

Contract No.: 53-3198-6-020
Tracking State Food Stamp Choices
And Implementation Strategies
Under Welfare Reform

State Food Stamp Policy Choices Under Welfare Reform: Findings of 1997 50-State Survey

May 1998

Authors:

Vivian Gabor
Christopher Botsko

Submitted to:

U.S. Department of Agriculture
Food and Nutrition Service
3101 Park Center Drive-2nd Floor
Alexandria, VA 22302

Project Officer:
Alana Landey

Submitted by:

Health Systems Research, Inc.
1200 18th Street, N.W.
Suite 700
Washington, DC 20036

Project Director:
Vivian Gabor

Do not reproduce without permission of Project Director and FNS.

This work was prepared as one task of a competitively awarded contract; the total amount of the contract is \$359,599.

Table of Contents

Listing of Tables.....	iii
Executive Summary.....	viii
A. State Choices on Implementation of ABAWD Provision	ix
B. State Choices on Food Stamp Program Sanctions	x
C. Treatment of Drug Felons and Fleeing Felons	xi
D. Databases Used to Verify Client Information	xii
E. State/Local Food Assistance Programs for Legal Immigrants	xii
F. Coordination of Food Stamp and TANF Application Process.....	xii
Chapter I. Introduction and Background.....	1
A. Policy Context.....	2
B. Research Objectives.....	4
Chapter II. Data Collection Methodology.....	6
A. Survey Development.....	6
B. Selection of Survey Respondents	7
C. Overview of the Interview Process and Content.....	8
Chapter III. Survey Findings.....	11
A. State Choices Regarding Implementation of the Able-Bodied Adults Without Dependents Provision.....	11
B. State Choices Regarding Food Stamp Program Sanctions	20
C. State Choices Regarding Treatment of Drug Felons and Fleeing Felons	30
D. Databases Used by States to Verify Food Stamp Client Circumstances	31

E.	State/Local Food Assistance Programs for Legal Immigrants	32
F.	Coordination of Food Stamp and TANF Application Process.....	34
Chapter IV.	Next Steps: Future Data Collection Plans for this Study	36
A.	Case Studies in Selected States	36
B.	Tracking Changes in State Food Stamp Choices Over Time.....	37

Executive Summary

In August 1996 Congress passed and the President signed a new federal welfare reform law, titled *The Personal Responsibility and Work Opportunity Reconciliation Act of 1996* (PRWORA). This legislation, which replaced Aid to Families with Dependent Children (AFDC) with the Temporary Assistance to Needy Families (TANF) block grant to States, retained the federal entitlement nature of the Food Stamp Program. At the same time, PRWORA provided States with an array of Food Stamp Program policy options, particularly in areas that are designed to promote personal responsibility through work requirements and participant sanctions. Most of the food stamp provisions of PRWORA went into effect in Fall 1996, although the two major eligibility restrictions — for able-bodied adults without dependents and legal aliens — were largely implemented in 1997.

The potential for significant variations in State Food Stamp Programs became evident soon after passage of PRWORA. In order to begin understanding the choices being made by State Food Stamp Programs, FNS commissioned Health Systems Research, Inc. (HSR) to conduct a study titled *Tracking State Food Stamp Choices and Implementation Strategies Under Welfare Reform*.

This report presents data collected by HSR in the first phase of the study. A telephone survey was conducted with State food stamp agency officials from 50 States and the District of Columbia in November and December of 1997. Data collected reflects information on the policy choices States had in place at the time of the survey and does not reflect changes made since the survey was completed. Additional data will be collected in the next phase of the study, through case studies with State and local food stamp officials in selected States.

The telephone survey addressed State choices in the following six subject areas:

- Implementation of the new provision that imposes time limits and work requirements for able-bodied adults without dependents (ABAWDS),
- Food stamp sanctions,
- Treatment of drug felons and fleeing felons,
- Databases used to verify client information,
- State-funded food assistance programs for legal immigrants, and
- Changes in coordination of the food stamp and TANF application process.

Highlights of the key survey findings are summarized in sections A through F below.

