



WRITTEN STATEMENT FOR THE RECORD BY
THE SOUTHERN POVERTY LAW CENTER

Submitted to the U.S. House Committee on Ways and Means

In connection with the hearing entitled:

***Reforming Temporary Assistance for Needy Families (TANF): States' Misuse of Welfare
Funds Leave Poor Families Behind***

Hearing date: September 24, 2024

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Introduction:

On behalf of the Southern Poverty Law Center, we appreciate the opportunity to share our insight and expertise on the Temporary Assistance for Needy Families (TANF) program and the importance of ensuring federal funds support families with the greatest needs. For more than 50 years, the Southern Poverty Law Center has been a catalyst for social change in the South. Our policy, litigation, and state organizing teams work closely with partner organizations on the ground and impacted communities to challenge discriminatory actions and advance policies aimed at improving the lives of people in the South. We focus on five states in the Deep South: Alabama, Georgia, Mississippi, Louisiana, and Florida. Our core impact issues include eradicating poverty; decriminalizing and decarcerating Black and Brown people; protecting voting rights and civic engagement; and dismantling white nationalism and extremism.

As a result of systemic inequity, our Deep South states have some of the highest rates of poverty, as well as a high need for housing, health care, and nutrition support. We aim to eradicate poverty by expanding access to opportunity and eliminating racial and economic inequality in all facets of life including education, employment, and public infrastructure and supports. We believe all people deserve an adequate standard of living that includes access to food and water, healthy housing, high-quality health care, free education, safe working conditions, fair wages, and government support to meet their basic needs. Our expertise on the root causes of poverty in the South drives our work to advance the human right to housing across the Deep South with a focus on rooting out race discrimination that is entrenched at all levels of our laws and policies. One of the issues of utmost priority within the eradicating poverty portfolio is the transformation of the TANF program, especially in Mississippi.

In Mississippi, SPLC has been working in partnership with many other local policy advocates including ACLU MS, Mississippi Low-Income Childcare Initiative, the Children's Defense Fund, the Mississippi Center for Justice, the Mississippi Black Women's Roundtable, and One Voice to improve the state's administration of TANF and advance policies that support Mississippi's low-income families. Our TANF work is focused on collaborating with community stakeholders to develop and advocate for TANF reform to better meet the needs of all eligible Mississippi individuals and families. For example, in April 2023, SPLC hosted one virtual and two in-person community town hall meetings across Mississippi. When discussing their experiences regarding TANF, almost all attendees reported that they did not know anyone who received cash assistance. Despite many families having financial need, attendees and community advocates reported that most people could not access the TANF cash benefits program because they were unable to complete the application, or they could not meet the work requirements. A lack of transportation to a qualified work activity was also repeatedly cited as a barrier to participation in the program. These are just a few of the most pressing issues that Black, Brown, and low-income communities face in trying to access public benefits that can mean the difference between clothing their children and keeping the lights on.

This statement will cover background on the TANF program, specific information about Mississippi's TANF program, underlying racial justice implications of the TANF program, and potential areas of reform for the committee's consideration.

TANF program nationally

TANF is an important program for families working hard to afford basic needs, with families using TANF cash assistance to provide clothing, hygiene items, food, and shelter for their children. Without this financial lifeline, these families often will face severe hardships, including increased housing instability, mental health issues, and long-term health problems. In particular, the TANF cash assistance benefit is critical to supporting families by empowering them to decide their needs. TANF can promote long-term stability, lead to positive health and education outcomes, and prevent negative consequences associated with experiencing poverty during childhood.¹ However, the TANF program fails to help the majority of families in need, because of the many barriers and policies intentionally created to make it harder for families to get public assistance- work requirements, time limits, mandatory drug testing, and family caps- many of which are rooted in false racist stereotypes about people's unwillingness to work and instead rely on governmental assistance.²

