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Review of Research on TANF Sanctions

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Introduction

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA; P.L. 104-193) replaced the decades-old Aid to Families with Dependent Children (AFDC) program with the Temporary Assistance for Needy Families (TANF) block grant program. Among other goals, the PRWORA stresses "ending the dependence of needy parents on government benefits by promoting job preparation, work and marriage" (P.L. 104-193 Sec. 601 (a) (2)). The law set the framework for policies to address these goals and grants substantial authority to states for the design of specific policies and procedures. In a number of states, authority is devolved further to county or regional welfare systems.

Mandating the participation of welfare recipients in work or work preparation is one of the primary mechanisms for addressing these goals in Federal and state/local policies. Federal law sets performance standards for the share of all TANF cases in the state that must have adult(s) engaged in work or work preparation activities and defines the allowable activities and minimum hours of engagement that are "countable" toward meeting the standard. The law also directs states to impose financial sanctions, via reductions or elimination of TANF cash grants, on recipients who fail to comply with required activities.

In theory, sanctions could function in several ways to address the goals of PRWORA and to meet federal performance standards for the participation of recipients in work or work preparation activities. The threat of a sanction could be an incentive for clients to participate in required activities. The requirement that TANF recipients document participation in work or prescribed work preparation activities, combined with the threat of sanctions, could force clients to report otherwise unreported work and earnings or to exit TANF in order to continue these activities. The imposition of sanctions on recipients who fail to participate in required activities could help welfare offices identify recipients who have substantial barriers to work and to focus service delivery on reducing or eliminating those barriers. The imposition of sanctions could also reduce welfare participation and caseloads by reducing the financial incentive for clients to continue TANF receipt or by ending assistance to noncompliant recipients.

There is a growing body of research about how sanctions operate, who gets sanctioned, and how sanctions relate to post-TANF outcomes. Given the extent of state and sub-state variation in TANF policies, nearly all of this research has examined sanctions in one or a small number of states. In this review, we attempt to synthesize major findings from this body of literature, with a particular focus on factors that may contribute to variation in the application and outcomes of sanction policies – across states, across welfare offices within states, and across groups of clients who vary in their demographic and other characteristics. We draw on single-state studies and those that have compared two or more states.

In Section I of the report we summarize Federal policy and state variation in policies governing the imposition and severity of sanctions, and on the interaction of sanction policies with other TANF policies. One of the key findings from this research is the extent of state

policy variation resulting from differences in sanction policies and from the interaction of sanction policies with other TANF policies governing work participation, exemptions and eligibility.

In Section II we review research on states' experiences with sanctions, including studies that have compared sanction rates, duration, and dynamics. As possible, we summarize findings across states. Broad conclusions, and cross-state comparisons, must be interpreted with care, however, given wide variation in state sanction and other TANF policies and methodological differences across studies.

In Section III we review research on the characteristics of clients who have been sanctioned, including their demographic characteristics, barriers to employment and participation, and reasons for noncompliance. Many of these studies are descriptive and cannot establish the link between these characteristics and sanction outcomes. We pay particular attention to studies that have compared sanctioned clients with those who were not sanctioned, and to those that have used multivariate techniques to examine multiple characteristics simultaneously.

Section IV examines factors that help explain variation in sanction rates across states, across offices within states, and across workers. We review research on the possible role of specific sanction policies, administrative policies and procedures, and front-line service delivery. Detailed information on these factors is often available for only one or a small number of states, however, and can be difficult to generalize to states with different policies or caseload characteristics. We conclude this section by considering how these factors may explain observed racial/ethnic differences in sanction rates.

In Section V we provide a brief overview of recent research on the outcomes of sanction policies for clients and the impact of sanctions on broader TANF goals.

Summary

In this section we summarize research findings in each of the five areas covered in this review. These research findings are based in many cases on studies in one or a few states, and on studies that have employed a variety of methods. Summary information about samples and study methodologies is provided in the body of the report, with further details about selected studies provided in Appendix A.

I. Federal and State Policies

Variation in State Sanction Policies

- All states impose sanctions for noncompliance with required TANF work activities but the severity and timing of sanctions varies across states: ten states impose *partial sanctions* only; 27 states impose *gradual sanctions* that begin with partial benefit reductions and progress to *full-family sanctions* that reduce the TANF benefit to zero; 14 states impose *full-family* sanctions immediately. (See p. 12)

- Many states also restrict the receipt of other forms of public assistance by adults who are sanctioned for noncompliance with TANF work requirements. Nineteen states end Medicaid coverage for sanctioned adults and 16 states end food stamps for the entire family when an adult is in sanction status. (See p. 13)

- State policies for resolving or "curing" sanctions vary; for the most severe sanction, 9 states lift sanctions immediately if the recipient comes into compliance or reapplies for benefits, 34 states continue financial sanctions for a minimum period of time or require compliance for a minimum period of time, and 8 states may permanently disqualify recipients from receiving TANF cash assistance. (See p. 13)

Interactions with Other TANF Policies

- States also vary on other TANF policies that could interact with sanction policies to affect the number and characteristics of TANF recipients who are potentially at risk for being sanctioned. Policies that define allowable activities for meeting TANF work requirements and set criteria for exemptions from work requirements could have consequences for the share of the caseload that is at risk for sanctioning. (See p. 14)

- Less directly, policies that set pre-approval requirements for TANF applicants may also affect the size and characteristics of the caseload at risk for sanctioning through their effects on the entry of new recipients. (See p. 14-15)

II. State Experiences with Sanctions

Sanction Rates

- Sanction rates are highly variable across states and very high in some. In recent studies of eight states, analysts using cohort-based methods to estimate the share of cases ever sanctioned estimate that from 5 to 45 percent of cases were sanctioned within a 10 to 12 month observation period and from 31 to 52 percent were sanctioned over longer (18 to 24 month) observation periods. In states that impose gradual sanctions (from partial to full-family), rates of any sanctions are about double those of full sanctions. (See p. 15-16)

- Sanction rates also vary within states. Studies in several states have documented sanction rates in the highest-sanctioning site that are double or more than double those of the lowest-sanctioning site in the same state. (See p. 17)

Sanction duration, resolution and dynamics

- Studies from several states suggest that one-third to one-half of sanctions end when the recipient "cures" the sanction. Outcomes when recipients continue to be noncompliant differ between states with partial and full-family sanctions. In California, a state with partial sanctions, six months after a sanction about 40 percent of recipients had "cured" their sanctions, about 40 percent were still receiving partial TANF benefits six months later, and 17 percent had exited TANF. In Illinois and New Jersey, two states that imposed full-family sanctions for continued noncompliance, about 25 percent of partial sanctions ended with an exit from TANF and from one-quarter to two-fifths of partial sanctions ended with the imposition of a full-family sanction. (See p. 17-18)

- A number of studies suggest that clients are more likely to be sanctioned early in their spell of benefit receipt; in several states, over half of sanctions were imposed within the first three to six months of TANF receipt. (See p. 18)

- A substantial share of all recipients who are sanctioned once are sanctioned multiple times; estimates of the number of recipients who are sanctioned multiple times range from one-fifth to two-thirds in various states. Once sanctioned, the majority of those who will comply come into compliance quickly, typically within three months. (See p. 18)

III. Client Characteristics

Demographic Characteristics

- Many studies have found that, compared to those not sanctioned, sanctioned recipients have characteristics that have been associated in past research with poor employment outcomes and with a higher likelihood of welfare receipt. Net of other factors, the risk of sanctioning is

higher for TANF participants who have lower levels of education, no work history or limited recent work experience, and more children or younger children. Time on welfare has also been found to increase the risk of a sanction in several studies. (See p. 18-19)

- Most studies that have examined differences in sanction rates by race/ethnicity have focused on differences between African Americans, Hispanics, and whites. Few studies have examined differences in sanction rates for other racial or ethnic groups. (See p. 19-20)

- At least seven studies using multivariate techniques to control for other client and regional characteristics have found that African American recipients are more likely to be sanctioned than their white counterparts. In some studies, estimated racial disparities in sanctions are modest but in at least one study African Americans are estimated to be sanctioned at rates that are at least 25 percent higher than whites. (See p. 19-20)

- Existing research suggests mixed conclusions about Hispanic clients; a handful of studies found that Hispanic clients are more likely than non-Hispanic recipients to be sanctioned while others have found that Hispanic recipients are less likely to be sanctioned. (See p. 19-20)

- There is little research on sanctions and other racial/ethnic groups, so it is not possible to generalize findings on their relative risks of being sanctioned. (See p. 19-20)

Client Barriers

- Prior research has documented high levels of personal and family problems among TANF clients in general and a number of studies find that sanctioned clients have higher levels (in comparison to nonsanctioned clients) of own health and mental health problems, disabilities, responsibility for a family member with health conditions or disabilities, domestic violence, and substance abuse. When other characteristics are controlled, the relationships between some of these problems and sanctions are inconsistent across studies. (See p. 20-21)

- Transportation problems are a significant predictor of sanction risk in several (but not all) analyses that have controlled for other client characteristics. Child care is frequently cited as a barrier but empirical findings are mixed when other characteristics are controlled, with some but not all studies reporting child care problems as a significant risk factor. (See p. 21)

Reasons for Noncompliance

- Significant personal and family problems may increase the risk of sanctions by making it more difficult for clients to find and secure employment. These same characteristics may make it more difficult for clients to understand and navigate TANF rules in order to remain in compliance or resolve compliance problems before sanctions are imposed. (See p. 22)

- Research on the motivation of clients to avoid sanctions is limited. A study of sanctioned recipients in California suggests that sanctioned clients who remain noncompliant do not need think they need the TANF grant or are not willing or motivated to engage in required activities. In Delaware, however, researchers found no evidence that sanctioned clients are less motivated or have greater access to other income than do those who comply with program requirements. (See p. 23)

IV. Factors Contributing to Variation in Sanction Outcomes

Policies for Applying Sanctions

- Some states focus their sanction policies narrowly on the work activities specified in the PRWORA; others have gone beyond the Federal law to create additional requirements for which clients can be sanctioned, including, for example, participation in parenting classes or, attending family planning services, and documenting children's immunization status. Policies that impose sanctions for noncompliance for a broader range of activities could increase sanction rates by creating more opportunities for clients to fail to comply with required activities. (See p. 23-24)

- Policies for initial screening and assessment of clients may affect sanction rates through early identification of client needs and barriers. Some research suggests that more extensive early assessment may reduce sanction rates by identifying problems before they result in noncompliance and sanctions. (See p. 24)

- Procedures for establishing noncompliance vary widely across state and local welfare offices and could influence the number of findings of noncompliance and opportunities to impose sanctions. (See p. 24-25)

Administrative Procedures and Practices

- State and local administrators may set an approach or "philosophy" that influences local implementation of sanction policies. A small number of qualitative studies suggest that the tone set by administrators may influence case managers' sanctioning behavior. (See p. 25-26)

Front-Line Practices

- Within the context of formal policies and administrative procedures, front-line workers exercise substantial discretion and judgment in their interpretation and application of sanction policies, their efforts to monitor compliance and resolve noncompliance, and their treatment of individual clients. Qualitative research suggests that workers may differ in their judgments in such key areas as deciding whether a client is "job ready" or qualifies for a "good cause exemption." (See p. 26-30)

- In designing sanction policies and procedures, policymakers and administrators face a tradeoff. More explicit procedures might be expected to increase workers' efforts to implement sanctions and to decrease both front-line discretion and inconsistency in the application of sanction policies. Greater specificity could also have the opposite effects, however, by creating more time-consuming processes that could discourage workers from initiating sanctions and applying policies consistently across cases. (See p. 28-30)

- Qualitative studies suggest that workload pressures and resources may affect the willingness of front-line workers to apply sanctions and their consistency in doing so. (See p. 28-30)

- Workers within the same policy and office context may differ in their application of sanctions because they have different abilities, knowledge, and beliefs about sanctions. Qualitative research suggests that workers who express more concern about imposing sanctions are less willing to impose sanctions and/or more willing to take steps to resolve personal or family barriers to participation. (See p. 29-30)

- Workers also vary in their treatment of different clients. In one qualitative study, workers reported tailoring their efforts to resolve noncompliance issues and avoid sanctioning clients who they perceive as making efforts to comply, communicating more regularly, and/or having more serious barriers. (See p. 29-30)

Interactions and Influences on Racial/Ethnic Disproportionality

- African American clients may be at greater risk for sanctioning because they have disproportionately high rates of other characteristics that are barriers to employment – including limited education and job skills, and health and disability problems. Conclusions are mixed about sanction risks for non-English speakers, with some studies showing higher and some lower rates of sanctioning. Only one study has had a large enough population of Native Americans to evaluate, and in that study, Native American clients were not more likely to be sanctioned than other clients. (See p. 31-32)

- There is some evidence that white and nonwhite clients may experience differential treatment in TANF programs, including assignment to different activities and different treatment by front-line workers. (See p. 32-33)

- The role of local economic and social contexts in sanction outcomes has received little direct attention. Higher sanction rates for African Americans may reflect their residence in areas that have fewer economic opportunities. It is also possible labor market opportunities are more limited for African American clients, in comparison to whites, in some communities. (See p. 33)

- Local social or political context may contribute to racial disproportionality in sanction outcomes. Some studies show that sanction rates vary with the demographic characteristics of the local community and with measures of political ideology. (See p. 33)

V. Outcomes for Clients and Impacts

Outcomes for Clients

- Several studies have used well-controlled designs to analyze differences in post-welfare outcomes for sanctioned and nonsanctioned families. Conclusions about causality must be drawn with caution, however. The same characteristics that place families at greater risk for sanctions – including low education, limited work experience, health and disability issues, and personal and family problems – are also risk factors for negative outcomes after welfare. (See p. 34)

- Research has found that, on average, TANF clients who leave due to sanctions are less successful in obtaining employment than those who leave for other reasons. (See p. 34-35)

- A large proportion of all welfare leavers report experiencing material hardships and there is evidence that sanctioned respondents face more hardship than recipients who are not sanctioned. Studies comparing rates of self-reported hardship between sanctioned and nonsanctioned clients suggest that in comparison to nonsanctioned families, sanctioned families more frequently experience trouble paying housing costs, having their phone service cut off, and seeking help from a church/charity. (See p. 35-36)

- One area where sanctioned recipients may have an advantage relative to nonsanctioned recipients is in retaining access to other public benefits. Although sanctioned families reported more financial difficulty, in two studies, nonsanctioned respondents reported more difficulty affording medical or dental care for themselves or their families and were less likely to have food stamps or Medicaid benefits. There is also some evidence that sanctioned leavers return to welfare more often and more quickly than recipients who exit welfare for other reasons. (See p. 36-37)

- An important caveat in interpreting research about outcomes for sanctioned clients is that they are often based on incomplete samples. Clients in the most difficult circumstances may be the hardest to locate and interview, biasing measures of hardship downward. Across a number of studies, researchers find that a substantial share of all TANF leavers have no observable earnings or other sources of support, and we know very little about the circumstances of these individuals. (See p. 37-38)

The Impact of Sanctions

- There is some evidence that sanctions can promote compliance with TANF work requirements. A meta-analysis of eleven welfare-to-work programs found that programs with high levels of enforcement showed greater increases in participation in work activities. However, high *rates* of sanctioning were not what promoted compliance. Among high-enforcement programs, those with moderate rates of sanctioning were as effective as those with higher rates of sanctioning. (See p. 38-39)

- A meta-analysis of random assignment evaluations of welfare-to-work programs under AFDC found that, controlling for other welfare waiver policies, sanctions were related to reduced use of welfare in the first two years of receipt of benefits; after that, the effect of sanctions disappeared. (See p. 39)

- Despite much debate about the issue, there is no definitive evidence on the relative effectiveness of partial versus full-family sanctions. (See p. 38-40)

Detailed Review of Research on TANF Sanctions[1]

I. Federal and State Policy

In this section we review Federal rules governing TANF sanctions and the areas of sanction policy that are determined by state policy.[2] We describe and compare key dimensions of state-level variation in sanction policies and comment on possible interactions between sanction policies and other TANF policies. Our review suggests that states vary widely in the severity and length of their sanction penalties; the required activities for which recipients can be sanctioned; and procedures for curing or resolving sanctions. States also vary on other TANF policies that may have consequences on sanction outcomes through their influence on the share and characteristics of the TANF caseload that is at risk for sanctioning.

