

Welfare, Children & Families

Policy Brief 01-1

A T H R E E C I T Y S T U D Y

Sanctions and Case Closings for Noncompliance: Who Is Affected and Why

Missing an appointment and not submitting paperwork were the most common reasons that welfare recipients gave for having their benefits reduced or stopped because of noncompliance with rules. Those whose benefits were reduced or stopped were more disadvantaged in areas such as health, education, financial difficulties, and housing and neighborhood quality.

Summary

Seventeen percent of a sample of current and recent welfare recipients in Boston, Chicago, and San Antonio reported that their benefits had been reduced or stopped because the welfare office said they weren't following the rules. These penalties resulted from both partial and full-family sanctions as well as from case closings for procedural reasons. Recipients reported that the most common reasons were missing an appointment or failing to file required paperwork. Only 12 percent of the penalties were imposed for failing to take a job or to show up for a job-related activity. Individuals whose benefits were reduced or stopped were more disadvantaged than other recipients in many respects, such as education, health, financial difficulties, housing quality, and neighborhood quality. Former recipients who reported leaving the welfare rolls because of sanctions or case closings had substantially lower employment rates and earnings than did those who left for other reasons. These findings suggest that agencies and organizations may wish to give more attention to families at imminent risk of sanctions or case closings to help them come into compliance. They also suggest that families who leave welfare due to noncompliance may need more assistance in finding and retaining employment.

When the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) was enacted, public attention focused on its time-limit provisions. PRWORA established a five-year lifetime limit on the use of federal funds to provide a family with welfare benefits. It also allowed states to set even shorter time limits, and 20 did so. But relatively few families have as yet reached their limits. Far more families, it turns out, have had their Temporary Assistance to Needy Families (TANF) benefits reduced or cut off because the welfare office determined that they were not following the rules of the program. And these families, our study suggests, tend to be

more disadvantaged and vulnerable than families that leave welfare for other reasons.

The withholding of all of a family's TANF benefits because they have not complied with the rules can take two forms. The first is to close the case. A common example is closing a case because a recipient failed to meet with her caseworker periodically to determine continuing eligibility for benefits. We will call this type of penalty a "procedural case closing." (In contrast, non-procedural reasons for closing a case would include stopping benefits because a recipient found a high-paying job or because she married a man with a stable income.) The second form is known as a "full-family sanction," in which

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the case is not closed but benefits are withheld for failing to follow certain rules, such as work requirements. According to an estimate by the Center on Budget and Policy Priorities, three times as many families have lost their TANF benefits because they received full-family sanctions as have lost them because they reached time limits.¹ Moreover, other studies have found that many more families have had their TANF benefits reduced but not eliminated because of rules violations. In the welfare parlance, they have received a “partial sanction.” The U.S. General Accounting Office estimates that, in an average month, five times as many families experience partial sanctions as experience full sanctions.²

Procedural case closings have long been a part of the AFDC/TANF system. Sanctions, on the other hand, were not widely used until states began to change their systems under waivers from the federal government in the 1990s. There are some potential differences between the two forms of penalties. For example, individuals generally can reapply for benefits immediately if their case is closed, whereas individuals who are fully sanctioned may be unable to reapply for a fixed period of time. Yet the rules in the three cities in our study allow many sanctioned individuals to reapply as soon as they come into compliance, thus blurring the line between case closings and sanctions (see *State Sanctions Policies sidebar, page 7*). It is our sense that, from the families’ perspectives, the two mechanisms appear similar.

Many observers believe that the sanctions policies in place under PRWORA are enforcing work requirements more effectively than did the less stringent penalties attached to prior attempts to redesign welfare. In fact, some think that sanctions policies are an important reason, although not necessarily the principal reason, why PRWORA has resulted in a sharp decline in the number of families receiving benefits.³ Nevertheless, few studies have looked closely at families that are experiencing sanctions and case closings. In this brief, we will first discuss the evolution of welfare sanctions and describe our study. Then we will report on the most common reasons why families report losing all or part of their benefits, the characteristics of these families, and their experiences after losing benefits.

Our information is drawn from samples of children and their caregivers whom we

are studying through multiple methods, including a household-based survey and an ethnographic study, in low-income neighborhoods in Boston, Chicago, and San Antonio. Families in these central-city neighborhoods are of great interest to policy-makers because urban families comprise a growing share of the welfare caseload.⁴ Forty-four percent of the current and recent recipients in the survey are Hispanic (including 21 percent of Mexican ancestry, 15 percent Puerto Rican, and 8 percent other Hispanic), 52 percent are African-American, and 3 percent are non-Hispanic whites. We would caution that the racial and ethnic distribution in our sample is different from that of the national welfare caseload as a whole.

