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NOTE: At the time of publication, author Toorjo Ghose was affiliated with the University of California. Currently, July 2007, he is a faculty member in the School of Social Policy and Practice at the University of Pennsylvania.

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# The Logic of Sanctioning Welfare Recipients: An Empirical Assessment

## **Abstract**

The 1996 welfare reform legislation expanded the use of sanctions under the assumption that welfare recipients can comply with work requirements and that they can calculate the costs and benefits of compliance. This research tests the validity of these assumptions through a record- and survey-based study of California welfare recipients. The article questions the validity of the assumptions, finding that, compared to nonsanctioned recipients, sanctioned recipients face greater barriers to meeting the work requirements. A significant proportion say that they were not informed about the sanctioning rules. Almost half of sanctioned recipients were not aware that they were sanctioned.

## **Comments**

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# The Logic of Sanctioning Welfare Recipients: An Empirical Assessment

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The 1996 welfare reform legislation expanded the use of sanctions under the assumption that welfare recipients can comply with work requirements and that they can calculate the costs and benefits of compliance. This research tests the validity of these assumptions through a record- and survey-based study of California welfare recipients. The article questions the validity of the assumptions, finding that, compared to nonsanctioned recipients, sanctioned recipients face greater barriers to meeting the work requirements. A significant proportion say that they were not informed about the sanctioning rules. Almost half of sanctioned recipients were not aware that they were sanctioned.

While the use of financial penalties to enforce compliance has been a feature of welfare since 1967, the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996 dramatically increases their importance by tightening work requirements, narrowing exemption criteria, introducing new sanctionable behaviors, and offering states novel options for applying the rules (Goldberg and Schott 2000; U.S. General Accounting Office [USGAO] 2000). Replacing Aid to Families with Dependent Children (AFDC) with a block grant to the states in order to finance the Temporary Assistance for Needy Families

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(TANF) program, PRWORA also broadens the pool of welfare recipients subject to sanctions (Greenberg and Savner 1999) in four ways.

First, federal work requirements are now more stringent. All nonexempt recipients who receive welfare for 24 consecutive months are required to engage in work activities within this time period. States that fail to sanction recipients who do not meet these work requirements are subject to a penalty of between 1 and 5 percent of their federal block grant.

Second, PRWORA eliminates important federally guaranteed exemptions from the work requirement. States have several options in defining who can be exempted or excused from mandatory work participation. Few federal restrictions apply. Most notable is the elimination of the exemption given to parents caring for a child below the age of 3 under the former Job Opportunities and Basic Skills (JOBS) program. However, states are prohibited from sanctioning parents with children under the age of 6 if child care is not available.

Third, states are required to sanction recipients who fail to cooperate with child-support enforcement rules that help establish the paternity of children. The TANF program also introduces several new behavioral targets. States have the option to use financial penalties to curb such diverse recipient behaviors as truancy (for teens), substance abuse, and failure to immunize children.

Finally, new policy options increase the significance of sanctions by allowing states to design more stringent penalty structures. States are free to choose full-family sanctions that eliminate both the adult and child portions of the grant. States may also tinker with the sanction durations such that, for example, the first act of noncompliance could result in a 6-month penalty. In addition, states may impose a lifetime ban on welfare receipt for repeated acts of noncompliance.

### The Moral and Behavioral Logic of Sanctions

Some justify mandatory work requirements and the use of sanctions to achieve compliance by suggesting that the state has the moral right to impose its authority through work requirements and to sanction those recipients who do not comply (Mead 1986). This justification is coupled with the behavioral claim that welfare recipients make rational choices in calculating the costs and benefits of being on welfare, complying with work requirements, facing the threat of sanctions, and forgoing benefits (Rector 1993). If recipients are truly needy, the costs of sanctions will induce their compliance. Recipients who calculate that forgoing all or part of their welfare grant costs less than complying with the work requirements are not truly needy.