Since the 1996 Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA), which converted TANF funding to a block grant, states have nearly unlimited flexibility about how to spend these funds. As a result, states have diverted TANF funds toward programs that are allowable, but outside the intent of the program, such as child protective services investigations aimed at separating families or other vague programming around fatherhood initiatives that are not targeted toward low-income families.³

According to 2022 Department of Health and Human Services Administration for Children and Families data, nationally, only 23% of TANF funds go toward cash assistance; 8.1% are used for work, education, and training activities; 15.5% are used for child care; 10.4% are used for pre-k; 8% used for child welfare; 8.4% used for tax credits; 11% used on administration; and approximately 4% on other services.⁴ But in our Deep South states, the percentage spent on cash assistance is significantly lower than average, with most of our states in the single digits.⁵ For example, in 2022, Alabama spent about \$139 million in federal and state

¹ LaDonna Pavetti, *Testimony of LaDonna Pavetti, Legislative Hearing on Opportunities for Improving TANF in Mississippi*, CENTER ON BUDGET AND POLICY PRIORITIES (Dec. 15, 2022), <https://www.cbpp.org/research/income-security/legislative-hearing-on-opportunities-for-improving-tanf-in-mississippi>.

² See e.g. Ife Floyd, et al., *TANF Policies Reflect Racist Legacy of Cash Assistance*, CENTER ON BUDGET AND POLICY PRIORITIES, (Aug. 4, 2021), <https://www.cbpp.org/research/income-security/tanf-policies-reflect-racist-legacy-of-cash-assistance>.

³ *State Fact Sheets: How States Spend Funds Under the TANF Block Grant*, CENTER ON BUDGET AND POLICY PRIORITIES, (Aug 29, 2024), <https://www.cbpp.org/research/family-income-support/state-fact-sheets-how-states-have-spent-funds-under-the-tanf-block>; *Florida TANF Spending*, CENTER ON BUDGET AND POLICY PRIORITIES, https://www.cbpp.org/sites/default/files/atoms/files/tanf_spending_fl.pdf.

⁴ *TANF and MOE Spending and Transfers by Activity, FY 2022*, THE ADMINISTRATION FOR CHILDREN AND FAMILIES, (Dec 16, 2022), <https://www.acf.hhs.gov/ofa/data/tanf-and-moe-spending-and-transfers-activity-fy-2022>; *Alabama TANF Spending*, CENTER ON BUDGET AND POLICY PRIORITIES, https://www.cbpp.org/sites/default/files/atoms/files/tanf_spending_al.pdf.

⁵ *TANF and MOE Spending and Transfers by Activity, FY 2022*, THE ADMINISTRATION FOR CHILDREN AND FAMILIES, (Dec 16, 2022), <https://www.acf.hhs.gov/ofa/data/tanf-and-moe-spending-and-transfers-activity-fy-2022>.

funds under the TANF program, but only 9% on cash assistance.⁶ Louisiana spent about \$238 million in federal and state funds under the TANF program, but only 9% on cash assistance.⁷ Mississippi spends \$59 million in federal and state funds under the TANF program, but only 7% on cash assistance.⁸

Poverty and the TANF program in Mississippi

The state of Mississippi has one of the highest rates of overall poverty in the country (18%) and is ranked one of the worst in health outcomes.⁹ In 2022, Mississippi had the highest child poverty rate in the nation (26.4%) with over 175,000 children living in poverty across the state and 20.4% of children have difficulty meeting basic food needs.¹⁰ In many ways, Mississippi is poor by design because leaders are unwilling to support everyday people and erect barriers to keep families struggling. The Mississippi governor has repeatedly made clear his thoughts around public benefits, rejecting federal funding for Medicaid expansion and Summer EBT, programs that were proven to support and lift families out of poverty.¹¹

While child poverty was soaring, less than 200 families were granted access to TANF in Mississippi. In 2017, Mississippi approved just 5 out of 824 applications for cash assistance.¹²

2022; See *Georgia TANF Spending*, CENTER ON BUDGET AND POLICY PRIORITIES, https://www.cbpp.org/sites/default/files/atoms/files/tanf_spending_ga.pdf.

