

1, 2024, the following corrections are made:

§ 2801.5 [Corrected]

■ On page 35677, in the first column, amendatory instruction 2.b.v. is corrected to read

“v. Adding the term ‘Megawatt hour (MWh) rate’ and revising the term ‘Reasonable costs’; and”

§ 2804.26 [Corrected]

■ On page 35679, in the first column, in amendatory instruction 13, § 2804.26 is corrected by adding paragraph (a)(9) to read as follows:

(a) * * *

(9) You do not comply with a deficiency notice (see § 2804.25(c) of this subpart) within the time specified in the notice.

* * * * *

§ 2805.11 [Corrected]

■ On page 35679, in the third column, amendatory instruction 19 is corrected to read “19. Amend § 2805.11 by revising the section heading and paragraphs (c)(2) introductory text and (c)(2)(iv) and (v) and adding paragraph (c)(4) to read as follows:”

This action by the Principal Deputy Assistant Secretary is taken pursuant to an existing delegation of authority.

Steven H. Feldgus,

Principal Deputy Assistant Secretary, Land and Minerals Management.

[FR Doc. 2024–14299 Filed 6–27–24; 8:45 am]

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DEPARTMENT OF HEALTH AND HUMAN SERVICES

Administration for Children and Families

45 CFR Part 265

RIN 0970–AD04

Temporary Assistance for Needy Families Work Outcomes Measures

AGENCY: Office of Family Assistance (OFA), Administration for Children and Families (ACF), Department of Health and Human Services (HHS).

ACTION: Interim final rule.

SUMMARY: This interim final rule modifies ACF regulations in order to implement the statutory changes enacted by section 304 of the Fiscal Responsibility Act of 2023 (FRA) related to the reporting of work outcomes under the Temporary Assistance for Needy Families (TANF) program. ACF is promulgating this rule as an interim

final rule to ensure states and territories have sufficient time to comply with data collection for fiscal year 2025.

DATES: This interim final rule (IFR) is effective on October 1, 2024. Comments on this IFR must be received on or before December 26, 2024.

ADDRESSES: ACF encourages the public to submit comments electronically to ensure they are received in a timely manner. You may submit comments, identified by Regulatory Information Number (RIN) 0970–AD04, by any of the following methods:

• **Federal eRulemaking Portal:** <https://www.regulations.gov>. Follow the instructions for submitting comments.

Instructions: All submissions received must include the agency name and RIN (0970–AD04) for this rulemaking. All comments received will be posted without change to <https://www.regulations.gov>, including any personal information provided.

We will not consider comments received beyond the 180-day comment period in modifying the interim final rule. You may find the following suggestions helpful for preparing your comments:

- Be specific;
- Address only issues raised by the rulemaking in the interim final rule and the information collections, not the changes to the statute itself;
- Explain reasons for any objections or recommended changes;
- Propose appropriate alternatives; and
- Reference the specific section of the interim final rule being addressed.

You can obtain copies of the proposed collection of information and submit comments by emailing infocollection@acf.hhs.gov. Identify all requests by the title of the information collection.

FOR FURTHER INFORMATION CONTACT:

Lauren Frohlich, TANF Data Division, Office of Family Assistance, ACF, at TANFdata@acf.hhs.gov or 202–401–9275. Deaf and hard of hearing individuals may call 202–401–9275 through their chosen relay service or 711 between 8 a.m. and 7 p.m. Eastern Time.

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I. Background

The Fiscal Responsibility Act (FRA) of 2023, Public Law 118–5, requires each state, in consultation with the Secretary of the Department of Health and Human Services (HHS), to collect and report information relating to work outcomes measures for work-eligible individuals in the Temporary Assistance for Needy Families (TANF) Program. Section 304 of the legislation requires HHS to issue regulations implementing these new requirements. It states, “in order to ensure nationwide comparability of data, the Secretary, after consultation with the Secretary of Labor and with States, shall issue regulations governing the reporting of performance indicators under this subsection.”

We are updating the existing TANF data regulations (45 CFR part 265, Data Collection and Reporting Requirements) to reflect the new reporting requirements. “Each state . . . shall collect and submit to the Secretary the information necessary for each indicator. . . .” Section 304. “State” is defined to mean “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.” 42 U.S.C. 619 (5). States and territories must begin reporting on those requirements in fiscal year (FY) 2025. For the remainder of the preamble, we will use the term “states” to refer to states and territories. These provisions do not apply to Tribal TANF programs.

Section 304 of the FRA specifies that to ensure nationwide comparability of data, all states must collect and submit “the information necessary” to determine four indicators of performance. These are:

- **Employment Rate—2nd Quarter After Exit:** The percentage of individuals who were work-eligible individuals as of the time of exit from the program, who are in unsubsidized employment during the second quarter after the exit;
- **Employment Retention Rate—4th Quarter After Exit:** The percentage of individuals who were work-eligible individuals as of the time of exit from the program who were in unsubsidized employment in the second quarter after the exit, who are also in unsubsidized

employment during the fourth quarter after the exit;

- Median Earnings—2nd Quarter After Exit: The median earnings of individuals who were work-eligible individuals as of the time of exit from the program, who are in unsubsidized employment during the second quarter after the exit; and
- Secondary School Diploma or its Recognized Equivalent Attainment Rate: The percentage of individuals who have not attained 24 years of age, are attending high school or enrolled in an equivalency program, and are work-eligible individuals or were work-eligible individuals as of the time of exit from the program, who obtain a high school degree or its recognized equivalent while receiving assistance under the state program funded under this part or within one year after the exit.