This behavioral logic of sanctions involves two premises. The first is that welfare recipients who face the threat of sanctions are capable of

complying with the work requirements. Thus, the failure to comply signifies a lack of motivation or an unsubstantiated economic hardship. The second is that welfare recipients are aware of the rules and can rationally calculate the costs and benefits of complying. Yet, a growing body of research questions the validity of both premises (for a comprehensive review, see Pavetti, Derr, and Hesketh 2003).

### Barriers to Compliance

#### *Educational and Employment Barriers*

Studies suggest that sanctioned recipients may fail to comply with work requirements because of personal barriers. For example, several studies show that limited education and a poor work history increase a recipient's risk of being sanctioned. A study in three cities (Boston, Chicago, and San Antonio) finds that 43 percent of sanctioned recipients have a high school education or passed the General Educational Development (GED) test, compared to 53 percent of recipients who were not sanctioned (Cherlin et al. 2002). Ariel Kalil, Kristin Seefeldt, and Hui-chen Wang (2002) find that the odds of being sanctioned double for recipients with less than a high school education. Studies of closed cases in Arizona (Westra and Routley 2000), Delaware (Fein and Lee 1999), and South Carolina (Edelhoch, Liu, and Martin 1999) also find that sanctioned families have low levels of educational attainment. In Maryland, 41 percent of sanctioned families have no history of prior employment, compared to 31 percent of those recipients who left welfare without being sanctioned (Born, Caudill, and Cordero 1999).

#### *Health and Personal Well-Being Barriers*

Problems with health or personal well-being also make it difficult for recipients to attend work programs, thus raising their risk of being sanctioned. Kalil and associates (2002) note that being diagnosed with three or more mental health problems is a significant predictor of being sanctioned. Another study finds that "welfare recipients with multiple health problems (notably, physical abuse, risk of depression, and having a chronically ill or disabled child) were more likely than other recipients to have been sanctioned in the prior year" (Polit, London, and Martinez 2001, p. 5). In the Three Cities Study, 36 percent of sanctioned recipients reported having poor health, compared to 25 percent of nonsanctioned recipients (Cherlin et al. 2002). A study on sanctioned clients in Utah finds that one-fifth of sanctioned families cited a mental health problem, and one-third a physical problem, as a reason for not participating in the state's work program (Derr 1998). In Iowa, one-fifth of sanctioned recipients reported that their health problems were the cause of repeated noncompliance (Nixon, Kauff, and Losby 1999). In the Three

Cities Study, sanctioned recipients are twice as likely to have used hard drugs as nonsanctioned recipients (Cherlin et al. 2002). Several studies indicate that the presence of domestic violence is a significant predictor of sanctions among welfare recipients (e.g., Polit et al. 2001; Kalil et al. 2002).

#### *Logistical Barriers*

Lack of resources can create logistical barriers to compliance among welfare recipients. For example, recipients who cannot secure transportation or child care may find it difficult to comply with work requirements. Lack of transportation is a major obstacle to attending work programs (Derr 1998; Fein and Lee 1999). The Three Cities Study finds that only 19 percent of sanctioned recipients owned a car, compared to 35 percent of nonsanctioned recipients (Cherlin et al. 2002). In Iowa, over one-third of sanctioned families could not participate in work programs because of child-care problems (Nixon et al. 1999). David Fein and Wang Lee (1999) and Kalil and colleagues (2002) find lack of child care to be a statistically significant predictor of sanctions.

#### Knowledge and Awareness of Sanction Policies

Although systematic research on the issue is wanting, several studies suggest that recipients may not be fully aware of the sanction policies and their consequences. A study of sanctioned families in Tennessee finds that 34 percent of the families did not understand the welfare requirements (Overby 1998). The same is true of 25 percent of sanctioned parents in Iowa (Nixon et al. 1999). LaDonna Pavetti and Dan Bloom (2001) report that many welfare offices have problems reminding clients of sanction criteria and related dates. A report by the Office of the Inspector General for the U.S. Department of Health and Human Services (1999) indicates that welfare recipients are seldom made aware of good-cause exemptions from work program participation. In fact, they are often led to believe that the sanctions for nonparticipation are more severe than is the case. Evidence suggests that the most common reason for being sanctioned is missed appointments (Goldberg and Schott 2000; Cherlin et al. 2002).