A. Federal Rules and Areas of State Flexibility in Sanction Policies

The Federal PRWORA (P.L. 104-193) creates the framework for state-level sanction policies by specifying the allowable uses of Federal funds for TANF cash assistance and services, and by directing states to enforce specific requirements for recipients. The law requires states to cooperate with state child support agencies and to impose financial penalties on recipients who fail to cooperate in child support efforts without good cause. States are subject to financial penalties if they fail to impose these penalties. The law also directs states to engage TANF recipients in work and work preparation activities and to impose financial sanctions on recipients who fail to participate without good cause; it creates incentives for states to enforce these requirements by specifying the minimum share of all cases headed by an adult recipient that must have an adult(s) involved in work or work preparation activities that meet the law's definition of "allowable activities."[3] Most adult recipients are required to participate in work activities as soon as they are deemed "job-ready," but must be participating within two years of entering TANF.

Within the framework of Federal law, states have considerable flexibility in determining sanction policies. States have flexibility in designing the components of their work and work preparation programs. They set specific rules for granting both exemptions from participation requirements and temporary "good cause" exemptions for clients who are subject to work participation requirements. States determine the specific criteria for measuring noncompliance

[1] Summary information and citations for the studies cited in this review are provided in the text. For a discussion of studies included in the review and details on the study design and samples for selected studies, see Appendix A.
[2] A number of states further devolve authority for sanction policies to county or regional entities. We concentrate here on policy design choices at the state level. Within-state variation is discussed in later sections of the report.
[3] Federal law allows states to exempt child-only cases and single-parent cases with a child under the age of one from work participation requirements. These cases are not counted when calculating the state's compliance with required work participation rates for their caseload. In addition, states may not sanction single-parents with a child under the age of 6 for noncompliance with work activities if they cannot find suitable child care.

with work and other requirements and set the level of financial penalty that will be imposed on noncompliant recipients. At a minimum, states must reduce the grant by at least the "pro rata" adult share of the grant for noncompliance, but may choose to impose a higher penalty or to eliminate the entire cash benefit – i.e., to impose a "full family" sanction (Burke and Falk 2001). States determine the length of time between partial sanction and full sanction, and the length of time that must elapse before a client who is subject to a full-family sanction can reapply for cash assistance. States also determine the criteria for "curing" sanctions, rules for restoring benefits, and procedures and penalties for subsequent noncompliance. If they choose to do so, states may specify other, non-work requirements for TANF recipients in their Individual Responsibility Plans and may also sanction recipients who fail to comply with these activities.

In addition to designing the rules for TANF benefit sanctions, states determine how sanction status will influence receipt of food stamps and Medicaid. States must reduce food stamp benefits when TANF benefits are reduced for nonparticipation in required work activities. States may also completely disqualify a recipient from Medicaid and food stamps if the recipient is disqualified from TANF benefits because of sanctions (Burke and Falk 2001). States may choose to disqualify the entire family from food stamps for up to six months if all of the children in the assistance unit are older than six years of age and the noncompliant adult is also subject to food stamp work participation rules, but not at the same time as the TANF sanction (General Accounting Office 2000).

B. Variation in State Sanction Policies

State sanction policies can be compared on several dimensions, including the severity of financial penalties, how long they last, how multiple instances of noncompliance are treated, and how a recipient can demonstrate compliance and have the sanction removed.

All states impose sanctions for failure to comply with required work activities. As of July 2003, 10 states, including Washington, imposed *partial sanctions* (i.e., partial grant reductions) for noncompliance with work requirements (Urban Institute 2006). The amount of the grant that is withheld from the assistance unit varies across states and some states require that benefits be paid to a "protective payee" other than the noncompliant adult. Under these policies, assistance is reduced but the assistance unit remains open. Twenty-seven states imposed *gradual full-family sanctions.* In these states, failure to comply results in a partial grant reduction for a period ranging from one to six months in various states (Urban Institute 2006). If sanctioned recipients do not come into compliance by the end of this period, they are subject to a *full-family sanction* and the grant is reduced to zero.[4] Fourteen states imposed full-family sanctions immediately.[5]

[4] In some of these states the assistance unit is closed and the family must reapply for benefits. In others, the grant is reduced to zero, but the case is not officially closed.

[5] This includes Wisconsin, which has a "pay for performance" system in which recipients receive a grant that reflects their hours of participation; accordingly, the penalty for noncompliance ranges from a partial to a full sanction, depending on how completely the family refuses to participate.

The length of the financial sanction period and requirements for lifting the sanction (or "curing" the sanction) vary across states. Some states allow a sanction to be reversed immediately if a recipient agrees to comply; others require clients to participate in activities for up to one month before removing a sanction. For the most severe sanction in each state (partial sanction or full family if used), more than half of the states (34) require recipients to remain in sanction status (i.e., with a reduced or zero grant or closed case) for a minimum period of time ranging from one month to 12 months or to demonstrate compliance for a minimum period of time before removing a sanction (Urban Institute 2006). Nine states remove a sanction as soon as a family comes into compliance with work requirements or reapplies for assistance (in the case of a full-family sanction).

The majority of states impose more stringent penalties for repeated noncompliance, including larger grant reductions, longer minimum periods of grant reduction, and/or more stringent requirements for curing the sanction (Pavetti et al. 2003). In eight states, multiple instances of noncompliance with work requirements can lead to lifetime ineligibility for cash assistance (Urban Institute 2006).

Some states have procedures for attempting to resolve a sanction before it is imposed, and all states offer opportunities for administrative review of sanction decisions after the fact (General Accounting Office 2000).

As allowed by federal law, many states also restrict the receipt of other forms of public assistance by adults who are sanctioned for noncompliance with TANF work requirements. Nineteen states end Medicaid coverage for sanctioned adults and 16 states end food stamps for the entire family when an adult is in sanction status (Pavetti et al. 2003).

In addition to sanctions for noncompliance with work activities, a number of states impose financial sanctions for noncompliance with non-work requirements. These requirements include, in various states, participating in parent education classes, receiving drug and alcohol treatment, obtaining family planning services or counseling, keeping children's immunizations and medical check-ups current, and keeping resident children under age 18 in school. In some states, failure to comply with non-work requirements is subject to the same sanctions as failure to meet work requirements; in others, sanction policies differ for work and non-work requirements.

Over time, several states have modified their sanction policies. Some states have moved toward stricter sanction policies and more severe penalties, while others have made revisions that reduce the severity of financial penalties (General Accounting Office 2000). Overall, however, state sanction policies are more severe than those of the earlier AFDC/JOBS program.

C. Interaction with Other TANF Policies

Sanction policies are one of many types of TANF policies set by state lawmakers. These policies interact to influence the share and the characteristics of the caseload that is at risk for sanctioning and are therefore consequential for the enforcement and outcomes of sanction policies.

State definitions of allowable work activities for TANF recipients have implications for sanction rates by creating more or less flexible options for clients to meet participation requirements. Some states define allowable activities narrowly as work or work search activities; others allow clients to meet participation requirements through participation in drug, alcohol or mental health treatment or other activities that address barriers to work. This flexibility may be particularly consequential for clients who have serious personal or family problems that might interfere with participation in work activities.

State policies for granting exemptions from work activities will also have consequences for sanction outcomes through their effects on the share and the characteristics of the caseload at risk for sanctioning. States vary considerably in their policies for work exemptions. The majority of states exempt single-parent adult recipients from work participation requirements until their youngest child reaches the age of one, but four states provide no exemption for care of an infant, 13 states exempt parents for only three months after the birth of a child, and six states exempt parents of children older than 12 months. About one third of states require nearly universal participation in work activities among adult recipients; another third provide exemptions that are similar to those of the JOBS program for illness, care for incapacitated family members, and other specific barriers to work; and the final one-third have exemptions that are narrower than those of the JOBS program but do not require universal participation (Pavetti et al. 2004). State policies that provide limited exemptions from work requirements may increase the share of the caseload that is at risk of being sanctioned and, in particular, the number of recipients with multiple barriers who are required to participate in work activities and therefore at risk for sanctioning. Conversely, policies that exempt more of the caseload may reduce both the total share of the caseload and proportion of multi-problem clients in "sanctionable" status, leaving a pool of recipients who might be more likely to comply with work requirements.

These two types of state policies (TANF participation requirements and allowable activities) will also interact to affect the risk that clients will be sanctioned. For example, policies that require near-universal participation in work activities will have different consequences for sanction rates if they are coupled with more- or less-flexible rules for allowable activities. States may balance these factors when designing TANF policies. In multi-site studies of sanction policy, Kirby et al. (2001) and Pavetti et al. (2004) report that states that require participation by a larger share of their caseload often allow flexibility in hours of participation and allowable activities; states that exempt more of their caseload typically require nonexempt clients to participate in a narrowly defined set of activities.

Less directly, policies governing TANF application requirements can also have consequences for sanction outcomes through their effects on TANF entries. One-half of states impose pre-approval requirements on TANF applicants, ranging from signing personal responsibility contracts to engaging in work search (Pavetti et al. 2003). These requirements are quite demanding in some states, for example requiring applicants to attend multiple meetings and orientations at the welfare or workforce development office, complete assessments at welfare or community agencies, or engage in up to 45 days of documented job search. These policies may have substantial effects on both the number and characteristics of families entering the TANF system. State policies that require applicants to engage in work-related or other activities as a condition of eligibility could deter applicants at particularly high risk for noncompliance in the future, by creating disincentives for applicants who are most employable and by increasing the likelihood that those with serious personal and family problems will fail to meet requirements (Meyers 2005).

Sanction policies also interact with TANF time limit policies. States that have adopted time limits shorter than the 60-month federal limit will decrease the period of time that recipients are at risk for sanctioning and the pool of clients subject to sanctioning. For clients who are sanctioned, those in states with partial sanctions will continue to accumulate months toward their lifetime TANF time limits while in sanction status; those in states with full-family sanctions (and case closures) will not. As a result, in states with full-family sanctions, time limits will primarily affect clients who are in compliance with program rules (Bloom and Pavetti 2001).

II. State experiences with Sanction Policies

In this section we review research on state experiences with sanction policies, including sanction rates and the duration and dynamics of sanction episodes. Most of the studies we review below have examined sanction dynamics and outcomes in one or a small number of states. Comparing these studies is challenging for several reasons. As described above, state sanction policies vary on a number of dimensions and interact with other TANF policies. As a result, the same sanction policy may operate quite differently in different states, rendering cross-state comparisons of sanction outcomes difficult. Comparing the results of separate state studies on sanctions is further complicated by differences in measures, analytic approach, and the period of observation. Although caution is warranted when drawing summary conclusions across these studies, a number of good quality recent studies have used reasonably consistent methods. These studies suggest that sanction rates are highly variable both across and within many states. Sanction dynamics and resolution also vary, but within a somewhat narrower range.

A. Sanction rates

A number of studies report TANF sanction rates in different states or, less commonly, in different counties within a state. These estimates can be difficult to interpret and compare across studies, however, due to differences in methods for calculating sanction rates in different studies. Sanction rates can be calculated in several ways: as a percentage of the caseload in sanction

status in a given month, as a percentage of all cases that are sanctioned or closed within a given time period, or as a percentage of all cases in an entering cohort that are sanctioned or closed over time. For the same population, these measures will yield increasingly higher estimates of sanction rates as cases are observed over a longer period of welfare receipt. Estimates of the total share of the caseload ever sanctioned will also be greater in studies that observe cohorts over a longer period of time.[6] The selection of the denominator for calculating the sanction rate is also consequential and complicated by caseload dynamics. Sanction rates will be lower when calculated as a share of only open cases and higher when cases closed due to sanctions are included in the denominator.[7]

Using studies published from March 1996 to November 1999, the General Accounting Office (2000) reported partial sanction rates nationwide of between zero and 29 percent of monthly state caseloads and full-family sanction rates as between zero and 7 percent. These estimates employed point-in-time measures of sanctioned cases as a share of total (open) cases. As such, they are likely to underestimate the cumulative share of all current cases ever sanctioned (since some are cured) and, in states that close cases for full-family sanctions, to further underestimate the share of total cases ever sanctioned.

More accurate measures of sanction rates are provided by a number of studies that calculate these rates for a cohort of recipients observed over time.[8] We reviewed studies that calculated sanction rates in eight states using cohort-based measures and observation periods ranging from 12 to 24 months.[9] These studies reveal wide variation in sanctioning rates across states and very high rates of sanctioning in some: from 5 to 45 percent of cases were sanctioned in studies using shorter (10-12 month) periods of observation and from 31 to 52 percent were sanctioned in studies with longer (18-24 month) observation periods.[10] In studies that

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[6] The difference between point-in-time and over-time estimates is suggested by Ong and Houston (2003) who report that in four California counties, one in ten recipients was sanctioned in any given month but about one-third were sanctioned over the course of 24 months. The length of the observation period is also important, as suggested by Pavetti et al. (2004), who estimate that 30 percent of New Jersey recipients were sanctioned over 10 months of observation and 39 percent over 18 months.

[7] In calculating sanction rates in Delaware, for example, Fein and Lee (1999) estimated a sanction rate of 18 percent calculated as a share of open cases and a rate of 27 percent when closed cases were included.

[8] Although they yield the most complete estimates, even cohort studies do not capture threatened sanctions, which are cured before being imposed or dropped because a family leaves welfare (for an exception, see Lee et al. 2004).

[9] Most of these studies create cohorts of all (female, single-parent) welfare recipients at a point in time or over a specified period. Two of the studies (Fording, Schram, and Soss 2006; Wu et al. 2004) use a sample of new entrants only. By including all recipients at a point in time, the former approach captures long-term recipients as well as new entrants, groups that are at a different risk of receiving a sanction. While this approach may provide a good estimate of the proportion of the caseload that may be sanctioned by a point in time, the latter approach provides a better approximation of how the risk of sanctioning varies with time on welfare.