Further, the statute required HHS to consult with states and the Department of Labor (DOL) before issuing regulations. In response, HHS engaged in consultation including issuing a Request for Information (RFI) (88 FR 82902, November 27, 2023) providing states and the general public with an opportunity to provide input, hosted listening sessions with state TANF leadership and data leads, held meetings with the DOL and the Department of Education (ED), and had discussions with practitioners and researchers as part of the Workforce IT Support Center Steering Committee and the National Association of Welfare Research Statistics annual conference. Through these discussions, we identified promising practices and recommendations for policy options.

II. Themes From Consultation and Research

Written responses to ACF's RFI included responses from state TANF agencies and social services departments, national associations that represent state and county human services agencies, and a small number of advocacy groups. The use of "state" in the summary of comments below refers to both states who responded directly and associations who collected comments and responded on behalf of member states.

A. Workforce System Alignment

TANF's new statutory work outcomes measures are similar to the performance measures established by the Workforce Innovation and Opportunity Act of 2014 (WIOA). DOL and ED shared lessons learned from implementing WIOA that inform our implementation of TANF's work outcomes measures, such as

factors impacting the implementation timeline and data quality across sources. States also shared their experiences with WIOA and several respondents encouraged ACF—in partnership with DOL—to support opportunities for state workforce and human services agencies to engage in peer learning and information sharing around the new measures. They requested ACF, where possible, foster the alignment through shared definitions, data sources, and report timeframes. They noted that supporting alignment with WIOA outcome reporting strengthens collaboration between TANF and the broader workforce system, which will yield operational efficiencies across programs, identification of promising practices, a more client-centered culture, and improved service delivery.

We appreciate the time and attention that respondents gave to reviewing the RFI and preparing their comments. This IFR seeks to make the new reporting requirements as useful as possible for program improvement, considers the challenges of implementation, and provides flexibility for states when possible.

B. Equity

The Office of Family Assistance (OFA) is committed to improving the equitable administration of all OFA programs for the children and families we serve. In the RFI, we asked in what ways equity should be considered when implementing work outcome measures.

Respondents expressed gratitude for our consideration of equity in the implementation of the work outcomes measures. All noted the advantages of collecting and reporting data disaggregated by race, ethnicity, age, disability, and other demographic characteristics or geography.

We appreciate the importance of understanding outcome disparities in the TANF program, and we are committed to providing increased technical assistance to states on how to use their own data to understand outcomes disparities in the TANF program so that they can better ensure equity throughout the system.

Respondents also made suggestions for practices in the context of work outcomes that could support equity. We remain committed to supporting states as they identify and explore meaningful ways of addressing disparities and ensuring equity.

III. Regulations

The following discussion provides information on the changes we are making in 45 CFR part 265. We discuss how we will operationalize the statutory

changes enacted in the FRA related to the reporting of work outcomes under the TANF program.

In § 265.2, "What definitions apply to this part?", we added definitions of "exit" and "unsubsidized employment" for the purpose of calculating the Work Outcomes of TANF Exiters Report and the Secondary School Diploma or its Recognized Equivalent Attainment Rate. We also defined "secondary school diploma" and its "recognized equivalent."

We added two new reporting requirements. States are required to submit the data required for the Work Outcomes of TANF Exiters Report quarterly and the Secondary School Diploma or its Recognized Equivalent Attainment Rate annually. The regulation also includes the option for states to voluntarily submit their own calculated work outcomes measures. The regulation details what to include in the supplemental report for states who choose to submit one. In addition to submitting the Work Outcomes of TANF Exiters Report, any state that does not have an Unemployment Insurance program and thus is currently unable to submit quarterly wage data to the ACF-designated wage match source will be required to submit the Supplemental Work Outcomes Report.

Other revisions:

- Section 265.1 What does this part cover?—replaced outdated reference to section 413 (rankings of State TANF programs) with section 411(f).

- Section 265.3 What reports must the State file on a quarterly basis?—added quarterly report Work Outcomes of TANF Exiters Report and details of (1) Employment Rate—2nd Quarter After Exit; (2) Employment Retention Rate—4th Quarter After Exit; and (3) Median Earnings—2nd Quarter After Exit.

- Section 265.4 When are quarterly reports due?—added Work Outcomes of TANF Exiters Report.

- Section 265.5 May States use sampling?—clarified that sampling is not allowed for either Work Outcomes of TANF Exiters Report or Secondary School Diploma or its Recognized Equivalent Attainment Rate and moves that clause to paragraph (d).

- Section 265.6 Must States file reports electronically?—added Work Outcomes of TANF Exiters Report, Secondary School Diploma or its Recognized Equivalent Attainment Rate, and Supplemental Work Outcomes Report.

- Section 265.7 How will we determine if the State is meeting the quarterly reporting requirements?—

added requirements for Work Outcomes of TANF Exiters Report.

- Section 265.9 What information must the State file annually?—added paragraphs (f), the Secondary School Diploma or its Recognized Equivalent Attainment Rate, and (g), Supplemental Work Outcomes Report.

- Section 265.10 When are annual reports due?—clarified due dates of all annual reports in § 265.9.

A. Definition of Exit

The work outcomes measures depend on a definition of what it means to “exit” the TANF program. The legislation defines “exit” as, “with respect to a State program funded under this part, ceases to receive assistance under the program funded by this part.”

