

United States Senate

WASHINGTON, DC 20510

January 22, 2026

The Honorable Robert F. Kennedy, Jr.
Secretary
U.S. Department of Health and Human Services
200 Independence Avenue, SW
Washington, DC 20201

The Honorable Alex J. Adams
Assistant Secretary
Administration for Children & Families
U.S. Department of Health and Human Services
330 C Street, SW
Washington, DC 20201

Dear Secretary Kennedy and Assistant Secretary Adams,

We write to demand that the Administration immediately reverse its disastrous, illegal decision to freeze more than \$10 billion in federal child care and social services funding for five states, including over \$3.4 billion from New York. This funding freeze is putting hundreds of thousands of New Yorkers' livelihoods at risk without providing any legitimate justification for doing so.

Prior to formal notices to the State of New York, the Administration spoke with media about their intent to target "Democrat-led states and Governors [who] have been complicit in allowing massive amounts of fraud to occur under their watch."¹ On January 6, the U.S. Department of Health and Human Services (HHS) sent official notices to governors, claiming that the mere potential for "extensive and systemic fraud" and suspicions of providing benefits to undocumented individuals warranted placing New York's Child Care and Development Fund (CCDF), the Temporary Assistance for Needy Families (TANF), and the Social Services Block Grant (SSBG) on "temporarily restricted drawdown."

CCDF is the primary federal funding source for child care subsidies for families with children under the age of 13, primarily serving children age five and under. These subsidies allow working parents to access affordable, high-quality child care. This funding freeze is a threat to over 219,000 children that benefit from child care services in New York and thousands of child care providers statewide, many of whom are small businesses that cannot weather funding delays and may be forced to reduce their hours, lay off staff, or close altogether.

TANF is the block grant that enables states to provide low-income households with benefits and services, including cash assistance. New York utilizes TANF funds to support over 300,000 children and adults through employment programs, after school youth development initiatives, domestic and sexual violence prevention organizations, and cash

¹ <https://www.politico.com/news/2026/01/06/trump-cut-child-care-funds-00712875>

benefits to help people walking an economic tightrope afford their rent and groceries. SSBG provides flexible funding to states that allows them to tailor social service programming to their population's needs. New York primarily leverages these dollars to promote safety, health and well-being for children and families in, or at risk of being in, the child welfare system. In New York, federal SSBG funding serves 164,000 children and 52,000 vulnerable adults through foster care, adoption, protective, and domestic violence services. Withholding this funding will harm kids and families by starving systems that keep children safe and leave them increasingly vulnerable to neglect, abuse and exploitation.

Rather than investigating alleged noncompliance in accordance with the law and providing states an opportunity to respond, this Administration has disrupted critical child care and social services for tens of thousands of New Yorkers. In fact, this Administration undermined its own ability to participate in program integrity oversight by firing a substantial number of career staff at ACF and the HHS Inspector General.² The cruel and illegal action to freeze more than \$3.4 billion in federal child care and social services funding for New York's children, families, and seniors exposes the true motive behind these unsupported claims of fraud: to target and punish states with Democratic leaders who disagree with this Administration's policies.

On January 8, 2026, the State of New York, joined by other affected states, filed suit against HHS and the ACF challenging the Administration's unlawful funding freeze. The states allege that the Administration provided no legal justification for withholding funds and failed to follow congressionally mandated oversight procedures, including conducting an investigation and providing states with notice and an opportunity to respond, before suspending all CCDF, TANF, and SSBG funding. The lawsuit asserts that the Administration is selectively targeting Democratic-led states and attempting to manufacture findings of noncompliance after the fact. On January 9, 2026, U.S. District Judge Arun Subramanian granted the states' request for an emergency injunction, temporarily blocking the federal government from freezing access to these critical funding streams.

Hundreds of thousands of New York households rely on the cash assistance and social services supported by CCDF, TANF, and SSBG, and any delay in funding will be catastrophic for families, children, workers, and communities across New York. Simply withholding funds will not fix fraud. Instead, it will destabilize an already fragile child care and social safety net system. We urge the Trump Administration to reverse the freeze on federal child care and social service funds. We also request a written response to the following questions by January 30, 2026:

1. Please detail the instances of the "extensive and systemic fraud" that the Administration has levied against the State of New York. Please detail which agency is conducting the investigation into such incidents and the date on which the investigation started.
2. Please provide HHS's written justification to freeze federal CCDF, TANF, and SSBG funds before it conducts a "thorough review of the State's use of funding for compliance

² <https://www.politico.com/news/2025/04/01/kennedy-lays-off-thousands-across-the-health-bureaucracy-00262913>

and alignment with statutory requirements". Please provide an explanation for the Department's inability to conduct this review post-disbursement, as has been done in previous administrations.³

3. Given the temporary restraining order granted by a federal judge to prevent the Administration from freezing CCDF, TANF, and SSBG funds, please confirm whether the State of New York and its related state agencies are able to immediately draw down federal funds and whether they will be restricted from drawing down funds in the future.
4. Please confirm whether New York will be subject to the ACF "defend the spend" requirements for all ACF funds.
5. Please detail how submissions to the child care fraud form and requested data on CCDF, TANF, and SSBG will be confidentially and securely communicated.

Sincerely,



Kirsten Gillibrand
United States Senator



Charles E. Schumer
United States Senator

³ <https://www.federalregister.gov/documents/2016/09/30/2016-22986/child-care-and-development-fund-ccdf-program>