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WELFARE REFORM

State Sanction Policies and Number of Families Affected



GAO

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Abbreviations

AFDC	Aid to Families With Dependent Children
HHS	Department of Health and Human Services
JOBS	Job Opportunities and Basic Skills training
OIG	Office of Inspector General
TANF	Temporary Assistance for Needy Families



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March 31, 2000

The Honorable Daniel Patrick Moynihan
Ranking Minority Member
Committee on Finance
United States Senate

The Honorable Benjamin Cardin
Ranking Minority Member
Subcommittee on Human Resources
Committee on Ways and Means
House of Representatives

The Honorable Sander Levin
House of Representatives

Temporary Assistance for Needy Families (TANF), a program that took effect nationwide in mid-1997, represented a dramatic change in the way that cash assistance was delivered to poor families.¹ TANF replaced the welfare entitlement program, Aid to Families With Dependent Children (AFDC), with block grants to states, giving them increased flexibility to determine how they will meet program goals.² Most families who receive TANF must assume responsibility for achieving self-sufficiency by participating in work activities and cooperating with child support enforcement agencies. Families' obligations are typically specified in individualized plans that may include the types of work activities required, such as job search, vocational training, and subsidized or unsubsidized employment. These plans may also include other requirements, such as obtaining a high school diploma, parenting education, or drug treatment, or ensuring that children are immunized and attend school. Families who comply with these requirements continue to receive cash benefits, while

¹Title I of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (P.L. 104-193) was enacted Aug. 22, 1996, and took effect July 1, 1997, or earlier in states that submitted complete plans to the Department of Health and Human Services (HHS).

²TANF program goals are to provide temporary assistance to needy families for the care of their children; end welfare dependence by promoting job preparedness, work, and marriage; prevent or reduce out-of-wedlock pregnancies; and encourage the formation and maintenance of two-parent families.

those who do not comply receive sanctions—that is, they lose all or part of their TANF cash benefits and possibly other public benefits as well. Recent news reports have raised concerns about the extent and appropriateness of sanctions and the adequacy of efforts to resolve noncompliance—through a process referred to as conciliation—before families are placed under sanctions. As requested, this report provides information on (1) state sanction policies under TANF, (2) state procedures to reconcile noncompliance before imposing sanctions and state policies on families’ right to appeal sanctions, (3) the number of benefit reductions and terminations that result from sanctions, and (4) state studies of families whose benefits are reduced or terminated as a result of sanctions.

We obtained state sanction policies in effect as of September 1999 from TANF officials in all 51 states,³ as well as written procedures for conciliation, where offered, and appeal of sanctions. To determine how many families have been affected, we obtained the number of families with benefit reductions or terminations due to sanctions for each month in 1998 from 49 states. Fifteen states provided information from studies of the characteristics or status of families receiving sanctions. We conducted our work from January 1999 through January 2000 in accordance with generally accepted government auditing standards. For a detailed description of our methodology, see appendix I.

Results in Brief

Under TANF, all states have policies requiring sanctions when a family member fails to comply with work requirements. The first time a family member fails to comply, policies in 36 states call for a reduction in the family’s cash benefits, known as a partial sanction. If a family member fails repeatedly to comply, policies in 37 states call for termination of the family’s entire cash benefit, known as a full-family sanction. The details of these policies vary considerably among states. Under most state policies, the first sanction lasts up to a month or until the family member begins to comply with work requirements, but for repeated noncompliance, the sanction lasts at least 3 months, even if the family member comes back into compliance during that time. Generally, states’ policies regarding mandatory sanctions for failing to cooperate with child support enforcement efforts are similar to those for failing to meet work requirements, but both policies tend to be more stringent than the sanction

³For this report, the term “state” includes the District of Columbia.

policies for noncompliance with optional state requirements, such as children's immunization and school attendance. About one-quarter of the states have chosen to disqualify adults for Medicaid and one-third to disqualify the whole family for food stamps when the head of household fails to comply with TANF work requirements.

Although sanction policies are in place in all states, the extent to which families actually experience benefit reductions or terminations depends in part on the extent to which caseworkers and families try to resolve noncompliance before sanctions result. Most states hold caseworkers responsible for making sanction decisions, with at least 16 states requiring supervisory concurrence or other review of caseworkers' sanction decisions. Before sanction decisions are made, policies in 31 states require that caseworkers contact TANF family members to try to resolve the noncompliance through conciliation. According to policies in these states, the conciliation process should include actions such as notifying TANF family members that they are not complying with program requirements, warning them that their benefits will be reduced or terminated, and offering them an opportunity to avoid benefit cuts or terminations by justifying their failure to comply or by returning to compliance. The remaining 20 states either have no conciliation process or have conciliation procedures that do not apply to all instances of noncompliance. However, once a sanction decision is made, all states have policies that require TANF families to be notified by mail before their cash benefits are reduced or terminated and to be informed of their right to appeal the decision to a higher authority.

The proportion of TANF families who actually lose part or all of their TANF cash benefits as a result of sanctions is not large, but a substantial number of families have been affected. During an average month in 1998, about 135,800 families received reduced benefits or no TANF benefits at all as a result of sanctions for failure to comply with TANF work and other responsibilities.⁴ This number represents 5 percent of the total average monthly TANF caseload for the 49 states that provided these data. Most sanctions were partial, reducing cash benefits to about 112,700 families in an average month. The remainder were full-family sanctions that stopped

⁴"Family" is generally the same as "case." The number of families subject to sanctions in an average month cannot be used to calculate the total number of families under sanctions in a year, since some families may receive sanctions for multiple months or on more than one occasion during the year.

all cash benefits for about 23,100 families in an average month. Sanction rates varied considerably among states, with partial sanctions affecting from 0 to 29 percent and full-family sanctions affecting from 0 to 7 percent of the average monthly state caseload.

Limited information is available on the characteristics of families who received sanctions and what happened to them. In the nine states that examined TANF family demographics or families' reasons for noncompliance, TANF adults receiving sanctions were more likely to have dropped out of high school than adults not under sanctions or to have reported that transportation, child care, or health difficulties contributed to their noncompliance. Across the 10 states where information was available on what happened to TANF adults receiving sanctions, about one-third returned to participate and comply with TANF program requirements. Another 41 percent found work, in some cases at low-paying jobs that did not provide health insurance coverage. Many of the remaining families depended on family and friends for support. In addition, after they left TANF, over 50 percent received food stamps or Medicaid in the seven state studies that reported this information.

Background

TANF was enacted as title I of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (P.L. 104-193). It replaced the AFDC entitlement with a program of state block grants that requires work in exchange for time-limited cash assistance. TANF went into effect in July 1997, unless states chose to implement it earlier.⁵ Federal rules governing TANF were issued in April 1999 by HHS, which oversees states' administration of TANF programs. Compared with AFDC, the responsibilities of families on cash assistance have increased under TANF, and if they fail to meet their responsibilities, families may face more stringent sanctions. In addition, TANF law no longer guarantees these families opportunities for conciliation but continues to allow them to appeal state sanction decisions.

⁵States that submitted complete plans to HHS were allowed to implement TANF following its enactment in 1996. Prior to TANF, many states operated AFDC programs under HHS waivers that permitted them to experiment with requirements later incorporated into TANF. Under these waivers, 26 states sought to increase the number of AFDC adults subject to work requirements and to impose full-family sanctions for noncompliance with the work requirements.

TANF Family Responsibilities Under Federal Law

Most families receiving TANF benefits must agree to undertake major new responsibilities in order to obtain cash benefits and avoid sanctions. Under federal law, the responsibilities include (1) participating in work activities and (2) actively seeking child support payments, and at state option may also include (3) achieving other goals that will improve their circumstances. Generally, these responsibilities are specified in individual plans that applicants sign when entering the TANF program. Many adults are responsible for participating at least 25 hours a week in scheduled program activities, such as job search, vocational training, or subsidized employment, designed to help them obtain work.⁶ Additionally, adults are required by federal law to cooperate with child support enforcement agencies in establishing paternity and obtaining, enforcing, and modifying support orders, as needed, to further enhance their self-sufficiency. At state option, adults may be expected to obtain the equivalent of a high school diploma and to ensure that their children attend school and obtain immunizations. Depending on their circumstances, adults may also be required by states to attend parenting classes or drug treatment programs.

Fulfilling their new responsibilities and achieving self-sufficiency becomes increasingly important as adults near the federal 5-year limit on receipt of TANF cash assistance.⁷ To assist TANF family members to meet their obligations, support services such as child care may be available. To motivate family members to follow through with their new responsibilities, their activity is monitored, and failure to participate fully may result in financial penalties referred to as sanctions. This cause-and-effect relationship is designed to reflect the real work environment and to prepare TANF families for jobs, where employers deduct wages or fire employees for unexcused absences.

Sanction Policies for Noncompliance With TANF Family Responsibilities Under Federal Law

Federal law establishes broad time frames for states' implementation of key TANF requirements. For states to avoid financial penalties, an increasing percentage of adults in families on TANF must be enrolled each year in work activities. All adults must be enrolled in work or work-related

⁶Work participation was mandatory for almost three of every five adults in TANF in fiscal year 1998, according to HHS, and the proportion of adults required to work increases each year thereafter.

⁷States have the flexibility to set shorter limits on receipt of TANF cash benefits. Sixteen states have limits of 2 years or less, according to HHS.

activities after receiving TANF benefits for 2 years, but 26 states have elected to require adults to enroll within 6 months or less. Because states have the flexibility to implement work requirements at different times for different percentages of their caseloads, the extent of states' use of sanctions is likely to differ over time.

Federal law establishes minimum sanctions but gives states broad authority to increase and extend sanctions with the policies that they establish. Specifically, federal law requires states to reduce TANF benefits pro rata—that is, impose partial sanctions—for families who do not adhere to work responsibilities or do not cooperate with child support enforcement.⁸ For such noncompliance, states must impose partial sanctions on TANF benefits lasting as long as the noncompliance or face financial penalties themselves. States may choose stricter sanctions and terminate the family's benefit—that is, impose full-family sanctions—for noncompliance with work and child support responsibilities. If full-family sanctions are selected, states either suspend cash benefits or close the case. If cash benefits are suspended, families remain on the rolls and may be eligible for noncash benefits. If their case is closed, families must reapply for TANF in order to receive benefits. States can also extend the duration of partial and full-family sanctions beyond what is required under federal law. Finally, states can impose sanctions for noncompliance with other TANF responsibilities, such as immunizing children. See table 1 for a summary of the mandated and optional TANF sanctions under federal law.

⁸The determination that a family member has failed to cooperate with child support enforcement can be made only by the state child support enforcement agency, not by the state TANF agency. Depending on the state's assignment of responsibility, either the child support or the TANF agency may decide whether the family member has good cause for noncooperation.

Table 1: Federal Law on TANF Sanctions for Noncompliance With Program Requirements

Type of noncompliance	Legal citation	Nature of sanction or ineligibility for benefits (paraphrased from the law)
Mandated sanctions of TANF cash benefits		
Refusal to engage in work activities	42 U.S.C. 607(e)	State may reduce the amount of assistance payable to the family pro rata or more, at state option, or terminate assistance , subject to such good cause and other exceptions the state may establish, unless day care for a child under 6 is not available.
Failure to cooperate with child support enforcement	42 U.S.C. 608(a)(2)	State may reduce assistance by not less than 25% or may deny family any assistance if state agency determines that an individual is not cooperating in establishing paternity or establishing, modifying, or enforcing a support order, unless good cause or other exception established by the state is shown.
Optional sanctions of TANF cash benefits		
Failure to comply with individual responsibility plan or its components	42 U.S.C. 608(b)	State may reduce, by an amount the state considers appropriate, assistance to a family that includes an individual who fails without good cause to comply with a responsibility plan signed by the individual.
Failure to work toward attaining a high school diploma or equivalent	42 U.S.C. 604(j)	State is not prohibited from imposing a sanction on a family with a noncompliant adult under age 51, unless a professional determines the adult lacks the requisite capacity to achieve it.
Failure to ensure that children attend school	42 U.S.C. 604(i)	State may not be prohibited from imposing a TANF and Food Stamp sanction on a family with a noncompliant adult.
Positive test for controlled substances	42 U.S.C. 862b	State may not be prohibited from testing welfare recipients for use of controlled substances nor from imposing sanctions on those who test positive.

Note: Phrases in boldface type indicate options for states to impose more stringent sanctions than the minimum required.

States may also limit Medicaid and Food Stamp Program benefits for certain family members who do not comply with TANF requirements. Specifically, states may end Medicaid benefits for adults whose TANF benefits are eliminated for noncompliance with work responsibilities. Medicaid benefits for children and pregnant women, however, are protected under federal law and cannot be altered by state policy decisions. See table 2 for ways that these benefit programs may be affected by TANF noncompliance.

For Food Stamp benefits, three federal rules apply. First, states must impose partial Food Stamp sanctions at a minimum when Food Stamp household members fail to meet TANF work responsibilities, and the states may impose full-family sanctions if the noncompliant members are also the heads of the household, unless they are exempt from work requirements

under Food Stamp rules. Second, for any noncompliance with TANF requirements, states must ensure that TANF sanctions do not result in increased Food Stamp benefits. Third, states may provide for comparable sanctions under TANF and the Food Stamp Program within certain limits. For example, states may impose partial Food Stamp sanctions for failure to meet any TANF responsibility, including TANF work responsibilities, even if the noncompliant family member is exempt from Food Stamp work requirements and therefore not subject to the mandatory Food Stamp sanctions. However, full-family sanctions of Food Stamps under this rule are not allowed. Proposed federal regulations on the TANF-related provisions of Food Stamp law were published in December 1999 by the Department of Agriculture, which oversees states' administration of Food Stamp benefits. Final regulations are expected in 2000.

