REQUEST FOR PROPOSALS: TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF) PILOT PROJECTS UNDER THE FISCAL RESPONSIBILITY (FRA) ACT OF 2023
Due date: XXXXXXXXX

TANF FRA Pilot Updated Guidance and Application Submission Information

Proposals from state and territory TANF programs are due no later than 11:59 p.m. ET on XXXXXX, and must be submitted electronically to the following email address: TANFquestions@acf.hhs.gov. Submissions received after 11:59 p.m. ET on XXXXX will be deemed noncompliant and will not be considered.

Please submit your proposal in a readable PDF format using 12-point font and double-spaced. Please limit your proposal to no more than 20 pages. Proposals that do not meet these requirements may not be considered.

Information collected will be kept private to the extent permitted by law. However, information from the proposals may be made public to the extent consistent with applicable laws in order to inform future publications or dissemination efforts about the pilot and the pilot states.

Proposals will be reviewed and scored by government officials, but subject matter experts from related fields aligned with the goals of the pilot may provide technical insights to inform the government's decision-making.[1] Results of the objective review will be taken into consideration by ACF in the selection of pilots; however, objective review rankings are not binding. ACF reserves the right to evaluate proposals in the larger context of the overall applicant pool by considering the range of state pilots represented during ACF's pre-award decisions. This includes but is not limited to consideration of the extent to which pilots vary by their: administrative models, geographic areas, economic climates, and caseload characteristics.

For further information contact: TANFquestions@acf.hhs.gov

SECTION 1: Background and Overview of New Pilot Direction

As the TANF program nears its 30th year, the U.S. Department of Health and Human Services, Administration for Children and Families (ACF) is committed to reinforcing the program's core values of personal responsibility and work as a pathway to reduced dependency and family self-sufficiency.

[1] PAPERWORK REDUCTION ACT OF 1995 (Public Law 104-13) STATEMENT OF PUBLIC BURDEN: Through this information collection, ACF is gathering information to understand states' interest in participating in the FRA TANF Pilot Program and readiness to do so. Public reporting burden for this collection of information is estimated to average 10 hours per respondent, including the time for reviewing instructions, gathering and maintaining the data needed, and reviewing the collection of information. This is a voluntary collection of information. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information subject to the requirements of the Paperwork Reduction Act of 1995, unless it displays a currently valid OMB control number. The OMB # is XXXX-XXXX and the expiration date is XX/XX/XXXX. If you have any comments on this collection of information, please contact TANFquestions@acf.hhs.gov.

The Fiscal Responsibility Act of 2023 (FRA) authorized a new opportunity for states to pilot program performance and accountability measures in TANF. Pub. L. No. 118-5, § 302. The Trump Administration envisions the FRA pilot as a key opportunity to strengthen state accountability to the original core TANF values of work and self-sufficiency. The pilot can play a pivotal role in the design of modern approaches to moving work-eligible individuals into the labor force, while providing critical insights on ways to operationalize personal responsibility.

By emphasizing personal responsibility, state-led innovation, and pathways to self-sufficiency, the Trump Administration's priorities for work requirements and performance measures in this pilot reflect a markedly different approach from the prior Administration. Because the views, goals, and priorities outlined in this request differ from those articulated in the July 2024 solicitation and in the selected projects, ACF has ended the pilot participation of those states selected in November 2024 and is issuing this new request for pilot proposals. ACF encourages all states and territories, including members of the prior cohort of applicants, to apply. ACF will select up to five pilot states[2] with proposals that sufficiently reflect the Trump Administration's focus on moving TANF recipients from government dependency to independence from government benefits by emphasizing work, personal responsibility, and strong, stable families as the foundations of self-sufficiency. [3]

The pilot aims to build new evidence on whether performance metrics that promote accountability for work and self-sufficiency, rather than the work participation rate (WPR), leads to stronger employment outcomes and reduced dependency. Therefore, selected pilot states will not adhere to the traditional WPR measure which measures the degree to which they engage families with a work-eligible individual receiving assistance in work activities specified under federal law. The pilot state will instead have the flexibility to engage families in new ways and be measured on how well they meet their goal of moving families to work and independence.

