



## Introduction and Overview

Sanctions are federally mandated penalties imposed on TANF recipients who do not comply with work requirements. Individual states have autonomy to decide what form sanctions will take; sanctions may be individual or full family, partial or full reduction in cash benefits, and temporary or permanent. The logic behind the imposition of sanctions is that the penalties serve as a motivator to comply with federally-mandated work rules, and will be a negative consequence for non-compliance – a “carrot and stick” approach (Hasenfeld, Ghose, & Larson, 2004). Both “carrot” and “stick” assume that sanctioned recipients are rational actors who are able to work, understand the work requirements and related penalties, and make a mindful decision not to comply (Kalil, Seefeldt, & Wang, 2002). Most research on sanctions was conducted in the first ten years after welfare reform (Lens, 2006; Lindhorst & Mancoske, 2006; Oggins & Fleming, 2001; Pavetti, Derr, Kirby, Wood, & Clark, 2004). There are relatively few articles on sanctions published after 2008 (Fording, Schram, & Soss, 2013; Larson, Singh, & Lewis, 2011). Research focuses on how sanctions are applied (not addressed in this review), who tends to be sanctioned, the outcomes of sanctions, and the wellbeing of those who have been sanctioned.

## Who is Sanctioned?

Multiple studies find that the recipients who are sanctioned tend to be the ones with the most barriers, and with the same barriers as the group that stays on TANF the longest (Pavetti, Derr, & Hesketh, 2003). Sanctioned recipients have more barriers than those who are not sanctioned, including limited education and learning disabilities (Kalil et al., 2002), limited work history (Hasenfeld et al., 2004) physical health problems (Lens, 2006), domestic violence (Lindhorst & Mancoske, 2006), mental health problems (Pavetti et al., 2004), and caring for disabled relatives (Hasenfeld et al., 2004). They tend to be younger and more likely to be African American (Pavetti et al., 2004).

Recipients who are sanctioned often do not understand the sanction process and are sometimes unaware that they are at risk of penalties (Hasenfeld et al., 2004). This lack of understanding may be tied to the multiple barriers described above, especially low education levels, learning disabilities, and mental health problems. These same barriers may make it more likely for participants to miss appointments and less likely to correctly complete and submit paperwork, thus incurring more sanctions (Cherlin, Bogen, Quane, & Burton, 2002).

These findings call into question the idea that sanctions are applied to those who understand the sanction rules and are able to comply but choose not to (Hasenfeld et al., 2004). Rather, those who are sanctioned tend to have multiple barriers and are at risk of long-term welfare receipt. They are less able to comply with and less knowledgeable about the rules governing sanctions. The presences of multiple and complex barriers among sanctioned recipients suggests the need for specialized programs rather than penalties in order to enable them to comply with welfare rules (Wu, 2008).

## What are impacts on employment, earnings, and TANF receipt?

Sanctions are associated with more recipients ending cash benefits (New, 2008). However, leaving welfare does not mean these individuals are now stable. Those who leave TANF due to sanctions are more likely to return to TANF than those who have left for other reasons (Pavetti et al., 2004). Individuals who leave welfare following sanctions are less likely to be working than those who leave for other reasons (Wu, Cancian, & Wallace, 2014), and those who are working tend to have lower earnings (Lee, Slack, & Lewis, 2004). Increases in severity and duration of sanctions are associated with even higher unemployment and even lower wages for those who find jobs (Wu, 2008). Emerging from a sanction with no TANF and no or very low earned income means that individuals are facing increased risk of hardship for themselves and their families.

## What are the consequences for health and wellbeing?

There is a high prevalence of hardship among those who have been sanctioned, compared to those who have not been sanctioned. Hardships include food insecurity (Cook, Frank, Berkowitz, Black, & et al., 2002), utility shut-offs (Kalil et al., 2002), children's hospitalizations (Cook et al., 2002), difficulty paying for needed health care (Oggins & Fleming, 2001), eviction and homelessness (Reichman, Teitler, & Curtis, 2005), and educational disruptions for children (Larson et al., 2011). Many of those who leave welfare following sanctions are still receiving non-cash benefits such as SNAP (Pavetti et al., 2003), indicating continued need. Those who are sanctioned often have young children, putting those children at increased risk during key developmental phases (Duncan & Brooks-Gunn, 2000). Individuals who have been sanctioned are more likely to accept services to address hardship (Kalil et al., 2002), meaning that the time period surrounding sanctions may be a window of opportunity for remediating barriers to employment and improving family wellbeing.

## Conclusion and recommendations

Individuals who are sanctioned tend to have multiple barriers to employment, suggesting that they are more likely to be unable rather than unwilling to work (Hasenfeld et al., 2004). Outcomes following sanctions include loss of benefits, low or no income, and increased hardship to families with young children. Rather than viewed as an opportunity for punishment, risk of sanctions can be viewed as red flags for increased family barriers and hardship (Lindhorst & Mancoske, 2006). Special services that provide increased flexibility and address the root causes of non-compliance can increase stability in families with multiple barriers. Some states have used discretion in addressing needs among sanctioned individuals, for example providing transportation and child care to those who volunteered to participate in work activities (Kauff, Derr, Pavetti, & Martin, 2007). Provision of specialized programs and services to meet the unique needs of sanctioned individuals and families can increase states' participation rates (Kauff et al., 2007) at the same time as reducing hardship among this vulnerable population.

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