Table 2: Federal Law on Sanctions of Medicaid and Food Stamps for TANF Noncompliance

Type of noncompliance	Legal citation	Nature of sanction or ineligibility for benefits (paraphrased from the law)
Effect of TANF noncompliance on Medicaid		
Failure to meet TANF work requirements	42 U.S.C. 1396u-(1)(b)(3)	State may terminate the adult's Medicaid eligibility if the adult's TANF benefits are terminated for noncompliance with work requirements. Eligibility of children and pregnant women is not affected.
Effect of TANF noncompliance on food stamps		
Failure to meet TANF work requirements is the equivalent of failure to meet Food Stamp work requirements	7 U.S.C. 2015(d)	State must remove individual from Food Stamp Program eligibility for at least 1 month for first violation, 3 months for second, and 6 months for third violation, except for exempt individuals, including those responsible for children under age 6. State may extend the duration of these sanctions and make individuals permanently ineligible for third or later violations. Also, state may impose full-family sanctions for a maximum of 6 months in cases where the violator is the head of household.
Failure to comply with any TANF requirements or with requirements for other means-tested public assistance programs	7 U.S.C. 2017(d)	State must ensure that the household will not receive a food stamp increase as a result of a decrease in income because of the TANF sanction. State may reduce the household's food stamp allotment by not more than 25% for the duration of the TANF sanction.
Failure to comply with any TANF requirements	7 U.S.C. 2015(i)	State may disqualify an individual from the Food Stamp Program if he or she receives a comparable TANF sanction.

Note: Phrases in boldface type indicate options for states to impose more stringent sanctions than the minimum required.

Federal Sanction Policies Under AFDC Compared With TANF

Like TANF families currently, AFDC families were required to demonstrate their continued eligibility for welfare at regular intervals or face possible termination of benefits. If AFDC families did not provide the required paperwork or appear for scheduled appointments to discuss their income, assets, and household status, they could have lost all benefits for failure to comply with eligibility procedures. Additionally, about 16 percent of AFDC adults nationwide participated as required in the Job Opportunities and Basic Skills Training (JOBS) program, which was designed to help them achieve self-sufficiency through education, training, and employment.⁹ If the adult failed to attend program activities or to accept employment, states were required to impose partial sanctions of the AFDC benefit that could have lasted up to 6 months. The threat of reduction in AFDC benefits might not have encouraged JOBS participation, however, because families' reduced welfare payments could be offset by higher Food Stamp benefits, which are based on household income, including welfare payments.

In summary, TANF has broadened AFDC responsibilities and sanctions in several ways. First, more families are subject to work requirements. In addition, most families are now required to comply with an expanded set of program activities and may be subject to full-family sanctions if they do not comply, while they continue to be subject to loss of benefits for noncompliance with eligibility procedures. Furthermore, families who do not comply with TANF responsibilities are no longer eligible for higher Food Stamp benefits, and may have their Food Stamp benefits, as well as their TANF benefits, cut. Nonpregnant adults who do not comply with TANF work responsibilities may also lose eligibility for Medicaid benefits.

Federal Rules on Conciliation and Appeals of Sanctions Under AFDC and TANF

Conciliation was designed for the JOBS program as a way to notify noncompliant family members of problems that might result in sanctions and to provide an early opportunity to resolve these problems before sanction decisions were made and cash benefits were reduced. This early opportunity to reconcile problems was guaranteed in federal law, along with the right to appeal the sanction decision if conciliation failed.

Conciliation was expected to begin as soon after noncompliance as possible, according to federal guidance. Generally, a warning notice was to

⁹JOBS participation was mandatory for two of every five AFDC adults in fiscal year 1996, but fewer than one of every five actually participated, according to HHS, due primarily to limited funding and service availability.

be sent and a meeting scheduled with the family member. At the meeting, the caseworker explained the family member's rights and responsibilities under the program and the consequences of continued failure to participate. The family member had the opportunity to contest the facts, justify the noncompliance, agree to comply, or provide a reason for an exemption from the requirement. The caseworker determined whether the justification met the "good cause" criteria set forth in state policy as an allowable reason for the particular noncompliance.

If the caseworker made reasonable efforts to schedule and hold at least one conciliation meeting, and the family member failed to respond or appear, the caseworker was not required to make further attempts at conciliation, according to federal guidance. The guidance recommended that conciliation be completed within 30 days. In practice, the process often consumed more time and included more steps than the minimum recommended. As a result, some family members were able to delay their sanctions without actually complying with program requirements.

If conciliation ended without achieving resolution, the sanction process began and the family lost its guarantee of benefits. A sanction notice was sent describing the amount and effective date of the sanction, as well as the family member's right to appeal the decision and obtain a fair hearing. If the appeal was lodged within 10 days, benefits could continue pending the outcome of the appeal. If an unfavorable decision resulted, the family member was required to repay benefits received during the appeal period.

In line with the greater flexibility afforded states under TANF, families retain the right to appeal sanction decisions, but their right to conciliation is no longer guaranteed. Instead, states now have discretion to retain, alter, or eliminate conciliation, depending on whether they view the process as advantageous or an obstacle to the operation of a successful TANF program. However, conciliation provides an opportunity for family members to justify their behavior while continuing to receive their full benefits.

Most State Sanction Policies Are More Stringent Than TANF Requires

State sanction policies are generally more stringent and more extensive than the minimum required under TANF. All state policies require sanctions for noncompliance with the two federally mandated responsibilities— participation in work-related activities and cooperation with child support enforcement. State policies may also require sanctions for noncompliance with other responsibilities, such as children's immunizations and school

attendance. For the first time that a TANF family member fails to participate in work-related activities, policies in 36 states require the minimum partial sanction, but for repeated failures, most impose the full-family sanction and increase the length of the sanction period. Failure to cooperate with child support enforcement is usually treated in a similar manner. Sanction policies for noncompliance with other responsibilities, such as children's immunization and school attendance, may be less stringent than policies for noncompliance with work and child support responsibilities. All states prohibit an increase in Food Stamp benefits when families lose some or all of their TANF benefits as a result of sanctions. Furthermore, about one-third of the states have chosen the option of eliminating Food Stamp benefits for the entire household and one-fourth eliminate Medicaid benefits for the nonpregnant adult when the adult head of household does not comply with TANF work requirements.

Under State Policies, Amount and Duration of Benefit Cuts for Noncompliance With Work Requirements Often Exceed Federally Mandated Minimums

For noncompliance with TANF work-related responsibilities, state sanction policies under TANF fit into three broad categories: (1) policies that call for the imposition of partial sanctions in all instances of noncompliance, (2) graduated-sanction policies that call for the imposition of partial sanctions for initial instances of noncompliance and full-family sanctions for repeated or prolonged noncompliance, and (3) policies that always call for the imposition of full-family sanctions. See table 3 for the number of states with policies in each of these categories.

Table 3: Type of Sanction Policy, and Number of States Using It, for Noncompliance With Work Responsibilities in 1999

Type of sanction policy	States using policy
Partial sanction	14
Graduated sanction	22
Full-family sanction	15
Total	51

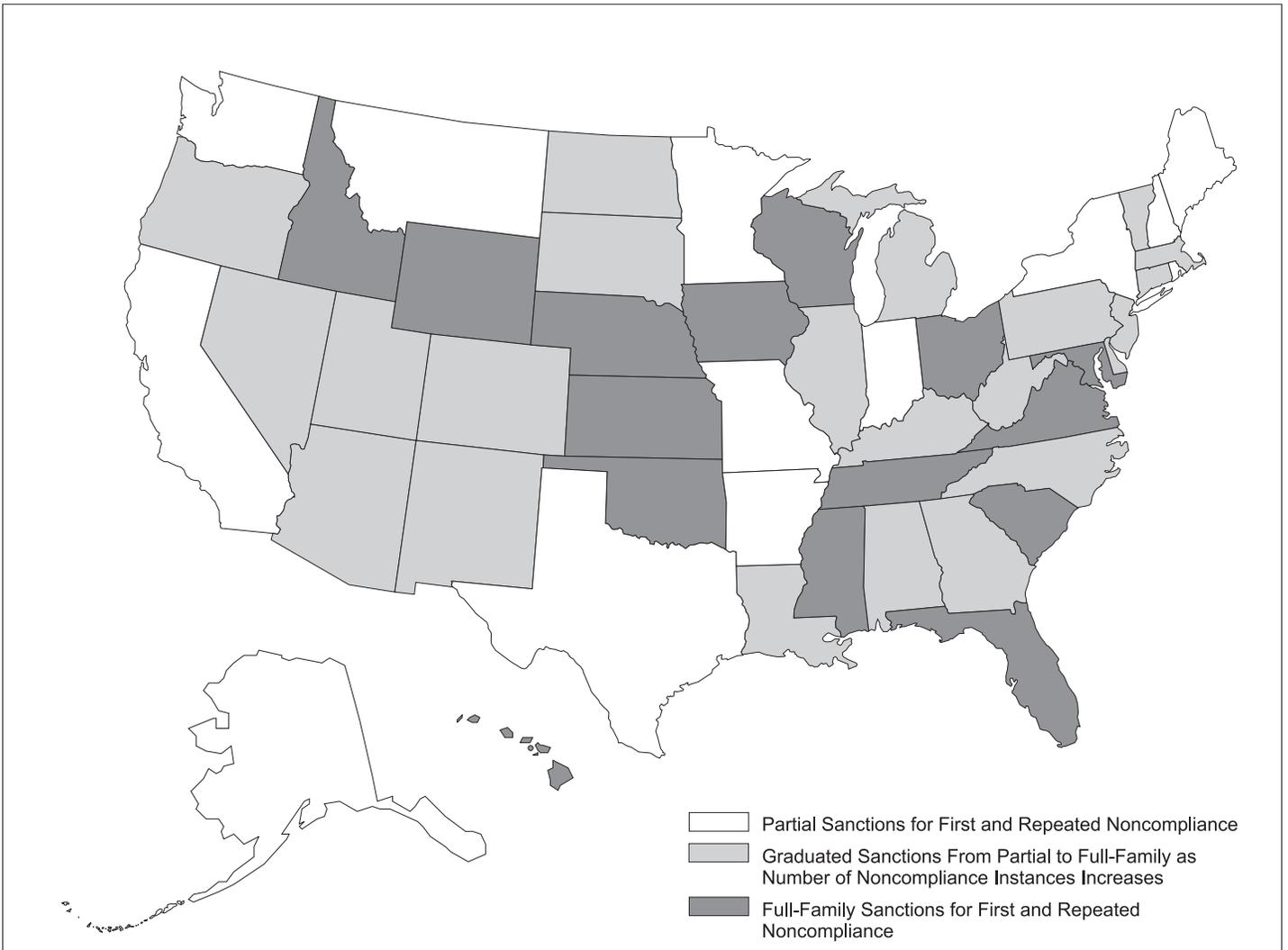
Under federal law, for noncompliance with TANF work responsibilities, states are required to impose, at a minimum, partial sanctions that should last as long as the noncompliance. Sanction policies in all states except Arkansas, Rhode Island, and Washington are more stringent than TANF requires: 48 states have policies that either call for full-family sanctions or set a minimum duration for the sanction that could extend beyond the point at which the TANF family begins to comply.¹⁰

State decisions to adopt a specific TANF sanction policy have remained unchanged in most cases, but states continue to review these policies. Five states chose more stringent policies in 1998 and 1999 than they had in place in 1997. Hawaii, Iowa, Louisiana, and North Carolina increased the amount of benefits cut, applying full-family, instead of partial, sanctions at some stage for noncompliance with work responsibilities. Connecticut shortened the duration of its sanctions so that noncompliant families would reach full-family sanctions more quickly and compliant families would have their benefits restored earlier. States gave various reasons for the changes. Some state officials said that they believed too many clients were accepting partial sanctions rather than complying with work responsibilities. Another state official said that the state made the change to simplify its policies and make the consequences of noncompliance more immediate.

The trend toward more stringent policies for noncompliance with work responsibilities has not been universal, however. Before TANF, Indiana, Minnesota, and New Hampshire received waivers to experiment with the use of full-family sanctions, but after TANF was passed, these states discontinued full-family sanctions and now impose partial sanctions only. In 1999, Arkansas moved to ease its sanction policy, eliminating full-family sanctions and adopting partial sanctions instead for noncompliance with work requirements. A state official explained that the state was concerned that children might suffer as a result of their parents' noncompliance under a full-family sanction. (See fig. 1 for sanction policies by state.)

¹⁰In this latter respect, current state policies reflect those under the JOBS program, which increased the duration of partial sanctions to a 6-month maximum following repeated instances of noncompliance.

Figure 1: States' Sanction Policies for Failure to Comply With TANF Work Requirements, 1999



Source: Sanction policies provided by the states.

Most State Policies Call for Partial Sanctions for First Instance of Noncompliance With Work Responsibilities

For the first time that a family does not comply with work responsibilities, 36 states have adopted policies that impose the minimum TANF requirement of a partial sanction.¹¹ Policies in the remaining 15 states impose the maximum TANF penalty of a full-family sanction for the first time that a family does not comply with work responsibilities.

The extent of the partial sanctions in the 36 states varies considerably and may represent a modest or significant loss of cash assistance, depending on the state and the family. The amount of the benefit reduction is determined in one of three ways: by withholding the adult share, by taking a percentage of the family's grant, or by taking a fixed dollar amount. The adult's share is withheld in 17 states, where maximum monthly benefits for a family of three range from \$190 to \$923. In another 16 states, the partial sanction reduces the family's benefits by 25 percent in most cases, but the reduction ranges from 10 to 50 percent. For example, under their respective state sanction policies, Minnesota's grant of \$783 a month would be cut by 10 percent, while Illinois' grant of \$377 a month would be cut by 50 percent. The remaining three states cut benefits from \$50 to \$100 when the partial sanctions are calculated. (See app. II, which describes, by state, the sanction policies for noncompliance with TANF work responsibilities.)