Past studies, however, have several limitations. First, studies that rely on self-reporting (e.g., Cherlin et al. 2002; Kalil et al. 2002) are unable to verify whether the recipients were officially sanctioned. As shown below, many recipients are not aware that they have been sanctioned, nor are they always able to associate grant reductions with sanctions. Second, studies that rely on administrative records (e.g., Edelhoeh et al. 1999; Westra and Routley 2000) are unable to obtain the recipients' perspectives on potential barriers. Third, previous studies do not mea-

sure the degree to which recipients are knowledgeable about the rules, including their awareness of sanctions (for an exception see Wilson, Stoker, and McGrath 1999).

The research reported here on the California Work Opportunity and Responsibility for Kids (CalWORKs) Four Counties Sanctions Study addresses these limitations. It tests the behavioral logic behind the use of sanctions to change recipients' behaviors by considering if sanctioned recipients face greater barriers to compliance, if recipients are informed about sanction policies, and if officially sanctioned recipients are aware of their status.

### The CalWORKs Four Counties Sanctions Study

Data for this study stem from a random sample of welfare recipients in four counties in California (two large urban counties, labeled A and C, and two large semirural counties, labeled B and D).<sup>1</sup> CalWORKs, the program reviewed here, imposes the following process for adult-only sanctions: (a) the first sanction is applied until the noncompliant individual performs the previously refused activities; (b) the second sanction is applied for 3 months or until the recipient complies, whichever is longer; and (c) the third sanction (and any subsequent sanction) is applied for 6 months, or until the recipient complies, whichever is longer.<sup>2</sup> Nonexempt recipients are subject to financial sanctions when they both fail to meet program requirements without good cause and subsequently fail either to agree to a compliance plan during conciliation or to comply with the stipulations of the compliance plan.

In this study, administrative records are used to draw the sample and identify sanctioned recipients. Telephone surveys with recipients are used to obtain various measures of potential barriers and to assess both their knowledge of the rules and their awareness of having been sanctioned.

#### *Sample*

To ensure that all recipients were exposed to the same sanctioning policy, the sampling frame is restricted to single-parent female recipients who (a) received aid for the first time during any month of 1999 (defined as "no aid receipt in the prior 12 months"), (b) were between the ages of 18 and 50 years, and (c) were either English- or Spanish-speaking. A recipient is identified as sanctioned if the recipient's record shows a sanction code coupled with a reduction in the grant amount for at least 1 of the 3 following months. The sample is stratified by county, ethnicity, and sanction status to ensure adequate numbers for statistically precise estimates.

The sampling frame consists of 3,414 recipients. Of these, the address and telephone information was known for only 1,586 individuals. The

response rate for contacting these individuals is 77 percent. Using available welfare administrative records, respondents and nonrespondents (including those without known contact information) are compared on ethnicity, age, native language, and number of children. There are no statistically significant differences between the two groups. Analytic weights, constructed to reflect differences in sampling rates, are applied to all of the analyses reported here.

The final study sample of 1,202 women includes only those individuals with complete data for all predictor variables. Of these, administrative records indicate that 453 recipients were sanctioned for noncompliance with the work requirements. During the survey interviews, an additional 89 self-reported sanctioned recipients were identified. These individuals were penalized after the time frame covered in the administrative records. Thus, interviews and surveys identified a total of 542 sanctioned recipients, and all are included in the analysis of barriers to compliance.<sup>3</sup> Only the 453 single mothers identified through administrative records are included in the analysis of recipients' awareness of receiving sanctions. At the time of the interview, 58 percent of the sanctioned recipients received aid, compared to 45 percent of nonsanctioned recipients.

#### *Measures of Barriers<sup>4</sup>*

Respondents are considered to have an educational barrier if they neither graduated from high school nor received a GED. Employment barriers are measured by asking respondents about previous full- or part-time employment, and whether they were out of work throughout the 3 years prior to the survey.

