December 1, 2023

Office of Family Assistance  
Administration for Children and Families  
Department of Health and Human Services (HHS, the Department)  
330 C Street SW, 3rd Floor  
Washington, D.C. 20201


Dear Office of Family Assistance,

Thank you for the opportunity to comment on the Notice of Proposed Rulemaking regarding “Strengthening Temporary Assistance for Needy Families as a Safety Net and Work Program”, published on October 2, 2023.

The Institute for College Access & Success (TICAS) is a national nonprofit nonpartisan advocacy organization committed to improving access, affordability, and equity in higher education. The Anti-Poverty & Basic Needs team works to emphasize that higher education is our nation’s most effective and successful workforce development program, demonstrably leading to improved economic security and mobility for people with low incomes. Through federal and state advocacy and technical assistance, we highlight the disconnects between higher education access and federal programs such as the Supplemental Nutrition Assistance Program (SNAP), TANF, and the Child Care & Development Fund (CCDF). Decades of “work first” requirements across these crucial programs have been worsening the opportunity gap, undermining security and mobility for families, and hampering economic growth and stability for states and the nation.

TICAS’ work underscores that policies restricting access to postsecondary education contradict voluminous research showing that each level of postsecondary education achieved results in improved income, lower unemployment, lower poverty rates, improved health outcomes and a decreased reliance on public programs. Public benefit programs that restrict access to postsecondary education also controvert economic research showing that demand for workers with more education will continue to rise. Recent estimates illustrate that by 2031, 72 percent of jobs will require postsecondary education and/or training, including 42 percent of jobs that will require at least a bachelor’s degree compared to only 28 percent of jobs that will need a high school diploma or less.
The proposed rules governing the use of TANF dollars by states invite a critical conversation about how to ensure the program is effective in achieving its goals. The final rules and their implementation will have major implications for states and citizens across the country, including for college students. In response to the proposals, further detailed below, TICAS:

1. Commends HHS for its efforts to ensure families with the greatest need benefit from TANF, particularly in light of severe racial disparities in access to TANF in some states and failures to support families with basic cash assistance.

2. Urges HHS to carefully consider how these proposals may affect postsecondary access and completion and ensure states have ample time to adapt funding sources for college scholarships if determined to be non-permissible such that it does not create hardship for students with low incomes and thereby exacerbate the affordability crisis.

3. Strongly encourages HHS to provide clear guidance and assistance to states on the range of permissible uses of TANF funds to support access to postsecondary education and training for low-income families.

Ensure TANF Supports Eligible Families with Basic Cash Assistance

These proposals represent an important shift to ensure TANF funding reaches families with the greatest financial need. TANF should prioritize providing basic cash assistance to families with low incomes so they can afford essentials to bring enough stabilization to their households. TANF presently only serves 21 out of every 100 TANF-eligible families nationally with cash assistance compared to 68 out of every 100 in 1996. State choices about how to spend TANF funds since 1996 have also resulted in Black children having the greatest likelihood of living in states where TANF programs have the lowest benefits and reach the fewest families in need. It is our sincere hope that the final rules will result in improved access to cash assistance for families with low incomes and BIPOC families.

Mitigate Harm to Postsecondary Access & Completion

Of the seven proposals in the NPRM, two would directly affect postsecondary education. One proposal would impact how some states fund “college scholarships” using TANF. The Department asserts that for adults without children, it is “unlikely there could be sufficient evidence or logical coherence to show that education and training for individuals who are not parents could be reasonably calculated to end the dependence of needy parents” (TANF purpose two) or “in preventing and reducing out-of-wedlock pregnancies” (TANF purpose three). The second proposal would cap the income level that qualifies as “needy” at 200 percent of the federal poverty level (FPL), adjusted for family size under purposes one and two for all federal TANF and state maintenance of effort (MOE) expenditures.

The Department identified approximately eight states currently spending approximately $1 billion annually on college scholarships and that $970 million to $1.3 billion could be “non-allowable.” We anticipate the number of states that may be using TANF in this manner is likely much higher and that the reach of the proposed rules could be more extensive than the NPRM suggests. Should this rule be finalized, states that have utilized TANF for financial aid and other purposes HHS may deem non-permissible will need to assess allowable uses and devise strategies to supplant TANF funds with other sources across a variety of programming, not just college scholarships. State budget offices, agency officials, and advocates who all want to ensure the continuation of the programs currently funded with TANF will be vying for limited funds contributing to complex and high stakes state dynamics.
We urge the Department to provide states ample time to make any necessary adjustments to program funding so that they can ensure that students without children who are currently supported by TANF funded college scholarships are not harmed, and to give states time to find ways to continue to serve families with low incomes, or parenting students seeking postsecondary education and training.