[10] The proportion of recipients who faced a full-family sanction over a 10-month period ranged from 5 percent in South Carolina to 10 percent and 12 percent in Illinois and New Jersey, respectively; in Illinois and New Jersey, the proportion of families under full sanctions was 13 and 17 percent, respectively, over 18 months and the proportion incurring any sanction was 31 percent and 39 percent (Pavetti et al. 2004). Over the course of 24 months, roughly one-third of recipients in four California counties faced a sanction (Ong and Houston 2003). In Delaware, 52 percent of recipients enrolled in the program by December 1996 were sanctioned at least once by June 1998 (Fein and Lee 1999). In Indiana, 45 percent of recipients were sanctioned over a 12-month period (Holcomb and Ratcliffe

distinguished between partial and full-family sanctions in three states imposing gradual sanctions, between 31 and 45 percent of all cases received any sanction but far fewer – 13 to 25 percent – were subject to full-family sanctions that reduced the grant to zero.

In at least seven states, studies document the levels of variation in sanction rates within states.[11] In some cases, intrastate variation is substantial, with a sanction rate in the highest-sanctioning site that is at least double the sanction rate in the lowest-sanctioning site. In New Jersey, for example, Pavetti et al. (2004) report variation from 20 percent to 41 percent across counties for partial sanction rates and from five percent to 20 percent in full-family sanction rates across counties.[12]

B. Sanction duration, resolution and dynamics

Once imposed, sanctions can be resolved in several ways: the welfare agency can reverse the sanction if it was applied in error; recipients can come into compliance and have the sanction lifted; recipients can exit welfare without resolving the sanction; recipients can continue in noncompliance status with partial benefits; or, depending on state policy, recipients can have their benefits fully eliminated, with or without case closure by the welfare agency. The proportion of sanctions resolved in each of these ways varies widely across states, reflecting variation in state policy and client characteristics.

Research conducted soon after the passage of the PWRORA suggested that states reinstated benefits to a large proportion of families who lost benefits because of sanctions. In some cases these reversals were due to compliance, but administrative errors were also responsible for a large share of initial sanctions (General Accounting Office 1997). In Milwaukee, Wisconsin, for example, 44 percent of early sanctions were reversed because of administrative errors, and in Tennessee, 30 percent of early sanctions were overturned after a mandatory review was imposed (Bloom and Pavetti 2001).

There is little current information about sanction error rates, but some studies have information on how often recipients "cure" sanctions. In a review of studies conducted in 10 states, the General Accounting Office (2000) reported that roughly one-third of clients came into compliance after receiving a full or partial sanction (which may include cases in which a

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2000, cited in Pavetti et al. 2004). The mean sanction rate for Florida counties was 39 percent during the first 12 months on welfare for new entrants between January 2001 and December 2002 (Fording, Schram, and Soss 2006). In the first 6 months of the TANF program in Wisconsin, 35 percent of the sample was sanctioned (at any level) and the full-family sanction (i.e., zero grant) rate was 25 percent over 4 years (Wu et al. 2004).

[11] Studies of the following states report intrastate variation in sanction rates: Missouri (Keiser 2004), South Carolina (Koralek 2000), Wisconsin (Wisconsin Department of Workforce Development 2004), California (Bagdasaryan et al. (2005), Illinois (Lewis et al. 2003), New Jersey (Pavetti et al. 2004), and Minnesota (Punelli and Hirasuna 2003). Not all of these studies control for differences in client or caseload characteristics. We revisit the issue of intrastate variation on p.24.

[12] The authors found less variation in Illinois and speculate that there might be more variation in sanction rates across counties in states with county-administered welfare programs.

sanction was administratively reversed); 17 to 51 percent remained sanctioned; and 15 to 35 percent left the rolls while in sanction status.

As with sanctioning rates, there is substantial variation in sanction resolution across states. A particularly important factor in this variation is whether states impose full-family sanctions. In several recent studies that used cohort-based methodologies to examine sanction resolution, about one-third to one-half of sanctions ended when the recipient "cured" the sanction. Outcomes for continued noncompliance differed between states with partial and full-family sanctions. In California, a state with partial sanctions, six months after a sanction about 17 percent of sanctioned recipients had exited welfare without curing their sanctions, 44 percent cured their sanction and remained on TANF, and 40 percent were still receiving partial TANF benefits six months later (Ong and Houston 2003). In states that imposed full-family sanctions for continued noncompliance, about 25 percent of partial sanctions ended with an exit from TANF and from one-quarter to nearly one-half ended with the imposition of a full-family sanction.[13]

A number of studies have found that clients are more likely to be sanctioned early in their spell of benefit receipt. Several studies report that over half of sanctions are imposed within the first 3 to 6 months of TANF receipt.[14] These studies also find that a substantial share of all recipients who are sanctioned once are sanctioned multiple times. Estimates of the number of recipients who are sanctioned multiple times range from one-fifth to two-thirds in various states (Pavetti et al. 2004; Wu et al. 2004; Punelli and Hirasuna 2003). Once sanctioned, research suggests that the majority of those who will comply come into compliance quickly. In Indiana, for example, Pavetti et al. (2003) found that two-thirds of those who reversed their sanctions complied in the first three months; in California, Hasenfeld et al. (2004) found that the average length of a sanction was 2.9 months.

III. Client Characteristics

A number of studies have identified client characteristics that are associated with a higher risk of being sanctioned. Many of these studies rely on measures available in administrative data although some have used surveys to measure clients' self-reported characteristics. Many also report differences between sanctioned and nonsanctioned clients without controlling for other factors that may be correlated with both client characteristics and sanction outcomes; in doing so,

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[13] In Illinois, Pavetti et al. (2004) found that 55 percent of partial sanctions ended with the sanction being lifted, 22 percent resulted in a full-family sanction, and 23 percent of families in partial sanction status exited TANF for other reasons prior to the imposition of a full-family sanction; in New Jersey, the respective percentages were 36 percent, 38 percent, and 26 percent. Fein and Lee (1999) report that in Delaware, roughly one-third of sanctioned recipients cured all sanction spells they experienced; 45 percent had their cases closed due to a full family sanction; and 23 percent exited TANF prior to the imposition of a full-family sanction.

[14] In Indiana, for example, over half of sanctions began in the first 3 months of entry to TANF, and four-fifths began in the first 6 months (Holcomb and Ratcliffe 2000, cited in Pavetti et al. 2004). In Illinois and New Jersey, over half of the sanctions received over an eighteen-month period were imposed in the first 6 months of welfare receipt (Pavetti et al. 2004).

they may draw inaccurate conclusions about the causal influence of client characteristics on sanctioning. In the following section we review findings from a number of studies, with particular emphasis on high quality studies that estimate associations between client characteristics and sanction risk net of other contributing factors. Although the measured characteristics vary across studies, there is a general pattern that suggests that, compared to those not sanctioned, sanctioned recipients have characteristics that have been associated in past research with poor employment outcomes and with a higher likelihood of welfare receipt.

A. Demographic characteristics

Several recent studies have identified socio-demographic factors associated with a higher risk of sanctioning. They suggest that, net of other factors, the risk of sanctioning is higher for TANF participants who have lower levels of education, have no work history or limited recent work experience, and have more children or younger children (Cherlin et al. 2002; Hasenfeld et al. 2004; Kalil et al. 2002; Pavetti et al. 2004; Fein and Lee 1999; Fording et al. 2006).

In addition, time on welfare (measured as the length of a current spell and welfare history) has been found to increase the risk of a sanction in several studies (Ong and Houston 2003; Fein and Lee 1999; Pavetti et al. 2004), but the effects are not always consistent. In New Jersey and Illinois, for example, a current spell of welfare that lasted more than six months was associated with a higher probability of receiving a full-family sanction, after controlling for other client and case characteristics; however, longer stays on welfare were not consistently associated with a higher risk of a partial sanction (Pavetti et al. 2004). In four California counties, though, past welfare history as well as months in the current spell were associated with both a higher risk of being sanctioned, and a longer sanction spell (Ong and Houston 2003).

Research has also produced some contradictory findings about demographic characteristics. With respect to age, for example, some studies find that being younger increases the risk of sanction (Cherlin et al. 2002; Kalil, Seefeldt and Wang 2002), while Ong and Houston (2003) find that being older increases the risk of sanction. After controlling for demographic characteristics and pre-existing barriers, Kalil, Seefeldt, and Wang (2002) find that having very low (less than 5th grade) literacy *reduced* the odds of being sanctioned in Michigan. And one study found no significant differences in baseline demographic characteristics between sanctioned leavers and recipients still receiving TANF in Louisiana (Lindhorst and Mancoske 2006)

Client race and ethnicity have received particular attention in sanction studies.[15] In many but not all studies, being non-white is associated with an increased risk of sanction. Early research on welfare leavers suggested that minority clients were more likely than nonminority clients to exit welfare because of sanctions instead of earnings (Lower-Basch 2000).[16] A number of recent studies using multivariate techniques to control for other client and regional characteristics have found that African American recipients are more likely to be sanctioned than their white counterparts (Wu et al. 2004; Kalil, Seefeldt, and Wang 2002; Pavetti et al. 2004; Ong and Houston 2003; Fein and Lee 1999; Keiser et al. 2004; Fording et al. 2006). In some studies, racial disparities in sanction are modest. Pavetti et al (2004), for example, report that the predicted probability of incurring a partial sanction was four to nine percentage points higher for African American than for white clients in two states; the probability of incurring a full-family sanction was one to six percentage points higher. In other state studies, however, racial disparities have been found to be substantial: in Florida, for example, Fording et al. (2006) estimate that by the ninth month of TANF receipt, African American recipients were sanctioned at rates that were 22 to 35 percent higher than white recipients.

Researchers have reached mixed conclusions about Hispanic clients; some find that Hispanic clients are more likely than non-Hispanic recipients to be sanctioned for noncompliance (Wu et al. 2004; Gooden 2004) and others have found that Hispanic (and other non-white) recipients are less likely to be sanctioned (Pavetti et al. 2004). Conclusions are also mixed about sanction risks for non-English speakers. In separate studies of recipients in Wisconsin and four California counties, speaking a language other than English was associated with a decreased likelihood of being sanctioned (Ong and Houston 2003; Wu et al. 2004) while Hasenfeld et al. (2004) found that controlling for other characteristics (including ethnicity), non-native English speakers were at higher risk for sanction. In Section IV(E), we will revisit racial differences in sanction risks and discuss factors that could contribute to disproportionality.

B. Client Barriers

Research is more limited on less easily observed personal and family problems that may contribute to sanction risk by creating barriers to participation in required TANF activities. Prior

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[15] During the debate over welfare reform, there was also some concern that minorities might be less able to meet the TANF work participation requirements than white recipients. Using data from a California county's pre-TANF work-first program, Harknett (2001) found that although the magnitude of the program impacts on employment and earnings varied by race/ethnicity, the differences were not statistically significant. She speculated that the results suggest that recipients of all races would be equally able to meet work participation requirements under TANF. However, she also noted that many recipients of all races face barriers to employment and minority recipients might be more disadvantaged socially and economically after reaching time limits. Below, we examine evidence related to how sanctions are applied.

[16] Lower-Basch (2000) reported that in Arizona and Illinois, African Americans and Hispanic families were more likely to have their cases were closed because of sanctions than because of earnings; in Arizona, Native Americans were more likely to exit for work than because of a sanction which the researchers attribute to the fact that Native Americans were more likely to be exempt from work requirements because many lived in areas with high unemployment. A number of other studies report differences in sanction rates for African American and white clients. In this section, we focus on studies that use multivariate analyses to control for the effects of other individual and case characteristics.

research has documented high levels of health, mental health, domestic violence, and substance abuse problems among TANF clients in general. In studies that have been able to link data on sanctions with survey data on these same issues, most of these problems have been found to be more common among sanctioned clients in simple (bivariate) comparisons with those who are not sanctioned.

Comparisons between sanctioned and nonsanctioned clients find that family health problems - including clients' own health, mental health and disabilities and responsibility for a child or other family member with health conditions or disabilities - are more common among sanctioned clients (Cherlin et al. 2002, Lewis et al. 2003; Pavetti et al. 2004). A number of studies have documented higher levels of domestic violence or domestic interference among sanctioned clients (Cherlin et al. 2002; Lindhorst and Mancoske 2006; Kalil et al. 2002), though Hasenfeld et al. (2004) did not find differences with respect to domestic violence between sanctioned and nonsanctioned clients. Rates of substance abuse and alcohol problems have been consistently found to be higher among sanctioned recipients in studies that have included these measures (Mancuso and Lindler 2001; Chandler et al. 2004; Cherlin et al. 2002; Hasenfeld et al. 2004). Multiple prior arrests were associated with higher rates of sanction in at least one study (Pavetti et al. 2004).

Although indicators of personal and family problems have been found to be higher among sanctioned than among nonsanctioned clients in many studies, their effects on sanction risk are not consistent in analyses that also control for other client characteristics. Domestic violence, for example, was not associated with a higher risk of sanctioning in multivariate analyses reported by Pavetti et al., (2004), Hasenfeld et al. (2004), and Kalil et al. (2002). Substance abuse remained a significant predictor in the analysis reported by Hasenfeld et al. but a measure of chemical dependency was not significant net of other characteristics in the Pavetti et al. study. And health and mental health indicators were significant risk factors in the Pavetti et al. analysis but were not significant in the Hasenfeld et al. and Kalil et al. studies once other characteristics were controlled.[17] Inconsistent results across studies may reflect differences in sanction policies across states, differences in client populations, or the lack of a strong influence on sanction outcomes.

In addition to personal and family problems, some researchers have been able to examine the role of specific logistical barriers in sanction risk. Transportation is frequently identified as a major issue for sanctioned recipients. In a survey of program officials in the 19 largest counties in California, 73 percent identified a lack of transportation as among the most frequently cited reasons that sanctioned recipients gave for noncompliance with program requirements (California Department of Social Services 2001). Several studies have found that sanctioned clients are less likely than nonsanctioned clients to own a car or have access to other forms of transportation (Children's Defense Fund 2002; Kalil et al. 2002) and self-reported transportation problems are a significant predictor of sanction risk in several (but not all) multivariate analyses that have controlled for other client characteristics (Hasenfeld et al. 2004; Fein and Lee 1999).

[17] In the Hasenfeld et al. (2004) study, having an ill or disabled household member remained a significant predictor of sanction risk.

Child care is frequently cited as a barrier to participation and compliance with TANF requirements (e.g., California Department of Social Services 2001), although the empirical findings are mixed. Pavetti et al. (2004) and Fein and Lee (1999) find that child care problems are significant predictors of sanctions for noncompliance with work requirements, but Hasenfeld et al. (2004) and Kalil et al. (2002) do not find a significant effect net of other factors.

In studies that have examined the issue, having multiple barriers also increased a recipient's risk of a sanction, although the threshold above which the risk of sanction increases varies by study. For example, Pavetti et al. (2004) report that when various barriers were pooled, the probability of being sanctioned was 12 percent for those reporting no barriers, about 25 percent for those with one to three barriers, and has high as 42 percent for those with four or more barriers (including low education or job experience, criminal record, substance abuse problem, health problem, and transportation or childcare problem).