The FRA pilot will help strengthen TANF programming for a new generation. Participating states will help ACF and the broader field learn about innovative approaches to reducing dependency and increasing workforce attachment among those eligible for federal public benefits, primarily TANF, Supplemental Nutrition Assistance Program (SNAP), and Medicaid. Pilot lessons will reinforce the original intent and goal of TANF to promote personal responsibility and work and increase ACF and the field's knowledge of *what works* in reducing dependency on federal benefit programs. ACF looks forward to working closely with pilot states and all interested states to achieve shared objectives around increased employment and earnings, decreased dependency, and improved family stability, and to maximize the impact of this pilot.

Per the FRA legislation, pilots will be in effect for six years. The first year is set to establish benchmark data and negotiate targets, with the remaining years of participation are to measure

[2] In accordance with Title IV-A of the Social Security Act, states is defined as the 50 States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, and American Samoa. *See* 42 U.S.C. 619 (5).

[33] See "Trump Leadership: If You Want Welfare and Can Work, You Must" at https://www.nytimes.com/2025/05/14/opinion/trump-welfare-medicaid-requirements.html

performance against the targets. The pilots selected under this solicitation will begin their baseline year on October 1, 2025, and operate their pilots through September 30, 2031.

SECTION 2: Accountability Structure for Pilot States

The FRA creates a new accountability structure for pilot states. Pilot states will be held to alternative performance measures that are shaped by the FRA legislation and by the set of new priorities outlined in this solicitation.

The premise of the pilot opportunity assumes that waiving the WPR measure and implementing alternative performance measures will maximize state innovation and flexibility and allow states to align their TANF activities to achieve better outcomes for TANF participants in employment, earnings, family stability, and economic independence.

Section 407 of the Social Security Act (the Act) sets mandatory work participation rate requirements for states as a primary performance measure of the program. Pilot states **will not** be required to adhere to the requirements of section 407 of the Act for the duration of the pilot program.

Instead of structuring their programs to meet the specific process measure requirements of Section 407, pilot states will therefore have the opportunity to redesign their programs to best meet new benchmarks related to increased employment and earnings, reduced dependency, and improved family stability. Pilot states can focus on these new performance measures, described in more detail below, without following the specific requirements of section 407, including but not limited to: defined categories of work activities, distinctions between core and non-core activities, and limitations on countable work activities such as literacy and vocational training activities. Pilot states also do not need to adhere to their Work Verification Plans for the duration of the pilot.

Required Employment & Earnings Performance Measures

The FRA legislation **requires** each pilot site to be accountable for the following three employment and earnings measures:

1. **Employment Rate – 2nd Quarter After Exit:** the percentage of work-eligible individuals who are in unsubsidized employment during the 2nd quarter after exiting the program;
2. **Median Earnings – 2nd Quarter After Exit:** the median level of earnings of work-eligible individuals, who are in unsubsidized employment during the second quarter after the exit; and
3. **Median Earnings – 4th Quarter After Exit:** the median level of earnings of work-eligible individuals in the fourth quarter after the exit, who were in unsubsidized employment during the second quarter after the exit.

To calculate these work outcome measures, pilot states will be required to submit Social Security Numbers (SSNs) of all work-eligible individuals who exit TANF in a given quarter on a quarterly basis.[4] ACF will then match those SSNs with quarterly wage records in the National Directory of New Hires (NDNH) to obtain records from two quarters after the individual's exit through four quarters after the individual's exit.[5] ACF will use the matched results to compute the required measures on behalf of the pilot states.

Other Required Family Stability Performance Measures

All Pilot State Requirement:

The FRA legislation also indicates that HHS will establish other indicators of family stability and well-being for pilot states. Accordingly, HHS will **require** each pilot states to be accountable for the following additional measure:

4. **Level of Independence from Government Food Benefits – 4th Quarter After Exit:** the percentage of TANF work-eligible individuals with earnings *above* the household federal income eligibility levels for Supplemental Nutrition Assistance Program (SNAP) during the 4th quarter after program exit.