A personal health barrier is identified as a long-term mental or physical health condition that interferes with work, school, or home life. Substance use is identified by questions from the Composite International Diagnostic Interview (CIDI; Kessler et al. 1994). Respondents are considered to have a substance use problem if they reported drug or alcohol use that interfered with their ability to work, go to school, or function at home in the year prior to survey. Domestic violence is measured using items from the Conflict Tactics Scale (Strauss and Gelles 1986). It is defined here as being pushed, slapped, kicked, or hit, whether with a fist or other object, by a household member in the 12 months prior to the survey.

Respondents have a transportation problem if they lacked access to a car, a child-care problem if they rated themselves as having "serious" or "very serious" difficulties obtaining child care in the month prior to the survey, and a caregiver barrier if they reported having a household member with a long-term health problem or disability that limited the respondents' ability to work. Data also are obtained on several demographic measures, such as county of residence, ethnicity, age, native



language, presence in the household of a child under the age of 2, and number of children under the age of 18.

#### *Measures of Knowledge and Awareness*

Knowledge of sanction policies is measured by asking all respondents whether they were told about each of the seven major reasons for which they could be sanctioned (ranging from failure to attend orientation to quitting a job without good reason). After summing up recipient responses, the index ranged from 0 to 7.

Awareness of sanctions incurred is assessed through a series of questions. Recipients were asked if their welfare check was reduced for not attending each of several required CalWORKs activities (e.g., orientation, job club, assessment). If recipients did not identify themselves as incurring sanctions in this manner, they were asked if they ever “received a welfare check that was less” than what they used to get, and if so, whether this reduction was because they “did not follow the welfare-to-work rules.”<sup>5</sup> Recipients who answered affirmatively to either of these two questions are identified as self-reported sanctioned respondents. Sanction awareness is coded as one for those who were aware of their sanction (officially sanctioned and self-reporting as sanctioned) and zero for those who were unaware of their sanction (officially sanctioned but not self-reporting as sanctioned).

Because officially sanctioned recipients were interviewed on average 16.4 months after the sanction, it is not possible to fully test the causal assumptions inherent in our analyses. In particular, the measure of employment barriers (i.e., work history in the 3 years prior to survey) may be distorted by the time lag. Therefore, we estimate two logistic regression models: one without and one with work history. While the results are essentially the same, the reader should be mindful of this limitation in the interpretation of the results presented below.

## Results

### *Barriers to Employment*

To test the first premise of the behavioral logic concerning sanctions, namely, that welfare recipients who face the threat of sanctions are capable of complying with work requirements, a logistic regression model is constructed to include the three types of barriers to compliance and several control measures. Table 1 presents descriptive statistics on the variables in the model. The entire sample is clearly highly vulnerable. As the first column of the table indicates, nearly one-third of the respondents had no high school diploma or GED, and almost half never held a full-time job over a 3-year period. Chronic disability impinged on the lives of many recipients. Approximately one in six recipients had

Table 1

RESPONDENT CHARACTERISTICS ( $N = 1,202$ )

Characteristic	Percent of All Respondents	Percent of Sanctioned Respondents	Percent of Nonsanctioned Respondents
Demographics:			
White	35.0	34.4	35.2
Black	29.7	31.9	28.9
Hispanic	35.3	33.7	35.9
Below age 24	17.7	22.1*	16.1*
Native English speaker	84.7	90.2**	82.7**
Child under age 2 in household	19.8	22.9	18.7
Mean number of children	1.98	2.10*	1.93*
Educational and employment barriers:			
Some full-time work <sup>a</sup>	54.0	37.8**	59.9**
Some part-time work <sup>a</sup>	33.7	42.2**	30.7**
No work <sup>a</sup>	12.2	20.1**	9.4**
No high school diploma	29.0	34.2*	27.1*
Health and personal well-being barriers:			
Health or mental-health problem	16.9	15.9	17.2
Substance use problem	1.5	2.3	1.2
Domestic violence <sup>b</sup>	12.7	14.2	12.1
Logistical barriers:			
No automobile in household	51.6	60.7**	48.3**
Child-care problem	20.1	19.6	20.3
Household member ill or disabled	7.8	10.7*	6.8*