In most of the 51 states, the first sanction imposed, whether it is partial or full-family, lasts for 1 month or until the TANF family member begins to comply. In 23 states, benefits are restored fully as soon as compliance occurs, although some states expect families to demonstrate that they can comply for 2 weeks or some similar trial period. In another 21 states, the first sanction continues for 1 month or until families return to compliance, whichever is longer, while the remaining 7 states extend the length of the first sanction for a minimum of 2 or 3 months. If noncompliance continues, however, the family may be subject to a second, third, or more sanctions, depending on the state's policy. In states where the first sanction is full-

¹¹Policies in five states allow for local variations in or differentiate among work responsibilities, hours worked, or length of program participation when imposing sanctions. Colorado has a statewide policy of graduated sanctions but allows counties to apply full-family sanctions. Alaska and South Dakota impose partial sanctions the first time TANF recipients do not participate in assigned work activities, but full-family sanctions if they quit or refuse a job. Wisconsin deducts benefits for work hours missed, which may result in either a partial or full-family sanction. Michigan applies a partial sanction for first-time noncompliance if the family has been on TANF for 2 months or more, but a full-family sanction if the family has been on TANF less than 2 months.

family and it results in case closure, the case cannot be reopened before the minimum number of months has elapsed.

Most State Policies Call for Full-Family Sanctions for Repeated Noncompliance With Work Responsibilities

For repeated or prolonged noncompliance with work responsibilities, 37 states have adopted policies that impose the maximum TANF penalty of a full-family sanction.¹² The remaining 14 state policies call for a partial sanction, but they generally increase the amount or duration of the cut in benefits.

How quickly a noncompliant family reaches the state's last and most stringent sanction under these policies varies considerably among states. For example, Massachusetts' policy moves a noncompliant family from a partial to a full-family sanction in 1 month, while Kentucky, Pennsylvania, and Vermont delay imposition of the full-family sanction for 24 to 28 months. In most states with graduated policies, the family would reach the full-family sanction in 3 to 6 months.

In 32 states, sanctions for repeated or prolonged noncompliance remain in effect longer than first-time sanctions for noncompliance with work responsibilities. Under these states' policies, the sanction generally remains in effect for 3 to 6 months, regardless of how quickly the family returns to compliance, but in 7 states—Delaware, Georgia, Idaho, Mississippi, Nevada, Pennsylvania, and Wisconsin—the sanction may last a lifetime. Under full-family sanctions, when a case is closed, it cannot be reopened until the minimum sanction period for repeated or prolonged noncompliance has passed.

¹²A few states allow for exceptions to full-family sanctions in order to protect children. On a case-by-case basis, the state may impose a less stringent sanction if it determines that the welfare of the children would be compromised by loss of all cash assistance. For example, the state may provide payments to a protective payee or to a landlord or utility companies to cover the family's rent, utilities, and other essentials if there is a concern that the noncompliant adult would otherwise mismanage the TANF grant and place the children at risk.

Sanction Policies for Child Support Similar to Those for Work; for Other Noncompliance, Policies Often Less Stringent

As required by federal law, all state policies call for sanctions when families fail to comply with child support responsibilities. In 34 states, the first time that TANF families do not help establish paternity or obtain support orders for their children, they may receive a partial sanction. These states reduce the cash benefit by a dollar amount, the adult portion, or some percentage of the total. For repeated noncompliance, in 29 states families may receive a full-family sanction. The child support sanctions are comparable to the work sanctions in most states in terms of the amount of benefits cut. In nine states they are less stringent, and in six states they are more stringent than the sanctions for noncompliance with work-related responsibilities. However, in most states there is no minimum duration of the child support sanction for first-time or repeated noncompliance. Instead, the sanction is lifted as soon as the family member complies with child support enforcement requirements. (See app. III for state policies on sanctions for noncompliance with child support enforcement responsibilities.)

Less stringent sanction policies may apply to noncompliance with other responsibilities in a TANF family's individual plan, such as attending parenting classes or substance abuse treatment, or ensuring that their children are immunized and attend school. At least two states impose no sanctions when families fail to meet these responsibilities. Six other states impose partial sanctions for noncompliance with one or more of these responsibilities but impose full-family sanctions at some stage for noncompliance with work responsibilities. Arizona, Colorado, Delaware, and Texas consider children's immunizations or school attendance equivalent to the adults' work responsibilities and apply the same sanctions for noncompliance.

Policies on the treatment of noncompliance with more than one responsibility vary by state. Some states, such as Arizona and North Carolina, impose only one sanction at a time, even when there is noncompliance with more than one responsibility. Other states increase the sanction when there is noncompliance with more than one responsibility. In Alabama, for example, a family of three receiving the maximum monthly benefit of \$164 would experience a cut of 25 percent for first-time noncompliance with work and another 25 percent for noncompliance with child support, leaving \$82 in benefits.¹³

¹³Depending on state policy, a family with more than one child could also receive one sanction for each child not receiving immunizations or attending school as required.

Policies in Many States Limit Medicaid or Food Stamp Eligibility for TANF Noncompliance

Under sanction policies in 13 states, adults may lose Medicaid eligibility if they fail to comply with TANF work responsibilities, but in accordance with federal law, children and pregnant women are not affected.¹⁴ In the remaining 38 states, Medicaid eligibility is not affected by noncompliance with TANF work-related responsibilities.

In accordance with federal law on food stamps, no state policies permit Food Stamp benefits to increase when TANF benefits are reduced or eliminated as a result of sanctions. To ensure that no inadvertent increase occurs, some states automatically decrease food stamps by a set percentage when TANF sanctions are imposed. Also in accordance with federal law, state policies require that eligibility for food stamps ends for the noncompliant adult or, optionally, for the entire household if TANF work responsibilities are not met and if the noncompliant adult head of household is not exempt from Food Stamp work requirements.¹⁵ In 33 states, the noncompliant adult becomes ineligible for food stamps, as required by federal law, according to a September 1999 survey conducted by the Department of Agriculture. The remaining 18 states have opted to disqualify the entire household if the head of the household fails to meet TANF work responsibilities and is not otherwise exempt under Food Stamp rules. (See app. IV for a description of the effects on Food Stamp benefits of noncompliance with TANF work and other requirements, by state.)

An adult's ineligibility for food stamps because of noncompliance with TANF responsibilities can last for 1 month or longer, depending on state policy. Ineligibility of the entire household for food stamps because of noncompliance with TANF work responsibilities can last up to 6 months, according to the law. Sanctions of Food Stamp benefits for noncompliance with TANF may not occur at exactly the same time as TANF sanctions, however. For example, in Pennsylvania, the TANF sanction is imposed first, but no action is taken on a possible Food Stamp sanction until the next scheduled Food Stamp recertification. Noncompliance may have long-term consequences. In Oklahoma, Food Stamp benefits will not increase for a family that has lost TANF benefits as a result of receiving a sanction until the TANF noncompliance has been resolved and the sanction lifted.

¹⁴The 13 states are Alabama, Idaho, Indiana, Kansas, Louisiana, Michigan, Mississippi, Nebraska, New Mexico, Nevada, Ohio, South Carolina, and Wyoming.

¹⁵Generally, a household member receiving food stamps who is responsible for the care of a child under 6 years of age is exempt from Food Stamp work requirements.

In prior work, we reported that some families may not know whether they remain eligible for food stamps and Medicaid or what steps they may take to ascertain their eligibility.¹⁶ To some extent, this may be because of confusion among both caseworkers and the families about eligibility requirements. For food stamps, the situation is complicated by differences in state and federal interpretations of the law. The Department of Agriculture revised its guidance in November 1997 to make clear that full-family Food Stamp sanctions could be imposed only for noncompliance with TANF work requirements, not for noncompliance with other TANF responsibilities. Contrary to this guidance, Michigan was imposing full-family Food Stamp sanctions when a family member failed to meet the TANF requirement to cooperate in obtaining child support. Without final regulations, it was not clear if Agriculture could require Michigan to correct its sanction policy. However, in March 1998, a federal district court directed Michigan to stop imposing full-family Food Stamp sanctions for noncooperation with TANF child support requirements.¹⁷ Proposed regulations were published in December 1999, with final regulations planned for 2000. Agriculture officials expect that the regulations will help resolve differences in interpretation of federal law and clear up the confusion about requirements among caseworkers and families eligible for food stamps.

¹⁶See *Medicaid Enrollment: Amid Declines, State Efforts to Ensure Coverage After Welfare Reform Vary* (GAO/HEHS-99-163, Sept. 10, 1999). See also *Food Stamp Program: Various Factors Have Led to Declining Participation* (GAO/RCED-99-185, July 2, 1999). Regarding state concerns about links between TANF and food stamps, see *Welfare Reform: Few States Are Likely to Use the Simplified Food Stamp Program* (GAO/RCED-99-43, Jan. 29, 1999).

¹⁷*Walton v. Hammons*, 192 F.3d 590 (6th Cir. 1999).

Most State Policies Require Conciliation Before Sanction Decisions Are Made; All Allow Appeal of Sanction Decisions

Regardless of state sanction policies, whether sanctions actually occur depends to some degree on caseworkers' efforts and the steps that TANF family members take to resolve noncompliance. The ultimate decision to impose sanctions rests with caseworkers in most states, with supervisory review and concurrence required in 16 states. An HHS Office of Inspector General's (OIG) review has identified problems faced by both TANF caseworkers and families, and ways to improve the sanctions process.¹⁸ Before sanction notices are issued, 31 states continue to provide TANF family members opportunities for conciliation that were required previously under the JOBS component of AFDC but are no longer required under TANF. The remaining 20 states either have no conciliation process or have procedures that do not apply to all instances of noncompliance. Once the decision to impose a sanction is made, all state policies allow families to appeal the state agency's decision and obtain an administrative hearing, as required by TANF.

Most State Policies Place Primary Responsibility for Sanction Decisions With Caseworkers

Most states rely on the judgment of caseworkers to determine whether TANF family members have good cause for their noncompliance and whether sanctions should be imposed. States vary in how much guidance and oversight they make available to facilitate this process. In 16 states, written procedures specify that the caseworkers' decisions are subject to agency review to ensure that sanctions are applied fairly, appropriately, and uniformly. Georgia requires that the first sanction receive the supervisor's written approval, but the second sanction that bans welfare receipt for a lifetime must have an agency panel's approval.

While we focused on states' written policies and procedures that guide sanction decisions, the HHS OIG examined how these policies were being implemented in eight states.¹⁹ After meeting with caseworkers and TANF family members, the OIG reported that case managers with access to multiple services under a single roof can more easily address the noncompliance of TANF families and more efficiently administer

¹⁸HHS OIG issued three reports, the first of which was HHS OIG, *Temporary Assistance for Needy Families: Improving the Effectiveness and Efficiency of Client Sanctions*, OEI-09-98-00290 (Washington, D.C.: HHS, July 1999). The two later reports are cited in the footnotes that follow.

¹⁹The eight states were California, Florida, Idaho, Michigan, Minnesota, New York, Ohio, and Texas.

sanctions. Elsewhere, large caseloads and increased responsibilities may hamper caseworkers. The average number of family members served by each caseworker at the sites visited ranged from a low of 40 in Idaho to a high of 286 in Ohio for the TANF, Food Stamp, and/or Medicaid programs. Faced with large caseloads, some caseworkers felt frustrated because they lacked sufficient time to provide intensive case management. Others had received insufficient training or written guidance on how to apply sanctions, so they could not answer the questions that TANF family members asked about sanctions.

The OIG also reported that in some cases where the service delivery structure of the TANF program was fragmented or subcontracted to third parties, TANF family members were confused about whom to call regarding their sanction, had to explain their circumstances more than once to different people, and sometimes received conflicting information. Although TANF offices provided information on sanction policies and procedures to TANF families orally and in writing, the information was not consistently clear, complete, or accurate. As a result, TANF family members understood that they would have benefits cut off if they violated program rules, but rarely understood the details or expected sanctions to be applied to them. The OIG recommended that HHS encourage states to improve both the general information they provide to TANF families concerning sanctions and the specific information included in sanction notices mailed to noncompliant TANF families.²⁰

Thirty-One States Have Policies Requiring Conciliation for All Cases Before Sanction Notices Are Issued

To permit TANF families to resolve their noncompliance before sanction decisions are made, 31 states have established procedures that guarantee all TANF families at least one opportunity for conciliation for each instance of noncompliance. (See table 4 for state conciliation and sanction policies.)

²⁰HHS OIG, *Temporary Assistance for Needy Families: Educating Clients About Sanctions*, OEL-09-98-00291 (Washington, D.C.: HHS, Oct. 1999).