Similar to the employment and earnings measures, ACF will calculate this required measure by collecting the SSNs and household size of all work-eligible individuals who exit TANF in a given quarter and matching that data to the NDNH. The federal gross income eligibility standard of 130% for households without an elderly or disabled member will be used in the calculation.

State-Proposed Requirement:

This Administration values state flexibility and innovation and recognizes that states are best positioned to determine the most effective approaches for promoting work and reducing dependence in their communities. **As such, each pilot state will be required to propose two additional performance measures which—once approved by ACF—the state will be held accountable for achieving.**

The below list of possible additional measures is aligned with the current Administration's priorities for FRA pilots. **States may select their two additional required measures from the list below or propose other measures not included in this list, including variations of those below.**

[4] TANF exit, as per 45 CFR 265.2(c), is the date that a family with a work-eligible individual ceases to receive assistance from the TANF program. The last day of assistance cannot be determined until 90 days have elapsed since the participant last received assistance. Additional details are provided in the TANF Work Outcomes Technical Resource.

[5] Any state that does not have an Unemployment Insurance program and thus is currently unable to submit quarterly wage data to the NDNH will be required to collect the necessary data and calculate and report on the measures. In these cases, states must use universe-level data and use the methodology prescribed by ACF. The report must include the data used to calculate the rates and attach a description of the methodology and data sources.

In proposing state-specific measures, states should consider the relationship between the proposed measure and the proposed pilot activities and available data sources for the measure. ACF also notes that data for some of the proposed measures may extend beyond the work-eligible individual to include outcomes for the entire family.

Please note that all performance measures, including the data sources and benchmarks, will be finalized and negotiated with ACF following selection into the pilot. Once measures are finalized, there will be close oversight of pilots by ACF, with support from its TA provider, and an independent evaluation.

List of Examples for State Selected Measures (not exhaustive)

Employment and Reduced Dependency

1. **Earnings Progression:** the percentage of TANF work-eligible individuals who experience stable or increasing earnings between the 2nd and 4th quarter after program exit.
2. **Stable Employment:** the percentage of TANF work-eligible individuals who are in unsubsidized employment in the 2nd, 3rd, and 4th quarters after program exit.
3. **Reduced Dependence on Government Health Benefits – 4th Quarter After Exit:** the percentage of TANF work-eligible individuals with earnings above the federal (or state) income eligibility levels for Medicaid in the 4th quarter after program exit.
4. **Level of Independence from Government Benefits – 4th Quarter After Exit**: the proportion of total family income from earnings in the 4th quarter after program exit.
5. **Change in Level of Government Dependence – 4th Quarter After Exit:** the average reduction in government benefit (such as SNAP, Medicaid, etc.) participation and/or amount between TANF program exit and 4th quarter after exit.[6]

Education and Skill Building

6. **Increased educational skills:** the percentage of work-eligible individuals who increased their educational skills (literacy, numeracy, and/or work-based skills).
7. **Credential attainment**: the percentage of work-eligible individuals who completed education, training, or on-the-job training while receiving TANF assistance and obtained a recognized credential, degree, or professional licensure within a defined period after program exit.

[6] ACF offers this as an example of the types of benefits reductions that a state may wish to propose in its application. As with all state-selected measures, this measure will require further refinement and discussion with ACF to operationalize the measure and to control for other factors related to benefit calculation.

8. **Apprenticeship participation and completion:** the percentage of work-eligible individuals who enrolled in and/or completed a registered apprenticeship program while receiving TANF.
9. **Overall education and work readiness gains:** combined measure of educational skills (6), credential attainment (7), and apprenticeship participation (8).
10. **Decreased child school truancy:** percentage of work-eligible individuals with at least one school-age child whose school truancy rate decreased between the period while the parent was receiving TANF to a defined period after program exit.
11. **Increased child school attendance:** percentage of work-eligible individuals with at least one school-age child whose school absence rate decreased between the period while the parent was receiving TANF to a defined period after program exit.