A. State Choices on Implementation of ABAWD Provision

Overall, the States varied greatly in the implementation policy choices they made with regard to the new ABAWD provision. This included variations in choices regarding exemptions for those unable to work, development of work programs for ABAWDs, and the ability to track information on ABAWDs. Key survey findings in this subject area include:

- **Criteria and procedures for determining inability to work.** Nearly three-fourths (34) of the 47 States with statewide policy guidance on determining disability for ABAWDs reported that the stringency of the criteria and procedures they use to determine ABAWD disability exemptions were about the same as the criteria and procedures used for determining the food stamp work registration exemption. Eight States reported that these criteria and procedures were more stringent and five States reported that they were less stringent.
- **Definition of adult caretakers.** Thirty-one States reported that all adults in a household could potentially be exempt from the time limit and work requirements when there is a dependent child in the household. One State reported that all adult relative caretakers could be exempt. Sixteen States reported that one or both parents could be exempt. Two States permitted only one parent to be exempt.
- **Balanced Budget Act optional ABAWD exemptions.** At the time of the survey, 37 of the State food stamp agencies had made a decision regarding the new

optional ABAWD exemptions authorized under the Balanced Budget Act of 1997. Of these States, 22 had decided to implement the new exemption. Eleven of the 15 States that had decided not to implement the new ABAWD exemptions were States that in 1997 had no ABAWD waivers or had waived less than 15 percent of their ABAWD caseload from the time limit and work requirement provisions.

- **Workfare programs.** Twenty-five States reported having workfare programs for ABAWDs. Prior to enactment of PRWORA, 16 of these 25 States had a workfare program in place in at least part of their State, and for at least some categories of food stamp participants. Of the 25 States with workfare programs for ABAWDs, 13 reported that the largest proportion of slots were with public sector organizations; 12 reported that they had self-initiated workfare programs, allowing clients to locate their own workfare slots with community organizations. Of note, however, is the fact that of States that reported monthly estimates of the number of ABAWDs in their workfare programs, the majority reported having only 90 or fewer ABAWDs in workfare slots.
- **Tracking systems.** Twenty-five of the States reported that they had automated systems for tracking the work status and time limits of ABAWDs. Thirty-four States reported they had an automated system to track ABAWDs if they applied for food stamps elsewhere within the State.

B. State Choices on Food Stamp Program Sanctions

The States varied greatly in the number and type of optional food stamp sanctions selected in the first year of PRWORA implementation. The survey results indicate that most States are moving cautiously in this area of food stamp policy. Key findings on the extent and nature of State choices in this area are provided below.

- **Food stamp employment and training sanctions.** Under PRWORA, States have the option to disqualify only the head of the food stamp household if he/she does not comply with the food stamp E & T requirements. Under prior law, States were required to disqualify the entire food stamp household in these cases. Twenty-seven States reported disqualifying only the head of the household if he/she does not comply with the food stamp E & T requirements. Twenty-one States continued to disqualify the entire household if the person who did not comply was the head of the household. Three States reported sometimes sanctioning the individual and sometimes the entire household, depending on circumstances.

- **Comparable disqualification for noncompliance with another means-tested program.** Thirteen States chose this new option. Of these 13 States, 11 utilized the option for TANF program violations, including violations of work requirements. Two States utilized the option for both TANF and GA work requirement violations.
- **Reduction of food stamp benefits when household is sanctioned in TANF.** Seven States selected this option, with three States using this sanction policy in combination with the comparable disqualification option.
- **Disqualification for failure to cooperate with child support or for child support payment in arrears.** Eight States chose one or both of these options, with six States applying the sanction to all food stamp cases, and two States limiting the sanction to only TANF cases.
- **Sanction for failure to ensure minors attend school.** Four States selected this sanction option, with two States reducing the household benefits and two States disqualifying the parent of the minor child.
- **Patterns in State choices for work-related food stamp sanctions.** When examining State choices specific to work-related food stamp sanctions, two groupings of States were identified as reflecting either a consistent pattern of “more stringent” or “more lenient” sanction policy approaches. The States identified as taking a “more stringent” approach were Idaho, Iowa, Kansas, Mississippi, Michigan, North Dakota, and Ohio. The States identified as taking a “more lenient” approach were: Alaska, District of Columbia, Hawaii, Illinois, Maryland, New York, Pennsylvania, Washington, and West Virginia.