The Evolution of Welfare Sanctions

Prior to the 1990s, sanctions, in the formal sense of penalizing a recipient for refusing to cooperate with work or child support requirements, were a modest part of welfare policy. In contrast, procedural case closings for failure to appear at an appointment or to produce required documentation have long been common, and it is unclear whether their occurrence has increased since the implementation of PRWORA.

The expansion of sanctions derived from a series of laws enacted in the 1970s and 1980s that strengthened the work requirements in the Aid to Families with Dependent Children (AFDC) program, the predecessor of the current Temporary Assistance to Needy Families (TANF) program. In order to enforce these requirements, states were authorized to withhold part of a family’s welfare benefits—that is, to impose a partial sanction—if the parent did not comply. Many families, however, were exempt from work requirements; and states typically used partial sanctions sparingly. Then, in the early 1990s, states began to apply to the Department of Health and Human Services to waive some of the federal welfare rules in order to try new approaches. Some state officials and policy-makers were concerned that partial sanctions were not severe enough to encourage families to comply with work requirements.⁵ Consequently, some of the new approaches under waivers included the authority to withhold all of a

family’s benefits—in other words, to impose a full-family sanction—if the parent failed to comply with a work requirement.

In addition, under the waiver process, many states began to experiment with reducing or eliminating benefits for other reasons. In part, the reasons involved parental responsibility: under some waivers, AFDC recipients could be sanctioned if they failed to get their children immunized against childhood diseases or to take them to regular medical checkups or if their children did not attend school regularly. States also initiated sanctions if mothers did not provide adequate information about fathers to child support enforcement agencies, although doing so did not require a waiver. Sanctions policies thus evolved as a way to influence the behavior of welfare recipients in several domains.⁶

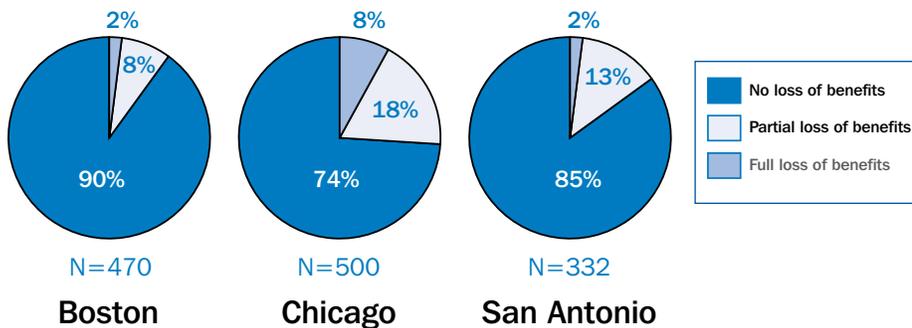
In 1996, Congress passed, and President Clinton signed, PRWORA. It toughened work requirements, generally requiring adults receiving TANF, which replaced AFDC, to work within two years of receiving benefits. States were required to withhold part of a family’s grant—that is, to impose at least a partial sanction—if the adult recipient did not comply with work requirements or failed to cooperate with child support enforcement. Under certain circumstances, they were also required to withhold part of a family’s Food Stamp benefits and, optionally, Medicaid coverage for some adults. Moreover, for the first time in federal welfare legislation, states were allowed to impose full-family sanctions on adults in single-parent families for failure to cooperate with work activities or child support enforcement. In addition, states were allowed to implement partial or full-family sanctions, and to withhold Food Stamps and Medicaid (subject to some limitations), for purposes other than work enforcement. As the states developed their own new plans in response to PRWORA, 36 chose to implement full-family sanctions in some cases. Most states also authorized at least partial sanctions for a list of reasons drawn from the waiver experiences of their state and other states.

The Three City Study

In 1999, we began a study of low-income families in Boston, Chicago, and San Antonio. For one component of the study, we conducted a household-based, random-sample survey of children and

Figure 1

Percentage of all individuals who have received welfare in the past two years who reported a loss of benefits because the welfare office said they weren't following the rules, by city. (The percentages reporting a partial or full loss range from 10 percent in Boston to 26 percent in Chicago.)



their caregivers in low-income neighborhoods.⁷ In households with a child age 0 to 4 or age 10 to 14 and with incomes below 200 percent of the federal poverty line, interviewers randomly selected one child and conducted an in-person interview with that child's caregiver (the mother in over 90 percent of the cases). Assessments of, and interviews with, the children also were carried out, but these data will not be discussed in this report. Overall, 2,458 child-caregiver pairs were interviewed, including an oversample of those receiving TANF. The interviews were conducted between March and November of 1999. We achieved a response rate of 74 percent.⁸ Thirty-eight percent of the caregivers reported that they or their children were receiving TANF at the time of the interview, and an additional 20 percent had received TANF in the two years prior to the interview.⁹

