## Congress of the United States

Washington, DC 20510

April 4, 2025

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

## Dear Secretary Kennedy:

We, the undersigned members of the California congressional delegation, write to express our strong opposition to your recent cancellation of the state of California's award to participate in the Temporary Assistance for Needy Families (TANF) Pilot program as authorized under the *Fiscal Responsibility Act of 2023*<sup>1</sup> and to your announcement that you will be issuing an entirely new solicitation for pilot proposals in the coming weeks.<sup>2</sup> We are concerned about this unwarranted cancellation of a bipartisanly authorized program intended to address long-standing problems with TANF, paving the way for your Administration to justify cuts to assistance for our poorest children and families.

Under federal law, any state that provides direct cash assistance to families with federal TANF dollars is subject to the Work Participation Rate (WPR), which requires that a sufficient percentage of the state's adult recipients participate in specific work-related activities for a minimum number of hours per month. However, the WPR often limits states' ability to adequately serve families—for example, states cannot count activities like full-time education or training beyond one year towards the WPR, even if those activities are a family's best path forward towards long-term stability and economic security. Currently, the WPR is the federal government's only mechanism for measuring TANF program performance, even though it says little about whether TANF is actually meeting families' needs or helping lift them out of poverty.

Recognizing the WPR's limitations, Congress authorized, on a bipartisan basis, the TANF Pilot program as part of the *Fiscal Responsibility Act* (FRA; SEC 302; Public Law 118–5) to allow up to five states the flexibility to test alternative performance benchmarks to measure work and well-being outcomes for TANF adult assistance recipients. The language of the statute requires that these benchmarks include the percentage of adults who are employed, and their earnings after exiting the TANF program, as well as other indicators of family stability and well-being as established by the Department of Health and Human Services (HHS).<sup>5</sup>

Your announcement canceling the pilot contracts cited that the pilot selections were awarded post-election, and therefore should be cancelled.<sup>6</sup> However, this careful, thorough pilot process

<sup>&</sup>lt;sup>1</sup> P.L. 118-05 https://www.congress.gov/118/plaws/publ5/PLAW-118publ5.pdf

<sup>&</sup>lt;sup>2</sup> https://acf.gov/media/press/2025/welfare-pilot-projects-start-anew

<sup>&</sup>lt;sup>3</sup> https://www.clasp.org/wp-content/uploads/2019/04/2022.07.18 TANF-101-Cash-Assistance.pdf

<sup>4</sup> https://lao.ca.gov/Publications/Report/4877

<sup>&</sup>lt;sup>5</sup> P.L. 118-05 <u>https://www.congress.gov/118/plaws/publ5/PLAW-118publ5.pdf</u>

<sup>&</sup>lt;sup>6</sup> https://acf.gov/media/press/2025/welfare-pilot-projects-start-anew

was nearly two years in the making and began soon after the law was enacted in 2023. In August 2024, after feedback from extensive consultations, listening sessions, and Request for Information (RFI) comments, the Administration for Children and Families (ACF) at HHS issued a request for proposals for the TANF pilot projects. The request for proposals outlined—in accordance with the FRA statute—additional possible benchmarks of "family stability and well-being" and listed examples including job security, health insurance access, educational outcomes, housing stability, and healthy parental relationships. ACF received applications from 22 states and one territory, and it is our understanding that career staff—not political staff—reviewed each application and made the selections. We also understand that California's application was ranked highest among these objective review rankings. In November, ACF announced California, Kentucky, Maine, Minnesota, and Ohio as the five pilot states.

Your March 7<sup>th</sup> cancellation letter to California claims that it is possible to change course because the state is only in its first half of the first year of the pilot—however, there is nothing in the FRA statute that allows a pilot to be revoked simply because it is in the first year. Additionally, your letter states that the projects selected, particularly related to "views on work, performance measures, and indicators of family stability and wellbeing," do not reflect your administration's goals and priorities. However, you fail to describe what specifically you find objectionable, so we can only infer that you disagree that indicators like job security, health insurance coverage, and stable housing are good benchmarks for family well-being—a position we find deeply troubling. Regardless, as the FRA statute requires pilot states and HHS to negotiate performance benchmarks for work and family outcomes, there is no statutory or policy justification for your administration to cancel the pilot awards altogether rather than negotiating such benchmarks in good faith.

This leads us to conclude that your decision to revoke California's pilot may simply be a political maneuver to clear the way for massive cuts to TANF to pay for tax cuts for the wealthy. Included in the House Republicans' so-called "menu" of revenue raising policies for budget reconciliation is a proposal to make cuts to TANF over the next ten years by adjusting its work requirements. We note that the only way to guarantee savings related to TANF work requirements would be to alter the WPR such that states are virtually guaranteed to fail, thereby triggering financial penalties. As California receives among the largest of TANF block grants, it's clear that California would need to remain subject to the WPR for the Republicans' plan to work. Of course, if it were still a pilot state, California would have been exempt from the WPR over the next six years as it tested alternative performance measures. If this is indeed your motivation, it represents an utterly shameful scheme to take money directly out of the pockets of among the most vulnerable families in California and hand it to the ultra-wealthy.

We find it appalling that your Department appears willing to disregard California's duly- and fairly-awarded pilot, ignore the statute of a bipartisanly authorized program aimed at both

<sup>&</sup>lt;sup>7</sup> https://acf.gov/sites/default/files/documents/ofa/TANF-FRA-Pilot-Updated-Guidance-and-Application-Submission-Information-7.18.24.pdf

<sup>&</sup>lt;sup>8</sup> https://www.cbpp.org/blog/hhs-halts-pilots-aimed-at-helping-low-income-parents-boost-employment-earnings-and-their

<sup>&</sup>lt;sup>9</sup> https://punchbowl.news/wp-content/uploads/reconciliation WM.pdf

<sup>&</sup>lt;sup>10</sup> https://acf.gov/sites/default/files/documents/ofa/fy2022 tanf and moe financial data table-final.pdf

promoting work and improving family outcomes, and ultimately rip away a lifesaving safety net from our constituents, all in the name of funding Republicans' tax cuts for the wealthy. We therefore condemn your decision in the strongest terms and reaffirm our strong support for the TANF program and the vital assistance it provides for our nation's most vulnerable children and families.

Sincerely,

Judy Chu

Member of Congress

Nanette Diaz Barragán

Nanette Diaz Barragán

10.Cll

Member of Congress

Julia Brownley

Member of Congress

Salud Carbajal

Member of Congress

Gilbert Ray Cisneros, J

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J. Luis Correa

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Laura Friedman

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