Table 4: State Conciliation Policies for Noncompliance, by Type of State Sanction Policy for Noncompliance With Work Requirements

Number of states

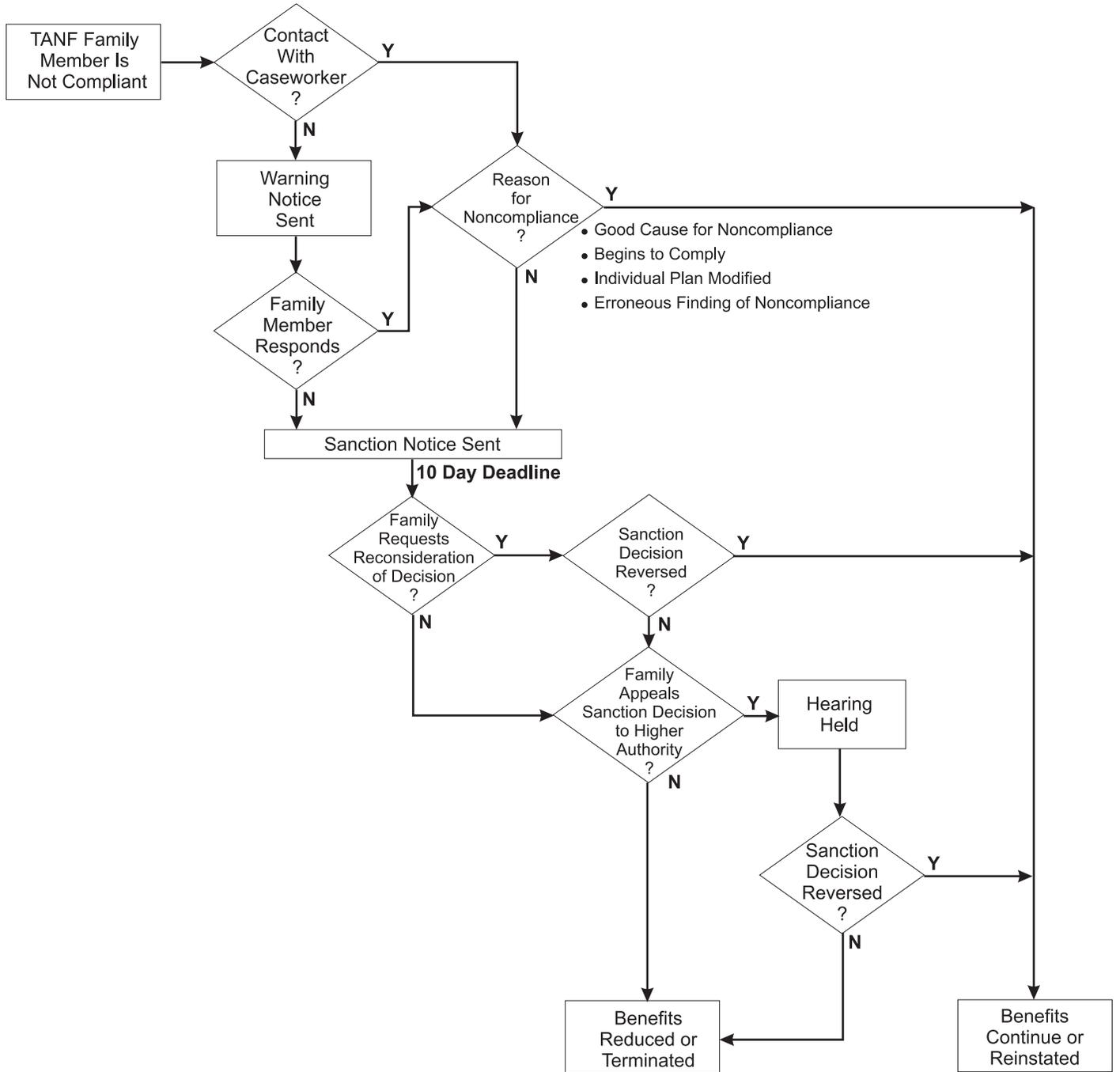
State	...requires conciliation for all families for each instance	...limits the number of conciliation opportunities	...does not require any conciliation opportunities for any families	Total
...has partial sanction policy	10	0	4	14
...has graduated sanction policy	11	4	7	22
...has full-family sanction policy	10	1	4	15
Total	31	5	15	51

Of the states guaranteeing at least one such opportunity, 14 retain the conciliation procedures they established before TANF without any significant changes. Another 9 of the 31 states allow less time for conciliation than they did before TANF. They set tighter limits on the number of days they give TANF families to respond to warning notices or otherwise shorten the process. For example, 1 of the 9 states has cut the time allowed for conciliation from 30 to 10 days. In another state, family members now have 14 instead of 30 days to respond to warning notices before facing sanctions. In contrast, five states offer enhanced opportunities for conciliation, such as requiring caseworkers to visit the homes of TANF families to discuss how to resolve their noncompliance, often in order to avoid a more stringent sanction for repeated or prolonged noncompliance.

In these 31 states, conciliation starts shortly after the caseworker receives information that the family member has failed to meet a TANF program responsibility. Failure to meet a program responsibility may involve, for example, the family member's neglecting to sign the individual responsibility plan, not showing up for an appointment with the child support enforcement agency, not responding to a letter from the caseworker, or not attending all the scheduled hours of the assigned work activity. The family member is contacted by telephone or mail to arrange a meeting to discuss the reasons for noncompliance. Nine states require the caseworker to telephone the TANF family member directly, while in 22 states, a warning notice is mailed to the family member that identifies the

noncompliance problem and asks the TANF family member to contact the caseworker within a specified number of days. The warning notice may include the date and time of an appointment scheduled with the caseworker.

Figure 2: The Typical TANF Conciliation and Appeal Process in Effect During 1999



State procedures either emphasize the personal intervention of caseworkers or rely chiefly on written notifications. Where caseworkers are directed to intervene, there is considerable variation in the effort they are required to expend. Some states require caseworkers to make several attempts to schedule meetings, and a few insist on home visits before the family receives a full-family sanction. Others require only a single attempt. Where written notices predominate, they are often generated by computers and mailed to TANF families, who are expected to take the next steps to resolve their noncompliance within specified time frames. TANF families who fail to contact their caseworkers before the deadline may lose their opportunity to avoid a sanction.

At the conciliation meeting, the caseworker has an opportunity to find out why the noncompliant family member failed to meet TANF responsibilities. In some cases, the information previously provided to the caseworker may be erroneous, and the conciliation meeting provides an opportunity to rectify such errors. In other cases, the family member has a valid reason for the noncompliance that fits the state's good cause criteria, such as ill health, a family crisis, child care difficulties, or lack of transportation. The reason may justify the noncompliance, but it may also reveal a need for additional support services, a change in the family's responsibilities, or an exemption from certain TANF requirements. Even with a valid reason for noncompliance, in order to avoid a sanction, the TANF family member must also demonstrate a willingness to comply.

Some state officials believe that an effective conciliation process can resolve many problems of noncompliance before they result in a sanction. Where conciliation has been retained, the process is credited with a reduction in the number of families under sanctions and increased compliance for those families involved in conciliation. For example, Rhode Island reported that 36 percent of instances of noncompliance are resolved through its conciliation process without imposing a sanction.

Twenty States' Policies Do Not Require Conciliation for All TANF Families

Policies in 15 states do not guarantee any TANF families the opportunities for conciliation that were guaranteed previously to welfare families enrolled in JOBS activities. These states do not require that caseworkers contact noncompliant TANF family members to request their cooperation in determining good cause and avoiding sanctions before the caseworkers decide to impose a sanction. Three of the 15 states do not guarantee conciliation statewide, although individual counties in these states have the option to provide conciliation.

Policies in another five states limit the number of opportunities for conciliation. Georgia, Maryland, New Mexico, and South Dakota allow conciliation only the first time that a family member fails to comply with work responsibilities or child support enforcement. In these states, if the family member fails a second time to comply, no second opportunity for conciliation is available.²¹ Vermont allows each TANF family a total of two conciliation opportunities during 3 years of TANF benefit receipt.

Some state officials believe that families who do not intend to comply may abuse conciliation opportunities. These families may receive a disproportionate amount of caseworker attention that could otherwise be spent with families genuinely seeking help in overcoming barriers to compliance. State policies that restrict or that do not provide conciliation opportunities are intended to make this kind of abuse less likely or impossible.

State decisions under TANF to not require conciliation might be expected to correspond to more stringent state sanction policies, but there appears to be no correlation. Instead, states that do not require conciliation for any TANF families are evenly distributed among states with partial, graduated, and full-family sanction policies for noncompliance with work responsibilities. For example, 10 of the states with the most stringent full-family sanction policies provide full opportunities for conciliation, while four of the states with the least stringent partial sanction policies provide no opportunities for conciliation.

Policies in All States Allow Sanction Decisions to Be Appealed

According to their policies, all states must mail sanction notices to noncompliant TANF families to advise them that the state has found them noncompliant and has decided to reduce or terminate their cash benefits. A written sanction notice marks the end of the conciliation process and informs TANF families of their right to appeal the sanction decision. TANF families who receive these notices may accept the state's sanction decision, appeal it, or withdraw from TANF voluntarily. In addition, some states, such as Alabama, allow TANF families a fourth option—to request reconsideration of the state's decision before filing a formal appeal. This option must generally be exercised within 10 days of the date the notice was mailed; otherwise, the opportunity is forfeited. If the option is

²¹If a TANF family member in New Mexico comes back into compliance for 6 months, the family member earns another opportunity for conciliation.

exercised and resolves the noncompliance, both the TANF agency and the family can avoid the time and expense of a formal appeal process.

The HHS OIG found that sanction notices in some states were deficient and recommended that HHS encourage states to ensure that all such notices are clear, complete, and accurate.²² Specifically, the OIG recommended that the notices identify the following: the amount by which benefits would be cut, the duration of the reduction, the reason for the sanction, the name and telephone number of the caseworker to contact about the sanction, the steps necessary to avoid or to remedy the sanction, the steps in the appeal and fair hearing process, and a local legal aid group.

As required by TANF, all states provide for an administrative review of any sanction decision that is contested. The review permits the family member to appeal a sanction decision within a specified period of time and receive a hearing before a state official, as was the case before TANF. While the case is pending, the family's benefits may continue but must be repaid in full if the sanction decision is upheld. Except in Wisconsin,²³ all states offer the traditional administrative review and due-process protections outlined in a 1970 Supreme Court decision that recognized a welfare family member's right to a hearing before cash benefits are terminated.²⁴

In an Average Month, 5 Percent of TANF Families Nationwide Are Under Sanctions

By 1998, many family members receiving TANF benefits were required to participate in work activities and meet other program responsibilities. For failure to comply with these responsibilities, about 135,800 families in an average month in 1998 received reduced TANF cash benefits or none at all because of the imposition of sanctions.²⁵ This number represented a sanction rate of about 5 percent of the average monthly caseload for the 49 states that provided data. (See table 5.) Most of these families received partial sanctions, but about 23,100 families received full-family sanctions. The sanctions covered all areas of noncompliance—work and child

²²HHS OIG, *Temporary Assistance for Needy Families: Improving Client Sanction Notices*, OEI-09-98-00292 (Washington, D.C.: HHS, Oct. 1999).

²³Wisconsin created a new process for TANF that relies on a local agency's fact-finding, which is subject, upon request, to a state-level administrative law judge review.

²⁴*Goldberg v. Kelly*, 397 U.S. 254 (1970).

²⁵New York and Hawaii did not supply monthly data.

support as well as children’s schooling and immunization; adults’ substance abuse treatment; and attendance at orientation, assessment, and parenting classes. There were significant variations across states in the number of families affected each month and the proportion of the caseload subject to sanctions.

Table 5: Number and Percentage of Families Under Sanctions in an Average Month in 1998, by Sanction Type

Type of sanction	Families under sanctions		Number of states covered
	Number	Percentage of all TANF families	
Partial	112,700	4.5	42
Full-family	23,100	0.9	48
Overall	135,800	5.1	49

Some of the 49 states were able to provide specific reasons for the imposition of partial or full-family sanctions. The primary reason specified for sanctions was noncompliance with work responsibilities. About 83,000 families were under sanction in an average month in the 45 states that identified sanctions for this reason. For failure to cooperate with child support responsibilities, about 14,400 families were under sanctions in 24 states. For failure to verify that their children were immunized or to ensure that they were attending school, another 19,700 families were under sanctions in 13 states. Over 2,600 families were under sanctions for failure to comply with plan requirements, while about 400 were under sanctions for other reasons such as failure to attend parenting skills classes or substance abuse treatment. States did not provide specific reasons for the remaining 15,700 families under sanctions in an average month. (See apps. V and VI for reasons for sanctions, by state.)

Many Were Under Partial Sanctions in an Average Month

Partial sanctions accounted for most of the sanctions in effect in 1998. About 112,700 families in an average month had their TANF benefits reduced for noncompliance with their TANF responsibilities. This represented 4.5 percent of the average monthly caseload in the 42 states that provided data.

In states that provided data on reasons for partial sanctions, nearly 70,400 families in 34 states were under partial sanctions for failure to comply with work-related responsibilities. Another 13,700 families in 12 states were under partial sanctions for failure to cooperate with child support enforcement, and about 19,700 families in 8 states were under partial sanctions for noncompliance with children's school attendance or immunization responsibilities. In Louisiana, however, almost all partial sanctions were imposed for noncompliance with child support enforcement, and in Maryland almost all partial sanctions were imposed for noncompliance with children's school attendance or immunization requirements.

Most partial sanctions were imposed for first-time noncompliance. Significantly fewer partial sanctions were imposed for repeated or prolonged noncompliance in the eight states that supplied such data. In these eight states, about 75 percent of the partial sanctions were imposed for first-time noncompliance with program requirements, while 24 percent were imposed for second instances and 1 percent for additional instances. In New Hampshire, for example, the state reduced the benefits of 182 families in an average month for first-time noncompliance. For additional instances of noncompliance, it reduced benefits for 56 families in an average month.²⁶

Partial sanction rates varied greatly across states in 1998. As a percentage of average monthly caseloads, partial sanction rates ranged from less than 1 percent in four states to 28.6 percent in North Carolina. Possible explanations for the variation include state policies on sanctions and conciliation, the degree to which states enforce their policies, the TANF program design and demographics, and the timing of TANF implementation.

²⁶The pattern was similar in Delaware, where partial sanctions for first-time noncompliance with work responsibilities reduced the benefits of 476 families in an average month and for the second instance of noncompliance for 193 families. The pattern differed in Montana, where partial sanctions for second instances of noncompliance were imposed on more families than first instances. For first-time noncompliance, Montana reduced the benefits of 150 families in an average month and for 182 families for the second instance.

Few Were Under Full-Family Sanctions

Full-family sanctions resulted in a loss of all cash benefits and often resulted in case closure for about 23,100 families in an average month in 1998. This number represented 0.9 percent of the average monthly caseload in the 48 states that provided data. Among those receiving full-family sanctions were at least 28 families in which the adult was banned for life from receipt of TANF benefits because of repeated or prolonged noncompliance.²⁷

The majority of full-family sanctions were imposed for failure to comply with work-related responsibilities, according to reports from states that supplied details. Nearly 12,600 families were under full-family sanctions for this reason in an average month in 41 states. Another 1,500 families in eight states were under full-family sanctions for failure to comply with responsibilities in their individualized plans, which may include work-related responsibilities. About 600 families in 17 states were under full-family sanctions for failure to cooperate with child support enforcement. Some states, such as Illinois, however, did not provide detailed reasons for their sanctions.