⁶ *TANF and MOE Spending and Transfers by Activity, FY 2022*, THE ADMINISTRATION FOR CHILDREN AND FAMILIES, (Dec 16, 2022), <https://www.acf.hhs.gov/ofa/data/tanf-and-moe-spending-and-transfers-activity-fy-2022>; *Alabama TANF Spending*, CENTER ON BUDGET AND POLICY PRIORITIES, https://www.cbpp.org/sites/default/files/atoms/files/tanf_spending_al.pdf.

⁷ *TANF and MOE Spending and Transfers by Activity, FY 2022*, THE ADMINISTRATION FOR CHILDREN AND FAMILIES, (Dec 16, 2022), <https://www.acf.hhs.gov/ofa/data/tanf-and-moe-spending-and-transfers-activity-fy-2022>; *Louisiana TANF Spending*, CENTER ON BUDGET AND POLICY PRIORITIES, https://www.cbpp.org/sites/default/files/atoms/files/tanf_spending_la.pdf.

⁸ *TANF and MOE Spending and Transfers by Activity, FY 2022*, THE ADMINISTRATION FOR CHILDREN AND FAMILIES, (Dec 16, 2022), <https://www.acf.hhs.gov/ofa/data/tanf-and-moe-spending-and-transfers-activity-fy-2022>; *Mississippi TANF Spending*, CENTER ON BUDGET AND POLICY PRIORITIES, https://www.cbpp.org/sites/default/files/atoms/files/tanf_spending_ms.pdf.

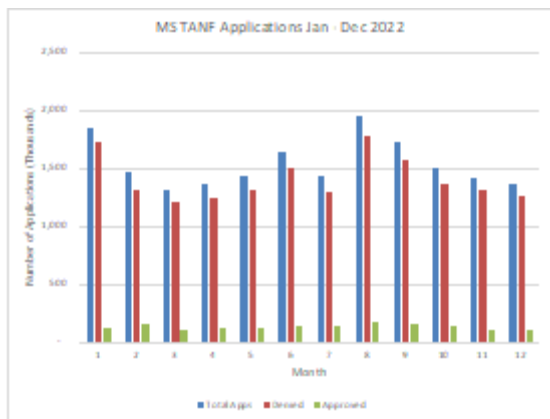
⁹ Michael Goldberg, *Mississippi has the highest rate of preventable deaths in the US, health official says*, AP NEWS, (Jan. 18, 2024), <https://apnews.com/article/mississippi-health-outcomes-12464d853881ad4db68a2d47e6afcbfc>; *Top 10 Poorest States in the United States*, FRIENDS COMMITTEE ON NATIONAL LEGISLATION, (Sept. 17, 2024), <https://www.fcnl.org/updates/2023-11/top-10-poorest-states-us>.

¹⁰ Craig Benson, *Child Poverty Rate Still Higher Than For Older Populations But Declining*, UNITED STATES CENSUS BUREAU, (Dec. 4, 2023), <https://www.census.gov/library/stories/2023/12/poverty-rate-varies-by-age-groups.html>; SPLC analysis of 2022 U.S. Census population estimates collected from Kids Count Data Center, *Children in Poverty by Race and Ethnicity in Mississippi*, ANNIE E. CASEY FOUNDATION, (Sept. 2024), <https://datacenter.aecf.org/data/tables/44-children-in-poverty-by-race-and-ethnicity?loc=26&loct=2#detailed/2/26/false/1095,2048,1729,37,871,870,573,869,36,868/187,11,9,12,1,185,13/324,323>; *2023 State of America's Children Report, Child Hunger and Nutrition*, CHILDREN'S DEFENSE FUND, (2023), <https://www.childrensdefense.org/wp-content/uploads/2023/08/SOAC-2023-Tables.pdf>.

