



Highlights of [GAO-05-238](#), a report to congressional requesters

DRUG OFFENDERS

Various Factors May Limit the Impacts of Federal Laws That Provide for Denial of Selected Benefits

Why GAO Did This Study

Several provisions of federal law allow for or require certain federal benefits to be denied to individuals convicted of drug offenses in federal or state courts. These benefits include Temporary Assistance for Needy Families (TANF), food stamps, federally assisted housing, postsecondary education assistance, and some federal contracts and licenses.

Given the sizable population of drug offenders in the United States, the number and the impacts of federal denial of benefit provisions may be particularly important if the operations of these provisions work at cross purposes with recent federal initiatives intended to ease prisoner reentry and foster prisoner reintegration into society.

GAO analyzed (1) for selected years, the number and percentage of drug offenders that were estimated to be denied federal postsecondary education and federally assisted housing benefits and federal grants, contracts, and licenses and (2) the factors affecting whether drug offenders would have been eligible to receive TANF and food stamp benefits, but for their drug offense convictions, and for a recent year, the percentage of drug offenders released who would have been eligible to receive these benefits.

Several agencies reviewed a draft of this report, and we incorporated the technical comments that some provided into the report where appropriate.

www.gao.gov/cgi-bin/getrpt?GAO-05-238.

To view the full product, including the scope and methodology, click on the link above. For more information, contact Laurie Ekstrand at (202) 512-8777 or ekstrandl@gao.gov.

What GAO Found

For the years for which it obtained data, GAO estimates that relatively small percentages of applicants but thousands of persons were denied postsecondary education benefits, federally assisted housing, or selected licenses and contracts as a result of federal laws that provide for denying benefits to drug offenders. During academic year 2003-2004, about 41,000 applicants (or 0.3 percent of all applicants) were disqualified from receiving postsecondary education loans and grants because of drug convictions. For 2003, 13 of the largest public housing agencies in the nation reported that less than 6 percent of 9,249 lease terminations that occurred in these agencies were for reasons of drug-related criminal activities—such as illegal distribution or use of a controlled substance—and 15 large public housing agencies reported that about 5 percent of 29,459 applications for admission were denied admission for these reasons. From 1990 through the second quarter of 2004, judges in federal and state courts were reported to have imposed sanctions to deny benefits such as federal licenses, grants, and contracts to about 600 convicted drug offenders per year.

Various factors affect which convicted drug felons are eligible to receive TANF or food stamps. This is because state of residence, income, and family situation all play a role in determining eligibility. Federal law mandates that convicted drug felons face a lifetime ban on receipt of TANF and food stamps unless states pass laws to exempt some or all convicted drug felons in their state from the ban. At the time of GAO's review, 32 states had laws exempting some or all convicted drug felons from the ban on TANF, and 35 states had laws modifying the federal ban on food stamps. Because of the eligibility requirements associated with receiving these benefits, only those convicted drug felons who, but for their conviction, would have been eligible to receive the benefits could be affected by the federal bans. For example, TANF eligibility criteria include requirements that an applicant have custodial care of a child and that income be below state-determined eligibility thresholds. Available data for 14 of 18 states that fully implemented the ban on TANF indicate that about 15 percent of drug offenders released from prison in 2001 met key eligibility requirements and constitute the pool of potentially affected drug felons. Proportionally more female drug felons than males may be affected by the ban, as about 27 percent of female and 15 percent of male drug offenders released from prison in 2001 could be affected.

Federal Benefits That May Be Denied to Drug Offenders

Federal benefit	Description
TANF	Cash assistance designed to meet a needy family's ongoing basic needs
Food stamps	Food assistance payments to low-income households
Postsecondary education	Federal Pell Grants, Stafford loans, and work-study assistance
Federally assisted housing	Public housing primarily for low-income families with children and vouchers for private-market assistance for very low-income families
Denial of Federal Benefits Program	Federal postsecondary student loans, federal licenses (e.g., for physicians, pilots, and others), and procurement contracts, among others

Source: GAO analysis of federal law.