Full-family sanction rates also varied across states, but not as greatly as did partial sanctions. As a percentage of their average monthly caseloads, full-family rates ranged from less than 1 percent in 26 states to 5 percent in Florida and 7 percent in Wyoming. Possible explanations for the variation are similar to those for the variation in partial sanction rates across states.

As might be expected, the number of families affected and the sanction rates generally varied in relation to the type of state sanction policy for noncompliance with work responsibilities in 1998. (See table 6.) States with partial sanction policies accounted for more families with partial sanctions and a higher partial sanction rate, on average, than states with graduated or full-family sanction policies. States with full-family sanction policies accounted for more families affected and a higher average full-family sanction rate, on average, than states with graduated or partial sanction policies. The actual sanction data in table 6 are for all reasons, including noncompliance with work responsibilities as well as noncompliance with other responsibilities, such as children's school

²⁷From 1995 through mid-1999 in the seven states with policies calling for lifetime bans, Delaware banned the adults in 750 families; Pennsylvania the adults in 131; Georgia, 29; Wisconsin, 3; and Nevada, none. Idaho and Mississippi were not able to provide information on the number of families affected by lifetime bans.

attendance, which are often subject to less stringent sanctions than noncompliance with work.

Table 6: Number and Percentage of Families Under TANF Sanctions for Any Reason, by Type of Work Sanction Policy, in an Average Month in 1998

State sanction policy for noncompliance with work responsibilities	Families under partial sanctions		Families under full-family sanctions		Total number of states with the policy ^a
	Number	Percentage	Number	Percentage	
Partial	67,400	5.5	1,100 ^b	0.1	15
Graduated	36,900	4.1	10,100	1.1	22
Full-family	8,400	2.1	11,900	2.4	14
Total	112,700	4.5	23,100	0.1	51

^aThe number of states with partial and full-family sanction policies for noncompliance with work responsibilities changed from 1998 to 1999. The state policies, number of families under sanctions, and the sanction rates in this table reflect those in effect in calendar year 1998.

^bCase closures in three states accounted for most of these full-family sanctions—California, Indiana, and North Carolina. California officials explained that when a partial sanction reduces a family's monthly benefits to \$10 or less, the family's benefits are terminated and the case is closed. An Indiana official said that cases are not closed because of sanctions, but when the cases of families under partial sanctions are closed for other reasons, they may be reported as closed because of sanctions. North Carolina closes cases when family members fail to sign their personal responsibility contracts.

State Studies Focus on Characteristics and Status of Families Under Sanctions

Limited information is available on the characteristics of families who received sanctions and on what happened to them afterward. We looked at reports from the states that did track such information. The studies were conducted for various purposes, and some are more rigorous than others. Studies in nine states reported that TANF families who received sanctions were less educated or faced more problems in complying with work responsibilities than TANF families who did not receive sanctions. For one-third of these families, the sanctions served their intended purpose, bringing the families back into compliance within a few months. Another 41 percent found employment and did not return to TANF. Those who did not become employed often turned to relatives and friends for support. Many families who received sanctions and left TANF continued to rely on publicly funded programs for food and medical care. Generally, these families reported that they managed to make ends meet, and few indicated that they had trouble paying bills, had to place their children in the care of others, or had become homeless. (See app. VII for a list of the studies described in this section.)

Families Under Sanctions Were Less Educated or Faced More Barriers

Six state studies found that family members who received full-family or partial sanctions were more likely to have dropped out before completing high school than those who did not receive sanctions.²⁸ Limited work experience and lengthy welfare receipt were also more characteristic of sanctioned families, according to several studies.²⁹ Early studies in four states identified barriers to compliance, such as problems with transportation, child care, and health, as significant factors regarding the imposition of sanctions.³⁰

Delaware researchers concluded that having less education and other factors may make it more difficult for sanctioned TANF families to understand the complex program requirements and the consequences of noncompliance, and also may make it less likely that the families have the organizational skills and abilities needed to comply with these requirements. Observing a group of 2,279 families for 18 months after they were enrolled in the state's welfare reform demonstration program, the researchers found a correlation between the adult's education level and the probability of receiving sanctions with higher sanction rates among adults who had not completed high school. Furthermore, the families' responses to their sanctions appeared to vary with their education level. The less educated were less likely to take positive action either to comply or to quit the program. Instead, they were more likely to do nothing while in sanction status and, as a result, for their sanction to progress until they were dropped from TANF.

²⁸The studies were conducted in Arizona, Delaware, Michigan, Minnesota, Tennessee, and Washington. See app. VII for full citations for each of these studies.

²⁹Arizona researchers found differences in the length of time a family had received welfare and in marital and minority status, with sanctioned families three times as likely to have received welfare continuously for 2 years before case closure. In Delaware, sanctions were more prevalent among family members who had been on welfare longer, were younger, were nonwhite, had more children, and had lower earnings before exposure to welfare reform. In Maryland, proportionately more sanctioned family members were younger, white, and lacked prior work experience.

³⁰The states were Iowa, Michigan, Minnesota, and Utah.

Four early state studies found that transportation, child care, and health difficulties were most often identified as reasons that families did not comply with program responsibilities and received sanctions.³¹ Examples of transportation difficulties in Utah included the commuting time and distances from rural areas to available work in urban areas, and the lack of transportation to access child care providers. Some specific health difficulties cited, such as diabetes, emphysema, asthma, and depression, made it difficult to work but were not at stages severe enough to qualify TANF family members for disability. In Minnesota, a 1996 study found that the difficulties faced by families under sanctions were similar to those reported for TANF families in general but were more prevalent among the families under sanctions. Furthermore, these families often had multiple barriers to compliance. Among families under sanctions, 76 percent had at least one barrier to compliance and 39 percent had multiple barriers, more than double the rates among all TANF families.

Iowa researchers suggested that the reported difficulties may stem from more fundamental issues such as poor communications and problem-solving skills, low self-esteem, and an inability or unwillingness to make work a priority. They recommended that TANF staff and families work together to address immediate difficulties, such as transportation, as well as the underlying issues. Furthermore, they recommended that families under sanctions receive intensive case management and additional services as needed.

³¹Child care difficulties may be regarded differently by TANF caseworkers and families, according to the HHS OIG. For example, some caseworkers considered the referrals and subsidies provided for child care to be adequate and refused to accept lack of quality child care as an acceptable reason to exempt TANF family members from work and other program requirements.

In Several States, Benefits Were Reinstated for About One-Third of Families Under Sanctions

In 10 states, researchers found that an average of about one-third of family members came back into compliance after receiving partial sanctions or returned to TANF after receiving full-family sanctions.³² Most did so within a few months of receiving a sanction. Another 2 to 9 percent were back on TANF but exempt from compliance after their family circumstances were reconsidered.³³ Arizona and Maryland reported that families who left TANF because of full-family sanctions were significantly more likely to return within 3 months than families who left the program for all other reasons. To achieve higher rates of compliance, Delaware researchers recommended that TANF staff consider limiting the number of program requirements subject to sanctions, making certain they are understood and enforced, and working to remove barriers to compliance.

Some of these state studies also provided information on families who did not come back into compliance. In five states, from 17 to 51 percent of families under sanctions remained in sanction status, while 15 to 35 percent left the program voluntarily. Delaware researchers found that although nearly one-third of families with partial sanctions came back into compliance, families under sanctions left the program at twice the rate of families who did not receive sanctions. In Iowa, about one-quarter of those who returned to the program later received a second sanction.

³²We calculated the average on the basis of data from Arizona, Delaware, Florida, Indiana, Iowa, Kansas, Maryland, Michigan, Minnesota, and Washington. Five of these provided data for families who returned to compliance within 3 months.

³³Four of the states provided data on exemptions.

Many Who Left the Program Because of Sanctions Found Work or Other Sources of Support

An average of 41 percent of families who had received sanctions were working after they left TANF, on the basis of results from 10 studies in nine states.³⁴ This ranged from 15 percent in Utah to over 50 percent in Iowa, North Carolina, and Oklahoma. Most were working for low wages in jobs not covered by health insurance or other fringe benefits. Overall, their employment rates and average earnings were higher after they left TANF than while they were on TANF, but lower than the employment rates and earnings of families who left TANF for all other reasons, such as employment, procedural violations, or time limits, for the three studies that made the comparison.³⁵ Many who left TANF and were no longer receiving cash assistance reported that they turned to family and friends for housing, transportation, or other support.

Iowa researchers credited sanctions with spurring TANF family members to obtain employment who might otherwise have remained in the program. In Iowa, 43 percent of respondents with a second full-family sanction were employed in 1998 in at least one job, while 12 percent were employed in two or more jobs concurrently. On average, they earned \$925 a month in full-time jobs that paid more than the minimum wage but provided no health insurance or other fringe benefits. In Arizona, 40 percent of the 2,155 families who received sanctions were employed after they left TANF. Their earnings averaged \$1,649 over the 3 months since leaving the program in 1998, with 42 percent earning \$1,000 or less and 58 percent earning more. Both the employment rates and average earnings of families who had received sanctions were higher after leaving TANF than before, but lower than those of families who left TANF for all other reasons. In North Carolina, 52 percent of sanctioned families who responded to state study questions were working in December 1998, including 5 percent who were self-employed. This rate was lower than the employment rate of respondents whose cases were closed for other reasons, and the employment rate was generally lower even as the number of sanctions the respondents had received went up.

³⁴We calculated the average on the basis of data from Arizona, Florida, Iowa, Michigan, New Jersey, North Carolina, Oklahoma, Tennessee, and Utah.

³⁵Arizona and Iowa studies showed increased employment rates and average earnings for sanctioned families. Arizona and North Carolina studies showed that employment rates of sanctioned families were lower than those of families who left TANF for other reasons.

In the state studies that asked such questions, families who were no longer receiving TANF cash assistance because of sanctions often reported that they depended on family, friends, or neighbors for support such as housing, use of an automobile, access to a telephone, or loans. In Iowa, 33 percent depended on family or friends for housing, 44 percent for transportation, 49 percent for use of a telephone, and 28 percent for cash assistance.³⁶ Child support was also an important source of income for some respondents, ranging from 3 percent of respondents in New Jersey to 19 percent in Iowa.

Seven State Studies Showed That Families Who Left TANF Because of Sanctions Received Food Stamps and Medicaid

Many families managed to meet their essential needs through income from employment, the support of family and friends, benefits from other government programs, or some combination of these after they left TANF because of sanctions. The majority of families continued to receive Food Stamp, Medicaid, or other publicly funded program benefits. However, some families reported that they were experiencing hardships.

Many families continued to rely on food stamps and Medicaid whether or not they were working, according to the seven studies in six states where this information was reported.³⁷ From 57 to 71 percent received food stamps, and 59 to 88 percent received Medicaid within a few months of leaving TANF. Other government programs cited for their value were the Special Supplemental Nutrition Program for Women, Infants, and Children and/or Supplemental Security Income. In Arizona, sanctioned families depended on these government programs to a greater extent after their cases were closed than families who had not received a sanction. While on TANF, nearly 90 percent of these Arizona families received food stamps and 100 percent received Medicaid coverage. After leaving TANF, Food Stamp and Medicaid benefit receipt declined steadily for families who had received sanctions and those who had not, but less sharply for sanctioned families. About 59 percent of sanctioned families received food stamps and 73 percent received Medicaid coverage in Arizona at least 3 months after case closure. In Iowa's case study interviews, sanctioned family members emphasized repeatedly the value they place on continued Medicaid receipt, especially for their children. Iowa researchers stressed that continued

³⁶In New Jersey and Utah, 52 and 63 percent, respectively, said family or friends were supporting them after their cases were closed because of sanctions. In Tennessee and Florida, 33 and 19 percent, respectively, said they received help in paying their bills from family or friends.

³⁷These states were Arizona, Iowa, Michigan, New Jersey, Tennessee, and Utah.

participation in these government programs is critical to the well-being of families who leave TANF because of sanctions.

While many families appeared able to meet their immediate family needs after they left welfare, a few reported that they experienced hardships in the state studies that asked the question. The hardships included inability to pay bills, loss of utilities, inability to continue to care for their children, and homelessness. In Florida, 5 percent said they were unable to pay their bills and 18 percent in Michigan said they had received notices that their utilities would be cut off. In New Jersey and Utah, 3 percent of respondents found it necessary to place their children in the care of relatives, and in Iowa, 5 percent of respondents said their minor child was no longer living with them. Homelessness was reported by 3 percent of respondents in Michigan and 4 percent in Iowa, down from the 12 percent reported in the preceding year.

Conclusions

Although sanction rates in the states during 1998 were low, about 135,800 families nationwide were under sanctions in an average month during that year. State studies of these families indicate that they tended to have adults with lower levels of education and less work experience than the TANF population in general. Moreover, when TANF payments stopped, sanctioned families relied on support from family and friends rather than income from employment to a greater extent than families who left the program for other reasons. The characteristics of families affected by sanctions lend further support to the HHS OIG's recent recommendations intended to help ensure that families understand their work and other responsibilities under TANF and the penalties for not meeting these responsibilities.

Agency Comments

We provided HHS with a draft of this report for comment. HHS said the report was timely and provided important information on the sanction policies states have implemented within the flexibility afforded under TANF. HHS also provided technical comments, which we have incorporated where appropriate. (HHS' comments are in app. VIII.)

As arranged with your offices, unless you publicly announce its contents earlier, we will make no further distribution of this report until 7 days after the date of this letter. At that time, we will send copies to the Honorable

Donna E. Shalala, Secretary of Health and Human Services, and program officials in each of the states and the District of Columbia. We also will make copies available to others on request.

If you have any questions concerning this report, please contact me on (202) 512-7215. Other GAO contacts and staff acknowledgments are listed in appendix IX.