C. Reasons for Noncompliance

Researchers have proposed various mechanisms through which client characteristics might affect sanction risk. TANF recipients' demographic characteristics, personal and family problems, and logistical problems may contribute to sanction risk by affecting the likelihood that they will fail to comply with program requirements, that they will resolve their noncompliance before incurring a sanction, or that they will take steps to resolve the sanction and restore their benefits.

A number of characteristics – including low education, large families, limited work experience, health and mental health problems, and domestic violence – may make it more difficult for recipients to find and secure work. These same characteristics may make it more difficult for clients to understand and navigate TANF rules and remain in compliance. In their three-city study, Cherlin et al. (2001) observe that "caregivers who had the most complex and challenging daily lives were more likely to have experienced a partial or full loss of benefits. Being able to turn forms in on time or to follow up with doctors' offices or employers' personnel offices requires keeping up with the mail; noticing and adhering to deadlines; and reading, interpreting, and responding to questions—all of this by mothers who may have lower skill levels and poorer health in addition to raising a family and working."

Research is limited on the role of client characteristics in curing noncompliance and sanction episodes. Some research suggests that clients with more barriers to participation are less likely to resolve sanctions. Hasenfeld et al., for example, found that sanctioned TANF recipients in California were less likely to cure their sanctions if they did not speak English or were victims of domestic violence (Hasenfeld et al. 2004).

Continued noncompliance with TANF requirements may also signal that recipients do not know how to avoid or cure sanctions. In the Three-City Study, Cherlin et al. (2001) report that two-thirds of sanctioned recipients reported trying to get out of sanction status but only half of them were able to do so. In states that impose gradual sanctions, the same factors that lead to

initial sanctioning may increase the risk that clients will progress from partial to full-family sanctions. A study of sanction risks in Delaware, for example, found that clients with limited education were more likely to be sanctioned and less likely to either cure their sanctions or exit TANF; as a result, these recipients were more likely to have their cases closed for noncompliance (Fein and Lee 1999).

Continued noncompliance with TANF requirements, particularly in states with only partial sanctions, may also signal that a client is not interested in complying with program rules and lifting the sanction. In a study of one county in California, one-half of sanctioned families were still receiving partial TANF benefits 12 months later (Mancuso and Lindler 2001). Sanctioned clients were interviewed at two points in time. Over time, the proportion of recipients who indicated that they knew how to cure their sanctions increased but the share who had tried to cure their sanctions dropped. When asked why they were still sanctioned at the 12-month interview, 42 percent indicated that they either did not need or want the TANF grant, 19 percent reported barriers to participation, and 39 percent reported other reasons, including wanting to get an education, too many hassles, and a lack of motivation.

In their study of sanctions in Delaware, however, Fein and Lee (1999) reach somewhat different conclusions. They analyze indicators of client "motivation" based on survey questions about clients' preferences for working, caring for children full-time, or pursuing education. They find no difference in sanction rates between clients who expressed a preference for working and those that preferred to stay at home full-time with children or pursue education.

IV. Explaining Variation

One of the most striking themes in sanction research is that of variation – in state sanction policies and in sanction rates across states, across locations within states, and across clients. In the previous section we summarized research on the client characteristics that are associated with a greater risk of sanctioning; these factors may contribute to variation across locations due to the mix of clients in state or local TANF caseloads. A number of studies have found that inter- and intra-state variation persists, however, even with controls for client characteristics. In this section we summarize research on other factors that may influence sanction outcomes: policies for applying sanctions, local administrative procedures, front-line worker discretion, and local economic and political conditions. We conclude by considering how these factors might interact with client characteristics to produce variations in sanction outcomes across groups of clients and, in particular, racial and ethnic disparities in sanction rates.

A. Policies for Applying Sanctions[18]

[18] Depending on the structure of the TANF program, policies for applying sanctions may be set at the state level, at the county or office level, or by a combination of both. Studies that have examined sanction policies in detail have used various sampling techniques; some compare policies across states, others examine policies at one or more sites within states, and others compare cities or communities in different states. In studies of specific sites, it is often

In addition to setting the broad criteria and penalties for noncompliance, described above, state and local policies determine the procedural steps and operational criteria for determining noncompliance, and imposing and resolving sanctions. These policies can have significant consequences for sanction rates through their effects on the share of the caseload at risk for sanctioning, the likelihood that clients will comply with program requirements, and the likelihood that noncompliant clients will be sanctioned.

As noted, all states impose sanctions for noncompliance with work requirements and child support cooperation, as required by Federal law. Some states focus their sanction policies narrowly on the work activities specified in the PRWORA; others have gone beyond the Federal law to create additional sanctionable requirements including, for example, participation in parenting classes, attending family planning services, and documenting children's immunization status. Policies that impose sanctions for noncompliance for a broader range of activities are likely to increase sanction rates by creating more opportunities for clients to fail to comply with required activities. Delaware, for example, imposes both "work and training" sanctions and sanctions for failure to comply with various "adult responsibility" requirements. As Fein and Lee (1999) report, broad sanction policies, and vigorous enforcement, resulted in high sanction rates in the state (43 percent of cases within an 18-month observation period) and imposition of sanctions for many reasons other than failure to cooperate with work requirements. Fewer than one-half of all sanction episodes observed in their study resulted from failure to attend a required work preparation activity and fewer than three percent from failure to go to a job interview; the remainder resulted from failure to document attendance at parenting education classes (24 percent); failure to prove that children were up-to-date on immunizations (10 percent); or failure to prove attendance at family planning sessions, to provide required information on work and training activities, or to cooperate with requirements to keep children under age 18 in school (5 percent each).

Documentation and procedural requirements for showing compliance may themselves affect the ability of clients to come into compliance. In their three-city study, for example, Cherlin et al. (2001) report that only 12 percent of clients reported that they were sanctioned for refusing to work or accept a job. Nearly one third of clients, between 4 and 47 percent across cities, reported that they were sanctioned for failure to keep required appointments and more than one-fifth for failure to submit required documents to the welfare agency.

Policies for initial screening and assessment of clients may also affect sanction rates through early identification of client needs and barriers. Pavetti et al. (2004) note that clients often do not recognize or acknowledge family and personal issues that create barriers to participation until they fail to meet participation or other requirements. More extensive early assessment may reduce sanction rates by identifying problems before they result in noncompliance and sanctions. In Arizona, for example, the implementation of a comprehensive screening tool was related to increased use of program services, a higher likelihood of

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difficult to distinguish between state and local level policies. In this section we describe variation that may be due to policy at either level.

participation in program activities, increased exits, and a lower likelihood of nonparticipation (Peck and Scott 2005).

Policies that set criteria for client compliance, and specify agency and staff responsibilities for resolving compliance problems, may have consequences for the likelihood that noncompliant clients will be sanctioned. For example, Kirby et al. (2001) described criteria for establishing noncompliance in eight sites that ranged from two days of unexcused absence from Work First activities to missing one hour of activities. More stringent rules for compliance can have the effect of increasing findings of noncompliance and opportunities to impose sanctions. This may be offset, or exacerbated, by policies that define agency and staff responsibilities for conciliation before applying a sanction. In the Kirby et al. study, conciliation policies varied across sites, from the minimal approach of notifying noncompliant clients and giving them 10 days to show good cause for their failure to comply to a more extensive, six-step procedures that included a mandatory home visit by a "Customer Service Reviewer" who was not a TANF staff member. Other state and local sites have adopted conciliation policies that include, for example, phone calls and visits by welfare workers, home visits by workers from community agencies, and, in Minnesota, legal advocacy provided by local legal aid programs (Pavetti et al. 2004; Goldberg and Schott 2000; Fein and Lee 1999).

B. Administrative Procedures and Practices

Sanction and TANF policies set at the Federal, state and/or local level create the framework for sanction processes. Within this framework, local welfare offices develop administrative practices and procedures that have consequences for the application and resolution of sanctions. As described above, observed sanction rates vary substantially within states (p. 16), and even in studies that control for client and case characteristics, intra-state differences persist (see, for example, Kesier et al. 2004, Ong and Houston 2003, and Fording et al. 2006). As would be expected, within-state variation is higher in states with more devolved policy systems (Pavetti et al. 2004). It is also substantial, however, in some state-controlled systems. This suggests that within the same policy context, local procedures and practices may result in varied and inconsistent application of policies. Unfortunately, research comparing the details of local administration and the consequences for sanction rates, is limited. Routine office level procedures and practices are less well documented than formal policies and are difficult to observe and compare across sites.[19]

A handful of studies have compared the implementation of sanction policies across sites within the same policy context. Pavetti et al. (1998), for example, conclude that differences in local procedures contributed to variation in sanction rates, which ranged from 11 to 35 percent across five local sites in Virginia. In a study of five communities in South Carolina, Koralek (2000) described differences in local approaches that resulted in variation in the use of conciliation reviews in from 18 to 36 percent of sanctioned cases, and variation in sanction rates from 17 to 25 percent.

[19] For discussions of variation in the quality of states' policies and practices with respect to informing clients about sanction policies and impending sanctions, see Office of Inspector General 1999a, 1999b, and 1999c.

Some researchers characterize variation in administrative procedures in terms of differences in the philosophy or approach toward sanctions. The approach may come from the top down. In South Carolina, for example, the governor and state welfare administrator set a tough "work first" approach early in the welfare reform period that emphasized the use of sanctions to enforce compliance and self-sufficiency. A subsequent administration shifted the emphasis toward using sanctions as a last resort. Although there were no changes in formal policy, the proportion of case closures due to sanction dropped from 25 percent under the first administration to 10 percent or less under the second (Pavetti et al. 2004; Koralek 2000).

Local administrators may also shape the philosophy and approach to sanction policies, resulting in variation in sanction procedures and outcomes within the same policy and state leadership context. In a comparison of eight communities, Kirby et al. (2001) identified "office philosophy" toward sanctions as a major factor in the extent to which local sites imposed sanctions. They described two approaches in their study sites: in one, sanctions were seen as a tool or threat to motivate client participation and movement toward self-sufficiency; in a second, sanctions were used a last resort and front-line workers were expected to uncover and resolve barriers to participation. Sites taking the second approach engaged in extensive conciliation procedures to avoid imposing sanctions, procedures that in some sites went beyond those specified in state policy; conciliation efforts were more limited and sanction rates were higher in offices employing the first approach. In a study of the implementation of sanctions in three states, Pavetti et al. (2004) reach similar conclusions: "Program administrators often set the tone as to how [sanction policies] are implemented. For example, a local administrator may decide that sanctions should be imposed only as a last resort; others, believing that the imposition of sanctions will lead to greater participation, might decide to impose sanctions without delay."

C. Front Line Practices

Within the context of formal policies and state and local administrative procedures, front-line workers exercise substantial discretion in their interpretation and application of sanction policies, their efforts to monitor compliance and resolve noncompliance, and their treatment of individual clients. This exercise of discretion can result in inconsistencies in sanction practices across workers in the same office and policy context. It can also result in inconsistent treatment of different clients by the same worker.

A substantial literature has described the exercise of discretion by front-line workers in welfare offices (see Meyers and Vorsanger 2003 for a review). Front-line workers need to interpret and apply a large and increasing volume of rules, administrative policies and procedures when opening and managing TANF cases; they sometimes must do so for very large caseloads of clients with diverse characteristics, circumstances and needs. Given the complexity of rules and variability of clients, front-line workers necessarily exercise discretion in the application of rules (Meyers and Dillon 1999; Brodkin 1997). As Maynard-Moody and Musheno (2003) observe, the number and complexity of rules render the work of front-line workers "ironically, rule saturated but not rule bound." Fording et al. (2006) argue that the amount of discretion exercised

by front-line workers has increased under TANF, relative to the AFDC/JOBS program, because of the increase in requirements for TANF applicants and recipients and the application of these rules to a larger proportion of the caseload.

Because they are responding to clients with diverse circumstances, characteristics, resources and needs, front-line workers are also required to exercise considerable judgment in their application of sanction policies. The exercise of professional judgment by front-line workers can contribute to the individualization and effectiveness of sanction policies. It can also result in variation and inconsistencies in treatment – across offices, workers, and clients. A Wisconsin study, for example, concluded that the main source of variation in the application of sanctions was *within* rather than between local offices because individual workers were more-or-less likely to impose sanctions (Wisconsin Department of Workforce Development 2004).

Although sanction policies and procedures vary across states and localities, Pavetti et al. (2003) describe six common activities in the implementation of sanction policies: (1) informing clients about the sanction policy; (2) assessing a client's ability to participate in countable activities; (3) monitoring participation and giving good cause exemptions; (4) defining what triggers a sanction; (5) defining the process for imposing a sanction; and (6) deciding how to re-engage sanctioned recipients in the program. Each of these activities requires the exercise of judgment by front line workers and each creates opportunities for inconsistent implementation of sanction policies and treatment of clients. Although research on the consequences of front-line discretion for consistency in the application of sanction policies is very limited, a handful of studies provide some insight about specific stages of the process or sources of variation in the application of sanction policies.

In informing clients and assessing their ability to participate in required activities, front-line workers are required to exchange large amounts of information. They are also required to assess clients' circumstances and needs on several dimensions in order to provide services and referrals and determine client responsibilities. The sheer volume of information can lead to inconsistencies in informing clients and assessing their needs. Pavetti et al. (2004), for example, report that clients in the three states they studied were routinely informed about TANF rules, requirements and sanction policies; front-line workers also reported, however, that the volume of information may have interfered with clients' ability to completely understand program requirements and penalties. The volume and complexity of information can also lead workers to limit or routinize their communication of information in order to manage workloads and meet their own performance requirements (Meyers et al. 1998; Meyers and Dillon 1999). Lindhorst and Mancoske (2006) found that in four states that had explicit policies for exempting domestic violence victims from TANF work requirements, front-line workers very seldom identified domestic violence issues or granted domestic violence exemptions. The majority of workers never informed welfare applicants about the availability of these exemptions during TANF intake conferences. When workers did provide information, it was often communicated in a

routinized manner that rarely resulted in client disclosure of sensitive information about domestic abuse and, even more rarely, in an exemption from requirements.[20]

The assessment of client circumstances and needs also requires workers to exercise considerable judgment, and differences in worker judgments can produce considerable variations in practice. For example, an analysis of sanction practices in Wisconsin showed how applying sanction procedures required front-line workers to exercise judgment when making numerous decisions about individual cases – from deciding how much weight to give various factors when determining work requirements and placements, to evaluating clients' claims for "good cause" exemptions (Wisconsin Department of Workforce Development 2004). In a survey of front-line workers in the state, respondents varied considerably both within and across offices in their assessment of whether a hypothetical client was "job-ready" and in their judgment of whether or not to apply sanctions in various scenarios. In a similar study in New York, researchers asked caseworkers to rank seven vignettes about families experiencing domestic violence (Hagen and Owens-Manley 2002). In the abstract, all respondents agreed that the immediate safety of the mother and children should be given the most weight when deciding whether or not the client should be given a "good cause" exemption. There was little agreement across workers, however, about the priority they would give to each of the families described in the vignettes or about the course of action they would take in addressing the families' situation.