We believe, and states concurred during consultation, that further clarification of what it means to “exit” the TANF program is necessary to ensure consistency across states’ interpretations of the exiting population. Research studies and state respondents warned about the issue of “churn,” in which individuals and families cycle on and off the TANF caseload due to temporary jobs, shifting life circumstances, sanctions, or terminations of assistance for not meeting program administrative requirements. We note that TANF “leavers” studies from the early 2000s often defined a “leaver” as someone who has left cash assistance for at least two months, while WIOA defines a “common exit” as a participant not receiving DOL-administered services for at least 90 days.¹ DOL, states, researchers, and advocacy organizations all recommended that the TANF work outcomes measures align with WIOA’s performance measures as much as possible, in order to support coordination between TANF and WIOA programs and their shared participants. That approach is supported by the statutory language requiring the Department to consult with DOL. For these reasons, and to account for the impact of churn, we are defining “exit” as a *family* having not received TANF assistance for at least 90 days. We are using “family” in the definition to account for the cases where, for example, due to sanction, the state removes the needs of the work-eligible individual from the assistance payment while continuing to provide assistance to the family. In other words, a work-eligible individual will be included as an exiter in these measures only when

their *family* ceases to receive assistance, and will not meet the definition of an exiter when the needs of the work-eligible individual are removed from the assistance payment but the family continues to receive assistance. An individual in the family must have been “a work-eligible individual,” as defined in 45 CFR 261.2(n)(1), in their last month of assistance.

Multiple respondents to the RFI stressed the importance of taking into account the reasons someone would exit TANF. Some individuals may have been taken off TANF because of a sanction for noncompliance with work activities, while others obtained jobs or moved out of state. States are currently required to report to ACF on the reasons for case closure in section two (2) of the TANF Data Report (ACF–199). However, states interpret and use the reporting categories of reasons for case closure inconsistently. For instance, on average, states reported that 34 percent of closed cases were closed due to “other/unknown” reasons, but across states that percentage ranged from 5 to 98 percent in FY 2022.² While OFA has decided not to use this IFR to modify the data reporting elements for case closure, we encourage states to improve the quality of their reporting for the existing data element in the TANF Data Report (ACF–199). OFA will include recommendations in guidance to states on how to improve the quality of this data element.

We note that some states may move individuals out of the TANF program and into separate state programs (funded by maintenance-of-effort funds) or solely state-funded programs (not reported as maintenance-of-effort). For some states, these may be distinctly different programs, while for other states the difference may just be the funding source. The statute clearly states “with respect to State program funded under this part” which refers only to the TANF program, and not separate state programs or solely state-funded programs. Therefore, when considering who exited TANF for this data collection, states should include those work-eligible individuals who were moved to separate state programs or solely-state funded programs and have not received TANF-funded assistance in at least 90 days.

B. Work Outcomes Data Sources

States are proud of the work they are doing to improve TANF outcomes. Some states are already collecting and studying data for employment, retention, and income and are eager to share the results and best practices. These states explained both the benefits and drawbacks of the systems they use. Many included specific timelines, charts, and other visuals to depict the level of complexity involved. Others offered their templates and experience to ACF as we develop guidance and technical assistance products.

States that have already implemented similar measures rely on wage data for administration of state programs, using a combination of sources including state departments of labor, state unemployment insurance wage records, the State Wage Interchange System (SWIS), and the National Directory of New Hires (NDNH).³

Others expressed trepidation around the new measures. Most notably, they expressed concern around the resources and time required to implement data sharing agreements, system changes, and new processes. These commenters welcome a national approach that allows them to maintain their focus on program improvement.

Nearly all respondents noted the value in standard measures and the utility of having a centralized data match at the Federal level to meet the requirement of “nationwide comparability of data” in section 304 of the FRA. They also noted that the employment landscape can vary from region to region and state to state. They requested that ACF provide appropriate context when measures are published. Respondents noted macroeconomics (cost of living, unemployment rates, geography, state minimum wage, impacts of natural disasters etc.), program design and policy (county-administered versus state, benefit caps, political climate), and participant demographics (sex, gender, race, income, family status, disability, formerly incarcerated) as some of the factors that inform the outcome measures.

Taking into consideration the comments we received, ACF is

³ State Welfare (“TANF” or “IV–A”) Agencies are authorized to request NDNH information to carry out state responsibilities under programs funded under part A of title IV of the Social Security Act, specifically 42 U.S.C. 653(j)(3). Section 304 of the FRA amended section 411 of the Social Security Act (42 U.S.C. 611) to specify that each state, in consultation with the Secretary of HHS, shall collect and submit the information necessary for the reporting of work outcomes for fiscal year 2025 and each fiscal year thereafter.

¹ See <https://aspe.hhs.gov/tanf-leavers-applicants-caseload-studies> and <https://www.dol.gov/agencies/eta/performance/definitions>.

² *Characteristics and Financial Circumstances of TANF Recipients, Fiscal Year 2022*, Office of Family Assistance, Administration for Children and Families (<https://www.acf.hhs.gov/ofa/data/characteristics-and-financial-circumstances-tanf-recipients-fiscal-year-2022>).

instituting a two-pronged approach: Federal matching for calculating Work Outcomes of TANF Exiters and a Supplemental Work Outcomes Report. Consultations with states and DOL, ED, and others informed our two-pronged approach and raised several important considerations. States expressed concerns about the implementation timeline if state-level data sharing agreements were needed, but other states were concerned about the lag in results with a Federal match that would make the outcomes less useful. ACF heard from various stakeholders that, while a Federal-level match with the NDNH has the benefit of reporting wages earned across state lines and from Federal employment, state-level matches could include other sources of wage data such as self-employment or gig work. Each data source and methodology has its own strengths and shortcomings, and these new measures provide an opportunity for learning about the best tools for assessing and improving outcomes for TANF exiters. More information about Federal matching for calculating Work Outcomes of TANF Exiters and the Supplemental Work Outcomes Report is below.