Cynthia M. Fagnoni
Director, Education, Workforce, and
Income Security Issues

Scope and Methodology

This appendix describes our scope and methodology for collecting (1) information on state sanction, conciliation, and appeal policies; (2) state data on the number of benefit reductions and terminations due to sanctions, and the reasons for these benefit reductions and terminations; and (3) information from state studies on families under sanction. We conducted our review between January 1999 and January 2000 in accordance with generally accepted government auditing standards.

State Sanction, Conciliation, and Appeal Policies

To obtain information on state sanction policies affecting TANF and Medicaid benefits, we extracted information from reports issued by the Department of Health and Human Services (HHS), the Congressional Research Service, and the Urban Institute, as well as prior GAO reports, on policies in effect during 1997 and 1998. We then contacted state TANF program directors or their policy specialists in all 50 states and the District of Columbia to confirm, correct, clarify, and update this information for 1999. For information on state TANF sanction policies affecting Food Stamp benefits, we relied primarily on information about the states and the District of Columbia provided by the Food and Nutrition Service of the Department of Agriculture. All of the state sanction policies described in this report were in effect as of September 1999.

To obtain information on state conciliation policies in effect in 1999, we requested documents from all 50 states and the District of Columbia that describe the procedures to be followed before sanction notices are mailed to TANF family members. We also interviewed all state TANF directors or policy officials to clarify the information provided and to confirm whether the states require TANF staff to follow conciliation procedures similar to those previously required for the Job Opportunities and Basic Skills Training (JOBS) program component of Aid to Families With Dependent Children (AFDC). Where available, we relied on descriptions of state TANF conciliation procedures published in research studies to increase our understanding of state policies. We coordinated our policy review with the HHS Office of Inspector General's (OIG) review of the implementation of state sanction policies and conciliation procedures, and observed focus groups the OIG conducted with caseworkers, TANF family members, and the TANF agency director at one site in California to discuss the use of sanctions in order to increase compliance with program responsibilities.

To obtain information on state appeal policies in effect in 1999, we contacted state attorneys to determine whether the policies for TANF families were the same as those under AFDC. The AFDC appeal policies

were prescribed by HHS in federal regulations. States had previously reported to HHS that they applied the AFDC policies to welfare families enrolled in JOBS. We also obtained information from a 1999 survey of state appeal procedures conducted by the Center for Law and Social Policy.

State Data on the Number of Benefit Terminations and Reductions Due to Sanctions

To determine the number of TANF families affected by sanctions, we requested data from TANF programs in each of the 50 states and the District of Columbia for calendar year 1998, the most recent year for which complete data were available in the majority of states. All states except Hawaii and New York provided data in response to our request.

We asked each state for data on the number of sanctions in effect for each month during the year. For each month, we requested the number of TANF families (that is, cases) in benefit reduction status as a result of partial sanctions and the number of benefit terminations due to full-family sanctions. Not all states were able to provide data for both partial and full-family sanctions.

Although we asked for the number of TANF cases in benefit reduction status, some states were only able to provide the number of individuals in benefit reduction status. In these states, we used data on the number of TANF recipients rather than cases.¹ A few states provided an estimate derived from samples of cases.

We considered partial sanctions to be benefit reductions of less than 100 percent. We defined benefit terminations to include case closures resulting from sanctions and other cases in which a family's benefit amount was zero because of the imposition of a sanction but the family's case remained open. We relied on the data states gave us from information systems they use to manage their programs, and we did not independently verify these data.

We also asked the states to provide data on their TANF caseload during each month in calendar year 1998. Some states gave us data based on the caseload as of a given day during the month. Others provided cumulative

¹These states include Alaska, California, Colorado, Indiana, Massachusetts, Montana, New Jersey, Nevada, Oklahoma, Pennsylvania, Washington, and Wisconsin. It should be noted that since most cases are single-parent families, the individual recipient is a fairly close proxy for a family case count.

totals of all cases open or receiving TANF assistance at any point during the month. Most states gave us actual numbers of cases. A few provided an estimate derived from samples of cases.

The data in this report include sanctions for noncompliance with work, child support enforcement efforts, and children's schooling and immunization responsibilities as well as all noncompliance with TANF responsibilities identified in federal or state law and individualized plans.² The data do not include penalties for failing to follow procedural requirements such as reporting household income, verifying Social Security numbers, submitting to fingerprinting, or for committing fraud. We also did not include penalties for families that failed to meet eligibility requirements, such as teen parents who did not live at home or attend school. Although most states were able to provide numbers of sanctions in general, some were not able to break out these numbers by the specific reason for sanction.

Calculating the Average Monthly Sanction Rate

To determine the average monthly sanction rate during 1998 for each state, we divided the number of sanctions in an average month for a state by the state's caseload in an average month. We calculated the number of sanctions in an average month in a state by summing the number of cases in sanction status for each month provided and dividing this total by the number of months for which data were provided. We calculated a state's caseload in an average month by summing its caseload in each month for which caseload data were provided and dividing this total by the number of months.

To determine the average monthly sanction rate nationwide during 1998, we divided the sum of the number of sanctions in an average month for all states by the sum of the caseload in an average month for all states. We also grouped the states by the type of sanction policy the state had in 1998 for noncompliance with work requirements (see table 6). For each group, we calculated the overall average monthly sanction rate using the same method used for calculating the average monthly sanction rate nationwide.

²In most states, a family that was noncompliant was counted only once, regardless of the number of reasons for sanctions, but in four states, a family might have been counted for each type of noncompliance.

State Studies of Families Under Sanctions

To obtain published studies of the characteristics and status of families that received partial or full-family sanctions, we contacted TANF directors or evaluation staff in all 50 states and the District of Columbia, as well as HHS and national organizations that track state evaluation efforts. Through this process, we located 17 studies of families under sanctions in 15 states that were published between March 1996 and November 1999. The studies described in this report are those we identified that relied on administrative data, survey data, or both. They represent a mix of studies designed to meet research objectives, management needs, or some combination of these, with varying time frames and resource constraints. Several studies that relied exclusively on survey data were designed to provide early information on the effects of state policy and program decisions for internal use in order to improve state program administration. Of six studies that relied exclusively on survey data, one obtained a response rate of at least 70 percent, and four that had lower response rates compared the characteristics of respondents and nonrespondents and found no significant differences. Although respondents and nonrespondents may still differ in their unmeasured characteristics, because of the limited number of studies on this subject, we chose not to exclude studies on the basis of their low response rates. Also, we included the results of the one survey that did not compare respondents with nonrespondents where its findings paralleled those of other studies. (See app. VII for a list of the studies described in this report.)

These studies varied in the time period covered, population examined, methodology used, information they focused on, and generalizability of their results statewide. Four state studies reported the results of sanctions imposed under waivers to the AFDC program rules that permitted early experimentation with TANF requirements. Four studies in three states examined families receiving cash assistance who were under partial sanctions. Another 13 studies in 12 states examined families who left cash assistance. Studies in Delaware and Indiana tracked a cohort of adults from one or more counties longitudinally. Administrative data alone or combined with survey data were used in 12 studies. Where studies were early, sample sizes small, or response rates low, results may not reflect the situations of TANF caseloads with the study states.

Policies on Sanctions for Noncompliance With TANF Work Responsibilities, by State, in 1999

State	Maximum monthly cash benefit for family with 1 adult and 2 children	Sanctions for first instance of noncompliance		Most stringent sanctions for repeated or prolonged noncompliance		Min. time between imposition of first partial sanction and imposition of first full-family sanction
		Effect on cash benefit amount	At minimum, lasting . . .	Effect on cash benefit amount	At minimum, lasting . . .	
Partial sanction policy						
Alaska	\$923	Adult portion deducted ^a	1 month	Adult portion deducted ^a	12 months	N/A
Arkansas	204	Reduced 25%	Until compliance	Reduced 25%	Until compliance	N/A
California	626	Adult portion deducted	Until compliance	All but rent/utility allowances deducted	6 months	N/A
District of Columbia	379	Adult portion deducted	Until compliance	Adult portion deducted	6 months	N/A
Indiana	288	Adult portion deducted	2 months	Adult portion deducted	36 months	N/A
Maine	461	Adult portion deducted	Until compliance	Adult portion deducted	6 months	N/A
Minnesota	783 ^b	Reduced 10%	1 month	Reduced 30% plus rent/utility allowances deducted ^c	6 months	N/A
Missouri	292	Reduced 25%	Until compliance	Reduced 25%	3 months	N/A
Montana	468	Adult portion deducted	1 month	Adult portion deducted	12 months	N/A
New Hampshire	550	Adult portion deducted	½ month	Adult portion, + 2/3 of remainder, deducted	½ month	N/A
New York	577	Adult portion deducted	Until compliance	Adult portion deducted	6 months	N/A
Rhode Island	554	Adult portion deducted	Until compliance	Reduced by 140% of adult portion	Until compliance	N/A
Texas	197	Reduced by \$78 if one adult does not comply; reduced by \$125 if two	1 month	Reduced by \$78 if one adult does not comply; reduced by \$125 if two	6 months	N/A
Washington	546	Adult portion deducted	Until compliance	Adult portion deducted or reduced 40%	Until compliance	N/A
Graduated sanction policy						
Alabama	164	Reduced 25%	Until compliance	Reduced 100%	6 months	3 months

Continued

**Appendix II
Policies on Sanctions for Noncompliance
With TANF Work Responsibilities, by State,
in 1999**

State	Maximum monthly cash benefit for family with 1 adult and 2 children	Sanctions for first instance of noncompliance		Most stringent sanctions for repeated or prolonged noncompliance		Min. time between imposition of first partial sanction and imposition of first full-family sanction
		Effect on cash benefit amount	At minimum, lasting . . .	Effect on cash benefit amount	At minimum, lasting . . .	
Arizona	347	Reduced 25%	1 month	Reduced 100%	1 month	3 months
Colorado	357	Reduced 25%	1-3 months	Reduced 100%	3-6 months	3-6 months
Connecticut	543	Reduced 20%	3 months	Reduced 100%	3 months	9 months
Delaware	338	Reduced 33%	Until compliance	Reduced 100%	Lifetime	4 months
Georgia	280	Reduced 25%	1 month	Reduced 100%	Lifetime	3 months
Illinois	377	Reduced 50%	Until compliance	Reduced 100%	3 months	3 months
Kentucky	262	Adult portion deducted ^a	Until compliance	Reduced 100%	Until compliance	24 months
Louisiana	190	Adult portion deducted	3 months	Reduced 100%	Until compliance	3 months
Massachusetts	579	Adult portion deducted	Until compliance	Reduced 100%	Until compliance	1 month
Michigan	459	Reduced 25% ^a	1 month	Reduced 100%	1 month	4 months
North Carolina	272	Reduced 25%	3 months	Reduced 100%	1 month	3 months
North Dakota	549	Adult portion deducted	1 month	Reduced 100%	Until compliance	6 months
New Jersey	424	Adult portion deducted	1 month	Reduced 100%	3 months	3 months
New Mexico	439	1 month of compliance	1 month of compliance	Reduced 100%	6 months	6 months
Nevada	348	Reduced 33%	1 month	Reduced 100%	Lifetime	3 months
Oregon	460	Reduced by \$50	Until compliance	Reduced 100%	Until compliance	6 months
Pennsylvania	403	Adult portion deducted	1 month	Reduced 100%	Lifetime	24 months
South Dakota	430	Reduced 50% ^a	1 month	Reduced 100%	1 month	1 month
Utah	197	Reduced by \$100	Until compliance	Reduced 100%	Until compliance	2 months
Vermont	639	Adult portion reduced	Until compliance	Reduced 100%	Until compliance	28 months
West Virginia	303	Reduced 33%	3 months	Reduced 100%	6 months	6 months

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**Appendix II
Policies on Sanctions for Noncompliance
With TANF Work Responsibilities, by State,
in 1999**

State	Maximum monthly cash benefit for family with 1 adult and 2 children	Sanctions for first instance of noncompliance		Most stringent sanctions for repeated or prolonged noncompliance		Min. time between imposition of first partial sanction and imposition of first full-family sanction
		Effect on cash benefit amount	At minimum, lasting . . .	Effect on cash benefit amount	At minimum, lasting . . .	
Full-family sanction policy						
Florida	303	Reduced 100%	Until compliance	Reduced 100%	3 months	N/A
Hawaii	712	Reduced 100%	Until compliance	Reduced 100%	3 months	N/A
Iowa	426	Reduced 100%	Until compliance	Reduced 100%	6 months	N/A
Idaho	276	Reduced 100%	1 month	Reduced 100%	Lifetime	N/A
Kansas	429	Reduced 100%	Until compliance	Reduced 100%	2 months	N/A
Maryland	461	Reduced 100%	Until compliance	Reduced 100%	1 month	N/A
Mississippi	170	Reduced 100%	2 months	Reduced 100%	Lifetime	N/A
Nebraska	364	Reduced 100%	1 month	Reduced 100%	12 months	N/A
Ohio	362	Reduced 100%	1 month	Reduced 100%	6 months	N/A
Oklahoma	292	Reduced 100%	Until compliance	Reduced 100%	Until compliance	N/A
South Carolina	201	Reduced 100%	1 month of compliance	Reduced 100%	1 month of compliance	N/A
Tennessee	232	Reduced 100%	Until compliance	Reduced 100%	3 months	N/A
Virginia	291	Reduced 100%	1 month	Reduced 100%	6 months	N/A
Wisconsin	673	Reduced 100% ^d	1 month	Reduced 100% ^d	Lifetime	N/A
Wyoming	340	Reduced 100%	1 month	Reduced 100%	1 month	N/A

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Note: N/A = not applicable.

^aThe cash benefit is reduced by 100% in Alaska and South Dakota if the TANF adult quits or refuses to work, in Kentucky if the TANF adult does not complete an assessment, and in Michigan if the noncompliant family has received TANF for less than 2 months.

^bIn Minnesota, the TANF cash benefit and Food Stamp benefit are combined.

^cIn Minnesota, for the second and subsequent instances of noncompliance, the family's benefit is reduced by 30% after rent and, at a county's option, utility allowances are deducted and paid directly to the landlord or utility companies.