¹¹ Julia James, *Mississippi opts out of federal summer food program*, Reeves cites opposition to 'welfare state; expansion, MISSISSIPPI TODAY, (Jan. 11, 2024), <https://mississippitoday.org/2024/01/11/federal-summer-food-program-tate-reeves/>.

¹² SPLC analysis of 2022 U.S. Census population estimates collected from Kids Count Data Center, *Children in Poverty by Race and Ethnicity in Mississippi*, ANNIE E. CASEY FOUNDATION, (Sept. 2024), <https://datacenter.aecf.org/data/tables/44-children-in-poverty-by-race-and-ethnicity?loc=26&loct=2#detailed/2/26/false/1095,2048,1729,37,871,870,573,869,36,868/187,11,9,12,1,185,13/324,323>.

The number of TANF recipients in Mississippi declined even further during the recent COVID pandemic and embezzlement of TANF dollars in Mississippi.¹³ Between January 2022 and December 2022, Mississippi received more than 18,000 TANF applications (18,500 total) with an average of 1,542 a month. Only 1,576 Mississippi TANF applications were approved (averaging 131 a month), according to 2022 TANF data provided by the Office of Family Assistance.¹⁴ As a result, only 7% of Mississippi TANF applications were approved.¹⁵



Note: TANF= Temporary Assistance for Needy Families.

Source: 2022 ACF TANF Application Data. TANF applications compiled by the Southern Poverty Law Center and are current as of February 20, 2024.

According to an analysis conducted by the Center on Budget and Policy Priorities, Mississippi has one of the lowest TANF-to-poverty ratios in the nation, meaning only 4 of every 100 families living in poverty received TANF cash assistance between 2019-2020.¹⁶ The national average is 21 out of every 100 TANF-eligible families receiving cash assistance (Louisiana is also 4 in 100 and Georgia and Alabama are just 7 in 100).¹⁷

Shockingly, in 2022, almost eight in every ten dollars of Mississippi TANF dollars are spent on something other than direct checks to families. Mississippi allocates only \$4.3 (7.2%) million to basic assistance while providing \$15 million (25%) to “fatherhood” and two-parent programs, which in Mississippi were the form of horse ranches, “leadership-training” schemes, celebrity motivational speeches and tweets.¹⁸

¹³ Anna Wolfe, *Report: Fewer Mississippians received cash assistance in 2020, even during a pandemic*, MISSISSIPPI TODAY, (Nov. 14, 2020, 8:00 AM CT), <https://www.clarionledger.com/story/news/politics/2020/11/14/tanf-report-fewer-mississippi-residents-got-cash-assistance-2020/6286660002/>.

¹⁴ Office of Family Assistance, Administration for Children and Families, *TANF Application Data (2020 to 2023): Number of Applications (Received, Approved, Denied) by Month: 2022*, U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES, (Jan. 25, 2023, updated Feb.20, 2024), <https://www.acf.hhs.gov/ofa/data/tanf-application-data-2020-2029>.

¹⁵ *Id.*

¹⁶ *TANF Cash Assistance Should Reach Many More Families in Mississippi to Lessen Hardship*, CENTER ON BUDGET AND POLICY PRIORITIES, https://www.cbpp.org/sites/default/files/atoms/files/tanf_trends_ms.pdf.

¹⁷ *TANF Cash Assistance Should Reach Many More Families in Louisiana to Lessen Hardship*, CENTER ON BUDGET AND POLICY PRIORITIES, https://www.cbpp.org/sites/default/files/atoms/files/tanf_trends_la.pdf.

¹⁸ Annie Lowrey, *Mississippi Shows What’s Wrong with Welfare in America*, THE ATLANTIC, (Oct. 29, 2022), <https://www.theatlantic.com/ideas/archive/2022/10/mississippi-welfare-tanf-fraud/671922/>.