For another component of the study, we recruited 215 families from some of these same neighborhoods in 1999 and 2000 for an ethnographic study. About half were receiving TANF at the time of first contact. In about 100 cases, our ethnographers have completed a detailed discussion with the family members about their experiences with the welfare system, if any, and have observed how families go about their daily lives. Other ethnographers are observing the neighborhoods in which the families live. Some of the ethnographic findings that relate to the survey results are included in this report. A capsule summary of our study can be found on page 8. A document with a detailed description of the study can be downloaded from our Web site.¹⁰

Of the three states in our study, Massachusetts and Illinois both impose full-family sanctions, but both states implement them in a graduated manner. In Illinois, the initial violation results in a 50 percent reduction of the family's TANF benefit and continued failure to comply for three

months can result in a full-family sanction. In Massachusetts, the initial violation results in the loss of the adult portion of the family's TANF grant. Subsequent failure to comply with work requirements for one month can result in a full-family sanction. So even in the two states in our study that allow full-family sanctions, all noncompliant families receive partial sanctions first. Texas does not impose full-family sanctions. In all three states, noncompliance with work requirements can also result in partial or full reduction in Food Stamp benefits.¹¹ In addition, the welfare agencies in each state have the authority to eliminate families' benefits by closing their cases if the recipients fail to follow required procedures such as attending mandatory meetings with caseworkers¹² (see *State Sanctions Policies sidebar, page 7*).

This brief will focus on the 1,302 caregivers in the 1999 survey who said they had received TANF at some point in the previous two years and for whom we have complete information. Of this total, 908 were receiving TANF at the time of the interview. We asked everyone who had left the TANF rolls in the previous two years (even if they were again receiving TANF at the time of the interview) the following question about the most recent time she left:

*Did you go off welfare at that time because the welfare office said you weren't following the rules or was there some other reason?*¹³

If the respondent said she left for "some other reason" or if she had received TANF continuously for the previous two years, she was asked:

Did the welfare office in [STATE] reduce your benefits at some point in the past two years because they said you were not following the rules?

We used the answers to these questions to calculate the frequency of full loss of benefits (those who said they went off

welfare because the welfare office said they weren't following the rules) and partial loss of benefits (those who said they had their benefits reduced because the welfare office said they weren't following the rules). A full loss of benefits could have occurred through a sanction or a case closing. We did not directly ask which of the two had occurred because it was our impression that the distinction is often unclear to the recipients who are affected. A partial loss of benefits could only have reflected a partial sanction.

Reasons for Losing Benefits

Taking all three cities together, we found that 13 percent of caregivers who reported receiving TANF at some point in the previous two years also reported receiving a partial loss of benefits, and another 4 percent reported receiving a full loss of benefits, because the welfare office said they were not following the rules. **Figure 1** displays the results separately for each city. In all three, a partial loss of benefits was more common than a full loss of benefits. Combining both partial and full losses, the percent reporting a loss over the previous two years was lowest in Boston (10 percent), higher in San Antonio (15 percent), and highest in Chicago (26 percent). Let us caution, however, that we did not request access to recipients' administrative records. There may be other recipients in our survey who did not inform us that they had lost benefits due to sanctions or case closings or who were not aware that they had lost benefits. And there may be others who mistakenly thought that they were sanctioned.

Missed appointment or paperwork problem

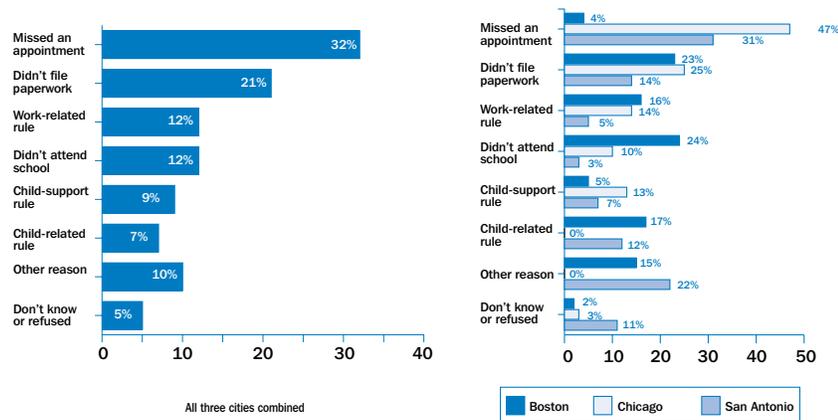
For everyone who reported a partial or full loss of benefits because they were told they weren't following the rules, we asked: *Which rules did the welfare office say you were not following?*

Figure 2 shows the responses for all three cities together and for each separately. The categories in the chart were not read to the individuals but rather appeared on the interviewers' laptop screens (and in some instances were later combined or recoded by the authors of this report). If an individual gave a reason that didn't fit a preassigned category, the interviewers were instructed to enter the

Figure 2

Individuals' reports on which rules the welfare office said they were not following.
(The most common reasons were missing an appointment and failing to file paperwork.)

