



ADMINISTRATION FOR  
**CHILDREN & FAMILIES**

370 L'Enfant Promenade, S.W., Washington, DC 20447 [www.acf.hhs.gov](http://www.acf.hhs.gov)

July 12, 2012

Dear State Human Service Official:

Today, the Administration for Children and Families' Office of Family Assistance issued an Information Memorandum that informs states that the Department of Health and Human Services will use its statutory authority to consider waiver requests that strengthen the Temporary Assistance for Needy Families (TANF) program. This Information Memorandum reflects the Department's commitment to provide states, tribes, and territories with more flexibility to innovate in the TANF program with the goal of helping more families find jobs and move toward self-sufficiency.

On February 28, 2011, President Obama issued a Presidential Memorandum that directed federal agencies "to work closely with state, local, and tribal governments to identify administrative, regulatory, and legislative barriers in Federally funded programs that currently prevent states, localities, and tribes, from efficiently using tax dollars to achieve the best results for their constituents."

The Administration for Children and Families took this charge seriously and held a series of consultation meetings with states, tribes, and territories on a variety of topics including TANF. During those consultations, many jurisdictions expressed a strong interest in greater flexibility in TANF and indicated that greater flexibility could be used by states to improve program effectiveness. We also heard concerns that some TANF rules stifle innovation and focus attention on paperwork rather than helping parents find jobs. States offered a range of suggestions for ways in which expanded flexibility could lead to more effective employment outcomes for families. Two states – Utah and Nevada – submitted written comments that specifically identified waivers as one mechanism for testing new approaches to promoting employment and self-sufficiency, and a number of others states – including California, Connecticut, and Minnesota - have asked about the potential for waivers.

As described in more detail in the Information Memorandum, the Social Security Act provides the Secretary of the Department of Health and Human Services with the authority to grant states waivers of certain TANF provisions for the purpose of testing new approaches to meeting the goals of the TANF statute. The Secretary is interested in using her authority to allow states to test alternative and innovative strategies, policies, and procedures that are designed to improve employment outcomes for needy families. The statute does not permit tribes to receive waivers under Section 1115, however we are committed to using the underlying flexibility in federal law to help tribes innovate in their programs.

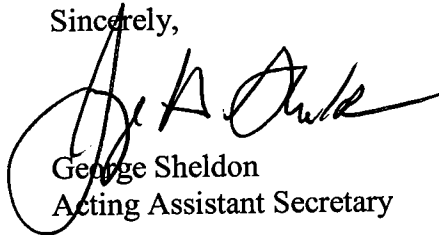
TANF Waiver demonstration projects under Section 1115 must be accompanied by a high quality evaluation plan, which is critical to ensuring that the pilots result in rigorous evidence about what works and what doesn't in order to inform future decisions made by policymakers at the federal, state, tribal, territorial, and local levels. In addition, states that apply for a waiver must identify interim performance targets that will be used to hold states accountable for improving outcomes for families. We will work with states interested in developing waiver demonstration projects to design these performance measures and targets.

The Information Memorandum outlines the types of waivers that will and will not be considered. The Secretary is only interested in approving waivers if the state can explain in a compelling fashion why the proposed approach may be a more efficient or effective means to promote employment entry, retention, advancement, or access to jobs that offer opportunities for earnings and advancement that will allow participants to avoid dependence on government benefits.

States have shown their ability to innovate in ways that help parents find jobs. In 2009 and 2010, 42 states used the TANF Emergency Fund authorized under the American Recovery and Reinvestment Act to create 260,000 subsidized jobs for jobless parents and disadvantaged youth. Over a short period of time, states exhibited enormous creativity as they developed new subsidized employment initiatives that responded to an urgent need for jobs in communities across the country.

It is critical that we work together to develop effective employment strategies that prepare workers for the jobs of the 21<sup>st</sup> century. We stand ready to work with states interested in developing innovative demonstration projects that test new approaches to helping parents succeed in the labor market.

Sincerely,

A handwritten signature in black ink, appearing to read "George Sheldon", written over the typed name and title.

George Sheldon  
Acting Assistant Secretary