Further, with no deadline to spend TANF dollars, Mississippi has an unobligated reserve of nearly \$146 million for current and potential beneficiaries who need economic security.¹⁹ Mississippi spent only \$55 million of over \$102 million available federal TANF funding allocated. From FY23 (July 1, 2021 – June 30, 2022) state audit: 48,306,233 allocated; 13,756,475 passed to MS recipients.²⁰ In 2021, a state audit found that more than \$77 million of Mississippi TANF funding was fraudulently spent toward athletic stadiums, celebrities, and third-party subgrantees with very little transparency or accountability on spending.²¹

Furthermore, Mississippi’s TANF cash assistance benefits are very limited. The gross monthly income limit for a family of three is \$680, but the maximum cash benefit that a single-parent family of three can receive is only \$260, the second lowest in the country. Recent research finds that Mississippi has the ninth highest cost of living nationally, which especially impacts the cost of basic items. Mississippi’s high cost of living yet comparatively low wages create additional strain on families with children to afford their basic needs. The increased cost of living particularly impacts Black families, who are more likely to have a job that pays at or near the \$7.25 hourly minimum wage.

The small amount of funds that go directly to families in Mississippi and the paltry number of families who are even able to receive cash assistance is in sharp contrast with how the Mississippi TANF program has been systematically funneled to benefit other private interests – with the involvement of elected officials. More than \$70 million in federal TANF funds intended to help people afford the basics have been misspent or stolen by a vast network of state officials and contractors.²² This amount constitutes nearly all of Mississippi’s TANF spending in any given year. For example, money was appropriated through “fatherhood” initiatives which make up 20% of Mississippi’s total TANF spending — a percentage grossly out of line with other states and four times the amount allocated to directly benefit families with children. These funds went to private contractors and even ended up in the hands of professional athletes and celebrities. Money meant to support families experiencing poverty instead has gone to horse ranches, sham leadership-training schemes, fatherhood promotion projects, motivational speeches that never happened, and volleyball courts at universities.

¹⁹ ACF HHS, *TANF and MOE Spending and Transfers by Activity, FY 2022: Mississippi*, https://www.acf.hhs.gov/sites/default/files/documents/ofa/fy2022_tanf_moe_state_piechart_mississippi.pdf.

²⁰ Shade White, *State of Mississippi, Single Audit for Year Ending*, MISSISSIPPI OFFICE OF THE STATE AUDITOR, (June 30, 2022), <https://www.osa.ms.gov/sites/default/files/2024-08/22sar.pdf>.

²¹ Anna Wolfe, *Data Dive: Mississippi not the only state turning away most welfare applicants*, MISSISSIPPI TODAY, (Oct. 5, 2022), <https://mississippitoday.org/2022/10/05/mississippi-reject-most-welfare-applicants/>; Anna Wolfe, *Data Dive: Mississippi’s TANF Work Program expenditures 2015-2022*, MISSISSIPPI TODAY, (Oct. 17, 2022), <https://mississippitoday.org/2022/10/17/mississippi-tanf-reports/>; see also *SPLC Action, Mississippi Advocacy Groups Urge Public Engagement in TANF Hearing*, (Oct. 17, 2023), <https://www.splcactionfund.org/press-center/mississippi-advocacy-groups-urge-public-engagement-tanf-hearing%2%A0>.

²² *Former Executive Director of Mississippi Department of Human Services Pleads Guilty for Conspiring to Defraud the State of Mississippi*, (Sep. 22, 2022), U.S. DEPARTMENT OF JUSTICE, OFFICE OF PUBLIC AFFAIRS, <https://www.justice.gov/opa/pr/former-executive-director-mississippi-department-human-services-pleads-guilty-conspiring>.