^dIn Wisconsin, reduction in cash benefit is based on the number of hours worked in the previous month. If recipient worked part of the time, benefit reduction could be partial.

Policies on Sanctions for Noncompliance With Child Support Enforcement Responsibilities, by State, in 1999

State	Maximum monthly cash benefit for family with 1 adult and 2 children	Sanctions for first instance of noncompliance		Sanctions for repeated/prolonged noncompliance		Minimum time between imposition of first partial sanction and imposition of first full-family sanction
		Effect on cash benefit amount	At minimum, lasting . . .	Effect on cash benefit amount	At minimum, lasting . . .	
Partial sanction policy						
Alaska	\$923	\$368-\$371 deducted	Until compliance	\$368-\$371 deducted	Until compliance	N/A
Arkansas	204	Reduced 25%	Until compliance	Reduced 25%	Until compliance	N/A
California	626	Reduced 25%	Until compliance	Reduced 25%	6 months	N/A
District of Columbia	379	Reduced 25%	Until compliance	Reduced 25%	Until compliance	N/A
Indiana	288	Adult portion deducted	Until compliance	Adult portion deducted	Until compliance	N/A
Iowa	426	Reduced 25%	Until compliance	Reduced 25%	Until compliance	N/A
Kentucky	262	Reduced 25%	Until compliance	Reduced 25%	Until compliance	N/A
Maine	461	Adult portion deducted	Until compliance	Adult portion deducted	Until compliance	N/A
Massachusetts	579	Adult portion deducted	Until compliance	Adult portion deducted	Until compliance	N/A
Minnesota	783 ^a	Reduced 25%	1 month	Reduced 25%	Until compliance	N/A
Missouri	292	Reduced 25%	Until compliance	Reduced 25%	Until compliance	N/A
Montana	468	Adult portion deducted	Until compliance	Adult portion deducted	Until compliance	N/A
Nebraska	364	Reduced 25%	Until compliance	Reduced 25%	Until compliance	N/A
New Hampshire	550	Reduced 25% ^b	½ month	Reduced 25%	½ month	N/A
New York	577	Reduced 25%	Until compliance	Reduced 25%	6 months	N/A
North Carolina	272	Reduced 25%	Until compliance	Reduced 25%	Until compliance	N/A
Oklahoma	292	Reduced 25%	Until compliance	Reduced 25%	Until compliance	N/A
Pennsylvania	403	Reduced 25%	Until compliance	Reduced 25%	Until compliance	N/A

Continued

**Appendix III
Policies on Sanctions for Noncompliance
With Child Support Enforcement
Responsibilities, by State, in 1999**

State	Maximum monthly cash benefit for family with 1 adult and 2 children	Sanctions for first instance of noncompliance		Sanctions for repeated/prolonged noncompliance		Minimum time between imposition of first partial sanction and imposition of first full-family sanction
		Effect on cash benefit amount	At minimum, lasting . . .	Effect on cash benefit amount	At minimum, lasting . . .	
Rhode Island	554	Reduced 25%	Until compliance	Reduced 25%	Until compliance	N/A
Texas	197	Reduced by \$78	Until compliance	Reduced by \$78	Until compliance	N/A
Vermont	639	Reduced 25%	Until compliance	Reduced 25%	Until compliance	N/A
Washington	546	Reduced 25%	Until compliance	Reduced 25%	Until compliance	N/A
Graduated sanction policy						
Alabama	164	Reduced 25%	Until compliance	Reduced 100%	6 months	3 months
Arizona	347	Reduced 25%	1 month	Reduced 100%	1 month	2 months
Colorado	357	Reduced 25%	1-3 months	Reduced 100%	3-6 month	3-6 months
Illinois	377	Reduced 50%	Until compliance	Reduced 100%	3 months	3 months
Michigan	459	Adult portion deducted	Until compliance	Reduced 100%	Until compliance	4 months
North Dakota	549	Adult portion deducted	1 month	Reduced 100%	Until compliance	6 months
New Mexico	439	Reduced 25%	Until compliance	Reduced 100%	6 months	6 months
Nevada	348	Reduced 33% ^c	1 month	Reduced 100%	Lifetime	3 months
Oregon	460	Reduced 25%	Until compliance	Reduced 100%	Until compliance	4 months
Utah	197	Adult portion deducted	Until compliance	Reduced 100%	Until compliance	2 months
Virginia	291	Reduced 25%	Until compliance	Reduced 100%	Until compliance	6 months
West Virginia	303	Reduced 33%	3 months	Reduced 100%	6 months	3 months
Full-family sanction policy						
Connecticut	543	Reduced 100%	Until compliance	Reduced 100%	Until compliance	N/A
Delaware	338	Reduced 100%	Until compliance	Reduced 100%	Until compliance	N/A
Florida	303	Reduced 100%	Until compliance	Reduced 100%	Until compliance	N/A

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**Appendix III
Policies on Sanctions for Noncompliance
With Child Support Enforcement
Responsibilities, by State, in 1999**

State	Maximum monthly cash benefit for family with 1 adult and 2 children	Sanctions for first instance of noncompliance		Sanctions for repeated/prolonged noncompliance		Minimum time between imposition of first partial sanction and imposition of first full-family sanction
		Effect on cash benefit amount	At minimum, lasting . . .	Effect on cash benefit amount	At minimum, lasting . . .	
Georgia	280	Reduced 100%	Until compliance	Reduced 100%	Until compliance	N/A
Hawaii	712	Reduced 100%	Until compliance	Reduced 100%	Until compliance	N/A
Idaho	276	Reduced 100%	Until compliance	Reduced 100%	Until compliance	N/A
Kansas	429	Reduced 100% ^d	Until compliance	Reduced 100%	2 months	N/A
Louisiana	190	Reduced 100%	Until compliance	Reduced 100%	Until compliance	N/A
Maryland	461	Reduced 100%	Until compliance	Reduced 100%	Until compliance	N/A
Mississippi	170	Reduced 100%	Until compliance	Reduced 100%	Until compliance	N/A
New Jersey	424	Reduced 100%	Until compliance	Reduced 100%	Until compliance	N/A
Ohio	362	Reduced 100%	1 month	Reduced 100%	6 months	N/A
South Carolina	201	Reduced 100% ^d	Until compliance	Reduced 100%	Until compliance	N/A
South Dakota	430	Reduced 100%	Until compliance	Reduced 100%	Until compliance	N/A
Tennessee	232	Reduced 100%	Until compliance	Reduced 100%	Until compliance	N/A
Wisconsin	673	Reduced 100%	Until compliance	Reduced 100%	Until compliance	N/A
Wyoming	340	Reduced 100%	1 month	Reduced 100%	1 month	N/A

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Note: N/A = not applicable.

^aIn Minnesota the TANF cash benefit and Food Stamp benefit are combined.

^bIn New Hampshire the monthly grant is reduced by an amount equal to 25% of the payment standard for the first and subsequent instances of noncooperation.

^cIn Nevada the monthly grant is reduced by 33% or the adult share, whichever is greater, for the first month and 66% for the second month of noncooperation. Continued noncooperation reduces the grant by 100% for a minimum of 3 months. Repeated noncooperation may result in the maximum lifetime sanction.

^dIn Kansas and South Carolina, the reduction affects the benefits of the adult and the children for whom child support cooperation is withheld, not the benefits of other children in the TANF family.

Effect on Food Stamp Benefits of Noncompliance With TANF Work and Other Requirements, by State, in 1999

State	Effect on Food Stamp benefits of		
	Noncompliance with TANF work requirements by nonexempt family member, as required in 7 U.S.C. 2015(d)	Noncompliance with any TANF requirement at state option at 7 U.S.C. 2017(d) ^a	Noncompliance with any TANF requirement for comparability at state option at 7 U.S.C. 2015(i)
Alabama	Reduced 100%	None	None
Alaska	Partial reduction	25% reduction	None
Arizona	Partial reduction initially; 100% on 3rd instance of noncompliance	25% reduction	None
Arkansas	Partial reduction	None	None
California	Partial reduction	None	Partial reduction
Colorado	Partial reduction	None	None
Connecticut	Partial reduction	20% reduction	None
Delaware	Reduced 100%	None	None
District of Columbia	Partial reduction	None	None
Florida	Reduced 100%	None	Partial reduction
Georgia	Reduced 100%	None	None
Hawaii	Partial reduction	None	None
Idaho	Partial reduction	25% reduction	Partial reduction
Illinois	Partial reduction	None	None
Indiana	Partial reduction	None	None
Iowa	Partial reduction initially; 100% for repeated or prolonged noncompliance ^b	10% reduction	Partial reduction
Kansas	Reduced 100%	None	Partial reduction
Kentucky	Partial reduction	25% reduction	None
Louisiana	Reduced 100%	None	None
Maine	Partial reduction	None	Partial reduction
Maryland	Partial reduction	None	None
Massachusetts	Reduced 100%	None	Partial reduction
Michigan	Partial reduction	25% reduction	Partial reduction
Minnesota	Partial reduction	None	None
Mississippi	Partial reduction initially; 100% for repeated or prolonged noncompliance ^b	25% reduction	Partial reduction
Missouri	Partial reduction	None	None
Montana	Partial reduction	None	Partial reduction
Nebraska	Partial reduction initially; 100% for repeated or prolonged noncompliance ^b	10% reduction	None
Nevada	Partial reduction	None	None

Continued

**Appendix IV
Effect on Food Stamp Benefits of
Noncompliance With TANF Work and Other
Requirements, by State, in 1999**

Effect on Food Stamp benefits of

State	Noncompliance with TANF work requirements by nonexempt family member, as required in 7 U.S.C. 2015(d)	Noncompliance with any TANF requirement at state option at 7 U.S.C. 2017(d)^a	Noncompliance with any TANF requirement for comparability at state option at 7 U.S.C. 2015(i)
New Hampshire	Partial reduction	None	None
New Jersey	Reduced 100%	None	None
New Mexico	Partial reduction	20% reduction	None
New York	Partial reduction	None	None
North Carolina	Partial reduction	None	None
North Dakota	Reduced 100%	None	Partial reduction
Ohio	Reduced 100%	None	Partial reduction
Oklahoma	Reduced 100%	None	None
Oregon	Partial reduction	None	None
Pennsylvania	Partial reduction	None	None
Rhode Island	Partial reduction	20% reduction	None
South Carolina	Partial reduction	None	None
South Dakota	Reduced 100%	None	Partial reduction
Tennessee	Partial reduction	10% reduction	Partial reduction
Texas	Reduced 100%	None	None
Utah	Reduced 100%	None	None
Vermont	Partial reduction	None	None
Virginia	Reduced 100%	None	None
Washington	Partial reduction	None	Partial reduction
West Virginia	Partial reduction	None	None
Wisconsin	Partial reduction	None	None
Wyoming	Partial reduction	None	Partial reduction

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Note: States that do not impose sanctions on Food Stamp benefits for a family member's noncompliance with TANF work requirements or for a family member's noncompliance with other TANF requirements are cited as "none" in the effect column.

^aReduction is used by some states to ensure that Food Stamp benefits do not increase with the application of TANF sanctions.

^bReported to GAO by state TANF officials in detail not obtained from the Department of Agriculture's survey.

Source: Except as noted, September 1999 survey conducted by the Department of Agriculture's Food and Nutrition Service of its regional officials concerning states' Food Stamp sanction policies for noncompliance with TANF requirements.

Number of Families Under Partial Sanctions, by Reason for Sanction, in an Average Month in 1998

State	Reason not specified	Not compliant with work requirements	Not cooperating with child support enforcement efforts	Not compliant with child immunization or school attendance requirements	Other reasons	Total number of cases in an average month, 1998 ^a	Average monthly rate (percent) for all reasons
Alabama	0	1,683	0	0	0	1,683	7.37
Alaska	0	105	20	0	143	268	2.75
Arizona	b	1,553	b	b	b	1,553 ^c	4.11
Arkansas	265	b	b	b	b	265	2.02
California	b	6,527	b	b	b	6,527 ^c	0.91
Colorado	870	b	b	b	b	870	4.56
Connecticut	b	641	b	b	b	641 ^c	1.57
Delaware	0	668	0	0	395	1,063	14.46
District of Columbia	1,144	b	b	b	b	1,144	5.58
Florida	0	0	0	0	0	0	0
Georgia	0	608	0	0	66	674	0.87
Hawaii							
Idaho	0	0	0	0	0	0	0
Illinois	0	6,323	2,228	2	0	8,553	5.31
Indiana	0	1,115	0	0	467	1,582	4.74
Iowa	b	594	b	b	b	594 ^c	2.44
Kansas	0	0	0	0	0	0	0
Kentucky	b	2,628	b	b	b	2,628 ^c	5.29
Louisiana	0	28	975	0	0	1,003	2.13
Maine	0	584	61	0	0	644	4.30
Maryland	0	0	0	4,869	31	4,901	10.89
Massachusetts	0	970	527	339	0	1,836	2.89
Michigan	0	2,204	920	68	0	3,192	2.79
Minnesota	3,022	b	b	b	b	3,022	6.29
Mississippi	0	0	0	0	0	0	0
Missouri	0	5,786	715	0	0	6,501	11.30
Montana	435	b	b	b	b	435	7.25
Nebraska	0	0	3	3	0	6	0.05
Nevada	0	185	0	0	31	216	2.21
New Hampshire	b	238	b	b	b	238 ^c	4.03
New Jersey	b	5,032	b	b	b	5,032 ^c	7.02

Continued

**Appendix V
Number of Families Under Partial Sanctions,
by Reason for Sanction, in an Average Month
in 1998**

State	Reason not specified	Not compliant with work requirements	Not cooperating with child support enforcement efforts	Not compliant with child immunization or school attendance requirements	Other reasons	Total number of cases in an average month, 1998 ^a	Average monthly rate (percent) for all reasons
New Mexico ^e							
New York ^d							
North Carolina	0	10,731	4,062	4,753	22	19,568	28.60
North Dakota	b	178	b	b	b	178 ^c	5.46
Ohio	0	0	0	0	0	0	0
Oklahoma	0	0	55	54	0	109	0.48
Oregon ^d							
Pennsylvania	0	5,340	1,606	0	0	6,946	5.38
Rhode Island	194	b	b	b	b	194	1.01
South Carolina	1,175	b	b	b	b	1,175	5.14
South Dakota ^d							
Tennessee ^d							
Texas	0	11,240	2,545	9,600	363	23,748	15.46
Utah	283	b	b	b	b	283	2.69
Vermont ^d							
Virginia ^d							
Washington	b	3,538	b	b	b	3,538 ^c	4.83
West Virginia ^d							
Wisconsin	b	1,899	b	b	b	1,899 ^c	18.18
Wyoming	0	0	0	0	0	0	0

Continued from Previous Page

^aTotals may not add because of rounding.