Health and Family Relationships

12. **Two-Parent Families:** the number of two-parent families receiving TANF assistance.
13. **Health Insurance Coverage:** the percentage of work-eligible individuals with private health insurance coverage six months after program exit.[7]
14. **Adult Health Status:** the percentage of work-eligible individuals with an increase in health status (e.g., general health and/or health in a particular area, such as lessening the adverse effects of, or eliminating, a chronic health condition).[8]
15. **Child Health Status:** the percentage of work-eligible individuals with at least one child in their family with an increase in health status (e.g., general health and/or health in a particular area, such as lessening the adverse effects of, or eliminating, a chronic health condition).[9]
16. **Participation in Maternal and Infant Health Services:** number of TANF families participating in maternal and infant health services as pregnancy and post-partum supports, including participation in the Maternal, Infant, and Early Childhood Home Visiting (MIECHV) programs and the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) while receiving TANF where available.
17. **Participation in Mental or Behavioral Health Services**: number of TANF participants participating in mental or behavioral health services to promote work while receiving TANF assistance and working in unsubsidized employment the 4th quarter after exit.

SECTION 3: Expectations of FRA Pilot States

ACF expects that pilot states will plan and implement activities that:

[7] If a state selects this measure, it should consider whether it would propose to include health insurance with or without Affordable Care Act subsidies and how it would account for any changes to the subsidies over the duration of the pilot program.
[8] ACF will not accept self-reported health outcomes for this measure.
[9] ACF will not accept self-reported health outcomes for this measure.

- **Promote work.** Pilot states should outline clear strategies for moving work-eligible TANF recipients to full time employment, such as work readiness activities that improve literacy and numeracy skills, or use of time-limited wage subsidies.
- **Reduce dependence.** Pilot states should outline clear strategies that align with the second statutory purpose of TANF, to end the dependence of needy parents on government benefits by promoting job preparation, work, and marriage.
- **Encourage personal responsibility.** The FRA requires that pilot states have a sanction policy for individuals who fail to adhere to their required engagement activities without good cause, 42 U.S.C. § 611(e)(5). Pilot states should outline clear strategies for use of Individual Responsibility Plans or other measures to ensure TANF recipients are setting employment goals and adhering to plans to achieve them.
- **Aim to directly improve each of the state's six performance measures**. In addition to the strategies that would aim to improve performance on the four measures required of all pilot states around increased employment, increased earnings, and reduced dependency, pilot states should plan strategies to improve performance on their two state-specific required family stability and well-being measures.

ACF will also expect pilot states to continue compliance with all TANF program requirements, except for the requirements in Section 407 of the Act. While implementing their TANF programs, pilot states continue to be responsible for ensuring that sub-recipients and contractors follow all applicable laws related to the use of TANF funds, including prohibitions against providing benefits to illegal aliens. *See* 45 CFR 75.352(a)(2).

Pilot states also must still adhere to data reporting requirements in Section 411 of the Act. Pilot states will still be required to submit the ACF-199 TANF Data Report, but they will not be required to report hours of work participation by activity as they do currently, nor will they be required to verify hours in work activities in accordance with their current Work Verification Plans.

ACF will work with pilot states to determine the best way to track the work engagement of individuals in the pilots for purposes of evaluating their pilot design and for complying with the FRA's sanction policy requirement.

The FRA does not provide additional funding for the pilots. While the FRA does not provide additional funds, states may expend their TANF grant funds for their pilots consistent with the requirements that apply to the TANF grant generally. These will be set forth in the terms and conditions of the pilot project that HHS and the state will enter into after states have been selected. States may also leverage other available federal resources, including WIOA and SNAP E&T, when serving TANF participants in pilot activities.

Separately, ACF will provide pilot states with robust programmatic and research-related support including: access to subject matter experts; ongoing site-specific coaching; peer-based learning

cohorts; supports for establishing and measuring benchmarks; and support for participating in a national evaluation (see below for details). States not selected will have access to outcomes reporting technical assistance.