Note: Percentages sum to more than 100 because a small number of individuals gave more than one answer.



response verbatim on their laptops. We subsequently examined these responses and recategorized individuals whenever appropriate. The percentages in **Figure 2** sum to slightly more than 100 percent because individuals were allowed to state more than one reason, but less than one in 10 did so.

The largest two categories in **Figure 2** are “missed an appointment” and “didn’t file paperwork.” Our survey interviewers did not inquire further about what type of appointment was missed or what kind of paperwork wasn’t filed. But the in-depth information from our ethnographic study suggests that few of the missed appointments involved job interviews or job-training activities. Rather, it would appear that the vast majority of the cases in these two categories involved failing to meet with caseworkers or failing to provide them with necessary documents.

Consider, for instance, Evelyn Santero (a pseudonym), a Boston woman in the ethnographic sample who began working full-time in the fall of 1998 but still received reduced TANF benefits. She was required to fill out a monthly form with information such as her income and work hours for the previous four weeks and who was living in her household. After she failed to submit the first form on time, the welfare office sent her a notice that she was in danger of losing her benefits. With the help of her daughters, she filled out the form and left it at the welfare office. The cycle of tardiness, warning, and just-in-time submission of the form continued for a few months. Finally, after apparently missing the filing deadline completely, she received a notice that her TANF and Food Stamp benefits had been suspended for “refusal to return the completed monthly report.”¹⁴

Strictly speaking, Evelyn’s loss of benefits was related to enforcing work: she failed to turn in a required form documenting her

earnings and household composition on time. But Evelyn was not avoiding work; on the contrary, she was working full-time. There are several explanations for her non-compliance. Evelyn could not read well; her caseworker did not speak her native language, Spanish; and her phone had been disconnected for part of the time—all of which led to communication difficulties. She had never received pay stubs before, and she had difficulty completing the week-by-week income section. She also had other sources of stress that caused her to neglect the form: in addition to holding a job that required a daily three-hour commute, she cared for six children and one grandchild, and had a boyfriend who was threatening her with violence.

The example of Evelyn notwithstanding, Boston had the lowest percentage of caregivers in the survey who said missing an appointment was the reason their benefits were reduced or eliminated.¹⁵ The highest percentage occurred in Chicago (see **Figure 2**). Ethnographers’ interviews with key informants and families in Chicago suggest that efforts to check the continued eligibility of welfare recipients may be the reason for the higher reports of missing an appointment. In 1999 for example, while our survey was under way, some welfare offices sent “call-in” letters to large numbers of recipients in their districts, requiring them all to report to the office on the same day. Those who did not show up had their cases closed. However, the cases could be reopened retroactively if the recipient came to the office within 10 days. Consequently, many of the individuals had their benefits reinstated. Indeed, 62 percent of the Chicago survey respondents in the “missed an appointment” category had their benefits reinstated. Missing an appointment also was the most common reason for losing some or all benefits in San Antonio.

Other reasons

All the other categories in **Figure 2** were reported less often. (And given the modest sample sizes, most of the small differences among them are not statistically significant.) In 12 percent of the cases a recipient reported either refusing to work or not showing up for work. These are the adults whose experiences most closely match the common understanding of why sanctions are imposed. They constitute about one-eighth of all the cases reporting partial or full loss of benefits due to noncompliance in the survey.

The category “didn’t attend school” refers, in part, to rules that require minors who have not finished high school to attend school or GED classes; about one-half of the cases in Boston, where the “didn’t attend school” category was highest, involved women age 20 or younger. The other half of the “didn’t attend school” cases in Boston and most of the small number of cases in the other two cities involved adults; they may have agreed (or been required) to attend English as a Second Language or job-training classes as part of their TANF responsibilities.

The “child-support rules” category refers to the requirement that TANF recipients cooperate with child-support enforcement efforts by providing information about the fathers of their children. If they fail to do so, they are subject to sanctions. This type of sanction was present even prior to PRWORA.

The “child-related rules” refer to responsibilities parents must fulfill or else face sanctions. In nearly all cases in our study, these were partial sanctions. Parents were required to get their children regular checkups and immunized against childhood diseases. They also were held responsible if their children didn’t attend school regularly. These rules may be having an effect on some parents. A San Antonio mother said that it was well-known that welfare and Food Stamp benefits would be reduced “if you don’t take them to their checkups, or they’re not updated with their shots.”

The remaining cases fall into the “other” and “don’t know/refused” categories. The former is an amalgam of verbatim responses that we could not understand or could not place in any of the categories. The “don’t know/refused” category is particularly high in San Antonio.

Parents were required to get their children immunized against childhood diseases and to have regular checkups. They also were held responsible if their children didn't attend school regularly.