Processes for determining client compliance, granting exemptions and triggering sanctions are similarly complex and dependent on front-line workers' judgments. Formal exemptions from work and other requirements (e.g. for the care of infants) are generally granted according to criteria established in state policy and granted early in the TANF enrollment process. In addition to formal exemptions, front-line workers also grant "good cause" exemptions or temporary excused absences from required activities for short-term problems such as illness, medical appointments, or child-related responsibilities such as doctor or school appointments. Good cause exemptions are granted prospectively and, in some systems, can be granted retrospectively for missed appointments or activities. Both types of exemption depend on front-line workers' assessments and on their ability to help clients identify barriers. Front-line discretion is particularly great, however, in granting "good cause" exemptions because the rules for making these assessments and decisions are rarely specific. Across eight local sites in six states, for example, Kirby et al. (2001) concluded that in all but one site the standards for judging noncompliance relied on worker judgment for interpretation. The authors note that front-line workers often had little discretion in determining compliance with requirements for opening a TANF case. After cases were open, however, "a great deal of subjectivity entered into the sanction process because, in all of the sites, it was up to the case managers to interpret what was meant by noncompliance with, or non-participation in, ongoing activities."

[20] While there is a growing literature about the behavior of front-line workers, there is less information about recipients' experiences with sanction procedures. One study of sanctioned clients in Utah found differences in client reports of various conciliation procedures and information from case files (Harris and Vogel-Ferguson 2004). For example, while case file reviews show that 97 percent of respondents had an initial discussion of nonparticipation issues with their case managers, only 68 percent of respondents reported such a discussion.

The consistency with which front-line workers apply sanctions depends in part on the specificity of procedural rules and decision criteria. In designing sanction policies and procedures, policy makers and administrators face a tradeoff. More explicit procedures might be expected to decrease front-line discretion and inconsistency in applying sanction policies. Greater specificity in rules and sanction procedures may also increase sanction rates by limiting workers' flexibility in setting participation requirements and granting exemptions that may resolve noncompliance before sanctions are imposed (Pavetti et al. 2004).

Greater specificity in sanction rules and procedures could have the opposite effects, however, by creating more time-consuming processes that discourage workers from initiating sanction processes. As Pavetti et al. (2004) report, in study sites that had complex sanction processes, workers were often reluctant to impose sanctions because of the time needed to navigate the sanction process: "For example, in one of the local sites, the review process for imposing a sanction includes a conciliation review, an extensive written report, and approval from the supervisor and local office administrator—a process that takes between two and four months. Accordingly, workers report that they use sanctions to encourage compliance but rarely impose them."

Workers' reluctance to initiate complex and time-consuming sanction processes could also increase inconsistency in their efforts to resolve noncompliance before applying sanctions. In interviews with roughly 50 case managers and administrators in four California counties, for example, Bagdasaryan et al. (2005) reported that half of the case managers interviewed felt that it took too much time to impose a sanction. Many took steps to resolve noncompliance before imposing sanctions on a case-by-case basis, for example going beyond conciliation activities required by state policy to contact some noncompliant clients: "One case manager stated that such interim steps are necessary if the process is to ensure a recipient's right to 'due process.' Another case manager's explanation for this apparent leniency is that, ' …sometimes it's easier to reschedule-[there is] less paperwork-than to sanction.' In the same vein, a third case manager stated that '[it is] a lot of work to sanction and it's easier to give them a second, third, or fourth chance.'"

Similarly, workload pressures and resources may also be a factor in the willingness of front-line workers to apply sanctions and their consistency in doing so. Welfare reforms have increased demands on front-line workers by increasing the number of client activities that they are required to monitor, the number and complexity of rules that they are required to enforce, and the number and diversity of other agencies with which they are required to coordinate information (Meyers 2005). The increasing complexity of front-line workers' jobs has not always been matched by increasing resources; in many states, declines in TANF caseloads have been accompanied by reductions in front-line staff, leaving remaining staff with equally large or even larger caseloads to manage. Workers may cope with work demands by reducing the number of clients that they actively monitor and sanction for noncompliance. Net of other factors, Fording et al. (2006) found that Florida counties with large caseloads imposed sanctions less frequently than those in which caseloads were smaller. Kirby et al. (2001) also found that large caseloads were an obstacle to monitoring client activities and imposing sanctions. They

report that workers saw large caseloads as a barrier to strong case management; when caseloads approached 100, case managers believed that they could not spend enough time with individual clients to be effective.

Workers may also cope with large caseloads and heavy task demands by "particularizing" their treatment of clients – varying their efforts and treatment of different clients. In the Pavetti et al. (2004) study of sanction process in three states, workers described differences in their willingness to try to resolve noncompliance issues for different clients – for example, being less likely to impose sanctions on clients who they judged to be making efforts to comply, who communicated more regularly, or who they judged to have more serious barriers – sometimes because they had a "gut feeling" about the clients' circumstances.

Variation in workers' motivations, capacities and personal beliefs may also contribute to variation and inconsistencies in the application of sanction policies. Research on the role of worker characteristics is particularly limited. In a qualitative study of four sites in Nebraska, Meckstroth et al. (2002) found that case managers varied on several dimensions of performance -- their ability to handle their work load, the amount of information they shared with clients, their ability to assess clients' needs, their use of referrals to supportive services, and their knowledge about community resources. Pavetti et al. (2004) also identify variation in workers' beliefs as a source of inconsistency in treatment. They describe workers as varying in their comfort level in imposing sanctions and in their concern about the possible adverse effects of imposing sanctions; workers who expressed more concern about imposing sanctions were often less willing to impose sanctions or more willing to take steps to resolve personal or family barriers to participation.

D. Regional and economic factors

Welfare offices are embedded in larger systems, and local labor market conditions and the services available to recipients could all contribute to sanction rates.

Using administrative data for a sample of California AFDC recipients, Hoynes (2000) found that higher unemployment, lower employment growth, and lower wage growth were associated with longer welfare spells and quicker returns. Having more long-term recipients on the caseload might increase the proportion of recipients with significant barriers to participation, and potentially result in an increased sanction rate.

Local conditions can influence participation in unexpected ways. For example, despite rural recipients' higher reported rates of having 3 or more barriers and substance abuse or alcohol problems, Meckstroth et al. (2002) found that rural clients in Nebraska were more likely to participate in mandated activities than urban clients. They give several possible explanations for the higher participation rates among rural clients, including more experienced case workers, a less-complicated service delivery system, smaller caseloads, and closer-knit communities in rural areas.

Existing research has not yet been able to determine all of the local factors influencing sanction rates. Large urban counties and counties with higher poverty rates have been associated with higher sanction rates in Florida (Fording, Schram, and Soss 2006). More conservative Florida counties also had higher rates of sanctions, even after controlling for recipient and other county characteristics (Fording, Schram, and Soss 2006).

E. Interactions and Influences on Racial/Ethnic Disproportionality

As described above, a number of studies have identified client characteristics that increase the likelihood that TANF clients will be unwilling or unable to comply with TANF requirements and incur a sanction. The distribution of these characteristics in TANF caseloads may also explain some of the variation in sanction rates across states, local welfare systems, and welfare offices. Even with controls for client characteristics, however, several studies have shown that sanction rates vary substantially across sites and offices in the same policy context. The studies also show that likelihood of being sanctioned is consistently higher for some groups of clients, particularly African Americans, even after controlling for other individual and policy factors. This suggests that there are other differences across locations and, possibly groups of clients, that affect the likelihood that otherwise similar clients will be sanctioned.

As Fein and Lee (1999) note, "Sanctions require actions – or the lack of a required action – by both welfare recipients and welfare workers." Researchers are only beginning to examine the policy, procedural, management and front-line mechanisms that explain variation in sanction outcomes. Understanding these mechanisms is particularly important, and particularly complex, for understanding the source of racial and ethnic differences in sanction outcomes.

At the individual level, African American clients may be at greater risk for sanctioning because they have disproportionately higher rates of other characteristics that are barriers to employment and that increase the time on TANF– including limited education and job skills, and health and disability problems. Even when these characteristics are controlled, however, many studies find that African Americans have a higher likelihood of being sanctioned than white clients. As noted, findings for the relative risk of sanctioning for Hispanic welfare recipients are mixed, and there is little information on other minority groups.

Time on welfare may be one mechanism that disproportionately increases the risk of a sanction for African American and Hispanic clients. Studies of several states have found that the risk of being sanctioned, regardless of race, increases with the length of time on welfare, net of other factors (Pavetti et al. 2004; Ong and Houston 2003; see p. 18-19). This may be due to changes over time in clients' motivation and success in meeting TANF requirements; it may also be a function of earlier exits from TANF by those who are most job-ready and likely to comply with TANF requirements. Using data from Wisconsin, Wu et al. (2004) found that Hispanics have high sanction rates relative to whites if the amount of time they have been on welfare is

taken into account. Wu et al. also found that the length of time on welfare explained part (but not all) of the higher sanction rates for African Americans. In Delaware, Fein and Lee (1999) found that nonwhite clients had both longer spells on welfare and higher sanction rates, which may have resulted from their longer exposure to the risk of sanctions. Another study identified an interaction between race and length of time on welfare as an important factor in disproportionate outcomes: Fording et al. (2006) found that racial disparities in Florida county sanction rates changed over the lifecycle of a welfare case. While white recipients were more likely to be sanctioned early in a welfare spell, black and Hispanic clients became more likely to face a sanction in later months of a spell.

Higher sanction rates for African Americans might also reflect differential treatment. However, only a few studies have examined the issue of inconsistent treatment rather than differing outcomes by race. A Wisconsin study found that African American, Native American and Hispanic clients were more likely than whites to be placed in work assignments that had higher rates of sanctioning than other assignments; these clients also incurred more severe sanctions (higher grant reductions) than their white counterparts (Wisconsin Department of Workforce Development 2004).[21] Even with controls for characteristics including age, education, barriers, and time on the TANF clock, African American clients had higher sanction rates than did whites.[22]

In a study of a small sample of welfare recipients in Virginia, Gooden (1998) found that African American clients rated their workers as less generally helpful than did white clients. However, there were no differences between the groups in terms of clients' reports of assistance in locating child care, learning about job opportunities, or feeling that they were treated fairly. African American respondents did report less help in two specific areas: encouragement to pursue education and help with transportation problems (beyond gas vouchers). In a multi-site South Carolina study, Gooden (2004) again found variation in sanction rates by race and ethnicity. She also found evidence in one county (but not others) that clients reported that appeals of welfare decisions had different outcomes by race; in cases where there was a dispute and for which there was a final decision, 100 percent of white clients reported winning their disputes with the welfare agency, in contrast to barely one-half of African Americans (53 percent). Hispanic clients were less likely than African American or white clients to report winning their disputes (12 percent).[23]

Researchers are just beginning to examine the possible role of economic and social context in racial and ethnic differences in sanctions; the handful of studies that have examined these factors have studied a small number of states and have reached contradictory conclusions..

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[21] These patterns varied by location within the state, although minority recipients faced higher rates of sanctioning in all areas within Milwaukee as well as in the balance of the state.

[22] Hispanics were less likely to be sanctioned than whites regardless of work placement. .

[23] The finding on disparities in resolving disputes is based on a small fraction of the original sample of recipients. Roughly 20% of the sample reported a dispute and only a fraction of those respondents reported a final resolution to the dispute. Further, because the data for this study and the previous study by Gooden are based on information reported by clients, there is a possibility that the data capture differences in the willingness to report disputes by racial/ethnic group or differences in clients' perceptions of worker helpfulness.

Higher sanction rates for African Americans may reflect their residence in areas that have fewer economic opportunities. It is also possible labor market opportunities are more limited for African American clients, in comparison to whites, in some communities.[24] The influence of local economic and social context on sanction outcomes may vary by state or region of the country. In Wisconsin, for example, differences in the severity of sanctions for African American and white clients were greatest in rural counties (Wisconsin Department of Workforce Development 2004).[25]

Location may matter for sanction outcomes, and for racial disparities, in more subtle ways as well. Some research suggests that sanction rates, and racial/ethnic differences in sanction rates, vary with the racial composition of the local area. In a study of sanction rates in Missouri, Keiser et al. (2004) found that county sanction rates increased with the share of the population that was nonwhite until the share of the population that was nonwhite reached a threshold of representation beyond which sanction rates were *lower* in areas with larger nonwhite populations.[26] The result for racial disproportionalities is somewhat paradoxical: Keiser et al. study found that nonwhite clients were sanctioned at lower rates than white clients in the state as a whole but at a higher rate in each of the local areas, because nonwhite clients tended to live in local areas with lower sanction rates. Fording et al. (2006) reach similar conclusions in their study of sanctions in Florida counties.

The racial and ethnic mix of communities may influence the 'strictness' of sanctions through its influence on policy decisions or on the racial composition and attitudes of managers and front-line staff in local welfare offices. In a study of state policy choices under TANF, Soss et al. (2001) found that, controlling for the political climate and economic factors, as the proportion of African American recipients on the welfare caseload increased, states were significantly more likely to adopt more severe sanction and time limit policies. States with conservative governments were also more likely to adopt stricter sanction policies.[27] In a later study, Soss and his colleagues found similar results for intra-state variation in welfare policy choices (Fording et al. 2006). In their study of Florida counties, Fording et al. (2006) describe another dimension of the local political climate that contributes to sanction outcomes. Using a measure of "political ideology" based on county-level election results for 18 "ideologically relevant" constitutional amendments, they find that sanction rates were significantly and substantially higher in more conservative counties after controlling for other client and county characteristics. They estimate that the probability that a TANF client would stay on the program for 12 months without a sanction is twice as high (.40) in the most liberal county in the state than in the most conservative (.20).

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[24] Holzer and Stoll (2002) do find variation in employer demand for welfare recipients by race.

[25] An earlier study of sanctions in Wisconsin (Mulligan-Hansel and Fendt 2002) also found very large differences in sanction rates by race/ethnicity in the counties outside of Milwaukee: 40 percent of African-Americans were sanctioned, in comparison to 32 percent of Hispanics and 18 percent of white recipients.

[26] However, this analysis did not control for other demographic or economic characteristics.

[27] The proportion of Hispanic recipients was positively associated with stricter time limit policies, but not stricter sanction policies. A lower level of inter-party competition in the state, a higher proportion of births by unmarried women, earlier adoption of AFDC waivers, and lower AFDC caseloads were also linked with tougher sanction policies.

V. Outcomes for Clients and Sanction Impacts

A large and growing research literature examines client outcomes in the wake of the 1990s welfare reform as well as the role of policy in those outcomes. A comprehensive review of this literature is beyond the scope of the present document. In this section, we briefly survey key research on the outcomes and impact of sanction policies. We begin by reviewing studies of client outcomes in employment, well-being and hardship, returns to welfare, and child welfare. We close by reviewing current evidence for the impact of sanctions on participation in work activities and reducing welfare dependence.