\*  $p < .05$ .\*\*  $p < .01$ .<sup>a</sup> Work in the 3 years prior to the survey.<sup>b</sup> Domestic violence in the 12 months prior to survey.

a serious long-term health or mental health problem that interfered with their daily living. Self-reported problematic substance use was less common among the sample, with less than 5 percent of the women reporting disruptive use. Almost 13 percent of the recipients reported incidents of domestic violence over the 1 year prior to the survey. More than half of the women lacked access to a car, and close to 20 percent reported child-care difficulties. Nearly one in 10 reported disruption of their work life in order to care for an ill or disabled relative.

Columns 2 and 3 of table 1 compare the sanctioned and nonsanctioned recipients in the study sample. Sanctioned mothers were younger and had more children, limited work experience, and fewer educational credentials. They were more burdened with transportation constraints and caring for ill or disabled relatives. There are particularly striking

**Table 2**  
EFFECT PARAMETERS FOR THE LOGISTIC REGRESSION ANALYSIS PREDICTING  
SANCTIONING ( $N = 1,202$ )

	PREDICTOR VARIABLE			
	Model 1		Model 2	
	<i>e</i>	<i>e</i> <sup>β</sup>	<i>e</i>	<i>e</i> <sup>β</sup>
Demographic variables:				
County B	.12 (.19)	1.12	.03 (.21)	1.03
County C	.38 (.16)	1.46*	.43 (.17)	1.54*
County D	.40 (.16)	1.49*	.30 (.17)	1.35
Black	.26 (.13)	1.29*	.36 (.15)	1.44*
Hispanic	.11 (.15)	1.12	.20 (.16)	1.22
Below age 24	.38 (.18)	1.47*	.28 (.19)	1.32
Native English speaker	.96 (.25)	2.63**	.99 (.25)	2.69**
Child under age 2 in household	-.30 (.18)	.97	-.07 (.19)	.93
Number of children	.15 (.06)	1.16*	.13 (.06)	1.34*
Educational and employment barriers:				
Some part-time work			.79 (.15)	2.19**
No work			1.16 (.22)	3.18**
No high school diploma	.35 (.16)	1.42*	.23 (.17)	1.26
Health and personal well-being barriers:				
Health or mental health problem	-.17 (.18)	.83	-.32 (.19)	.73
Substance use problem	.76 (.45)	2.14	.87 (.44)	2.38*
Domestic violence	.22 (.18)	1.24	.18 (.19)	1.20
Logistical barriers:				
No automobile in household	.40 (.14)	1.49**	.33 (.15)	1.39*
Child-care problem	-.17 (.18)	.84	-.14 (.18)	.87
Household member ill or disabled	.52 (.23)	1.69*	.47 (.24)	1.61*

NOTE.—Numbers in parentheses are standard errors.

\*  $p < .05$ .

\*\*  $p < .01$ .

differences between the sanctioned and nonsanctioned respondents in work histories and in whether they owned a car. Only 38 percent of the sanctioned recipients reported full-time employment over a 3-year period, compared to 60 percent of the nonsanctioned recipients. Likewise, only 39 percent of the sanctioned recipients owned a car, compared to 52 percent of the nonsanctioned recipients. Contrary to what might be expected, most of the sanctioned recipients are native English speakers (90 percent) compared to the nonsanctioned recipients (83 percent).

Table 2 presents the results of the logistic regression analysis. Model 1 excludes work history while model 2 includes it. In both models, native

English speakers are considerably more likely to be sanctioned than nonnative English speakers (odds = 2.6 in both models). This finding may reflect the differential effects of the CalWORKs program options, allowing recipients who do not speak English to attend English as a second language (ESL) classes instead of meeting the work requirements. It may also reflect the reluctance of case managers to impose sanctions on those with language barriers. In addition, being black increases the odds of being sanctioned by 1.29 in model 1 and by 1.44 in model 2, compared to whites, suggesting possible racial bias on the part of welfare workers (see also Kalil et al. 2002).