C. Federal Matching for Calculating Work Outcomes of TANF Exiters

For the first three statutory measures (i.e., work outcomes of TANF exiters), states will report information to ACF that is necessary to calculate the measures of work outcomes of TANF exiters at the Federal level. Specifically, 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. ACF will then match those SSNs with quarterly wage records in the NDNH, which is a national database of wage and employment information on most American workers administered by ACF's Office of Child Support Services.⁴ In FY 2022, over 752 million quarterly wage records were submitted to the NDNH.⁵ ACF will use these matched results to compute the first three work outcomes measures on behalf of states. This approach will allow for standardized measures and will not require states to initiate new data-sharing agreements at the state level. We understand that Guam does not

currently have an Unemployment Insurance program and therefore does not submit quarterly wage data to the NDNH. Guam will still need to submit the Work Outcomes of TANF Exiters report so that ACF is able to capture outcomes of individuals who find work outside of Guam after exiting the Guam TANF Program. In addition, any state, like Guam, that does not have an Unemployment Insurance program and thus is currently unable to submit quarterly wage records to the ACF-designated wage match source will be required to submit the Supplemental Work Outcomes Report. That report will be used to calculate the same performance measures as those in the Work Outcomes of TANF Exiters Report. We will work closely with Guam to assess the data and provide technical assistance to support calculating the performance measures.

The Work Outcomes of TANF Exiters measures have various operational timelines. The measures themselves specify employment and earnings at different intervals following exit. Further, as noted above, the definition of "exit" includes a 90 day wait period. ACF will provide subsequent guidance on and technical support regarding which "exiters" to include in each quarterly data submission. ACF will run matches each quarter so that states will not need to track or re-identify work-eligible individuals the second and fourth quarters after they exited TANF.

ACF will continue to explore how to share information gained from the Federal-level match to make the data available to and useful for state TANF programs, in addition to satisfying the reporting requirements of the FRA. This may involve providing preliminary match results to states on a quarterly basis before the data have settled and been finalized.

D. State-Level Matching for the Supplemental Work Outcomes Report

Several states requested the option to provide additional data that would enrich the outcomes generated from a centralized data match. The states that have systems and data-sharing agreements in place believe those systems to be timelier and more comprehensive. Notably, some states reported that they will continue to produce their own performance measure reports due not only to local statutory requirements but also to support program partnership and continuous improvement. ACF wants to empower states to analyze their own data for program improvement and policy decision-making. To support this effort, these regulations establish an additional

Supplemental Work Outcomes Report to be submitted annually by interested states. This will allow states that already have performance reporting infrastructure in place to provide calculated outcomes measures results with alternative data sources. The report will include documentation of data sources and methodology to assess validity and support ongoing learning and identification of best practices. ACF will encourage this voluntary submission as a way for states and the Federal government to promote and learn more about alternative data sources as compared to matching to wage data at the Federal level. ACF will report on findings from the Supplemental Work Outcomes Report as part of ongoing learning and context for state performance measures. This report will be mandatory for any state, like Guam, that does not have an Unemployment Insurance program and is thus unable to submit quarterly wage data to the ACF-designated wage match source. The Supplemental Work Outcomes Report also provides an avenue for continued alignment with WIOA performance measures; states that have highly coordinated TANF and workforce agencies could demonstrate the benefits of state-level data matching (potentially through SWIS) and the addition of supplemental wage information, such as for those who are self-employed or participate in gig work and are not systematically captured in quarterly wage records. ACF is committed to providing technical assistance and support to states interested in developing their own infrastructure to calculate work outcomes, including helping develop relationships across state agencies, data system modifications, data sharing agreements, and data analysis capacity. ACF began this work with the TANF Data Collaborative⁶ and plans to continue to find innovative ways to support states as they focus on better outcomes for TANF recipients and exiters.

E. Secondary School Diploma or Its Recognized Equivalent Attainment Rate

ACF has experience with TANF outcomes measures similar to the ones that the Work Outcomes for TANF Exiters Report will capture, through the

⁴ For more detail on the NDNH: https://www.acf.hhs.gov/sites/default/files/documents/ocse/a_guide_to_the_national_directory_of_new_hires.pdf.

⁵ FY 2022 Preliminary Data Report and Tables from Table P-97 (<https://www.acf.hhs.gov/css/policy-guidance/fy-2022-preliminary-data-report-and-tables>).

⁶ The TANF Data Collaborative was a 30-month pilot program that offered technical assistance and training to support cross-disciplinary teams of staff at eight state and county TANF programs in the routine use of TANF and other administrative data to inform policy and practice. Learn more about the program and participants here: <https://www.acf.hhs.gov/opre/report/tanf-data-collaborative-pilot-profiles-collection-data-analytics-projects-state-county>.

former High Performance Bonus measures, 42 U.S.C. 603(a)(4), and more recently for performance measures that are reported as part of the Congressional Budget Justification. However, ACF has little experience collecting information related to the Secondary School Diploma or its Recognized Equivalent Attainment Rate (hereafter Secondary School Diploma Attainment Rate) for TANF participants and exiters. States reported to us that they also have little experience with this type of measure and anticipated that it would be more difficult to implement.