A. Outcomes for Clients

As with other areas of sanction research, much of what is known about outcomes for sanctioned clients, and how these compare to those of nonsanctioned recipients, is based on studies of one or a small number of states. State differences in sanction and other TANF policies, along with differences in study methodology and measures, render comparisons and summaries of findings difficult.

A substantial body of literature does suggest some summary conclusions about individual, family and child outcomes among families who have been sanctioned. On most dimensions, families who are sanctioned fare worse than those who are not sanctioned in terms of employment, hardships, health, and various child outcomes. Interpreting these summary conclusions remains difficult, however. Although a number of studies have used well-controlled designs to analyze differences in outcomes for sanctioned and nonsanctioned families, conclusions about causality should be drawn with caution. The same characteristics that place families at greater risk for sanctions – including low education, limited work experience, health and disability issues, and personal and family problems – are also risk factors for the post-sanction outcomes studied. The mechanisms linking these risk factors to a variety of poor outcomes, including TANF sanctions, remain poorly understood.[28] And there are no randomized experiments with which to reliably test the contribution of sanctions to poor outcomes. Evaluations of sanction outcomes rely on natural experiments and statistical controls to isolate the effects of sanctions from other factors that contribute to these outcomes. As such, they provide evidence but no conclusive test of the role of sanctions in adult, family and child outcomes.

Research consistently finds that TANF clients who leave welfare due to sanctions are less successful than those who leave for other reasons in obtaining employment. When they do work,

[28] See Fremstad (2004) for a discussion of barriers welfare recipients and recent research on how health problems influence employment outcomes for welfare recipients.

sanctioned leavers tend to earn less than nonsanctioned leavers. Much of this research does not control for recipient characteristics, however, so it is difficult to distinguish the effect of sanctioning from other characteristics that may increase the probability of both sanctioning and poor employment outcomes.

Comparisons of employment outcomes between TANF recipients who were sanctioned at the time of exit and those who left for other reasons find large differences in subsequent employment. Across several studies, rates of employment for sanctioned leavers were about 40 percent and those of nonsanctioned leavers about 55 percent, soon after leaving the program.[29] Differences were similar in earnings: sanctioned leavers earned between $1,400 and $1,600 in their first quarter after exiting, in contrast to about $2,200 earned by nonsanctioned leavers.[30] Differences are greater when sanctioned leavers are compared with only those recipients who left TANF for work. In South Carolina, for example, roughly 40 percent of those who left welfare because of earned income had earnings in each of the 10 subsequent quarters, compared to only 17 percent of sanctioned leavers; in the tenth quarter after their exit, 63 percent of those who left for earnings were working in comparison to 44 percent of sanctioned leavers (Richardson et al. 2002).

A large proportion of all welfare leavers report experiencing material hardships (Bloom and Pavetti 2001) and there is evidence that sanctioned respondents face more hardship than recipients who are not sanctioned. Studies comparing rates of self-reported hardship between sanctioned and nonsanctioned clients suggest that in comparison to nonsanctioned families, sanctioned families more frequently experience trouble paying housing costs, having their phone service cut off, and seeking help from a church/charity more often than nonsanctioned respondents (Lewis et al. 2003; Richardson et al. 2002). More reliable evidence of differences is provided by studies that control for other individual and family characteristics that may be associated with both sanctioning and the experience of hardship (Kalil, Seefeldt, and Wang 2002; Lewis et al. 2003). For example, Children's Sentinel Nutrition Assistance Program (2005) reports that involuntary welfare benefit reductions and terminations in six cities were associated with 50 to 60 percent increases in food insecurity. [31] Using survey data from 20 cities in 15 states, Reichman et al. (2005) found that, after controlling for client and state characteristics and pre-sanction rates of hardship, sanctioned mothers were more likely than nonsanctioned mothers

[29] In the first quarter following their exit, 55 percent of non-sanctioned leavers in Arizona were working, compared to 40 percent of sanctioned leavers (Westra and Routley 2000). Two years later, sanctioned leavers in Arizona were still less likely to have formal sector earnings (71 percent) than non-sanctioned leavers (83 percent). In Maryland, 56 percent of non-sanctioned leavers worked after exit, compared with 38 percent of sanctioned leavers (Goldberg and Schott 2000). Recipients who were sanctioned in the first year of the TANF program in California also had lower rates of employment and lower earnings than recipients who were not sanctioned. (Ong and Houston 2003).
[30] Sanctioned leavers in Arizona who worked had lower average earnings than non-sanctioned leavers ($1,649 vs. $2,233 in the first quarter after exit). However, sanctioned leavers' average earnings grew 51percent between 1999 and 2000 (Arizona Department of Economic Security 2001). In Maryland, average quarterly earnings were $2,240 and $1,337, for non-sanctioned and sanctioned leavers respectively (Goldberg and Schott 2000).
[31] Although the study's authors control for a number of characteristics that might influence health and material hardship, the sample on which these findings are based is not a random sample. Families entered the sampling frame when they visited emergency rooms in the six cities.

to report poor personal health, more hunger, having at least one hardship, having their utilities shut off at least once, and moving in with family or friends over two years later.

Some studies suggest that the type and number of hardships may change over time along with TANF recipients' needs and circumstances. Examining cases that remained in partial sanction over time in one California county, Mancuso and Lindler (2001) found that the number of sanctioned cases reporting earned income increased, and the proportion reporting child care or transportation barriers decreased, with time after a sanction was imposed.[32]

Several studies have attempted to learn how sanctioned families make ends meet after their benefits are reduced or terminated. When asked how they coped with their benefit reduction, respondents in the Three-City Study reported finding work, cutting back on necessities, and getting help from family and friends (Cherlin et al. 2002). In South Carolina, 24 percent of sanctioned leavers reported relying on regular gifts from family and friends almost three years after their exit (Richardson et al. 2002). Despite having assistance from family and friends, material hardships persist for many sanctioned leavers. For example, only 66 percent of sanctioned leavers in Tennessee said their family could pay its rent and only 68 percent reported they were able to pay their utility bills (Tweedie 2000).

Evidence of worse outcomes for children in sanctioned families raises particular concerns. A survey of over 2,700 families in six cities who received welfare since 1996 found evidence that children in families that were sanctioned suffered higher levels of material hardship than those in other families on welfare; infants and toddlers in sanctioned families also had a 30 percent greater risk of having been hospitalized since birth and a 90 percent greater risk of being admitted to the hospital when visiting the emergency room (at the time of the survey), even after controlling for child and family characteristics including low birth weight and nativity (Children's Sentinel Nutrition Assistance Program 2005).[33]

Another study suggests that children in families that incur TANF sanctions do worse in several developmental areas than children whose families were never sanctioned. In a 1999 survey of low-income households in three cities, Chase-Lansdale et al. (2002) found that preschoolers in sanctioned families had lower scores on tests of quantitative and reading skills even after controlling for mother and family characteristics. Preschoolers in sanctioned families were at heightened risk of behavioral problems as well, although these differences were reduced by controlling for mothers' physical and mental health. Adolescents in families on welfare (sanctioned and not sanctioned), and those in families who left the rolls because of a sanction, were found to have more behavior problems than adolescents in families that left the rolls for

[32] The sample included families that were sanctioned in each month from December 1999 to February 2000. Sanctioned families in this study could be either on or off the rolls at the time of the survey. A year after their selection into the sample, 34 percent of initially sanctioned respondents were off welfare, 19 percent were still on welfare but not sanctioned, and 47 percent were still sanctioned. On most measures, the sanctioned families were faring worse than families who left the rolls during that time period, although the authors do not control for background characteristics in these comparisons.
[33] See Footnote 31.

work. Controlling for mothers' mental and physical health did not reduce the differences in behavioral problems among adolescents.[34]

One area where sanctioned recipients may have an advantage relative to nonsanctioned recipients is in retaining access to other public benefits. Although sanctioned families reported more financial difficulty, nonsanctioned respondents in Illinois reported more difficulty affording medical or dental care for themselves or their families (Lewis et al. 2003) and were less likely to have food stamps or Medicaid benefits in at least two states (Tweedie 2000).

There is also some evidence that sanctioned leavers return to welfare more often and more quickly than recipients who exit welfare for other reasons (Tweedie 2000; Westra and Routley 2000; Lewis et al. 2003; Pavetti et al. 2004). Although their ability to return is often conditioned by rules about how soon they can reopen their TANF cases, sanctioned leavers, particularly those who face full-family sanctions, return to TANF more quickly than those who left for other reasons. Of those who left due to a full-family sanction in Illinois, for example, 43 to 47 percent returned within 3 months and 55 to 63 percent returned within the year, in comparison to 26 to 39 percent of those who left TANF for other reasons (Pavetti et al. 2004).

Earlier research suggested that TANF recipients were also more likely to be involved with child protective services than other families; rates of substantiated child maltreatment are estimated to range between 3 and 7 percent among welfare recipients over a one-year period (Courtney et al. 2005). The welfare reform debate raised concerns that sanctioned families would be at heightened risk of child maltreatment. Under TANF, a number of states have established links between their Child Protective Services (CPS) departments and TANF agencies and many have developed systems for monitoring families who leave assistance due to a sanction or time limit (Andrews et al. 2002)[35].

Researchers have reached conflicting results in studies of sanctions and the risk of child maltreatment reports. In Michigan, families sanctioned under the state's JOBS program were about 50 percent more likely to have had contact with child protective services (Kramer 1998; Colville 1997, cited in Kaplan 1999). In Illinois, receiving a partial sanction under AFDC significantly increased the odds of having a child maltreatment allegation of lack of supervision and risk of harm; the odds of having a child placed outside the home or having a CPS case opened were 53 percent higher for sanctioned cases than for nonsanctioned cases (Shook 1998). Courtney et al. (2005) compare the involvement with Child Protective Services (CPS) of a cohort of AFDC entrants from 1996 with that of a cohort of TANF applicants and entrants in 1999 in Milwaukee County. Overall, welfare entrants in 1999 had higher rates of involvement with child welfare services than did entrants from 1996, but being sanctioned during the two-year follow-up period was *not* associated with a higher rate of CPS involvement among the 1999 entrants. Increased economic hardships were associated with an increased risk of CPS investigations.

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[34] Using the same data, Lohman et al. (2004) find similar results.

[35] Based on surveys of state CPS administrators, Romero (2000) found that 71percent of states have some form of follow-up with families whose TANF benefits are terminated (not exclusively for sanctions), often in conjunction with TANF program.

However, sensitivity tests lead the authors to conclude that these effects are not related to sanctions *per se*. They do note that the effects of sanctions "may be conditioned by parental employment and other sources of income."

An important caveat in interpreting research about outcomes for sanctioned clients is that they are often based on incomplete samples. Sanctioned individuals, like TANF recipients and leavers more generally, are often difficult to locate, resulting in low and potentially biased response rates. Clients in the most difficult circumstances may be the hardest to locate and interview, biasing measures of hardship downward. Across a number of studies, researchers find that a substantial share of TANF leavers have no observable earnings or other sources of support. For example, in a study of welfare leavers in New Jersey, roughly one-fourth of former recipients were not employed in a given month of follow-up. Among those who were not working, roughly 40% had no identifiable source of economic support (Wood and Rangarajan 2003). We know very little about the circumstances of these individuals.

B. The Impact of Sanctions

Evaluating the overall effect of sanctions is even more challenging than answering questions about client outcomes. TANF sanctions were adopted as part of broader set of changes in social assistance programs for the poor. No evaluations have been specifically designed to test the effects of sanctions (Bloom and Pavetti 2001). More fundamentally, there is no clear consensus, among policy makers or researchers, about the goals for sanction policies.

Policymakers and researchers typically frame the question of sanctions' impact in terms of one of two goals: reducing caseloads or promoting engagement with TANF work activities and economic self-sufficiency outside of the welfare system. The two goals are not necessarily incompatible. Engagement with work activities can increase the likelihood that a TANF recipient will secure employment that allows her to replace TANF benefits with earnings and exit the program, thereby reducing the caseload. The goals are not synonymous, however, and can be pursued through different policies and measured with different metrics for success. Caseloads can be reduced without increased engagement in TANF activities or increased employment and earnings among recipients. And clients can be engaged in TANF work activities without immediate reductions in welfare use and caseloads.

Defining the goals and measures of impact is further complicated by the expansion of TANF participation requirements and sanctions to address activities that are not work related. For example, state policies that require TANF recipients to attend parenting classes or family planning counseling and impose sanctions for noncompliance with these activities do not relate directly to the goals of either caseload reduction or work promotion. Designing and implementing sanctions to achieve these and additional objectives does have implications, however, for how effectively TANF programs achieve the goals of either reducing welfare use or increasing employment.

With respect to participation in work activities, there is some evidence that sanctions can promote compliance. An examination of eleven welfare-to-work interventions under AFDC concluded that the enforcement of sanctions was what made sanction policies effective; programs with high levels of enforcement (i.e., requiring participation from a wide cross-section of clients, closely monitoring client participation, and imposing sanctions and providing positive encouragement) showed greater increases in participation in work activities than programs with lower levels of enforcement (Hamilton and Scrivener 1999). Within these programs, high *rates* of sanctioning were not what promoted compliance. Among high-enforcement programs, those with moderate rates of sanctioning were as effective as those with higher rates of sanctioning.

There is no direct evidence about whether sanctions under TANF are effective at promoting participation in TANF work activities. Some point to work participation outcomes in states with partial and full-family sanctions as an indicator of sanction effectiveness. Indiana, which imposed a partial sanction, had the highest work placement rate among all states in 1998 and continued to perform strongly on that measure in 1999 and 2000 (Bloom and Pavetti 2001). Using multivariate models to predict outcomes, Lee et al. (2004) found that gradual full-family sanctions increased participation in work activities other than employment for recipients in Illinois; however, sanctions actually reduced the probability of formal employment.

Others use the links between the large caseload declines in the 1990s as a measure of the effectiveness of sanctions. This line of research had led to debate over whether full-family or partial sanctions are more effective. Examining the caseload decline between January 1997 to June 1998, Rector and Youssef (1999) report a positive relationship between stricter sanction policies (i.e., full-family sanctions) and larger caseload declines. While earlier research had identified economic factors as playing a substantial role in the declining welfare rolls, Rector and Youssef's analysis attributed the caseload decline primarily to state policy choices, including stricter sanctions.[36] In addition to challenging Rector and Youssef's dismissal of economic factors, Schott et al. (1999) point out that other policies (such as the EITC) also contributed to declining welfare rolls in the mid-1990s. Others argue that California's and New York's slower economic recovery, and not their use of partial sanctions, can explain why their caseload declines were slightly below the average declines for the nation as a whole (Carroll and Renwick 2002).[37] Although the debate has continued over several years, some researchers believe that the evidence is insufficient to make a determination about the relative merits of partial and full-family sanction policies (Bloom and Winstead 2002).

Other studies have examined the links betweens sanctions and client outcomes. One study using national data found that the establishment of sanction policies under AFDC waivers

[36] Examining a period prior to the implementation of TANF, the Council of Economic Advisors (CEA; 1997) estimated that economic expansion prior to the period from 1993 to 1997 accounted for 44 percent of the caseload decline during that time, while welfare waiver policies accounted for roughly 31 percent of the decline and the remainder of the decline was due to "other" factors. For a critique of the CEA study's conclusions with respect to sanctions, see Martini and Wiseman (1997).

