



# Use TANF Funding For Cash Assistance, Not Crisis Pregnancy Centers

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All pregnant people should have the right to make their own reproductive decisions, free from legal restrictions; misleading, coercive, or false health information; and financial constraints. The Temporary Assistance for Needy Families (TANF) program can be an important source of material support for pregnant people, parents, and children, providing cash, housing, diapers, and other necessities.

States spending TANF funds toward "crisis pregnancy centers" (CPCs), or anti-abortion centers, exacerbate pregnancy challenges and put pregnant people in danger because their medical services are not provided in accordance with national standards for confidentiality and safety, nor are the medical services regulated.<sup>1</sup> Additionally, most CPC staffers and volunteers are not licensed medical professionals, and the information they provide is frequently inaccurate or misleading.<sup>2</sup> CPCs often attract pregnant people by claiming to offer material support such as clothes and diapers, but these supports are often conditioned on participation in biased "counseling" activities or even attendance at religious services.<sup>3</sup>

Lawmakers are trying to prevent the Department of Health and Human Services (HHS) from doing its job to close TANF spending loopholes. This includes loopholes that states have used to divert TANF funds away from helping families with low incomes. This effort by lawmakers to block HHS from implementing regulatory change focused on TANF spending is misguided.

#### **Few TANF Dollars Go Toward Cash Assistance for Families**

TANF is a block grant, intended to provide help to families with low incomes, including cash assistance but also child care, work and training services, and other supports.<sup>4</sup> Over time, TANF has served fewer and fewer families with cash assistance. In the most recent year for which data is available, HHS estimates that only about 20 percent of families eligible for TANF cash assistance—which requires them to have extremely low incomes—received it.<sup>5</sup>

TANF funds can be used for four broad statutory purposes:

- 1. Assisting needy families to allow children to be cared for in their own homes or the homes of relatives.
- 2. Assisting needy parents by promoting "job preparation, work, and marriage." 6
- 3. Preventing pregnancies among unmarried people.
- 4. Encouraging the formation and maintenance of two-parent families.

Many states have interpreted these purposes extremely broadly, allowing TANF funds to replace general state funds. For example, some states use TANF to support child protective services investigations<sup>7</sup> or fund college scholarships for middle-class students.<sup>8</sup> Other states have claimed spending by non-governmental organizations, such as nonprofits, to replace the public funds that they are supposed to be spending on TANF purposes.<sup>9</sup> This has resulted in many states investing a small portion of dollars toward TANF cash assistance.

## A Proposed TANF Rule Targets Spending Toward Original Program Purposes

In October 2023, HHS issued a Notice of Proposed Rulemaking (NPRM) titled "Strengthening Temporary Assistance for Needy Families as a Safety Net and Work Program," which addresses state TANF spending abuses and tries to reclaim the funds for what they were intended for–helping the lowest-income families.<sup>10</sup>

In fiscal year 2022, the most recent year for which federal data is available, states spent only 23 percent of TANF and related state funds on cash assistance, despite high levels of need for support.<sup>11</sup> The NPRM proposes a "reasonable person" test to determine when an expenditure is reasonably aimed at one of the goals of TANF, as required by statute.

## TANF Spending Toward Crisis Pregnancy Centers Undermines Reproductive Justice and Existing Regulations

The regulatory language of the NPRM does not address CPCs. But in the preamble, HHS calls out one way that states have abused TANF's flexibility and limited oversight: they have claimed that spending toward CPCs is aimed at purpose 3, preventing pregnancies among unmarried people. States claim TANF spending toward this purpose because it allows them to provide funds without regard to whether the people served have low incomes. Specifically, HHS says in the preamble that "programs that only or primarily provide pregnancy counseling to women only after they become pregnant likely do not meet the reasonable person standard because the connection to preventing and reducing out-of-wedlock pregnancies is tenuous or non-existent." 12

In response to this language, supporters of CPCs organized a campaign to submit comments on the regulations that opposed any restrictions on CPCs. The House of Representatives passed a bill in January 2024 that prevents HHS from trying to close this loophole. The bill forbids HHS from finalizing, implementing, or enforcing the provision of the proposed rule that would modify reasonable uses for TANF funds to be spent by states with respect to CPCs. <sup>13</sup>