Who Gets Their Benefits Reduced or Stopped?

We compared the characteristics of caregivers who had their TANF benefits reduced or eliminated because the welfare office said they weren't following the rules with the characteristics of all other caregivers who had received TANF in the previous two years. The results suggest 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. The findings from our survey suggest that families that were sanctioned or had their cases closed for procedural reasons were more vulnerable in many respects than other families that had received TANF at some point in the previous two years.¹⁶ We would caution, however, that we cannot distinguish between characteristics that were present prior to the loss of benefits from characteristics that emerged after the loss of benefits. Individuals who lost some or all of their benefits due to noncompliance were significantly different from others in the following respects: (See **Figure 3** for differences that can be displayed in percentage terms.)

- **Education:** They were less likely to have at least a high school degree or equivalent than were others.
- **Health:** They were more likely to report being in "fair" or "poor" health, rather than "good," "very good," or "excellent" health.
- **Financial hardship:** They reported, on average, a lower monthly household income (\$816 versus \$1,041). They were more likely to say they had to borrow money to pay bills "frequently" or "all the time," and they were more likely to have used food pantries and emergency clothing services in the previous two years.
- **Hunger:** They were more likely to report that they hadn't eaten because they couldn't afford enough food, or that they lost weight because there wasn't enough food, at least once in the previous 12

months. (The chart shows the percentage who either didn't eat or lost weight because there wasn't enough food.)

- **Employment:** They reported, on average, working fewer months during the past two years (5.8 months versus 7.4 months for non-sanctioned individuals).
- **Communication:** They were less likely to have a working telephone at home that they could use. Families that do not have a telephone are, of course, harder to reach; and it is harder for them to call their caseworkers. Consequently, this difference may contribute to the high percentage of individuals who reported losing benefits due to missing an appointment.
- **Transportation:** They were less likely to own an automobile, which may make it more difficult for them to travel to work or to the welfare office.
- **Drug use:** They were more likely to report using marijuana and hard drugs during the previous 12 months.
- **Housing:** They reported that their housing was of poorer quality in several respects (e.g., "peeling paint" or "a poor or non-working furnace or heater").¹⁷
- **Neighborhood:** They were more likely to live in neighborhoods with undesirable qualities such as abandoned houses, assaults and muggings, gangs, and drug dealing in the open.¹⁸

Individuals Who Left Due to Rules Violations vs. Other Leavers

A slightly different comparison also shows important differences. Consider just the subsample of caregivers who said they had left welfare in the previous two years. (This subgroup excludes caregivers who were continuously on the rolls during the entire period.) Within this subgroup, we compared caregivers who left because the welfare office said they weren't following the rules with those who left welfare for other reasons (such as increased income). Only 36 percent of the former group were employed as of the interview date, compared to 67 percent of the latter group. There were similar disparities in the two groups' poverty rates (93 percent compared to 74 percent) and average monthly earnings (\$249 compared to \$554).¹⁹ It appears that those who left welfare due to noncompliance were faring substantially less well than other leavers in terms of employment and income.

Figure 3

Characteristics of individuals who reported a loss of benefits because the welfare office said they weren't following the rules vs. all other individuals who had received welfare in the past two years. (Individuals who had lost benefits for noncompliance were disadvantaged across a number of indicators.)

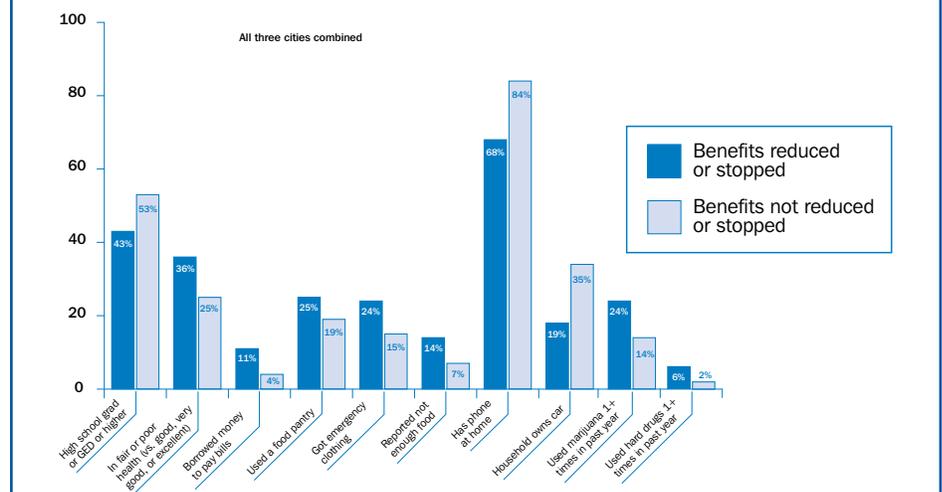
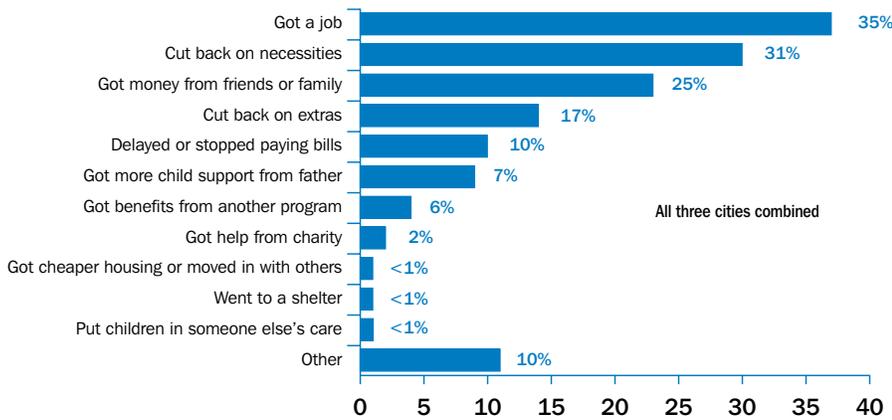


