January 17, 2007

Dear County Director of Social Services

Attention: Children’s Services Supervisors
Children’s Services Social Workers
County Fiscal Officers

Effective Date: Immediately

Subject: Implementation dates for Deficit Reduction Act changes

It has recently come to the attention of the Division of Social Services that there is some confusion over the implementation dates of various aspects of the Deficit Reduction Act of 2005. The Division previously communicated information about this issue in FSCWS-05-06 and FSCWS-11-06. At that time we informed counties that we expected a retroactive implementation date of October 1, 2005. In order to clarify this issue the Division provides the following guidance on implementation dates:

**Title IV-E administrative costs.** The restrictions on claiming administrative costs applies to any child in placement with an unlicensed relative caregiver after **February 8, 2006.**

**Title IV-E adoption assistance eligibility determinations.** The requirement to determine AFDC eligibility only once, at the child’s removal, applies to any child whose adoption was finalized on or after **October 1, 2005.**

If you have any questions about these changes, please contact Thomas Smith, Program Consultant with the Family Support and Child Welfare Services Section at thomas.smith@ncmail.net or (919) 733-9465.

Sincerely,

Esther T. High, Acting Chief
Family Support and Child Welfare Section

cc: Sherry Bradsher
JoAnn Lamm
Children’s Program Representatives
Work First Representatives
Family Support and Child Welfare Services Team Leaders
Local Business Liaisons
Sarah Barham

FSCWS-04-07