The Secondary School Diploma Attainment Rate measure presents its own unique challenges, and states have requested support for implementing this measure. Participant surveys may be the most direct way to obtain the data; however, states requested technical assistance to increase survey response rates. In addition, states want guidance for navigating the complex network of educational systems and setting up data-sharing agreements with the various entities involved.

We learned from our research, consultations, and the RFI that some states have existing longitudinal databases and cross-department agreements that would be well-suited for calculating these measures. Other states did not have this type of existing access and infrastructure. The ED, DOL, and respondents to the RFI emphasized that there are multiple ways a person may earn a secondary school diploma or recognized equivalent, including but not limited to adult school/education, community college, or public or private high school within K–12 systems. Local education agencies often have different geographical maps from TANF offices or workforce investment boards. For some states, secondary school equivalency testing may be independent of state government, while for others, such testing may be managed by state education agencies.

The wide range of structures and readiness for collecting information for this measure across states led us to the decision to leave the data source selection up to the states, following sub-regulatory guidance from ACF. ACF will provide thorough guidance and technical support for the calculation of the rate, including who belongs in the numerator and denominator. States must use universe-level data in their calculations, meaning that the rate should be based on the entire population that meets the criteria and not a sample of that population.

ACF recognizes that the typical secondary academic calendar is at odds with the Federal fiscal year and annual

submission of the data for the Secondary School Diploma Attainment Rate. This is further complicated by the range of timelines of the various data sources and tracking individuals after exit. We note that the Secondary School Diploma Attainment Rate submission is on a longer lag because of the nature and complexity of the data and the 1-year post-exit wait period. ACF will provide guidance on and technical support regarding the reporting periods that should be covered in a given annual report. We acknowledge states are only able to submit information known to them at the time of reporting and commit to providing additional guidance to manage the level of effort associated with tracking this small subset of TANF participants.

ACF intends to support states in finding innovative ways to collect this information. ACF will ask for sources and methodology as part of the reporting to assess validity of the measure and to support ongoing learning and identification of best practices. Our Federal partners have learned a lot already from states' implementation of WIOA's credential attainment measure, which has some helpful parallels.

IV. Justification for Interim Final Rule

The Administrative Procedure Act (APA) generally requires agencies to follow certain procedures when promulgating rules. 5 U.S.C. 551 *et seq.* Under section 553(b)(B)) of the APA, however, a notice of proposed rulemaking is not required when an agency, for good cause, finds (and incorporates the finding and a brief statement of reasons in the rule issued) that notice and public comment is impracticable, unnecessary, or contrary to the public interest. We find that good cause exists because, under the specific circumstances here, it is impracticable to provide an opportunity for notice and comment prior to issuing this rule.

Providing notice and comment before issuing this rule was impracticable because of the limited time period following the statute's enactment in June 2023 for ACF to consult with states and DOL and then promulgate regulations with sufficient lead-time for states to make necessary system changes to comply with the statutory reporting obligations beginning on October 1, 2024. States will need to plan for, budget, and implement systems changes to comply with data collection and reporting requirements for fiscal year 2025. This may require states to reallocate their budgets, modify existing contracts, and/or enter into new ones, modify and/or enter into new data

sharing agreements, and create and/or modify systems for data collection. We are issuing an IFR so that states have time to complete each of these necessary steps before the October 1, 2024, compliance date.

It also was not practicable to provide notice and comment because we needed time to consult with the DOL and with states, as required by section 304 of the FRA, prior to issuing regulations. In addition to being statutorily mandated, the consultation period was necessary to allow ACF to obtain state input on a number of technical questions before moving forward with the rule making process. This technical information from states was key to the agency's thinking and approach around this rulemaking. Consultations with DOL and ED began in July 2023, just one month after the statute was enacted, and have continued throughout the development of this regulation.

The consultation period, described in greater detail in section II above, included a RFI which was published on November 27, 2023. ACF had received 24 comments on the RFI by January 11, 2024. The RFI outlined several possible approaches and factors that needed to be considered and sought public comment. Those comments informed the approach set forth in this IFR.

In addition to issuing the RFI, ACF met with states and conducted listening sessions between September 2023 and January 2024. Almost all states, whether during listening sessions or in response to the RFI, requested that ACF expedite the issuance of regulations and develop guidance as soon as possible. Many respondents wrote that it will take several months or more to set up the necessary infrastructure required to respond to the requirements of the FRA. States specifically requested that the Department convey as soon as possible how it is interpreting Congress' definition of the statutory term "exit" so that states could provide the specifications necessary to their contractors or in-house developers so that they could begin the task of system changes. In anticipation of the implementation, some states have initiated system changes without the definition of "exit," whereas others are waiting on guidance so that they do not risk costly updates that need to be modified. Further delay of the regulation could lead to states applying the statute ineffectively or inconsistently, which could ultimately reduce the data quality and comparability of the measures. Our goal has been to issue regulations as soon as possible so that states can make sound decisions on the allocation of resources

and operationalize plans in time for the fiscal year 2025 reporting deadlines.