Figure 4

What individuals did to get by when benefits stopped or were cut. (The most common actions were getting a job, cutting back on necessities, and receiving money from friends or family.)



Coping With Benefit Reductions

In the survey, we asked adults who reported a partial or full loss of benefits for not following the rules whether they had tried to get their benefits reinstated, whether these efforts were successful, and what they did to cope with the loss of income. About two-thirds said that they had tried to get their benefits back. (Among those who tried, about half said that they had started following the rules again; and the other half reported appealing the decision, reapplying, showing proof of good cause, or other strategies.) Half of those who reported a partial or full loss said that they had been able to get their benefits back.

Figure 4 shows the response to a question that was asked of everyone who did not get their full benefits restored: "What did you do to get by when the benefits stopped/after the benefits were cut?" The most common response (more than one answer was allowed) was "got a job." (Some may have been working before they were penalized.) The next most common responses were "cut back on necessities" and "got money from friends and family." Modest numbers reported cutting back on extras, stopping or delaying paying bills, getting more child support from fathers, or obtaining benefits from another program. Only 2 percent mentioned getting help from charity. Less than 1 percent reported obtaining cheaper housing or moving in with others, placing children in someone else's care, or going to a homeless shelter. It appears that, in addition to getting a job, families that lose benefits tend to cut spending and rely mainly on friends and kin for support.

Conclusions

We have seen that, in a sample of children and their caregivers in Boston, Chicago, and San Antonio who had received TANF in the two years prior to a 1999 interview, 17 percent of the caregivers said that their benefits were reduced (13 percent) or eliminated (4 percent) because the welfare office said they weren't following the rules. Our ethnographic study suggested that the individuals who said their benefits were eliminated were reporting a mixture of full-family sanctions and case closings for failure to cooperate with procedures. Individuals who said their benefits were reduced were reporting partial sanctions.

According to the recipients, sanctions and procedural case closings were imposed for a wide range of reasons. Few were imposed because someone directly refused to work or did not show up for a work-related activity. Instead, the most common reasons were missing an appointment or failing to produce required forms or documents. Some of these were related to work (as when Evelyn Santero was late in returning a form listing her hours worked and wages) but others were not. Benefit reductions were also imposed for failure to provide enough information about fathers to the child support enforcement system and for many behavioral reasons, such as children's poor school attendance, lack of immunizations, or failure to get children regular medical checkups.

We found that sanctions and procedural case closings appeared to involve families that were experiencing hardships.²⁰ Each of the many rules has its own verification system and its own paper trail. For low-income individuals with limited education, daily lives filled with personal turmoil, and

employment and family responsibilities to balance, meeting all these demands is more than many can handle. Individuals whose benefits were reduced or cut off tended to have less education, poorer health, greater financial difficulties, and more substance use. They tended to live in lower-quality housing, in less-desirable neighborhoods, and to be less likely to have a telephone or to own a car. In addition, we found that people who left welfare because of noncompliance had substantially lower employment rates and earnings than did people who left for other reasons.

Our findings suggest that lack of compliance with program rules sometimes indicates broader difficulties that a recipient may have in managing the joint tasks of raising a family, maintaining a household, and participating in the work force. This suggests that welfare departments could use instances of noncompliance as ways to help identify clients who face greater challenges of this kind. Such families might benefit from more careful attention or immediate intervention. If penalties are imposed, some of the more vulnerable families might require greater assistance in returning to compliance.²¹

To be sure, few families had their benefits completely eliminated. Moreover, among all families that reported either benefit reductions or eliminations, half were able to get their benefits back. In addition, the most common way that families coped with reductions and eliminations was by working. About one-third of the individuals who said that they left the rolls because of noncompliance were working at the time of the interview. Sanctions and procedural case closings, therefore, did not necessarily lead to immediate hardship. Nevertheless, in our three cities, sanctions and procedural case closings were clustered among families that, on average, were more vulnerable than the families of other current and recent welfare recipients. Identifying these vulnerable families' barriers to compliance and providing them with greater assistance would be important steps toward helping them meet the expectations of PRWORA.