[37] In addition, comparing only sanction policies is insufficient for capturing the mix of incentives recipients face with respect to working and exiting welfare in a given state. As Carroll and Renwick (2002) note, California and New York offer generous earnings disregards that may keep working recipients on the welfare rolls.

was associated with increased exits for work after controlling for other waiver policies and individual and state characteristics (Hofferth et al 2000). A meta-analysis of random assignment evaluations of welfare-to-work programs under AFDC found that, controlling for other welfare waiver policies, sanctions were related to reduced use of welfare in the first two years of receipt of benefits; after that, the effect of sanctions disappeared (Greenberg, Cebulla, and Bouchet 2005). Neither of these studies distinguished between types of sanctions (i.e., full versus partial).

TANF policies, including sanctions, have also been linked with broader outcomes such as income for single-parent families. Blank and Schoeni (2005) found that poor children in states with stricter work penalty policies (including *both* sanctions and time limits) and strong work incentives saw greater gains in family income than children in states with weaker work policies over the 1990s. Through the early 2000s, continued gains in family income could be better explained by strong work incentives (such as earnings disregards) than by strong work penalties.[38]

Although the debate has continued over several years, some researchers believe that the evidence is insufficient to make a determination about the relative merits of partial and full-family sanction policies (Bloom and Winstead 2002).

VI. Conclusion

As discussed in this report, there is a growing body of research on TANF sanction policies and their effects. Although there is substantial variation in how states and localities use sanctions, existing studies suggest that some client and case characteristics put recipients at a higher risk of being sanctioned. However, existing research has several limitations. The variety of methods and samples used in these studies, combined with the differences in state policies and economic conditions, makes direct comparisons across studies difficult. Additional research can help understand how and why certain characteristics put clients at greater risk. This will require studies that control for recipient and case characteristics, as well as time on welfare. In addition, this review underscores the need to understand the connections between sanction and other policies, as well as how sanction outcomes are influenced by local organizational characteristics and local contexts.

[38] In a clarifying memo, the authors caution that their findings for the 1990s should not be used to suggest that full-family sanctions are a good – or bad - policy choice (Blank and Schoeni 2003).

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Appendix A: Methodology

Our review covered several areas of research related to TANF sanctions: Federal and state sanction policies and interactions between sanctions and other TANF policies; sanction rates, duration, and dynamics; characteristics of sanctioned clients; research on the implementation and operation of various sanction policies, administrative policies and procedures, and front-line service delivery; evidence on racial/ethnic differences in sanction rates; and recent research on the outcomes of sanction policies for clients and the impact of sanctions on broader TANF goals.

We began with the 2003 review of state sanction policies performed by Mathematica and the 2000 review performed by GAO. We used the citations in these reviews to begin gathering relevant studies. Where possible, we included more recent studies than were included in these existing reviews. We conducted internet searches for research on TANF sanctions and on racial disparities. We conducted searches for literature related to TANF or welfare in several databases of scholarly journals, including Proquest and JSTOR, and included those that were relevant to sanctions under TANF. We used citations from the initial round of studies to identify additional studies to retrieve and include. In addition, the State identified several studies that were to be included in the literature review.

We selected studies that were clear about their analytic methods. Many of these studies are descriptive and cannot establish the link between recipient characteristics and sanction outcomes. While we include descriptive information from a number of studies, in comparisons of sanctioned and nonsanctioned recipients and in calculations of sanction risks, we pay particular attention to studies that have used multivariate techniques to examine multiple characteristics simultaneously.

Table A.1 presents information on the study population, the data, and the types of analyses used in the studies we relied on most heavily for our review. In the last four columns of the table we note whether the study includes information on the implementation of sanction policies or procedures, sanction rates, the probability of being sanctioned given recipient characteristics (using multivariate analyses), and/or sanction outcomes (e.g., material hardship). Table A.2 lists review pieces we included in our literature review and the states covered by studies reviewed in those papers. As noted, we attempted to include newer studies for states covered by previous reviews.

Table A.1. Characteristics of Selected Studies Included in Sanction Literature Review
(Arranged Alphabetically by Author)

Study Includes Findings on:
I= Implementation of TANF or sanction policy
SR= Sanction rates
SP= Probability of being sanctioned
SO= Sanction outcomes (e.g., employment, material hardship)

Authors	Study/Paper	Study Population	Data	Analysis	I	SR	SP	SO
Arizona Department of Economic Security	Cash Assistance Exit Study: Second Year Final Report (2001)	Arizona recipients who left welfare in the first 3 months of 1998, followed for two years.	Admin data plus survey (N=821, 72% in ist year, N=618, 75% in second year; overall 54% for both years)	Bivariate comparisons (sanctioned/not sanctioned) and descriptive statistics for leavers' status re: work, earnings, insurance, household comp, etc.				●
Bagdasaryan, Sofya, Douglas Houston, Ruth Matthias, and Paul Ong	CalWORKs Sanction Policies in Four Counties: Practices, Attitudes, and Knowledge (2005)	Four California counties: Alameda, Kern, Fresno, and San Diego	Site visits to county welfare agencies in 2002. Interviews with 11 administrators and 26 case managers (method for selecting case managers varied by county; attempted to select randomly from list provided by administrator). Observations of 17 meetings b/w case managers and clients and interviews with clients after the meetings. Observation of 5 group orientations.	Descriptive statistics, comparisons of sanction practices across counties. Present sanction rates across California counties in 2001 and 2002.	●	●		
Beecroft, Erik, Wang Lee, David Long, Pamela A. Holcomb, Terri S. Thompson, Nancy Pindus, Carolyn O'Brien, Jenny Bernstein	The Indiana Welfare Reform Evaluation: Five-Year Impacts, Implementation, Costs and Benefits (2003)	Single-parent families in Indiana who received welfare at some point between May 1995 and April 1996, including control group; sub-state sample of recipients b/w 3/98 and 2/99 Implementation/process	Admin data (1st year of reform; N= 66,440 families, incl. 3,000+ person control group) and survey of a representative sample of these recipients in 2000 (N=2,359; 70%) Also, administrative data for a sample of single-parent families in 12 counties who were on	Experimental evaluation – Presents bivariate comparisons of welfare reform vs. control group. Includes sanction rates for two cohorts.	●	●		

Authors	Study/Paper	Study Population	Data	Analysis	I	SR	SP	SO
		study. Benefit/cost analysis for welfare reform program.	welfare b/w 3/98 and 2/99 (N=4,954). Implementation/Process study using documents, site visits, and interviews.					
California Department of Social Services	Report to the Legislature on Good Cause Establishment, Compliance and Curing of Sanctions under the CalWORKs Program (2001)	Counties in California in 2001	Two surveys: 1. Asked 19 largest counties (which serve 90% of California's caseload) about a) policies and procedures to help welfare recipients comply with required activities before being sanctioned, b) any post-sanction assistance; and c) recommendations about the sanction process (100% response rate) 2. Asked remaining 39 counties for recommendations about sanction process (82% response rate) Admin data: Analyzed admin data for 19 largest counties from July 1999 to September 2000 to monitor how many good cause exemptions were granted	Descriptive statistics about sanction practices across counties.	●			
Chase-Lansdale, P. Lindsay, Rebekah Levine Coley, Brenda J. Lohman, and Laura D. Pittman.	"Welfare Reform: What About the Children?" Welfare, Children, and Families: A Three-City Study. 2002. Policy Brief 02-1. Baltimore, MD: Johns Hopkins University.	Children (ages 0-4, 10-14) and their caregivers in 1999 in low-income neighborhoods in Boston, San Antonio, and Chicago	Survey (n=1,882) Sample randomly selected from 40,000 families screened for inclusion in the sample; oversampled TANF families (RR=74% for overall sample of 2400 interviewed, including RR for screening. Some excluded from this analysis)	Descriptive statistics on sanction/welfare leaver status and various behavioral and developmental outcomes for children; multivariate analysis for same outcomes with controls for child and family characteristics, including mothers' mental and physical health and parenting practices.				●
Cherlin, Andrew, Karen Bogen, James Quane, and Linda Burton	"Operating within the Rules: Welfare Recipients' Experiences with	Low-income children (ages 0-4, 10-14) and their caregivers in 1999 in low-income	Survey of 1.262 caregivers of low-income children (ages 0-4, 10-14) who were on TANF at the time of the 1999 survey or	Multivariate analyses to predict likelihood of loss of benefits using health, anxiety/depression score, domestic interference scale, DV		●	●	●

Authors	Study/Paper	Study Population	Data	Analysis	I	SR	SP	SO
	Sanctions and Case Closings" 2002. SSR 76(3): 387.	neighborhoods in Boston, San Antonio, and Chicago	received TANF in the previous two years, randomly selected from 40,000 families screened for inclusion in the sample; oversampled TANF families (RR=74% for full sample of 2,400+, including RR for screening)	scale, neighborhood problems, as well as race, city, age, marital stat, # minors, age of youngest, native English speaker, welfare and work history. Descriptive statistics on sanction rates and ways of coping with benefit reduction/loss.				
Fein, David and Wang S. Lee.	Carrying and Using the Stick: Financial Sanctions in Delaware's A Better Chance Program. 1999. Cambridge, MA: Abt Associates, Inc.	Cases under sanction or closed by a sanction Dec 1996 through June 1998 in Delaware	Admin data (Various subgroups used for different analyses, N's from 1,072-2,279).	Descriptive statistics for sanction rates; multivariate regression for sanction probabilities over time; event history analysis for effects of sanctions on exit, staying on welfare, curing; impacts of sanctions on welfare receipt and employment.		●	●	●
Fording, Richard, Schram, Sanford F., and Joe Soss.	"Devolution, Discretion, and Local Variation in TANF Sanctioning." University of Kentucky Center for Poverty Research Discussion Paper Series, #2006-04.	New adult TANF clients in Florida entering the caseload b/w 1/01 and 12/02.	Administrative data (n=64,000) on clients and cases, supplemented with data on local economic and political conditions.	Uses a cohort design (by month, with 24 months, with up to 12 months of follow-up). Try to link sanction outcome to individual client characteristics (demographic and case characteristics), local social and economic conditions (county unemployment, poverty rate, etc.), and local political environments (using counties' votes on proposed state constitutional amendments and percentage black and Hispanic) using event history analysis.		●	●	
Gooden, Susan T.	"All Things Not Being Equal: Differences in Caseworker Support Toward Black and White Welfare Clients." 1998. *Harvard Journal of African American Public Policy* IV:23-33.	Female welfare clients (over age 21) from two counties in Virginia. N=39 (RR=28%), interviewed in Jan/Feb 1996 and interviews with local welfare personnel (N unknown)	Interviews about treatment by caseworkers and caseworker assistance.	Bivariate comparisons of black/white clients' experiences with caseworkers	●			

Authors	Study/Paper	Study Population	Data	Analysis	I	SR	SP	SO
Gooden, Susan T.	"Examining the Implementation of Welfare Reform by Race: Do Blacks, Hispanics, and Whites Report Similar Experiences with Welfare Agencies?" 2004. *Review of Black Political Economy* 32:27.	Single-mothers age 18-45 in high poverty neighborhoods in Cuyahoga County (OH), Los Angeles County, Miami-Dade County, and Philadelphia County who were receiving cash assistance or food stamps in May 1995 (Urban Change data collected by MDRC)	Random sample drawn from census tracts with poverty rate of at least 30% or welfare receipt over 20%. Overall N=3,159 (No response rate given; Small sample sizes when broken out by race/ethnicity and county) Findings based on second wave of interviews b/w March and September 2001. Interviews ask about treatment by welfare agencies, knowledge of welfare rules, disputes, conciliation, etc. (All self-report.)	Uses multivariate regression to predict various outcomes related to sanctioning and dispute resolution by race for each county, controlling for individual (age, marital status, education, English fluency, citizenship) and case characteristics (children, age of youngest). Uses residual difference analysis to compute the differences in outcomes if blacks or Hispanics were treated like whites.	●	●		
Hasenfeld, Yeheskel, Toorjo Ghose, and Kandyce Larson.	"The Logic of Sanctioning Welfare Recipients: An Empirical Assessment." 2004. *Social Service Review* 78:304-319.	Single-parent female recipients in two large urban and two semirural counties in California who were new entrants in 1999; age 18-50, and English- or Spanish-speaking	Survey data: Random sample drawn using administrative data (n=1,202, including 542 sanctioned respondents; RR=77% of sample with known contact information; contact information was not available for just over half of the original sample)	Bivariate comparisons (sanctioned/not sanctioned) on demographic characteristics and barriers (educational and employment, health and personal well-being, and logistical). Multivariate regression analysis to predict sanctions and sanction awareness including individual and case characteristics and measures of barriers (separate models including and excluding work history). Descriptive information on curing sanctions and average length of sanctions (over an average of 6 months of follow-up)			●	
Kalil, Ariel, Kristin S. Seefeldt, and Hui-Chen Wang	"Sanctions and Material Hardship Under TANF." *Social Service Review. 2002.* 76:642-662.	Single-parent female welfare recipients in an urban Michigan county in 1997, interviewed three times.	Panel data from the Women's Employment Study (sample from admin rolls). First interview in 1997 (N=753; RR=86%). Second interview in 1998 (N=693; 92%). Third in 1999 (N=632, 91%). N used in paper is year 3= 632.	Predict likelihood of a sanction and effects of sanctions on material hardship using a multivariate regression, controlling for married, cohabiting, race, age, other earners, past welfare receipt, less than HS ed, low literacy, learning disability, few job skills, no car or license, child younger than 5, child with learning, physical, mental health problem,			●	●

Authors	Study/Paper	Study Population	Data	Analysis	I	SR	SP	SO
				severe abuse in past year, health, mental health problems, low mastery, expectations about future welfare receipt, family welfare history, parents' education, mother had substance abuse/mental health problem				
Keiser, Lael R., Peter R. Mueser, and Seung-Whan Choi	"Race, Bureaucratic Discretion, and the Implementation of Welfare Reform." 2004. American Journal of Political Science 48(2): 314-27.	Adult female TANF recipients in Missouri in 1998.	Administrative data, n=66,330	Bivariate (white/nonwhite) statistics on sanction rates across counties. Binomial logit models to predict being sanctioned in a given month and the imposition of a sanction in a given month, using individual and case characteristics and counties. Single-predictor models for effects of various county characteristics on likelihood of sanction.		●	●	
Kirby, Gretchen, Christine Ross, and Loren Puffer.	"Welfare-to-Work Transitions for Parents of Infants: In-Depth Study of Eight Communities." 2001. Washington, DC: Mathematica Policy Research, Inc.	Welfare offices and welfare-recipient mothers with infants in 8 communities in 6 states (of 22) where parents with infants are required to work.	Interviews and focus groups with administrators, staff, and recipients in 1999. States were chosen for variation in state policies and to get diversity in terms of size, poverty, child care subsidies and supportive services. Communities were chosen in consultation with state TANF and child care officials, to get urban and rural sites and sites with services for teenage parents and parents of infants. Sites: Bakersfield, CA; St. Petersburg, FL; New Port Richey, FL; Waterloo, IA; Kent, MI; Wayne, MI; Davidson, TN; Milwaukee, WI.	Descriptive comparisons of sanction policies, philosophies, and practices across sites.	●			
Koralek, Robin	"South Carolina Family Independence Program Process Evaluation:	South Carolina officials, county welfare administrators, partner agencies, workers, and focus groups in five	Admin data (N=27,213 - 8,000+ in conciliation; 4,200+ sanctioned); Interviews with state and county officials in 1999	Comparisons across counties in sanction process. Descriptive comparisons of sanction rates (and rates of conciliation) across counties, number of months to sanction,	●	●		