We believe that issuing an IFR is in the interest of the entities that must meet the reporting requirements, and the effective date for this IFR is justified and reasonable. Although this IFR is being published with an effective date of October 1, 2024, we encourage interested parties to provide comments through December 26, 2024, so that we may have the benefit of public participation in advance of issuing a final rule. ACF will modify the IFR's provisions if warranted by public comments. As we implement the IFR, we welcome public comments on any relevant implementation issues, and we will take those comments into consideration in developing the final rule.

V. Collection of Information Requirements

The Paperwork Reduction Act (PRA), 44 U.S.C. 3501 *et seq.*, provides that a Federal agency generally cannot conduct or sponsor a collection of information, and the public is generally not required to respond to an information collection, unless it is approved by the Office of Management and Budget (OMB) under the PRA and displays a currently valid OMB Control Number. In addition, notwithstanding any other provisions of law, no person shall generally be subject to penalty for failing to comply with a collection of information that does not display a valid Control Number. See 5 CFR 1320.5(a) and 1320.6.

This interim final rule includes the following new information collections.

- Work Outcomes of TANF Exiters Report
 - Secondary School Diploma or its Recognized Equivalent Rate
 - Supplemental Work Outcomes Report
- As required by PRA, we will submit the proposed information collection(s) to OMB for review and approval.

A. Reports

Work Outcomes of TANF Exiters Report: Quarterly, states will be required to submit Social Security numbers (SSNs) of all work-eligible individuals who exit TANF in a given quarter. Each state must file the report within 45 days following the end of the quarter (QE). The report must contain the SSNs of all individuals who are confirmed to have exited during the reporting period. An individual's exit date is confirmed when 90 days have elapsed since the participant last received assistance. States submit SSNs 45 days after the QE in which their exit date was confirmed. For example:

An individual exits on November 23, 2024 (FY 2025, Quarter [Q]1). For the state to confirm the exit date, 90-days must elapse since the participant last received assistance. The exit date is confirmed on February 21, 2025 (FY 2025, Q2). The individual's SSN is included as an exiter in the quarter ending (QE) March 31, 2025 report (FY 2025, Q2), covering reporting period October 1, 2024–December 31, 2024 (FY 2025, Q1).

ACF will then match the SSN with quarterly wage records in the NDNH to obtain records from two quarters after the individual's exit (FY 2025, Q3) through four quarters after the individual's exit (FY 2026, Q1). ACF will use the matched results to compute the measures on behalf of states: Employment Rate—2nd Quarter After Exit; Employment Retention Rate—4th Quarter

After Exit; and Median Earnings—2nd Quarter After Exit.

Secondary School Diploma Attainment Rate: Annually, states will be asked to submit their calculated rate following the definitions and formula set by ACF. The report must include documentation of methodology and data sources.

Supplemental Work Outcomes Report: Annually, states have the option to submit the state's calculation of the first three work outcomes, following the definitions and formulas set by ACF. The report must include documentation of methodology and data sources. Any state like Guam that does not have an Unemployment Insurance program and thus is currently unable to submit quarterly wage records to the ACF-designated wage match source will be required to submit the Supplemental Work Outcomes Report.

B. Request for Feedback

In compliance with the requirements of Section 3506(c)(2)(A) of the PRA, the ACF is soliciting public comment on the specific aspects of the information collection described above. You can request copies of the proposed collections by emailing infocollection@acf.hhs.gov. ACF requests comments on these new collections, including but not limited to the quality, utility, and clarity of the information to be collected and the estimated time to complete.

ACF is particularly interested in feedback on the estimated time to complete each of the new information collections. Currently, ACF is estimating the time to complete as follows:

	Work outcomes of TANF exiters report	Secondary school diploma attainment rate	Supplemental work outcomes report
Annual Estimated Number of Respondents	54	54	54
Total Number of Responses per Respondent Each Year	4	1	1
Average Burden Hours per Response	16	100	30
Total Annual Burden Hours	3456	5400	1620

In estimating time to complete, you should include the time associated with activities necessary to complete the requests. This should include the time associated with the following example activities (as applicable):

- Reviewing instructions
- Compiling information or materials to respond
- Acquiring, installing, and utilizing technology and systems
- Updating current technology and systems

- Completing and reviewing collected information
 - Finalizing and sending information
- Submit comments to infocollection@acf.hhs.gov by August 27, 2024. Consideration will be given to comments and suggestions submitted within the timeframe specified.

C. Review and Approval of the Information Collection

The comments received in response to this notification will fulfill the requirement for a 60-day comment

period in compliance with the requirements of section 3506(c)(2)(A) of the PRA. We will submit an information collection request for these new proposed collections to OMB for review and approval following consideration of public comment. These requirements will not become effective until approved by OMB.

VI. Regulatory Review and Analysis

We have examined the impacts of the final rule under Executive Order 12866,

Executive Order 13563, Executive Order 14094, the Regulatory Flexibility Act (5 U.S.C. 601–612), the Congressional Review Act/Small Business Regulatory Enforcement Fairness Act (5 U.S.C. 801, Pub. L. 104–121), and the Unfunded Mandates Reform Act of 1995 (Pub. L. 104–4).

Executive Orders 12866, 13563, and 14094 direct us to assess all benefits, costs, and transfers of available regulatory alternatives and, when regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety, and other advantages; distributive impacts; and equity). Rules are “significant” under Executive Order 12866, section 3(f)(1) (as amended by Executive Order 14094), if they “have an annual effect on the economy of \$200 million or more (adjusted every 3 years by the Administrator of [the Office of Information and Regulatory Affairs (OIRA)] for changes in gross domestic product); or adversely affect in a material way the economy, a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or State, local, territorial, or tribal governments or communities.” This interim final rule implements the data collection and reporting requirements of section 304 of the Fiscal Responsibility Act of 2023, which could entail a small incremental increase in time spent by state governments for these activities. Thus, this interim final rule is not a significant regulatory action under Executive Order 12866, section 3(f)(1).