Each additional child in the household increases the odds of being sanctioned by a factor of 1.16 in model 1 and by 1.34 in model 2 (independent of the availability of child care). Finally, the odds of being sanctioned are about 1.5 times higher in counties C and D in model 1 (but only in county C in model 2) compared to the other counties, suggesting that differential practices among local welfare offices can affect the risk of incurring sanctions (Pavetti and Bloom 2001).

An examination of educational and employment barriers highlights lack of high school degree in model 1 and poor work history in model 2 as significant predictors of incurring sanctions. In model 1, not having a high school degree increases the risk of being sanctioned by 1.42. In model 2, recipients with only part-time employment over a 3-year period are twice as likely to be sanctioned, and those with no work experience are over three times more likely to be sanctioned than those who had worked full time. While causal direction in model 2 is unclear, perhaps a lack of attachment or a tenuous attachment to the labor force make it more difficult for recipients to comply with the welfare-to-work requirements.

Contrary to findings in other studies, health and mental health problems do not increase the likelihood of being sanctioned. In fact, although not statistically significant, the trend is in the opposite direction (odds = 0.83 and 0.73, respectively). This may reflect the fact that, unlike 19 other states, California offers a statewide exemption from work requirements for personal disabilities.<sup>6</sup> Nevertheless, in both models, recipients with a self-reported substance use problem are over two times more likely (odds = 2.14 and 2.38, respectively) to be sanctioned than recipients without a problem. While domestic violence is not a significant predictor of sanctioning, there is a trend toward heightened vulnerability when domestic violence is present (odds = 1.24 and 1.20, respectively).

Among the logistical barriers, recipients without a car are roughly one and a half times more likely to incur sanctions than recipients who own a car (odds = 1.49 and 1.39, respectively). This finding suggests that transportation difficulties might be an important obstacle in meeting the welfare work requirements. In contrast to other studies, the

presence of child-care problems does not appear to be a significant barrier.<sup>7</sup> However, caring for an ill or disabled household member increases recipients' risk of being sanctioned (odds = 1.6 in both models).

#### *Knowledge of the Rules and Awareness of Sanctions*

Recipients' knowledge about the causes of sanctions was assessed to test the second premise that welfare recipients are aware of the rules and can rationally calculate the costs and benefits of complying. Excluding recipients exempted from CalWORKs's participation requirements, 39 percent of the study sample said that they were informed of all seven rules. However, 19 percent reported that they only knew of three or fewer rules. Almost 90 percent said they were told that failure to attend orientation is a cause for being sanctioned, but only 63 percent knew that they could be sanctioned for not participating in an assigned activity. There are significant variations across the four counties. Recipients in counties C and D are twice as likely to know the rules as those in county A.<sup>8</sup>

The extent to which officially sanctioned recipients were aware of those sanctions is tested by comparing self-reports with administrative records. Results suggest that 41 percent of the 453 sanctioned recipients identified through administrative records were unaware of having been sanctioned. When excluding recipients who said that they were exempted from program participation, the proportion of recipients who were unaware that they were sanctioned increased to 50 percent. In other words, these recipients could not recall reductions in their welfare checks because they did not meet CalWORKs's requirements. This finding is similar to that of Wilson and associates (1999), who also find that a majority of the clients in their study were unaware of sanctions against them.

As mentioned previously, it is quite possible that the recipients in the current study were unable to recall sanctions due to the elapsed time between their first sanction and the date of our interview. To determine how much this temporal factor influences the results, the length of elapsed time between sanction and interview dates is compared for recipients who were aware with those who were not aware of their sanctions. On average, there is only a difference of 1.3 months between the two groups ( $p < .016$ ).

