number ACF-2026-0031 and/or RIN number **0970-AD41**, 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-2026-0031 and/or RIN number **0970-AD41** 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](http://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.

**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 proposed regulation is being issued under the authority granted to the Secretary of Health and Human Services by Title XX of the Social Security Act, as amended (42 U.S.C. 1397 *et seq.*), the Community Services Block Grant Act (42 U.S.C. 9901 *et seq.*), the Low Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621 *et seq.*), the Assets for Independence Act (42 U.S.C. 604 note), and Title VII, Subtitle D of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11461 *et seq.*).

### **II. Background**

45 CFR Part 96, “Block Grants” is a comprehensive regulatory framework established under the Omnibus Budget Reconciliation Act of 1981 (Pub. L. 97-35) that governs the administration of multiple federal block grant programs administered by the Department of Health and Human Services. Originally published on July 6, 1982, this regulation applies to seven major block grant programs: Community Services Block

Grant (CSBG), Preventive Health and Health Services, Community Mental Health Services (MHBG), Substance Use Prevention, Treatment, and Recovery Services SUBG), Maternal and Child Health Services, Social Services Block Grant (SSBG), and Low-Income Home Energy Assistance Program (LIHEAP).

Part 96 establishes uniform procedures for grant applications, awards, payments, financial management, audit requirements, and enforcement mechanisms across these programs. It includes specific provisions for financial management requirements (Subpart C), direct funding of Indian tribes and tribal organizations (Subpart D), and enforcement procedures including complaint resolution and hearing processes (Subparts E and F). The regulation also contains program-specific requirements for each block grant, such as the SSBG annual reporting requirements using uniform service definitions (Subpart G) and LIHEAP weatherization waivers and leveraging incentive programs (Subpart H).

45 CFR Part 1000, “Individual Development Account Reserve Funds Established Pursuant to Grants for Assets for Independence” is a focused regulation published on September 25, 2001, that governs the Assets for Independence (AFI) Program administered by ACF’s OCS. This regulation establishes requirements for reserve funds that qualified entities must maintain when operating Individual Development Account (IDA) programs under federal AFI grants, which were last issued in FY 2016.

Unfunded after FY 2016, IDAs were matched savings accounts that assisted low-income individuals in building assets for specific purposes such as homeownership, postsecondary education, or small business development. The regulation defines key terms including “Individual Development Account,” “Qualified Entity” (which may include nonprofit organizations, state/local government agencies, tribal governments, low-income credit unions, or community development financial institutions), and “Reserve Fund.” It requires that no less than 85 percent of federal grant funds in the

reserve fund be used as matching contributions for Individual Development Accounts, and subjects these funds to HHS uniform administrative requirements under 2 CFR 200.334 through 200.338.

45 CFR Part 1080, “Emergency Community Services Homeless Grant Program” was established on February 9, 1989, under Title VII, Subtitle D of the Stewart B. McKinney Homeless Assistance Act (Pub. L. 100-77) and was administered by ACF’s OCS. This regulation governed emergency grants to states and Indian tribes to provide comprehensive services to people experiencing homelessness. Funds were allocated to states using the Community Services Block Grant Act formula (42 U.S.C. 9903(a) and (b)), with at least 1.5 percent set aside for direct grants to Indian tribes. The regulation specifies that at least 95 percent of state allocations must be awarded to community action agencies, migrant and seasonal farmworker organizations, and other eligible entities. The program was repealed by the Workforce Investment Act of 1998 (Pub. L. 105-220, title I, § 199(b)(1)).

### **III. Executive Summary**

This NPRM proposes to rescind multiple regulations that are either unnecessary or wholly obsolete. These rescissions would impact states, territories, and tribal lead agencies. The regulations contained in this NPRM to be rescinded and reserved can be categorized into three groups: those that are duplicative, those that are better suited as a different type of sub-regulatory format, and those that are obsolete.

The duplicative regulations are those that exist yet, carry no impact as the authority and requirements stated in the regulation exist or are stated elsewhere such as in statute. This renders the language found in the regulation to be either duplicative or otherwise generally unnecessary.

The regulations that are better suited as a different format, i.e., as a sub-regulatory document, are those that generally read like a Frequently Asked Questions document or are overly prescriptive and carry technical details that belong in programmatic instruction. These documents are being proposed to be rescinded in order to allow them to be published in the more appropriate format.

Finally, obsolete regulations are those that are outdated. This includes regulations that refer to grant programs that are no longer funded, practices that are no longer followed, or are otherwise no longer relevant.

*Effective Date.*

ACF expects all provisions included in the proposed rule, if finalized, to become effective 30 days from the date of publication of the final rule.