Because this rule is not likely to result in an annual effect on the economy of \$100 million or more or meet other criteria specified in the Congressional Review Act/Small Business Regulatory Enforcement Fairness Act, this interim final rule does not fall within the scope of 5 U.S.C. 804(2).

The Regulatory Flexibility Act requires us to analyze regulatory options that would minimize any significant impact of a rule on small entities. The Secretary certifies that this interim final rule will not result in a significant impact on a substantial number of small entities. The primary impact is on state governments, which are not considered small entities under the RFA.

The Unfunded Mandates Reform Act of 1995 (UMRA) generally requires that each agency conduct a cost-benefit analysis, identify and consider a reasonable number of regulatory alternatives, and select the least costly, most cost-effective, or least burdensome alternative that achieves the objectives of the rule before promulgating any proposed or final rule that includes a

Federal mandate that may result in expenditures of more than \$100 million (adjusted for inflation) in at least one year by state, local, and tribal governments, or by the private sector. The current threshold after adjustment for inflation using the Implicit Price Deflator for the Gross Domestic Product is \$183 million, reported in 2023 dollars. This interim final rule will not result in an unfunded mandate in any year that meets or exceeds this amount.

List of Subjects in 45 CFR Part 265

Employment, Grant programs—social programs, Public assistance programs, Reporting and recordkeeping requirements.

For the reasons discussed in the preamble, the OFA amends 45 CFR part 265 as follows:

PART 265—DATA COLLECTION AND REPORTING REQUIREMENTS

- 1. The authority citation for part 265 is revised to read as follows:

Authority: 42 U.S.C. 603, 605, 607, 609, 611, and 613.

- 2. Amend § 265.1 by:

- a. Revising paragraph (a);
- b. Removing footnote 1 from paragraph (b) introductory text;
- c. Revising paragraphs (b)(2) and (3); and
- d. Adding paragraphs (b)(4) and (5).

The revisions and additions read as follows:

§ 265.1 What does this part cover?

(a) This part explains how we will collect the information required by section 411(a) of the Act (data collection and reporting); the information required to implement section 407 of the Act (work participation requirements), as authorized by section 411(a)(1)(A)(xii); the information required to implement section 409 (penalties), section 403 (grants to States), section 405 (administrative provisions), section 411(b) (report to Congress), and section 411(f) (reporting performance indicators); and the data necessary to carry out our financial management and oversight responsibilities.

(b) * * *

(2) The expenditure data in the quarterly TANF Financial Report (or, as applicable, the Territorial Financial Report);

(3) The definitions and other information on the State’s TANF and MOE programs that must be filed annually;

(4) The definitions and other information necessary for the Work Outcomes of TANF Exiters Report; and

(5) The definitions and other information necessary for the Secondary

School Diploma or its Recognized Equivalent Attainment Rate.

* * * * *

- 3. Amend § 265.2 by:

- a. Revising paragraph (a); and
- b. Adding paragraphs (c) through (e).

The revision and additions read as follows:

§ 265.2 What definitions apply to this part?

(a) Except as provided in paragraphs (b) through (e) of this section, the general TANF definitions at §§ 260.30 through 260.33 and the definitions of a work-eligible individual and the work activities in § 261.2 of this chapter apply to this part.

* * * * *

(c) For purposes of the Work Outcomes of TANF Exiters Report and the Secondary School Diploma or its Recognized Equivalent Attainment Rate, exit is the date that a family with a work-eligible individual ceases to receive assistance (as defined in § 260.31) from the TANF program. The last day of assistance cannot be determined until 90 days have elapsed since the participant last received assistance.

(d) For purposes of the Work Outcomes of TANF Exiters Report, unsubsidized employment means full- or part-time employment in the private or public sector after exiting the TANF program.

(e) For purposes of the Secondary School Diploma or its Recognized Equivalent Attainment Rate:

(1) A secondary school diploma is a “regular high school diploma” as that term is defined in 21 U.S.C. 7801(43), the Elementary and Secondary Education Act of 1965 (ESEA), as amended by the Every Student Succeeds Act (ESSA).

(2) A recognized equivalent to a secondary school diploma is a certification recognized by a State that signifies that a student has completed the State’s requirements for a high school education.

- 4. Amend § 265.3 by:

- a. Revising paragraph (a)(1); and
- b. Adding paragraph (g).

The revision and addition read as follows:

§ 265.3 What reports must the State file on a quarterly basis?

(a) * * *

(1) Each State must collect on a monthly basis, and file on a quarterly basis, the data specified in the TANF Data Report, the TANF Financial Report (or, as applicable, the Territorial Financial Report), and the Work Outcomes of TANF Exiters Report.

* * * * *

(g) *Work Outcomes of TANF Exitters Report*. Each State must file the Social Security numbers of all work-eligible individuals, as defined in § 261.2(n), who have exited the program, as defined in § 265.2(b). This information will be used for calculating the following Work Outcomes performance indicators:

(1) *Employment Rate—2nd Quarter After Exit*: the percentage of individuals who were work-eligible individuals as of the time of exit from the program, who are employed during the second quarter after the exit;

(2) *Employment Retention Rate—4th Quarter After Exit*: the percentage of individuals who were work-eligible individuals as of the time of exit from the program who were employed in the second quarter after the exit, who are also employed during the fourth quarter after the exit; and

(3) *Median Earnings—2nd Quarter After Exit*: the median earnings of individuals who were work-eligible individuals as of the time of exit from the program, who are employed during the second quarter after the exit.