C. Treatment of Drug Felons and Fleeing Felons

- **Eligibility of drug felons.** The survey results reveal that 21 States had opted out of the federal provision in PRWORA that makes all drug felons ineligible for food stamps. Ten of these 21 States had opted out entirely, while 11 States did sanction some categories of drug felons.
- **Systems for identifying fleeing felons.** 47 States had an “ask the client” approach to identifying fleeing felons, who are ineligible for food stamps. Nine of these States also tracked arrest warrants or other court records and four States verified the client’s information against another State or Federal database.

D. Databases Used to Verify Client Information

The survey revealed that all States were continuing to use most of the Income and Eligibility Verification System (IEVS) and only one State discontinued the use of the Systematic Alien Verification for Entitlements (SAVE) Program.

E. State/Local Food Assistance Programs for Legal Immigrants

At the time of the survey, 11 States had a State-funded food assistance program for legal immigrants in place. Of these 11 States, nine States tied income eligibility for the new program to 100 percent of federal food stamp eligibility and five States provided the assistance only to children under age 18, the disabled, and/or the elderly.

F. Coordination of Food Stamp and TANF Application Process

It is likely that changes in the focus of welfare policy may have affected coordination between food stamps and cash welfare in ways that can only be observed at the local level. Hence, it is not surprising that only seven States reported that they have policies in place that may affect the coordination of the TANF and food stamp application process.

CHAPTER I

Introduction and Background

In October 1996, Health Systems Research, Inc. (HSR) was awarded a contract by the Food and Nutrition Service (FNS) of the U.S. Department of Agriculture (USDA) to conduct a study on State Food Stamp Program policy choices since enactment of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA). This study, titled *Tracking State Food Stamp Choices and Implementation Strategies under Welfare Reform*, is designed to describe for FNS the State food stamp policy choices and implementation strategies used by their local offices in the wake of the new flexibility provided to States by both PRWORA of 1996 and the Balanced Budget Act of 1997 (BBA).

HSR will prepare four written products in conjunction with this study, as listed below:

- A technical memorandum was provided to FNS in the winter of 1997, summarizing new State food stamp policy options and waivers under PRWORA and existing information available on State choices under these options and waivers.
- The summary descriptive report on State food stamp policy choices presented here, which is based on a telephone survey of State food stamp officials conducted by HSR in November and early December 1997.
- An analytical report examining the policy implications of State food stamp policy choices as well as local implementation strategies. Data for the latter will be gathered by HSR through site visits to State and local food stamp offices later this year.
- A report to FNS with recommendations for designing a systematic approach for collecting information on an ongoing basis about State food stamp policy choices.

This report is divided in two sections. The body of the report contains an overview of the methodology and a summary of the findings from the HSR telephone survey of State food stamp officials regarding their State food stamp policy choices. Appendix A contains data tables displaying detailed State-by-State responses and national summary findings on the extent and nature of the States' choices. Appendix B contains a copy of the survey instrument.

This introductory chapter summarizes the policy context for this study and its research objectives.

A. Policy Context

The Food Stamp Program, administered by FNS, is a major component of the Nation's nutrition security strategy and a central element of America's antipoverty efforts. The primary objective of the Food Stamp Program is to increase the food purchasing power of low-income individuals and families so they may obtain a nutritious diet. The program accomplishes its mission by providing food assistance in the form of coupons that are redeemable for food at authorized retail stores or through electronic benefit transfer (EBT) cards that directly transfer the participant's food stamp benefits to authorized grocers at the check-out counter.

The Food Stamp Program is structured as a Federal entitlement program. Food stamp benefits are available to all persons who meet the Federally determined eligibility criteria related to income level, the value of assets, and certain nonfinancial criteria such as work registration. Unlike other Federal income maintenance programs, the Food Stamp Program has historically not had categorical eligibility criteria such as the presence of a child, a disabled person, or an elderly adult in the household.