Notes

1. Heidi Goldberg and Liz Schott. 2000. "A Compliance-Oriented Approach to Sanctions in State and County TANF Programs." Washington, D.C.: Center on Budget and Policy Priorities, October.
2. U.S. General Accounting Office. 2000. *Welfare Reform: State Sanctions Policies and Number of Families Affected*. Report to Congressional Requesters, GAO/HEHS-00-44.
3. Robert E. Rector and Sarah E. Youssef. 1999. "The Determinants of Welfare Caseload Decline." Report no. 99-04, The Heritage Foundation, Washington, D.C.
4. Katherine Allen and Maria Kirby. 2000. "Unfinished Business: Why Cities Matter of Welfare Reform." Washington, D.C.: Center on Urban and Metropolitan Policy, Brookings Institution, July.
5. Dan Bloom and LaDonna Pavetti. 2000. "Enforcing the New Social Contract: The Design and Implementation of Sanctions and Time Limits." Paper initially presented at the Joint Center for Policy Research conference "For Better or Worse: State Welfare Reform and the Well-Being of Low-Income Families and Children," Washington, D.C., September 16–17, 1999.
6. Lawrence Mead, ed. *The New Paternalism: Supervisory Approaches to Poverty*. Washington, D.C.: Brookings Institution Press, 1997.
7. Ninety-three percent of the block groups we selected for our sample had poverty rates of 20 percent or more.
8. That is to say, of all the eligible child-caregiver pairs that were identified, we were able to complete interviews with 74 percent of them.
9. These are unweighted percentages. All other statistics in this report use weights that adjust the statistics to be representative of all children and caregivers in the areas of the cities from which we drew our sample. In weighted terms, 32 percent of the sample was receiving TANF at the time of the interview and another 16 percent had received TANF in the previous two years. The difference between the unweighted and weighted percentages on TANF occurred because we intentionally oversampled families that were likely to be receiving TANF. All figures reported in the text and charts of this report are based on the random-sample survey.
10. The Web site is www.jhu.edu/~welfare. See Pamela Winston, et al., *Welfare, Children and Families: A Three-City Study. Overview and Design*. Printed copies also are available upon request.
11. U. S. General Accounting Office, 2000 (see note 2).
12. But missing an appointment is sometimes treated as a sanction rather than a case closing—another indication that the distinction between sanctions and case closings is not clear. For example, according to a Cook County, Illinois, welfare department table, the second most

common reason for sanctions in November 2000 was "failed to respond to a written notice for a meeting." For other relevant differences among the three states, see Policies sidebar.

13. If the respondent indicated that another term such as "public aid" was used to refer to welfare, we substituted that term.
14. The notice does not state whether Evelyn was sanctioned or whether her case was closed. It says only that the department "will suspend her benefits" as of a certain date. However, the notice does provide numerical references to two articles of the Massachusetts welfare regulations, which indicate that her case was closed.
15. This is not to say that such violations never happen; legal services experts in Boston have told us that they have handled appeals in many such cases. However, there may be some procedural safeguards in Boston that reduce the number of reductions and terminations for missing an appointment.
16. But not in all respects. There were no significant differences in measures of depression, anxiety, self-esteem, domestic violence, or number of months on welfare in the previous two years. And contrary to our expectation, the adults in the sanctioned/case-closed group were more proficient in English.
17. We constructed a scale of housing quality based on eight questions about common housing problems (e.g., leaky roof or ceiling, broken windows). The respondent received one point for each problem that she said was present in the place where she lived. The mean value of the scale was about 0.2 standard deviations higher for the sanctioned group than for the non-sanctioned group. The difference was significant at the $p < .02$ level.
18. As with housing (see preceding note), we created a scale of neighborhood quality based on responses to 11 questions about common neighborhood problems (e.g., abandoned housing, gangs). The mean value of the scale was about 0.4 standard deviations higher for the sanctioned group than for the non-sanctioned group. The difference was significant at the $p < .001$ level.
19. Robert Moffitt and Jennifer Roff. 2000. "The Diversity of Welfare Leavers." Policy Brief 00-2, Welfare, Children, and Families: A Three-City Study. Available at www.jhu.edu/~welfare.
20. Findings consistent with our study are presented in Ariel Kalil and Kristin S. Seefeldt. 2000. "Economic Hardship Among Sanctioned TANF Recipients," paper presented at the annual research conference of the Association for Public Policy and Management, Seattle, November 2–4; and in U.S. General Accounting Office, 2000 (see note 2).
21. See Goldberg and Schott (note 1) for a discussion of potentially useful procedures.