■ 5. Amend § 265.4 by adding paragraph (d) to read as follows:

§ 265.4 When are quarterly reports due?

* * * * *

(d) Each State must file the Work Outcomes of TANF Exitters Report within 45 days following the end of the quarter.

■ 6. Amend § 265.5 by:

■ a. Removing the last sentence of paragraph (a); and

■ b. Adding paragraph (d).

The addition reads as follows:

§ 265.5 May States use sampling?

* * * * *

(d) States may not use sampling to report expenditure data, data included in the Work Outcomes of TANF Exitters Report, or data included in the Secondary School Diploma or its Recognized Equivalent Attainment Rate.

■ 7. Revise § 265.6 to read as follows:

§ 265.6 Must States file reports electronically?

Each State must file all reports (*i.e.*, the TANF Data Report, the TANF Financial Report (or, as applicable, the Territorial Financial Report), the SSP–MOE Data Report, the Work Outcomes of TANF Exitters Report, and the Secondary School Diploma or its Recognized Equivalent Attainment Rate) electronically, based on format specifications that we will provide.

■ 8. Amend § 265.7 by:

■ a. Revising paragraph (a);

■ b. Redesignating paragraphs (e) and (f) as paragraphs (f) and (g); and

■ c. Adding new paragraph (e).

The revision and addition read as follows:

§ 265.7 How will we determine if the State is meeting the quarterly reporting requirements?

(a) Each State's quarterly reports (the TANF Data Report, the TANF Financial Report (or Territorial Financial Report), the SSP–MOE Data Report, and the Work Outcomes of TANF Exitters Report) must be complete and accurate and filed by the due date.

* * * * *

(e) For the Work Outcomes of TANF Exitters Report, “complete and accurate report” means that:

(1) The reported data accurately reflect information available to the State in case records, and automated data systems;

(2) The State reports data on all applicable elements (*i.e.*, no data are missing); and

(3) The State reports universe data on all work eligible individuals who exited TANF in a particular quarter.

* * * * *

■ 9. Amend § 265.9 by:

■ a. Removing footnote 7 from paragraph (c)(9); and

■ b. Adding paragraphs (f) and (g).

The additions read as follows:

§ 265.9 What information must the State file annually?

* * * * *

(f) Each State must submit the percentage of individuals who have not attained 24 years of age, are attending high school or enrolled in an equivalency program, and are work-eligible individuals or were work-eligible individuals as of the time of exit from the program, who obtain a high school degree or its recognized equivalent while receiving assistance under the State program funded under this part or within one year after the individuals exit from the program. The Secondary School Diploma or its Recognized Equivalent Attainment Rate report must include methodology and documentation of data sources.

(g) On a voluntary basis, a State may also submit calculated work outcomes measures that follow the definitions of the Work Outcomes of TANF Exitters (as defined in § 265.3(g)) based on alternative data sources. The report must include documentation of data sources. In addition to the Work Outcomes of TANF Exitters Report, this Supplemental Work Outcomes Report is mandatory for any State that is unable to submit quarterly wage data to the ACF-designated wage match source.

■ 10. Revise § 265.10 to read as follows:

§ 265.10 When are the annual reports due?

The annual reports required by § 265.9 are due 45 days after the end of the fiscal year.

Xavier Becerra,

Secretary, Department of Health and Human Services.

[FR Doc. 2024–13865 Filed 6–27–24; 8:45 am]

BILLING CODE 4184–36–P

DEPARTMENT OF TRANSPORTATION

Pipeline and Hazardous Materials Safety Administration

49 CFR Part 192

[Docket No. PHMSA–2013–0255; Amdt. No. 192–136]

RIN 2137–AF06

Pipeline Safety: Requirement of Valve Installation and Minimum Rupture Detection Standards: Response to Petition for Reconsideration; Additional Technical Corrections

AGENCY: Pipeline and Hazardous Materials Safety Administration (PHMSA), Department of Transportation (DOT).

ACTION: Correction amendments; response to petition for reconsideration.

SUMMARY: In response to a Petition for Reconsideration of an August 1, 2023, technical correction rule, PHMSA is issuing additional corrections codifying a decision of the U.S. Court of Appeals for the District of Columbia Circuit (D.C. Circuit) regarding the final rule titled “Pipeline Safety: Requirement of Valve Installation and Minimum Rupture Detection Standards.”

DATES: These amendments are effective as of June 28, 2024.

FOR FURTHER INFORMATION CONTACT: Robert Jagger, Senior Transportation Specialist, by email at robert.jagger@dot.gov, or by telephone at 202–366–4361.

SUPPLEMENTARY INFORMATION: On April 8, 2022, PHMSA published a final rule titled “Pipeline Safety: Requirement of Valve Installation and Minimum Rupture Detection Standards”¹ (Valve Rule) amending the Federal pipeline safety regulations (49 CFR parts 190 through 199) to, among other provisions, require the installation of rupture-mitigation valves (RMV) or alternative equivalent technologies and establish minimum performance standards for the operation of those valves to mitigate the public safety and

¹ 87 FR 20940 (Apr. 8, 2022).