^bState did not provide data on sanctions for this reason.

^cTotal represents sanctions as a result of noncompliance with work requirements only.

^dState did not provide monthly data.

^eNew Mexico provided data on the number of new sanctions imposed each month but could not provide the number of families in sanction status.

Source: Data provided by the states.

Number of Families Under Full-Family Sanctions, by Reason for Sanction, in an Average Month in 1998

State	Reason not specified	Not compliant with work requirements	Not compliant with requirements in individual plans (may include work requirements)	Not cooperating with child support enforcement efforts	Other reasons	Total number of cases in an average month, 1998 ^a	Average monthly rate (percent) for all reasons
Alabama ^b							
Alaska	0	23	0	0	0	23	0.23
Arizona	540	49	0	5	0	594	1.57
Arkansas	11	187	97	25	0	320	2.44
California	0	228	0	0	0	228	0.03
Colorado	174	^c	^c	^c	^c	174	0.91
Connecticut	0	79	0	32	0	110	0.27
Delaware	0	22	39	0	0	61	0.83
District of Columbia	0	0	0	0	3	3	0.01
Florida	5	4,705	0	297	14	5,021	5.06
Georgia	0	4	0	0	0	4	0
Hawaii ^b							
Idaho	0	7	69	2	1	79	4.70
Illinois	7,214	^c	^c	^c	^c	7,214	4.48
Indiana	0	410	0	0	0	410	1.23
Iowa	0	195	0	0	0	195	0.80
Kansas	0	240	0	62	0	302	2.25
Kentucky	0	23	0	0	0	23	0.05
Louisiana	0	62	0	0	0	62	0.13
Maine	0	5	0	1	0	5	0.03
Maryland	0	647	0	0	0	647	1.44
Massachusetts	0	168	0	0	0	168	0.26
Michigan	0	437	0	11	36	483	0.42
Minnesota	0	0	0	0	0	0	0
Mississippi	0	323	0	99	0	422	1.98
Missouri	0	7	0	0	0	7	0.01
Montana	0	12	5	1	0	19	0.31
Nebraska	66	^c	^c	^c	^c	66	0.53
Nevada	0	0	0	1	0	1	0.01
New Hampshire	0	0	0	0	0	0	0
New Jersey	0	732	0	0	0	732	1.02

Continued

**Appendix VI
Number of Families Under Full-Family
Sanctions, by Reason for Sanction, in an
Average Month in 1998**

State	Reason not specified	Not compliant with work requirements	Not compliant with requirements in individual plans (may include work requirements)	Not cooperating with child support enforcement efforts	Other reasons	Total number of cases in an average month, 1998 ^a	Average monthly rate (percent) for all reasons
New Mexico	1	c	c	c	c	1	0
New York ^b							
North Carolina	0	4	351	0	0	355	0.52
North Dakota	7	c	c	c	c	7	0.20
Ohio	0	2,798	0	0	0	2,798	2.18
Oklahoma	0	605	0	0	0	605	2.65
Oregon	117	c	c	c	c	117	0.67
Pennsylvania	0	20	0	0	0	20	0.02
Rhode Island	0	0	0	0	0	0	0
South Carolina	0	1	613	24	5	643	2.81
South Dakota	0	37	0	3	0	40	1.12
Tennessee	179	c	0	c	0	179	0.31
Texas	0	8	0	3	0	11	0.01
Utah	0	4	59	0	0	63	0.60
Vermont	0	0	0	0	0	0	0
Virginia	0	0	274	63	19	356	0.86
Washington	0	0	0	0	0	0	0
West Virginia	0	0	0	0	0	0	0
Wisconsin	0	477	0	0	0	477	4.57
Wyoming	0	71	0	5	0	71	7.04

Continued from Previous Page

^aTotals may not add because of rounding.

^bState did not provide monthly data.

^cState did not provide data on sanctions for this reason

Scope and Methodology of State Studies That Examined the Characteristics and Outcomes of TANF Families Under Sanction

State	Report(s) containing study results	Study population/time frames	Study design
Arizona	<i>Cash Assistance Exit Study: First Quarter 1998 Cohort</i> (Phoenix, AZ: Arizona Department of Economic Security, May 1999)	10,647 families who left TANF for any reason, 1/1/98–3/31/98, including 2,155 who left because of sanctions.	Used statewide administrative data for 3 months before quarter in which family left TANF and up to 9 months after.
Delaware	<i>The ABC Evaluation: Carrying and Using the Stick: Financial Sanctions in Delaware's A Better Chance Program</i> (Bethesda, MD: Abt Associates, Inc, May 1999)	2,279 families who were enrolled in the welfare reform demonstration program, including those who received sanctions, and who stayed or left for any reason, 12/96–6/98.	Used administrative data to track and compare families in the demonstration program with those not in the demonstration for 18 months; survey data for subset of these groups.
Florida	Robert Crew, Jr, and Joe Eyerman, <i>Sanctions in the WAGES Program</i> (Florida State University, Tallahassee, FL: Dec. 1998)	1,083 families who left TANF after receiving a sanction, 10/96–9/98.	Used survey data and data from a review of administrative records for a sample of families; 80 percent response rate.
Indiana	Pamela Holcomb and Caroline Ratcliffe, <i>When Welfare Recipients Fail to Comply With Work Requirements: Indiana's Experience With Partial Benefit Sanctions</i> (Washington, D.C.: Urban Institute, Oct. 1998)	Families under partial sanctions anytime between May 1996–May 1997.	Used administrative data to track a sample of TANF recipients in Marion County (Indianapolis) over time.
Iowa	<i>Iowa's Limited Benefit Plan: Summary Report</i> (Washington, D.C.: Mathematica Policy Research, Inc., and the Institute for Social and Economic Development, May 1997)	Families who left the welfare reform program because of full-family sanctions, 11/95–1/96.	Used administrative data on all families; surveyed a sample of these families; 85 percent response rate; in-depth case study interviews with 12 of these families.
	<i>Second Assignments to Iowa's Limited Benefit Plan</i> (Washington, D.C.: Mathematica Policy Research, Inc., Aug. 1999)	Families who left TANF a second time because of full-family sanctions, 3/98–5/98.	Used statewide administrative data tracking families for 20 months; used data from a sample of these families; response rate of 76%; in-depth case study interviews of the same 12 families as study above.
Kansas	Unpublished data on selected outcomes for all TANF cases that received sanction notices from the Kansas Employment Commission, Apr. 1999.	All families who received TANF sanction notices, 3/97–3/99.	Used statewide administrative data tracking universe over this period.
Maryland	<i>Life After Welfare: A Look at Sanctioned Families</i> (College Park, MD.: University of Maryland School of Social Work, Nov. 1999)	Families who left TANF because of full-family sanctions, 10/96–3/98.	Used statewide administrative data to track these families over 18 months, compared with a random sample of all those leaving TANF for any reason.

Continued

Appendix VII
Scope and Methodology of State Studies That
Examined the Characteristics and Outcomes
of TANF Families Under Sanction

State	Report(s) containing study results	Study population/time frames	Study design
Michigan	<i>A Study of AFDC Case Closures Due to JOBS Sanctions. April 1996</i> (Lansing, MI: Michigan Family Independence Agency, May 1997)	All families who left the welfare reform program because of full-family sanctions in 4/96.	Used review of administrative records statewide; survey data from in-person interviews with 53 percent of all families; compared results with results of 3 other studies.
Minnesota	<i>Study of Sanctioned Cases</i> (St. Paul, MN: Minnesota Department of Human Services, Mar. 6, 1996)	All families under partial sanctions in welfare reform program in 2/96 and in 8/96.	Used data from caseworkers and administrative records for a random sample of cases in 7-county program selected at 2 points in time; compared results with active caseload.
	<i>Report on Sanctions in the Statewide MFIP Program</i> (St. Paul, MN: Minnesota Department of Human Services, Jan. 20, 1999)	All families under TANF partial sanctions in 1998.	Used statewide administrative data; survey of TANF service providers with 96% response rate.
New Jersey	<i>FNJ (TANF) Sanction Survey</i> (Trenton, NJ: New Jersey Department of Human Services, July 2, 1998)	All families who left TANF because of sanctions, 1/98–2/98.	Used survey data; 51.5% response rate; no comparison of characteristics of respondents and nonrespondents.
North Carolina	<i>Evaluation of the North Carolina Work First Program</i> (McLean, VA: Maximus, May 1999)	All families who left TANF after reaching their 24-month time limit in July 1998.	Used survey data; response rate of 76%; supplemented data with longitudinal administrative data.
Oklahoma	<i>Family Health & Well Being in Oklahoma: An Exploratory Analysis of TANF Cases Closed and Denied, October 1996 to November 1997</i> (Oklahoma City, OK: Oklahoma Department of Human Services, Sept. 1998)	All families who left TANF for any reason, 10/96–11/97, including those who later returned.	Used survey data from a random sample of families; reported 54% response rate; comparison of respondents and nonrespondents shows no important differences.
Tennessee	<i>Summary of Surveys of Welfare Recipients Employed or Sanctioned for Noncompliance</i> (Memphis, TN: University of Memphis, Mar. 1998)	All families who left TANF because of sanctions, 1/97–10/97.	Used survey data from sample of families; response rate of 56%; comparison of respondents and nonrespondents shows no important differences.
Washington	<i>Work-First Clients in Longer-Term Sanction Status</i> (Olympia, WA: Washington DSHS Economic Services Administration, Mar. 1999)	All families who had received partial sanctions for 3 months or more as of July 1998.	Used administrative data from a random sample of the universe; compared characteristics of families in this sample with those of sample of families who received no sanctions from 11/97–11/98.
Utah	Michelle Derr, <i>The Impact of Grant Sanctioning on Utah's TANF Families</i> (Salt Lake City, UT: University of Utah, Oct. 1998)	All families who left the welfare reform program because of full-family sanctions, 12/95–4/97.	Used survey data from universe of families; 37% response rate; comparison of respondents and nonrespondents shows no important differences.

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Comments From the Department of Health and Human Services



DEPARTMENT OF HEALTH & HUMAN SERVICES

Office of Inspector General

Washington, D.C. 20201

MAR 8 2000

Ms. Cynthia M. Fagnoni
Director, Education, Workforce,
and Income Security Issues
United States General
Accounting Office
Washington, D.C. 20548

Dear Ms. Fagnoni:

The Department of Health and Human Services appreciates the opportunity to comment on the General Accounting Office's (GAO) draft report, "Welfare Reform: State Sanction Policies and Number of Families Affected."

As GAO is aware, there has been considerable interest in the use and impact of sanctioning on individuals in the Temporary Assistance for Needy Families program. Your report is timely in that it provides information on often asked questions. The GAO report is particularly interesting in that it presents the range of policies that States have implemented within the flexibility afforded under the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. The report also illustrates the difficulty of trying to compare sanctioning across States. We are confident that your report will prompt discussions by both program designers and researchers.

These comments represent the tentative position of the Department and are subject to reevaluation when the final version of this report is received.

The Department also provided extensive technical comments directly to your staff.

Sincerely,

A handwritten signature in cursive script that reads "June Gibbs Brown".

June Gibbs Brown
Inspector General

GAO Contacts and Staff Acknowledgments

GAO Contacts

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Staff Acknowledgments

In addition to those named above, Daniel Alspaugh, Patrick DiBattista, and Annde Ewertsen made key contributions to this report.

Related GAO Products

Welfare Reform: Implementing DOT's Access to Jobs Program in Its First Year (GAO/RCED-00-14, Nov. 26, 1999).

Medicaid Enrollment: Amid Declines, State Efforts to Ensure Coverage After Welfare Reform Vary (GAO/HEHS-99-163, Sept. 10, 1999).

Welfare Reform: Assessing the Effectiveness of Various Welfare-to-Work Approaches (GAO/HEHS-99-179, Sept. 7, 1999).

Food Stamp Program: Various Factors Have Led to Declining Participation (GAO/RCED-99-185, July 2, 1999).

Welfare Reform: States' Implementation Progress and Information on Former Recipients (GAO/T-HEHS-99-116, May 27, 1999).

Welfare Reform: Information on Former Recipients' Status (GAO/HEHS-99-48, Apr. 28, 1999).

Welfare Reform: States' Experiences in Providing Employment Assistance to TANF Clients (GAO/HEHS-99-22, Feb. 26, 1999).

Welfare Reform: Status of Awards and Selected States' Use of Welfare-to-Work Grants (GAO/HEHS-99-40, Feb. 5, 1999).

Welfare Reform: Few States Are Likely to Use the Simplified Food Stamp Program (GAO/RCED-99-43, Jan. 29, 1999).

Welfare Reform: Child Support an Uncertain Income Supplement for Families Leaving Welfare (GAO/HEHS-98-168, Aug. 3, 1998).

Welfare Reform: States Are Restructuring Programs to Reduce Welfare Dependence (GAO/HEHS-98-109, June 17, 1998).

Welfare Reform: Transportation's Role in Moving From Welfare to Work (GAO/RCED-98-161, May 29, 1998).

Welfare Reform: Effects of Changes Made to the Summer Food Service Program (GAO/T-RCED-98-120, Mar. 10, 1998).

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