Defenders of CPCs have claimed that these centers frequently provide pregnant people or parents of newborns with cash, baby supplies, or other material support. If this aid was targeted to families with low incomes, it would be consistent with TANF purpose. CPCs often draw people in with promises of assistance. But in reality, this assistance is conditional. Several studies of these centers found that in the overwhelming majority of cases, the provision of materials like diapers was contingent on the pregnant person's participation in "earn while you learn" classes or counseling. The CPCs often forced people seeking care and help to attend Bible studies, abstinence seminars, video screenings, or other ideological CPC programming in order to obtain items such as baby formula that would support their decision to parent. CPCs can also delay access to abortion services and prenatal care for pregnant people.



### Lawmakers Should Target TANF Spending and Promote Reproductive Justice

Many TANF-funded CPCs are likely in violation of the "charitable choice" regulations at 45 CFR 260.34(c)<sup>17</sup>, which prohibits TANF or state Maintenance of Effort (MOE) funds from being used for, as the regulation says, "inherently religious activities." The regulation states that, even when such activities are privately funded, they must be offered "separately, in time or location" from the TANF-funded activities, and participation must be voluntary.

In addition, states that fund religious CPCs are in violation of the requirements in the same regulations to offer comparable services—worth the same amount—to individuals who object to the religious provider, and to notify all of the applicants or recipients of such services that they have the right to alternative services. The Biden Administration has issued a final rule restoring these protections, which were revoked under the previous administration. Under the final rule, government agencies must identify alternative providers and notify recipients of their right to be free from any religious discrimination. <sup>18</sup> In other words, if TANF or MOE funds are being used to provide diapers, cash, or other benefits through CPCs, recipients have a right to receive these same benefits with similar ease without being subject to proselytization.

Reproductive justice is not just the right to an abortion. It is also the right to have the children you want to have in a safe and healthy environment, without being limited by financial constraints. <sup>19</sup> Providing cash assistance to parents with very low incomes to help them afford essentials like diapers and rent demonstrates how TANF can promote reproductive justice. Adequate cash assistance for needy families is a reproductive justice issue. Ensuring that TANF block grant funds are directed toward families with low incomes, rather than CPCs, advances reproductive justice.

HHS should finalize the NPRM to implement a "reasonable person" test to ensure states are spending TANF funds toward areas aligned with the program's purposes. Lawmakers should not block the agency's efforts to close the loopholes that states have traditionally used to divert TANF funds away from families with low incomes. HHS should also enforce the long-standing "charitable choice" regulations that prevent public funds from being used for religious activities and require that participants be allowed to receive comparable services from a different provider if they wish.

States should allocate their TANF dollars toward cash assistance for families with low incomes, and child care and work supports for families—not toward anti-abortion CPCs.



#### **Endnotes**

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- <sup>4</sup> Elizabeth Lower-Basch and Ashley Burnside, "TANF 101: Block Grant," Center for Law and Social Policy (CLASP), July 2022, https://www.clasp.org/publications/report/brief/tanf-101-block-grant/.
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- <sup>10</sup> Administration for Children and Families, "Strengthening Temporary Assistance for Needy Families (TANF) as a Safety Net and Work Program," Federal Register, October 2, 2023,
- https://www.federalregister.gov/documents/2023/10/02/2023-21169/strengthening-temporary-assistance-for-needy-families-tanf-as-a-safety-net-and-work-program.
- <sup>11</sup> "TANF and MOE Spending and Transfers by Activity, FY 2022," Office of Family Assistance, Administration for Children and Families, January 2024, https://www.acf.hhs.gov/ofa/data/tanf-and-moe-spending-and-transfers-activity-fy-2022.
- <sup>12</sup> Federal Register, "Strengthening Temporary Assistance for Needy Families (TANF) as a Safety Net and Work Program," October 2023, https://www.federalregister.gov/documents/2023/10/02/2023-21169/strengthening-temporary-assistance-for-needy-families-tanf-as-a-safety-net-and-work-program.
- <sup>13</sup> H.R. 6918, Supporting Pregnant and Parenting Women and Families Act, https://www.congress.gov/bill/118th-congress/house-bill/6918.
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