Racial and gender equity issues around TANF

Inequitable access to safety net programs like TANF is rooted in false racist stereotypes about Black people's unwillingness to work and instead rely on governmental assistance.²³ This is evidenced by purposefully weakened TANF programs that cannot meet the needs of families during financial crises. From the very start of cash assistance in the U.S., programs were designed to keep Black people from accessing them and this was particularly evident in the South where states needed a steady supply of agricultural laborers. Because of this, benefit levels were kept low so as not to compete with wages of the time. It is no mistake that the states with higher rates of poverty still have the lowest TANF caseloads and some of the lowest cash assistance benefit levels.²⁴ The proliferation of discriminatory and harmful policies including so-called "work requirements," mandatory drug testing, and assistance time limits are rooted in narratives around who is deserving of government assistance when experiencing financial instability, particularly concerning Black parents with children.

"Work requirements" are not helping the success of these programs and are implemented in a way that disproportionately harms Black families by continuing an ugly legacy of policies dating back to slavery that is designed to coerce the labor of Black people under exploitative conditions.²⁵ They rely on false racist and sexist narratives around people who apply for assistance and that families need government oversight to return to work when in fact most TANF recipients work before and after receiving cash assistance. And, by focusing on connecting people in need of financial assistance to work as quickly as possible through time limits and work verification requirements, TANF recipients are often funneled into the same low-paying jobs that led them to financial crisis in the first place. Furthermore, in Mississippi, education is not considered an acceptable work activity, whereas it is permissible under Federal law, which creates another barrier for families.²⁶

Drug testing requirements disproportionately impact families of color, especially Black people who are more likely to experience poverty and financial instability. Though not required by federal law, Mississippi screened 464 TANF applicants for drug use in 2017 and only recorded six positive tests.²⁷ The state drug testing requirement for parents seeking TANF assistance creates another needless administrative barrier to accessing cash assistance to purchase the essentials — e.g., diapers, food, shelter — during times when assistance matters the most, and costs the state unnecessary money. Studies find that the operating costs of testing

²³ See e.g. Ife Floyde et al., *TANF Policies Reflect Racist Legacy of Cash Assistance*, CENTER ON BUDGET AND POLICY PRIORITIES, (Aug. 4, 2021), <https://www.cbpp.org/research/income-security/tanf-policies-reflect-racist-legacy-of-cash-assistance>.

²⁴ For example, nationally, for every 100 families experiencing poverty only 21 families receive TANF cash assistance, but in Mississippi and Louisiana, only 4 out of 100 families receive TANF cash assistance; *TANF Cash Assistance Should Reach Many More Families in Mississippi to Lessen Hardship*, CENTER ON BUDGET AND POLICY PRIORITIES, https://www.cbpp.org/sites/default/files/atoms/files/tanf_trends_ms.pdf.

²⁵ See e.g. Ife Floyde et al., *TANF Policies Reflect Racist Legacy of Cash Assistance*, CENTER ON BUDGET AND POLICY PRIORITIES, (Aug. 4, 2021), <https://www.cbpp.org/research/income-security/tanf-policies-reflect-racist-legacy-of-cash-assistance>.

²⁶ *Temporary Assistance for Needy Families: Work Requirements*, CONGRESSIONAL RESEARCH SERVICES, (Mar. 27, 2018), <https://crsreports.congress.gov/product/pdf/IF/IF10856>.

²⁷ Amanda M. Gomez, *States waste hundreds of thousands on drug testing for welfare, but have little to show for it*, THE CENTER FOR LAW AND SOCIAL POLICY, (May 7, 2018), <https://www.clasp.org/press-room/news-clips/states-waste-hundreds-thousands-drug-testing-welfare-have-little-show-it/>

exceeds the money saved from denying people benefits because only a small share of public benefit recipients have substance use disorders.²⁸

Mississippi is one of several states that places a family cap restriction on the program that denies additional cash benefits for families who have more children after their initial TANF eligibility is determined.²⁹ This policy stems from the desire of many states, particularly Southern states, to control the behavior of families who receive government assistance. Further, cash benefits do not incentivize families to have extra children to receive extra money, nor are TANF families extraordinarily large — these stereotypes ignore the fact that in Mississippi, the average number of children that a TANF family has in their household is two.³⁰ These sexist and racist caps further deprive families with children of income assistance. Especially in the wake of the Supreme Court Dobbs decision that severely limited the ability for people to seek reproductive care, these caps are harmful and prevent family autonomy and reproductive freedom.