**Improve Access to Education Families with Low Incomes**

Providing pathways for parents with low incomes to gain postsecondary credentials is closely aligned with TANF’s core purposes. Yet, most recipients leave TANF for unstable, low-wage jobs that do not improve family stability. The result is that many of these families remain in poverty without sufficient credentials or skill attainment to raise their income above the federal poverty line. Unfortunately, changes from AFDC to TANF appear to have significantly decreased the probability of college enrollment for adult women by at least twenty percent. It also reduced participation in full-time vocational and education training programs. Providing pathways for parents with low incomes to combine work and education is vital for their economic stability and to break the inter-generational poverty cycle.

In 2022, only 5.1 percent of TANF participants nationally were engaged in “vocational education”. Despite the alignment of improving postsecondary pathways with state higher education attainment goals, many states still opt for a “work first” approach in their TANF programs. States could improve these connections through a wide range of policy and funding options in TANF, including supporting the completion of two- and four-year college degrees. Instead, too often, states forgo education that can improve long term employment outcomes to focus on minimum compliance requirements largely over unfounded fears of violating the TANF “work participation rate” requirement and subsequent financial penalty.

TANF requires that 50 percent of all families be engaged in a work activity, which may include “vocational education” for up to 12 months. “Vocational education” includes any “organized educational programs that are directly related to the preparation of individuals for employment in current or emerging occupations”. According to the 2008 final rule, the range of education and training services permitted under “vocational education” includes certificate, associate, bachelor and advanced degree programs. Final rules also emphasize that states have the flexibility to combine activities to ensure that families can benefit from education and training to become more employable.

States have discretion in determining work-related activities for families and can ensure education activities count towards their weekly 30-hour requirements. Each state can count up to 30% of families engaged in education or training toward a state’s WPR. However, not many states actually enroll sufficient families to meet this requirement. In 2022, only a fraction of families engaged in education compared to unsubsidized employment. Additionally, a state’s overall WPR requirement often falls below 50% due to caseload reductions and excess state spending, leaving states significant flexibility to engage families in postsecondary beyond the confines of the WPR restrictions.

The Department notes in the proposal that “tuition assistance and other education and training supports…may support the economic advancement of parents with low incomes.” As such, we urge the Department to:

1. Provide clear guidance to states on the permissible use of TANF to support college scholarships for families with low incomes.
2. Clarify how states can also invest TANF dollars in comprehensive wraparound supports for TANF families pursuing education, including help with supportive services such as transportation.

3. Ensure access to TANF funded child care while enrolled in postsecondary programs.

4. Issue guidance on how states can include postsecondary education as a countable work activity that does not risk violating the WPR.

5. Encourage states to improve access to postsecondary pathways by reducing administrative burden and eliminating barriers to postsecondary attendance such as but not limited to the following;
   a. Making it more clear that states can include associate and bachelor’s degree under education and training activities.
   b. Eliminating time limits that constrain the pursuit of associate and bachelor's degrees.
   c. Removing academic standing or GPA requirements.
   d. Ensuring sufficient study time hours are counted towards the participation rate.

Providing such guidance to states aligns with TANF’s core purposes and better reflects the value of postsecondary credentials as an investment in the economic security of TANF participants. Similarly, these policy clarifications reflect the increasing demand for postsecondary credentials in the economy.

**Improved Guidance to States**

The department has many opportunities to support states’ ability to comply with TANF rules. We urge the agency to consider helping states by creating listening and/or learning sessions, providing improved written guidance, fostering learning communities among states, and ensuring states have a clear understanding of the range of supports and guidance available to them. Similarly, we strongly recommend HHS create a database of questions and answers submitted by states to ensure that states and stakeholders have access to the same guidance and information to improve efficiency and consistency.

In closing, we applaud HHS for taking this important step in ensuring TANF is strengthened to support families with the most need and the opportunity for states to reflect on how TANF rules can best aligned to promote postsecondary education. We look forward to working with state and federal stakeholders to ensure that this important issue does not create unintended consequences for students with low-income and BIPOC students across the country. Thank you for the opportunity to provide comments on behalf of The Institute for College Access & Success.

Sincerely,

Carrie R. Welton, Senior Director
Leslie Rios, Senior Associate
The Institute for College Access & Success
Policy & Advocacy: Anti-Poverty & Basic Needs

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1 Goger, A. et al. 2020. “The labor market doesn’t have a ‘skills gap’—it has an opportunity gap”. [https://bitly.ws/346PX](https://bitly.ws/346PX)