Authors	Study/Paper	Study Population	Data	Analysis	I	SR	SP	SO
	Conciliation and Sanctioning." 2000. Washington, DC: The Urban Institute.	counties, and all recipients in SC from July 1997-June 30, 1999		characteristics of sanctioned vs. nonsanctioned cases.				
Lee, Bong Joo, Kristen S. Slack, and Dan A. Lewis.	"Are Welfare Sanctions Working as Intended? Welfare Receipt, Work Activity, and Material Hardship among TANF-Recipient Families." 2004. *Social Service Review* 78(3): 370-403.	Welfare recipients in eight Illinois counties (w/75% state caseload) in 1998.	Admin data and three rounds of surveys with former recipients in 1999/2000 (n=1,363; 72%), 2001 (1,183; 87%), and 2002(1,072; 91%). Stratified (Cook County v. downstate) random sample of 1,899. Overall, 56% of original stratified random sample interviewed three times.	Predict likelihood of work and other outcomes using sanctions, threat of sanctions, case closure, and other demographic characteristics, work and welfare history, barriers, expectations, neighborhood characteristics. Also use individual characteristics, case characteristics, welfare history (including sanctions or threat of sanctions) to predict likelihood of reporting material hardships.		●	●	●
Lewis, Dan A., Amy Bush Stevens, Laura B. Amsden, Katie Hasson, Kristen Shook Slack, Bong Joo Lee, Paul Kleppner, James Lewis, Stephanie Riger, and Robert Goerge.	"Preserving the gains, rethinking the losses: Welfare in Illinois Five Years After Reform." 2003. Evanston, IL: University Consortium on Welfare Reform.	Welfare recipients in eight Illinois counties (w/75% state caseload) in 1998.	Admin data and three rounds of surveys with former recipients in 1999/2000 (n=1,363; 72%), 2001 (1,183; 87%), and 2002(1,072; 91%). Stratified (Cook County v. downstate) random sample of 1,899. Overall, 56% of original stratified random sample interviewed three times.	Bivariate comparisons of sanction rates across Cook County/downstate. Bivariate comparisons of sanctioned vs. not sanctioned recipients (n=911) re: work, material hardship, etc.; Multivariate regression (using admin data and survey data; N=1034) predicting various TANF outcomes (wages, work, marriage, receiving TANF, job loss, and material hardship) using earnings disregards/work, partial or full sanction, employer health insurance, child care subsidies, HS degree, work, marriage, health problems, job search, subsidized housing, child support and controlling for race, age, number of children, age of youngest, children with health problems, region, and months of TANF)		●	●	●
Lindhorst, Taryn and Ronald J. Mancoske.	"The Social and Economic Impact of Sanctions and Time Limits on Recipients of Temporary Assistance for Needy	Welfare recipients (age 18+) in Louisiana in 1998.	A panel study using a stratified (urban/rural) random sample (created from admin data). 1st Year Survey RR=72%; Year 2, N=348 (61% original sample);	Multivariate analysis to predict TANF status (on TANF/off-sanction/off-time limit/off-voluntary) using demographic and human capital characteristics. ANOVA of differences between TANF statuses		●	●	●

Authors	Study/Paper	Study Population	Data	Analysis	I	SR	SP	SO
	Families." 2006. *Journal of Sociology and Social Welfare, 23*(1): 93-114. In press.		Year 3, N=277.	and various outcomes, including material hardship and health				
Lohman, Brenda J., Laura D. Pittman, Rebekah Levine Coley, and P. Lindsay Chase-Lansdale.	"Welfare History, Sanctions, and Developmental Outcomes among Low-Income Children and Youth." 2004. *Social Service Review* 78:41-73.	See Chase-Lansdale above. (Same data)	See Chase-Lansdale above. (Same data)	See Chase-Lansdale above. (Same analysis)				●
Mancuso, David C. and Vanessa L. Lindler.	"Examining the Circumstances of Welfare Leavers and Sanctioned Families in Sonoma County: Final Report." 2001. Burlingame, CA: SPHERE Institute.	Two surveys of Leavers from Sonoma County, CA in the fourth quarter of 1999, who remaining off aid at least two consecutive months; and Sanctioned families (sanctioned each month in the three-month period from December 1999 to February 2000). 1st survey 6 months after exit; N=466 (pop except 17 non-Eng speakers; RR=80%). 2nd survey (12 months out, RR=70%)	Authors note that half of the original sanctioned population had corrected their sanction or were off CalWORKs by December 2000.	Descriptive statistics and some bivariate comparisons (leavers vs. sanctioned) for household composition, child well being, child care, education and training, employment, income, food security, health insurance coverage, family well being, and welfare experiences.				●
Meckstroth et al.	"Preparing Nebraska's Welfare Clients for Work and Addressing their Obstacles." 2002.	Single mothers with children who received TANF in Nebraska in January 2000	Survey (N= 412; 200 urban and 212 rural, RR= 75%) Qualitative study of program implementation based on two rounds of site visits to four communities in Nebraska, two urban and two rural.	Descriptive statistics about clients' experiences and urban/rural differences. Comparisons of implementation and process across sites, and across urban/rural sites.	●			
Ong, Paul M. and Douglas Houston.	"CALWORKS Sanction Patterns in Four Counties: A	Non-exempt single-parents receiving CalWORKS in 4 CA	Admin data (N=38,948)	Descriptive, bivariate, and multivariate analyses of admin data from the welfare system, linked with		●	●	●

Authors	Study/Paper	Study Population	Data	Analysis	I	SR	SP	SO
	Technical Analysis." 2003. Los Angeles: UCLA School of Public Affairs for the Welfare Policy Research Project.	counties (Alameda, Fresno, Kern, San Diego) in early 1999, followed for 2 years.		UI data. Study uses: Age, Sex, Primary Language English (Y/N); Race/ethnicity; household characteristics (infant in HH; preschooler in HH; number of children in case); Employment history (1997-8); Welfare History (1993-5); Sanction history in first year of observation (sanctioned 1-3 months, sanctioned 4-7 months, sanctioned 8-12 months); Welfare use in year 1; employment outcomes year 1.				
Pavetti, LaDonna, Michelle K. Derr, Gretchen Kirby, Robert G. Wood, and Melissa A. Clark.	"The Use of TANF Work-Oriented Sanctions in Illinois, New Jersey, and South Carolina: Final Report." 2004. Washington, DC: Mathematica Policy Research, Inc.	Welfare recipients in Illinois (single-parent cases from 11/01), New Jersey (single-parent cases b/w 7/00 and 6/01), and South Carolina (single-parent cases in 6/02). Local welfare offices in each state in winter and spring 2003.	Administrative data from each state (cohort data): * Illinois: n=33.495; * New Jersey: n=51,539; * South Carolina: n=10,852 Survey data from Illinois (n=416); New Jersey (n=126 sanctioned recipients from survey w/n=1,219); and South Carolina (n=1,128) * RR for all 3 surveys >75% Case studies of policy implementation in two sites in each state. Site visits, interviews, and case reviews. Sites chosen by the state.	Descriptive information on sanction process and practice in each state. Descriptive information on sanction rates across and within states. For all three states, they use multinomial logit models to predict sanction probabilities for various individual and case characteristics. For Illinois, they also model the effects of personal liabilities (e.g., mental health problems, limited English proficiency, low human capital, etc.) on the probability of a sanction (liabilities based on survey data) and the effects of multiple liabilities. Also includes information on the length of a sanction and recidivism.	●	●	●	●
Reichman, Nancy E., Julien O. Teitler, and Marah A. Curtis	"TANF Sanctioning and Hardship." 2005. *Social Service Review* 79:215.	New mothers in 20 cities in 15 states on TANF in from 1998 to 2000.	Survey data (Fragile Families survey). N=821 for 3-year follow-up (no RR; N= 3,000+ for baseline data)	Use multivariate regression with controls for demographic and case characteristics to predict impact of well-being at year 1 on welfare status and sanction status at year 3.				●

Authors	Study/Paper	Study Population	Data	Analysis	I	SR	SP	SO
Richardson, Philip. Gregg Schoenfield, Susan LaFever, and Frances Jackson.	*Three-Year Follow-up Study of Welfare Leavers in South Carolina: Final Report. 2002.* Maximus.	South Carolina families who were required to work who left TANF b/w 10/98 and 3/99.	Admin data linked to survey data. Survey sample stratified by reason for leaving welfare (earnings, sanction, time limits, other) and by neighborhood risk, defined by # of child abuse incidents (high vs. low-risk). Surveys conducted in 2000, 2001, and 2002. First year N=1.072 (74%); Second year N=1,003 (70% of original sample); Third year N=1,000 (70%) Some small Ns in individual cells (smallest *sampled* cell=75)	Bivariate comparisons of reason for leaving with, employment, earnings, sources of income, use of other programs, etc.				●
Soss, Joe, Sanford F. Schram, Thomas P. Vartanian, and Eric O'Brien	"Setting the Terms of Relief: Explaining State Policy Choices in the Devolution Revolution." 2001. *American Journal of Political Science* 45(2): 378-95.	State TANF policy choices in 1997	Use data on state policy choices from ACF Annual TANF Report to create policy measures.	Predicts strictness of state policy choices using unmarried birth rate, caseload-to-pop ration, government ideology, inter-party competition, low-income voter turn-out, change in incarceration rate, percent Latino, percent African American, welfare innovation, and controlling for per capita income, AFDC benefit levels, adjacent state choices, dummy for Southern states.				
Westra, Karen and John Routley.	Arizona Cash Assistance Exit Study: First Quarter 1998 Cohort. 2000. Arizona Department of Economic Security.	Single-parent cases in Arizona closed January-March 1998.	Admin data for all, matched with UI data (n=10,647); Survey with random sample of cases closed for sanctions (n=405) and random sample of cases closed for other reasons (n=416) (RR=72%)	Bivariate comparisons of sanctioned vs. not sanctioned leavers and open cases re:demographics, reasons for case closure, recidivism, reasons for returning, employment, facilitators and barriers to employment, earnings, receipt of other benefits, CPS use, foster care, emergency assistance, quality of life after leaving.		●		●
Wisconsin Department of Workforce Development.	"Wisconsin Works (W-2) Sanction Study." 2004.	Wisconsin welfare recipients from 2000 to 2003	Administrative data for the state Weighted random sample of 200 intensive case reviews from 2001 (to reflect state)	Two sets of analyses using administrative data: 1) Bivariate comparisons for recipients from 2001 to 2003 for amount of grant sanctioned; 2) Multivariate analysis (regression and	●	●	●	

Authors	Study/Paper	Study Population	Data	Analysis	I	SR	SP	SO
			Scenario survey of front-line workers (n=143; response rate =30%)	decomposition model) for recipients from 2000 to 2003. DV=$ amount of sanction; Controls include: Age, months on welfare, age of youngest child, # children under 13, subsidized child care?, Pregnant?, education, driver's license, vehicle available, disabled adult?,disabled child?, race/ethnicity, year, interaction of race/ethnicity and year Descriptive statistics from survey data.				
Wu, Chi-Fang, Maria Cancian, Daniel R. Meyer, and Geoffrey Wallace.	"How Do Welfare Sanctions Work?" 2004. Discussion Paper no. 1282-04. Madison, WI: Institute for Research on Poverty.	All new female entrants who were assigned to work activities during first year of Wisconsin Works (9/97-8/98)	W-2 admin data linked to UI data. N=17,119 women, 105,926 person-months.	Regression analyses and event history analysis to model entry into sanction. DV= Sanction (partial vs. full); IVs=age, race, education, language, employment experience, county, # children, age of youngest child, household structure, # months on AFDC in past 2 years, entry cohort, W-2 assignment; unemployment rate in the county			●	

Table A.2. Review/Synthesis Reports Included in the Literature Review and Studies/States Covered

	Study/Paper	State Studies Reviewed
GAO	State Sanction Policies and Numbers of Families Affected (2000)	Arizona (Arizona Dept. of Economic Security 2000); Delaware (Fein and Lee 1999); Florida (Crew and Eyerman 1998); Indiana (Holcomb and Ratcliffe 1998); Iowa (Mathematica 1997, 1999); Kansas (Unpublished data 1999); Maryland (University of Maryland 1999); Michigan (Michigan Family Independence Agency 1997); Minnesota (Minnesota DHS 1996, 1999); New Jersey (NJ Department of Human Services 1998); North Carolina (Maximus 1999 – Time limit study); Oklahoma (Oklahoma Department of Human Services 1998; Closed/leavers/stayers); Tennessee (University of Memphis 1997); Washington (WADSHS 1999); Utah (Derr 1998)
Lower-Basch, Elizabeth	"TANF "Leavers", Applicants, and Caseload Studies: Preliminary Analysis of Racial Differences in Caseload Trends and Leaver Outcomes." 2000. Office of the Assistant Secretary for Planning and Evaluation.	Review of leaver studies that examine racial disproportionality or outcomes by race (Data from studies in Arizona Ohio/Cuyahoga county, Los Angeles County, Miami Dade County/Florida, Philadelphia County, Illinois, Missouri, Maryland, Washington).
Pavetti, LaDonna, Michelle K. Derr, and Heather Hesketh	"Review of Sanction Policies and Research Studies." 2003. Washington, DC: Mathematica Policy Research, Inc.	Review of existing research on sanctions in: Multiple States (GAO 2000); South Carolina (Koralek 2000); Maryland (Born et al. 1999; Ovwigho et al. 2002) South Carolina (Edelhoch et al. 2000); Arizona (Westra and Routley 2000); Delaware (Fein and Lee (1999, Delaware); Holcomb and Ratcliffe (2000; Indiana)
Savner, Steve	"Welfare Reform and Racial/Ethnic Minorities: The Questions to Ask." 2000	Illinois (analysis of state administrative data by Chicago Reporter newspaper; closed cases from July 1997-June 1999; n=340,958); Florida (analysis by Florida Inter-University Welfare Reform Collaborative; rural Florida leavers from October 1996-December 1998; n=115); Virginia (see Gooden 1998)
Tweedie, Jack	Sanctions and Exits: What do States Know about Families Who Leave Welfare Because of Sanctions and Time Limits." 2000. Chicago: " Joint Center for Poverty Research. Working Paper #148.	Reviews sanction studies from Arizona, Tennessee, Iowa