Mississippi also has some of the strictest sanction policies in the country and people often lose TANF not because they have exhausted assistance they are eligible for or because they have moved out of poverty. For example, families can lose their benefits simply for missing an appointment with a case worker or failing to comply with child support enforcement.³¹ A recent report from the Mississippi Low-income Childcare Initiative found that 69.2 percent of closed TANF cases are because of reasons other than employment or earning more than TANF allows.³²

TANF Reforms

Congress should reform TANF and ensure that these benefits reach those with the greatest need, by removing barriers and providing more autonomy to families to help them get more financial stability. We know from our partners at the Springboard to Opportunities Magnolia’s Mother’s Trust program, who are working on the ground to directly support Mississippians, that providing unrestricted cash support can help families become more economically secure.³³

²⁸ Darrel Thompson, Drug Testing and Public Assistance, CLASP, (Feb. 2019), https://www.clasp.org/wp-content/uploads/2022/01/2019_drug-testing-and-public-0.pdf

²⁹ Urvi Patel and Aditi Shrivastava, *Reproductive Justice and TANF: Repealing "Family Cap" Policies Promotes Economic Justice and Family Autonomy*, CENTER ON BUDGET AND POLICY PRIORITIES, (Dec. 19, 2023, 12:36 PM), <https://www.cbpp.org/blog/reproductive-justice-and-tanf-repealing-family-cap-policies-promotes-economic-justice-and->

³⁰ HHS ACF, *Characteristics and Financial Circumstances of TANF Recipients Fiscal Year (FY) 2022*, https://www.acf.hhs.gov/sites/default/files/documents/ofa/fy2022_characteristics.pdf.

³¹ *TANF is Currently Not Working for Mississippi’s Poorest Families, but Here’s How It Could*, MISSISSIPPI LOW-INCOME CHILD CARE INITIATIVE, (Oct. 225, 2022), <https://www.mschildcare.org/ml Ricci-report-ms-tanf-turns-25/>.

³² *Report: Mississippi’s Temporary Assistance for Needy Families (TANF) Program at 25: After a Scandal and the Failure of TANF as a Safety Net Before and During the Pandemic, Major Reforms are Needed to Turn the Tide*, MISSISSIPPI LOW-INCOME CHILD CARE INITIATIVE, (Oct. 2022), https://www.mschildcare.org/wp-content/uploads/2022/10/MS-TANF-at-25_October-2022.pdf.

³³ Dr. Aisha Nyandoro, *Written Testimony for the Record for Hearing: “Where is All the Welfare Money Going? Reclaiming TANF Non-assistance Dollars to Lift Americans Out of Poverty,”* CEO SPRINGBOARD TO OPPORTUNITIES, (July 12, 2023) <https://gop-waysandmeans.house.gov/wp-content/uploads/2023/07/Nyandoro-Testimony.pdf>.

Meanwhile, most of the federal accountability measures on TANF and public assistance unduly place the burden on families and not the organizations receiving the funds. According to state audits, the state agency responsible for administering anti-poverty program funding failed to maintain a record of the subgrants or how these organizations are using the TANF dollars.³⁴ Instead of placing unnecessary and restrictive barriers on families, Congress should focus on ensuring more accountability and transparency around the TANF program to prevent, monitor, and penalize the intentional misuse of federal funds by contractors and other sub-recipients grants.³⁵ While HHS has pending rulemaking that helps address some of the misuse of TANF funds, Congress needs to act to provide HHS with the authority to require more TANF reporting.³⁶ More should be done on the federal and state level to ensure federal TANF dollars are spent directly on and support needy families.³⁷

Conclusion

TANF is a critical program for families working hard to afford basic needs. It has great potential to lift families out of poverty, but the current TANF federal block grant program as structured is designed to limit access to families and allow for little accountability from the state or federal government for how states spend this money.