The **programmatic technical assistance and compliance support** will include a dedicated coaching team that will help pilot states refine, plan, and implement an innovative and effective pilot approach to achieve program goals. Commitments for this comprehensive program planning and implementation support will likely include weekly virtual coaching sessions (approximately 4 hours per month) and monthly or bimonthly virtual learning or community of practice sessions (approximately 1 hour per month). During the baseline first year of the pilot, this support will include assistance with revising and refining pilot goals and objectives; planning changes to program practices, procedures, and policies to align with pilot proposals; identification of key partners, planning and implementation teams, reporting requirements, and data sources; and negotiation of performance measure benchmarks.

States selected for the FRA pilot will be required to **participate in a federally funded implementation and outcomes study**, which will be designed in consultation with the states after selection. The purpose of this study will be to (1) support pilot states in collecting performance data, developing benchmarks, and tracking progress towards them; and (2) assess implementation and outcomes, for ACF's mandated reporting to Congress on outcomes and for reporting to the broader field, as required by the FRA. The study will focus on lessons learned from the FRA pilots and maximize learning from the pilots for all states and other interested parties. This study will be conducted by a federally funded third-party contractor and will be designed, with input from pilot states, to address research questions of interest to the pilot states, ACF, and the broader TANF policy, practice, and research fields, and to minimize burden on the states. ACF intends to provide robust technical assistance for states' participation in the study. States will be expected to:

- Attend ongoing evaluation-related technical assistance meetings and other study engagements at a cadence and schedule to be determined by the state in collaboration with the study contractor, and as approved by ACF.

- Participate in in-person and/or virtual site visits, interviews, and other data collection activities related to the study, as determined during the study design phase by the study contractor in collaboration with ACF and the pilot states.

- Assist with coordination of study activities with county and local-level partners, as determined during the study design phase by the study contractor in collaboration with ACF and the pilot states.

- Provide any necessary TANF administrative and service receipt data and other administrative data, if applicable, as agreed upon during the study design phase by the study contractor in collaboration with ACF and the pilot states, for the purposes of

calculating performance benchmarks and to inform the implementation and outcomes study.

- Review study findings pertaining to their programs. Findings based on analysis of study data will be published in a variety of dissemination products, including the legislatively mandated report to Congress. Pilot state teams will have the opportunity to review the portions of these products that pertain to their programs. Comments provided by pilot state teams on these products will be taken into consideration, but ACF will have the final say as to the content of the products. Consistent with ACF's Evaluation Policy and its commitment to transparency, ACF will release evaluation results regardless of the findings, including favorable, unfavorable, and null findings.

States will not receive additional federal funds to conduct an independent evaluation of their FRA pilot programs. If states do conduct their own evaluation activities, they will be expected to coordinate these activities with the federally funded study and to still participate in the federally funded study.

SECTION 4: Proposal Narrative

OFA will select up to five pilot states. Submissions should include a brief narrative (no more than 20 double-spaced pages) that responds to each of the ***pilot proposal prompts*** in this section.

Pilot proposal prompts:

1. Please describe your rationale and justification for applying to be a pilot state. *ACF will look for demonstrated understanding of 1) the commitment required to successfully execute a pilot; 2) the benefit to a state's own TANF program; and 3) the benefit to the larger field*.

2. Please describe how your pilot participation would support a new approach to the social safety net that prioritizes personal responsibility, state-led innovation, and pathways to self-sufficiency. *ACF will look for demonstrated high-level understanding of the pilot priorities of promoting work and reducing dependency on federal benefit programs*.

3. More specifically, please describe what programs, policies, and practices your state would change if you were selected as a pilot state. *ACF will look for how these proposed changes relate to the overall objectives and how they will be facilitated by an exemption from Section 407 of the Act*.

4. Please provide an overview of how the pilot will engage work-eligible individuals and in what work activities that will lead to increased employment and reduced dependency. Provide an overview of how the pilot will promote strong, stable families, including two-parent families. *ACF will look for how well the proposed engagement activities align with the Administration's priorities of promoting work and strong families and reducing dependency on federal benefit programs*.