One possible reason that recipients may not have been aware of their sanctioned status is the commonplace mixture of welfare with work. In addition, the varying practices of local welfare offices could affect the degree to which recipients were aware of having been sanctioned. To test these hypotheses, a logistic regression model predicting awareness of sanctioned status is estimated. It uses the previously discussed independent variables, augmented by a variable indicating the elapsed time between sanction and interview dates. Again, we estimate two models,

Table 3

EFFECT PARAMETERS FOR THE LOGISTIC REGRESSION ANALYSIS PREDICTING SANCTION AWARENESS ( $N = 364$ )

	PREDICTOR VARIABLE			
	Model 1		Model 2	
	$e$	$e^\beta$	$e$	$e^\beta$
Demographic variables:				
County C	-1.00 (.35)	.36**	-1.05 (.37)	.34**
County D	-.63 (.36)	.52*	-.73 (.38)	.47*
Latino	-.64* (.33)	.52*		
Below age 24	.53 (.30)	1.70 <sup>+</sup>		
Number of children	-.19 (.10)	.82*	-.22 (.10)	.80*
Employment barriers:				
Some part-time work			.49 (.27)	1.79 <sup>+</sup>
No work			1.27 (.34)	3.56**
No high school diploma	.47 (.26)	1.60 <sup>+</sup>		
Logistical barriers:				
No automobile in household	.69 (.25)	2.00**	.58 (.25)	1.79*
Elapsed time	-.05 (.02)	.94*	-.052 (.26)	.94*

NOTE.—Numbers in parentheses are standard errors. Only significant predictors are shown.

<sup>+</sup>  $p < .10$ .

\*  $p < .05$ .

\*\*  $p < .01$ .

one without and one with work history. As table 3 indicates, in both models, county, number of children, car ownership, and elapsed time are significant predictors of awareness. When work history, which is a significant predictor in model 2, is excluded in model 1, ethnicity, age, and education become significant predictors. The differential practices of local welfare offices clearly affect recipients' awareness of having been sanctioned. In contrast to recipients in county A, which is known for its consistent efforts to counsel sanctioned recipients, recipients in the other counties are two to three times less likely to be aware of their sanctions. In both models, recipients with fewer barriers are generally less likely to be aware of sanctions. This is probably due to the fact that they are more likely to mix welfare with work, experience greater fluctuations in their monthly grant amounts, and so are less likely to attribute a reduction in their grant to sanctions. Alternatively, recipients with greater barriers are more likely to depend on their welfare grant as the primary source of income and as a result are more sensitive to changes in the grant amount, especially if they perceive the reduction to be the result of an administrative error.

Because of restricted access to the administrative records, it only is possible to track sanctioned recipients for an average of 6 months after

their first sanction. The average sanction lasted 2.9 months. Of the sanctioned recipients, 43.7 percent were able to cure their sanction by complying with the program requirements, 16.8 percent were terminated from the welfare program, and 39.5 percent remained sanctioned during the last month for which data are available. There are considerable variations across counties in terms of recipients' abilities to cure their sanctions, with rates ranging from a low of 23 percent to a high of 72 percent. The data also suggest that recipients who did not speak English and those who reported domestic violence have more difficulties curing their sanctions. On the other hand, the duration of the sanctions was shorter among recipients who experienced economic hardships (i.e., they reported difficulties buying food and clothes for their children, making rental or utility payments, or getting necessary medical care).

### Discussion

The findings from the CalWORKs study confirm what other studies show: sanctioned recipients are more likely to be in a disadvantaged position than nonsanctioned recipients. Sanctioned recipients face more barriers to compliance with the work requirements. These include being younger, having more children, having poor work experience, experiencing substance abuse problems, lacking access to a car, and having an ill or disabled household member.

These findings suggest that the reason sanctioned recipients fail to comply has less to do with resistance to the work requirements and more to do with the barriers that make it difficult for them to meet these requirements. Indeed, when welfare policies and regulations acknowledge them (e.g., when recipients with mental or physical disabilities are exempted from work requirements or when recipients who do not speak English are allowed to substitute ESL classes for work requirements), potential barriers no longer increase the risk of being sanctioned. Moreover, the practices of local welfare offices are a significant factor in whether recipients will be sanctioned. Some county welfare offices expose their recipients to a higher risk of sanctions than others, net of the recipients' attributes. In addition, African-American recipients, net of other factors, are more likely to be sanctioned, suggesting the possibility of a racial bias on the part of welfare workers.