State Sanctions Policies*

Boston: Massachusetts imposes full-family sanctions (loss of a family's entire TANF grant) on a graduated basis. The initial failure to comply with child support enforcement responsibilities or the initial failure to work, perform community service, or participate in a combination of work and community service for the required number of weekly hours results in the loss of the adult portion of the family's TANF grant. Subsequent failure to comply with work requirements for one month can result in a full-family sanction. Non-compliance with work requirements can also result in partial or full reduction of Food Stamp benefits. All sanctions can be reinstated as soon as the individual comes into compliance.

Chicago: Illinois also imposes full-family sanctions on a graduated basis. The initial failure to comply with employment or child support enforcement results in a 50 percent reduction of the family's TANF grant until cooperation. If the participant does not cooperate by the end of three months, a full-family sanction results. The second failure to comply results in a 50 percent reduction of the family's grant for a minimum of three months, with a full-family sanction if non-compliance continues beyond the three months. The third failure results in a full-family sanction for a minimum of three months. Non-compliance with work requirements can also result in a partial reduction of Food Stamp benefits.

San Antonio: Texas imposes only partial sanctions. The first failure to comply with work or child support enforcement results in a loss of the adult's portion of the TANF grant. The work sanction remains in place for one month or until compliance, whichever is longer. Child support-related sanctions may be withdrawn immediately upon compliance. The second failure to comply results again in the loss of the adult portion of the grant, though for a minimum of three months for a work sanction, and until compliance for a child support-related sanction. The third failure to comply results again in loss of the adult portion of the grant, this time for at least six months for a work sanction. Also, non-compliance with work requirements can result in full reduction of Food Stamp benefits.

All three cities: All three cities impose sanctions for other violations. The list varies by state but can include such things as failure to stay current with child immunizations, poor school attendance by child, failure of a teen parent to live in an adult-supervised setting, failure to attend mandatory parenting skills classes, and drug or alcohol abuse.

*Sources of information:

1. GAO report 2000 (see note 2)
2. State Policy Documentation Project—www.spdp.org
3. www.state.ma.us/dta/dtatoday/reform/tanfpdf.pdf
4. www.state.il.us/agency/dhs/tanfplan.pdf
5. www.dhs.state.tx.us/programs/TexasWorks/WelfareReform/hb1863.html

Welfare, Children, and Families: A Three City Study is an ongoing research project in Boston, Chicago, and San Antonio to evaluate the consequences of welfare reform for the well-being of children and families and to follow these families as welfare reform evolves. The study comprises three interrelated components: (1) a longitudinal in-person survey of approximately 2,500 families with children in low-income neighborhoods, about 40 percent of whom were receiving cash welfare payments when they were interviewed in 1999. Seventy-seven percent of the families have incomes below the poverty line. Seventy-three percent are headed by single mothers, and 23 percent are headed by two parents. They should be thought of as a random sample in each city of poor and near-poor families who live in low-income

neighborhoods. Extensive baseline information was obtained on one child per household and his or her caregiver (usually the mother). The caregivers and children will be reinterviewed at 18-month intervals. In addition, at the 36-month mark, a second sample of about 1,250 families, focused primarily on young parents who are just coming of age and encountering the welfare system for the first time under the new rules, will be selected and interviewed. (2) an embedded developmental study of a subset of about 630 children age 2 to 4 in 1999 and their caregivers, consisting of videotaped assessments of children's behaviors and caregiver-child interactions, observations of child-care settings, and interviews with fathers. (3) an ethnographic study of about 215 families residing in the same neighborhoods as the survey families

who will be followed for 12 to 18 months, and periodically thereafter, using in-depth interviewing and participant observation. About 45 of the families in the ethnography include a child with a physical or mental disability. A detailed description of the research design can be found in *Welfare, Children, and Families: A Three City Study. Overview and Design*, available at www.jhu.edu/~welfare or in hardcopy upon request.

The principal investigators are Ronald Angel, University of Texas; Linda Burton, Pennsylvania State University; P. Lindsay Chase-Lansdale, Northwestern University; Andrew Cherlin, Johns Hopkins University; Robert Moffitt, Johns Hopkins University; and William Julius Wilson, Harvard University.

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TELEPHONE: 410-516-8920

FAX: 410-516-0601

E-MAIL: Welfare@jhu.edu

WEB SITE: www.jhu.edu/~welfare

Welfare, Children & Families

A T H R E E C I T Y S T U D Y

Welfare, Children, and Families Study
Johns Hopkins University
3003 N. Charles Street/Annex, Suite 300
Baltimore MD 21218-3855

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