The recent flagrant misappropriation of TANF funds in Mississippi, while beyond simple fund mismanagement as many actors have been criminally charged, provides important insight into some problems with the TANF program.³⁸ Despite Mississippi having the highest poverty rate in the country, very few financially eligible families receive TANF cash assistance or directly benefit from the federal TANF dollars.³⁹

The failure to reform the TANF program has led to very few funds reaching families in need and opportunities for states to mispend TANF funds. TANF cash assistance could have helped many more families afford the basics such as rent, utilities, and hygiene products while experiencing financial crises—poverty is a policy choice. The Federal government has the power

³⁴ Anna Wolfe, *Report: Fewer Mississippians received cash assistance in 2022, even during a pandemic*, MISSISSIPPI TODAY, (Nov. 14, 2020, 8:00 AM CT), <https://www.clarionledger.com/story/news/politics/2020/11/14/tanf-report-fewer-mississippi-residents-got-cash-assistance-2020/6286660002/>.

³⁵ See H.R. 8203, *TANF State Expenditure Integrity Act of 2024*, <https://www.congress.gov/bill/118th-congress/house-bill/8203>

³⁶ HHS ACF, *NPRM to Strengthen the TANF Program and Increase State Accountability*, (Nov. 15, 2023), <https://www.acf.hhs.gov/ofa/outreach-material/nprm-tanf-regulations-45-cfr-parts-205-260-261-and-263>; United States Government Accountability Office, *Statement for the Record to the Committee on Ways and Means, House of Representatives: Temporary Assistance for Needy Families, Preliminary Observations on State Budget Decisions, Single Audit Findings, and Fraud Risks*, (Sep. 24, 2024), <https://www.gao.gov/assets/gao-24-107798.pdf>

³⁷ Addressing some of these issues would require an overhaul of Federal TANF and public benefits laws, such as Representative Moore's RISE Out of Poverty Act, <https://www.congress.gov/bill/115th-congress/house-bill/7010>.

³⁸ Bill Chappell, *Mississippi's Ex-Welfare Director, 5 Others Arrested Over 'Massive' Fraud*, NPR, (Feb. 6, 2021, 1:31 PM ET), <https://www.npr.org/2020/02/06/803399172/mississippis-ex-welfare-director-5-others-arrested-in-massive-fraud>.

³⁹ *Top 10 Poorest States in the United States*, FRIENDS COMMITTEE ON NATIONAL LEGISLATION, (Nov. 6, 2023); see Aditi Shrivastava and Gina Azito Thompson, *Policy Brief: Cash Assistance Should Reach Millions More Families to Lessen Hardship*, CENTER ON BUDGET AND POLICY PRIORITIES, Feb 18, 2022, <https://www.cbpp.org/research/family-income-support/policy-brief-cash-assistance-should-reach-millions-more-families> <https://www.fcnl.org/updates/2023-11/top-10-poorest-states-us>.

to support families in need by providing more assistance to families in need- we saw that happen during the pandemic- with the availability of emergency TANF, expanded child tax credit, continuous Medicaid enrollment, pandemic EBT, eviction moratorium- all led to a significant drop in poverty and child poverty, in particular. When we provide robust government supports to families in need and trust families to make financial decisions, they can thrive and successfully move out of poverty.

We appreciate the opportunity to submit this statement. For more information about SPLC's work supporting TANF and other social safety net programs, please contact Theresa Lau, Senior Policy Counsel, Eradicating Poverty, Theresa.Lau@splcenter.org.