*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. The changes address a variety of issues relevant to OCS. 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. Discussion of Proposed Changes**

*45 CFR Part 96 Block Grants*

*Subpart A – Introduction*

§ 96.3 Information collection approval numbers

This Section identifies information collection approval numbers under the Paperwork Reduction Act that pertain, or at one time pertained, to block grants. This

Section is not needed in regulation as the language does not state any requirement imposed on grantees, but rather serves, or served, as a reference guide. According to the Office of Information and Regulatory Affairs (OIRA) Inventory of Currently Approved Information Collections (March 2, 2026), available online at <https://www.reginfo.gov/public/do/PRAMain>, only one of the listed approval numbers, for the Preventive Health and Health Services Block Grant, is current. For the one information collection that is current, the removal of this Section does not affect grantees' obligation to comply with the information collection because the collection is still required under the authorizing statute and other provisions of Part 96.

#### *Subpart G – Social Services Block Grants*

##### § 96.70 Scope

This section clarifies that Subpart G of Part 96 is specific to the SSBG program only. This section is proposed for removal because it is unnecessary. We believe the title of the Subpart and context of the provisions therein provide sufficient basis to establish that the provisions apply to the SSBG program alone. The removal will eliminate unnecessary regulatory text without affecting program operations or clarity.

##### § 96.72 Transferability of funds

This section is proposed for removal as it contains provisions that are duplicative of statutory language found at 42 U.S.C. 1397a(d). As such, this Section is not needed and is proposed for removal. This removal will not impact the operation of any block grant program.

#### *Subpart H – Low-Income Home Energy Assistance Program*

##### § 96.80 Scope

This section clarifies that Subpart H of Part 96 is specific to LIHEAP only. This section is proposed for removal because it is unnecessary. We believe the title of the Subpart and context of the provisions therein provide sufficient basis to establish that the provisions apply to the LIHEAP program alone. The removal will eliminate unnecessary regulatory text without affecting program operations or clarity.

#### § 96.87 Leveraging incentive program

This Section sets forth procedures for implementing and administering the Leveraging Incentive Program which provides benefits and enhancements to grantees that utilize other sources of funds for energy assistance for low-income individuals. This Section is not needed in regulation as the program is authorized by 42 U.S.C. 8626a, which provides sufficient authority alone to implement the program. Furthermore, this program has not been utilized by the Secretary in a decade. The removal of the Section will not prohibit the program from being available to the Secretary as it is still authorized in statute.

#### *Subpart K – Transition Provisions*

#### § 96.110 Scope

This Section details the scope of Subpart K, which applies to the community services, preventative health and health services, alcohol and drug abuse and mental health services, and maternal and child health services block grants. This Section is not needed in regulation as it refers to a transition period pertaining to the closure of the Community Services Administration and the implementation of the Block Grant Program that began on October 1, 1981. The transition has long since ended and therefore these regulations are no longer necessary and are proposed to be removed. As this Section is obsolete, there will be no impact to any of the block grant programs.

#### § 96.111 Continuation of pre-existing regulations

This Section details that the regulations promulgated by HHS and the Community Services Administration will remain in place until new regulations can be promulgated by HHS reflecting the transition period pertaining to the closure of the Community Services Administration and the implementation of the Block Grant Program that began on October 1, 1981. The transition has long since ended and therefore these regulations are no longer necessary and are proposed to be removed. As this Section is obsolete, there will be no impact on any of the block grant programs.

#### § 96.112 Community services block grant

This Section details a couple of components related to the Community Services Block Grant (CSBG), including provisions allowing flexibility for FY 1981 and penalties specific to FY 1982 and 1983. This Section is not needed in regulation as it refers to a transition period pertaining to the closure of the Community Services Administration and the implementation of the Block Grant Program that began on October 1, 1981. The transition has long since ended and therefore these regulations are no longer necessary and are proposed to be removed. As this Section is obsolete, there will be no impact on any of the block grant programs.

#### *Appendix B to Part 96 – SSBG Reporting Form and Instructions*

Appendix B refers to the process and format for submitting the SSBG Reporting Form. This Appendix is not needed in regulation as it is out of date and refers to the submission of documentation on PC diskettes on Lotus 1-2-3, a system that ceased service in 2014. The Appendix also provides contact information for two specific employees for whom grantees should contact if they are in need of technical assistance, neither contact number reaches the stated individuals. As the information in this

Appendix is out of date, and not useful, it is proposed for removal. This removal will not impact the operation of any block grant program.

*45 CFR Part 1000 Individual Development Account Reserve Funds Established Pursuant to Grants for Assets for Independence*

Part 1000 which is inclusive of 45 CFR Parts 1000.1, 1000.2, and 1000.3, refers to the Individual Development Account Reserve funds which was a program funded from 1999 to 2016 pursuant to the Grants for Assets for Independence. However, as this program distributed the last remaining funds of its five-year projects a decade ago, this program is now defunct. As such, the regulations do not need to remain on the books for an unfunded project. Thus, this proposed rule seeks to eliminate this part.