5. Please provide an overview of your proposed planning and implementation team. Pilot states should propose a planning team with representatives from program leadership, state policy, data management, service delivery, and other key leaders with decision-making authority related to the activities outlined in the proposal. Additionally, state pilots should be prepared to identify an implementation team for major components of the pilot activities with decision-making authority. Please provide an overview of the partnerships that your state has or will create to meet the goals of pilot. *ACF will look for a thoughtful approach to a planning and implementation team as well as identification of key partnerships, including those with faith-based and community organizations and other local, direct services providers, that will increase the likelihood of achievement of intended outcomes.*

6. Please provide a brief overview of your state's program capacity to meet the goals of the pilot, including resources (financial, human, and technological) required for successful implementation. If there are already plans for an adjustment in TANF funds, or additional federal, state, local, or private investments, please indicate that. Please also share the unique opportunities and capacities of your state to successfully implement the proposed pilot, as well as dependencies for launching the pilot and plans to mitigate expected and unexpected obstacles. This may include, among others: changes to state laws, policies, procedures, or other elements of the agency's TANF program; contract or grant structures for workforce development and supportive services providers; staff training for state and local staff as well as contracted providers; and State, county, local, Tribal and/or judicial cooperation, as required. *ACF will look for a thoughtful assessment of the state's current capacity and any barriers to pilot implementation, including ideas for overcoming any identified barriers. At the point the application is submitted, ACF does not expect states to be fully ready to implement their proposed pilot designs if selected, but rather to have thought through the opportunities and challenges in doing so. Identification of potential barriers will not decrease the likelihood of selection as a pilot state, but instead indicates that the state has thought carefully about potential barriers and will serve as a starting place for considering support ACF can provide.*

7. Please complete the table below, which includes the **four required performance measures** (pre-populated) and rows for the **two additional state-selected measures** to which your pilot will be held accountable (see **Section 2: Accountability Structure for Pilot States** for more information). For all required and state-proposed measures, include at least two bullets describing your state's planned pilot activities that are anticipated to *directly* improve the relevant outcome measure. In addition, for each outcome measure, indicate the data source your state or ACF might use to calculate the outcome and any details for how it could be calculated. Finally, for any measures for which you anticipate challenges in gathering the data and/or calculating the measure, please note them in the table. Upon selection as a pilot state, the state-selected measures will be discussed and refined with ACF and its third-party technical assistance contractors. HHS will have final approval of all measures and negotiated benchmarks.

ACF will look for a clear and logical connection between the state's proposed pilot activities and the six performance measures, as well as a thoughtful consideration of data sources, calculation, and concerns.

Performance measure	**Relevant pilot activities**	**Data source and calculation**	**Data-related concerns or challenges**
Fill in the measure name and domain, selecting from the list above or another measure of the states choosing (required measures are pre-filled)	*Write at least 2 bullets describing your state's planned pilot activities that are expected to directly influence the selected measure (activities may be repeated for multiple measures)*	*Provide the data source and how your state or ACF might calculate the measure*	*Note any support your state would need to calculate this measure*
1. **Economic Domain:** Employment Rate – 2nd Quarter After Exit	• •	TANF exiters, NDNH *Calculated by ACF*	
2. **Economic Domain:** Median Earnings – 2nd Quarter After Exit	• •	TANF exiters, NDNH *Calculated by ACF*	
3. **Economic Domain:** Median Earnings – 4th Quarter After Exit	• •	TANF exiters, NDNH *Calculated by ACF*	
4. **Economic Domain:** Reduced Dependence on Government Food Benefits – 4th Quarter After Exit	• •	TANF exiters, NDNH, State program eligibility parameters *Calculated by ACF*	
5.	• •		
6.	• •		

8. Please provide a brief statement confirming your state's participation in the FRA pilot's federal implementation and outcomes study. You are also welcome to note any questions or concerns your state may have related to participating in the study, for ACF's awareness and consideration. See **SECTION 3: Expectations of FRA Pilot States** for more information. *ACF will look for a clear confirmation of the state's willingness and ability to participate in the federally funded FRA pilot implementation and outcomes study. Noting*

any questions or concerns related to the evaluation will not decrease the likelihood of selection as a pilot state.