These findings may call into question the key assumptions underlying the behavioral logic of sanctions, namely, that recipients fail to comply because they are unmotivated and are not truly needy. It could be argued that such barriers as poor work experience and substance abuse indicate a personal preference not to work. It is also possible that sanctioned recipients care less about loss of aid because of other sources of income. In the survey, recipients were asked whether they looked for work in

the 30 days prior to survey, as a proxy measure of motivation to work. When controlling for welfare status (being on or off aid at time of interview), there are no significant differences between sanctioned and nonsanctioned recipients. In addition, the annual household income from all sources is significantly lower in sanctioned households than in nonsanctioned households.

While recognizing that some of the barriers experienced by sanctioned recipients may be self-inflicted, we conclude that sanctions penalize recipients in greater need because these individuals face more barriers to employment. Indeed, it might be argued that such a strategy exacerbates recipients' already difficult life circumstances by further reducing their income and limiting access to needed services.

Equally questionable is the assumption that recipients are well informed about the rules and can act rationally in response to sanctions. In fact, a significant proportion of the recipients report being ill informed about the sanction policies. Although the study may overestimate the number of sanctioned recipients who were unaware of their status, it is clear that a significant proportion failed to recognize that they were sanctioned. Not only do welfare recipients encounter complex rules and regulations, but their monthly grants vary frequently. Some of these variations reflect changes in reported income or household composition, while others have to do with administrative vagaries, such as errors in data entry and computation of financial need, or recipients' failure to file appropriate forms in a timely fashion. Paradoxically, by allowing recipients to combine welfare with earnings, welfare reform may actually lead sanctioned recipients who are working to attribute the reduction in their monthly grant to higher earned income rather than to sanctions.

The logic of sanctions implicitly assumes that local welfare offices will enforce the rules uniformly so that a consistent message is sent to all recipients. The findings suggest that this is not the case. Local welfare departments institutionalize enforcement practices that respond to the political and ideological milieu in which they are embedded (Hasenfeld and Weaver 1996). These practices in turn influence how readily welfare workers resort to sanctions. Local practices, especially the interactions between workers and recipients, also play a significant role in the degree to which recipients understand the rules and can respond rationally to them. For example, one county in the study invested considerable resources in counseling sanctioned recipients, seeking through such efforts to help these individuals cure their sanctions. As a result, 64 percent of recipients in the county reported that they were aware of the rules governing sanctions. By contrast, in a county where the welfare workers communicate primarily through formal notifications, only 41 percent of recipients reported an awareness of how sanctions work.

It may be argued that the chief aim of a sanctions policy is to send



a warning message to the majority of welfare recipients and thus to serve as a deterrent. The idea is that sanctions will discourage potential recipients who are not committed to work from applying for welfare. However, as this study shows, the intended message is not heard clearly when it is delivered. It may also come with a heavy price, both to the recipients who are actually being sanctioned and to the welfare offices that must invest considerable administrative resources to enforce it.

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## Notes

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1. To protect the anonymity of the respondents, we omit the names of the counties.
2. This approach has been adopted by several states (see U.S. General Accounting Office 2000).
3. The results are essentially the same when these sanctioned recipients are excluded from the analysis.
4. Many of these measures are adapted from the Women's Employment Study at the University of Michigan: <http://www.fordschool.umich.edu/poverty/wes/>.
5. We avoid using the term "sanction" because during the pretest phase we found, as other researchers have, that recipients often do not understand what the term means.
6. According to 1999 state policy information obtained from the Urban Institute's Welfare Rules Database. See <http://www.urban.org/content/Research/NewFederalism/Data/StateDatabase/StateDatabase.htm>.
7. This may be due to the fact that, at the time of the interview, 58 percent of the sanctioned recipients and 45 percent of the nonsanctioned recipients were still on aid and therefore eligible for child-care subsidies.
8. These multivariate analyses are available upon request from the authors.