*45 CFR Part 1080 Emergency Community Services Homeless Grant Program*

Part 1080 which is inclusive of 45 CFR Parts 1080.1, 1080.2, 1080.3, 1080.4, 1080.5, 1080.6, 1080.7, 1080.8, and 1080.9, refers to the Emergency Community Services Homeless Grant Program which was created following the McKinney Homeless Assistance Act of 1987 and was administered for 12 years until 1999. It was replaced when the Workforce Investment Act of 1998 was passed into law, effectively ending the program. Nonetheless, the regulations still remain on the books yet have no practical impact. Thus, due to the regulation part being wholly obsolete, this rulemaking proposes to rescind part 1080.

## **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 NPRM 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 proposed 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 NPRM would not pre-empt State law. The changes proposed in the NPRM are removing unnecessary and obsolete regulations from OCS 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 proposed in this NPRM 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 the proposed rule under Executive Order 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. 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 (OIRA) has determined that this proposed rule is not a significant action under Executive Order 12866 Section 3(f). This analysis indicates that the proposed rule, if finalized, would be a deregulatory action as defined by Section 3 of Executive Order 14192.

The Regulatory Flexibility Act (RFA) requires agencies to consider the impact of their regulatory proposals on small entities. Because this is simply repealing obsolete and unnecessary language, we certify 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 is \$193 million, using the most current (2025) Implicit Price Deflator for the Gross Domestic Product. This proposed 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 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 discussion in section IV of the preamble serves as the tribal impact statement. We intend to notify tribal lead agencies about the opportunity to provide comment on the NPRM no later than the day of publication.

## **List of Subjects**

### **45 CFR Part 96**

Administrative practice and procedure, Aged, Alcohol abuse, Child welfare, Community development, Community development block grants, Drug abuse, Energy, Grant programs-energy, Grant programs-health, Grant programs-Indians, Grant programs-social programs, Health, Indians, Individuals with disabilities, Low and moderate income housing, Maternal and child health, Reporting and recordkeeping requirements, Social security.

### **45 CFR Part 1000**

Grant programs-social programs, Reporting and recordkeeping requirements.

### **45 CFR Part 1080**

Community action programs, Grant programs-social programs, Homeless, Indians, Reporting and recordkeeping requirements.

For the reasons set forth in the preamble, the Department of Health and Human Services proposes to amend 45 CFR subtitles A and B as follows:

### **PART 96 – BLOCK GRANTS**

1. The authority citation for part 96 continues to read as follows:

Authority: 31 U.S.C. 1243 note, 7501-7507; 42 U.S.C. 300w *et seq.*, § 300x *et seq.*, § 300y *et seq.*, § 701 *et seq.*, § 8621 *et seq.*, § 9901 *et seq.*, § 1397 *et seq.*, 5 U.S.C. § 301.

### **§ 96.3 [Removed and Reserved]**

2. Remove and reserve § 96.3.

### **§ 96.70 [Removed and Reserved]**

3. Remove and reserve § 96.70.

**§ 96.72 [Removed and Reserved]**

4. Remove and reserve § 96.72.

**§ 96.80 [Removed and Reserved]**

5. Remove and reserve § 96.80.

**§ 96.87 [Removed and Reserved]**

6. Remove and reserve § 96.87.

**§ 96.110 [Removed and Reserved]**

7. Remove and reserve § 96.110.

**§ 96.111 [Removed and Reserved]**

8. Remove and reserve § 96.111.

**§ 96.112 [Removed and Reserved]**

9. Remove and reserve § 96.112.

**Appendix B to Part 96 [Removed and Reserved]**

10. Remove and reserve appendix B to part 96.

**PART 1000 – [REMOVED AND RESERVED]**

11. Under the authority of Title XX of the Social Security Act, as amended (42 U.S.C. 1397 et seq.), the Community Services Block Grant Act (42 U.S.C. 9901 et seq.), the Low Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621 et seq.), the Assets for Independence Act (42 U.S.C. 604 note), and Title VII, Subtitle D of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11461 et seq.), remove and reserve part 1000.

**PART 1080 – [REMOVED AND RESERVED]**

12. Under the authority of Title XX of the Social Security Act, as amended (42 U.S.C. 1397 et seq.), the Community Services Block Grant Act (42 U.S.C. 9901 et seq.), the Low Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621 et seq.), the Assets for Independence Act (42 U.S.C. 604 note), and Title VII, Subtitle D of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11461 et seq.), remove and reserve part 1080.

---

Robert F. Kennedy, Jr.,

*Secretary,*

*Department of Health and Human Services.*

[FR Doc. 2026-06760 Filed: 4/7/2026 8:45 am; Publication Date: 4/8/2026]