Although primarily Federally funded, the program is administered by State and local governments. Program benefits are fully funded by the Federal government, and administrative costs are shared by the Federal government and State and local governments

that administer the program. States are responsible for certifying applicant households and arranging for issuance of the correct amount of food stamp benefits to them.

For more than 20 years, Federal food stamp law and regulations have explicitly defined eligibility to participate in the program, the process and rules of benefit determination, and the recipient work requirements. As a result, policies and implementation of eligibility requirements, benefit determination, and work rules have varied little among the States. However, in recent years, States have had increased flexibility to make choices in the Food Stamp Program in two significant ways:

- Through greater State options in PRWORA and the BBA; and
- Through FNS-approved waivers from the Federal food stamp requirements.

With the enactment of PRWORA, States began initiating major changes to their cash assistance programs for families through the new Temporary Assistance to Needy Families (TANF) block grant program. These changes are focused on creating strict time limits and more work requirements for program eligibility. Similarly, PRWORA provided States with an array of options for re-engineering the Food Stamp Program, particularly in the area of work requirements and participant sanctions. A natural result of this new flexibility is that a variety of State policies related to food stamp disqualification practices, benefit determination, and work-related time limits and sanctions have replaced more uniform national standards.

While the potential for significant variations in State policy became evident soon after passage of PRWORA, States were not required to report all of their new choices to FNS. To obtain this information in a systematic fashion and to assist FNS in developing a long-term tracking system on State food stamp policy choices, FNS contracted with HSR to conduct two phases of primary research in Fiscal Year 1998: a telephone survey of State food stamp agency officials and site visits to selected State and local food stamp offices. This information is needed by FNS and by the States not only to assess how different States have responded to the new policy choices available, but also to provide information to public policy makers about the potential implications of specific policy changes in the Food Stamp Program under welfare reform. Such

information is needed as the States and Federal government assess the impacts of welfare reform and consider future rule changes and the policy direction of the program.

This report is based on the findings of the first phase of research, whose objectives are described in the following section.

B. Research Objectives

The overall objective of this report is to provide FNS and the States information on the extent and nature of State food stamp policy choices in response to new State options granted under the PRWORA and the BBA. Given the rapid changes in State cash assistance programs related to work requirements and time limits, a secondary research objective is to describe any overarching patterns that emerge in State food stamp policy choices.

The information in this report will enable State policy makers to take advantage of each other's experience as they anticipate making future decisions on food stamp policy options. This information can also form the basis for future evaluative research to examine the extent to which new State food stamp policy choices under PRWORA and the BBA have resulted in any of the following consequences:

- Loss of food stamp benefits and eligibility for low-income individuals or families,
- Changes in participation in the Food Stamp Program by eligible households,
- Changes in work activity among nonworking or part-time employed food stamp recipients,
- Changes in the coordination and simplification of the application and eligibility determination processes for food stamp and TANF families; and/or
- Food insecurity among affected individuals.

Finally, the experience gained from this survey and from interviews with State food stamp officials in selected States during our next phase of data collection will assist HSR in working with FNS in the coming year to build a long-term tracking system capable of monitoring State food stamp choices as they evolve under welfare reform.

This chapter has reviewed the policy context driving this study designed to track State food stamp choices and implementation strategies under welfare reform, as well as the research objectives for the recently completed HSR telephone survey of State officials. The next chapter provides an overview of the survey methodology. Chapter III presents the findings of the survey. Chapter IV discusses recommendations for future data collection efforts on State food stamp choices, based on findings from the telephone survey.

CHAPTER II

Data Collection Methodology

This report on State food stamp policy choices under the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) and the Balanced Budget Act of 1997 (BBA) is based on information provided to Health Systems Research (HSR) by State food stamp agency officials during a telephone survey that was conducted between 3 November and early December 1997. The survey was designed to collect information on the policy choices States had in place at the time of the survey and does not reflect changes they may have made since the survey was completed.¹ This chapter provides an overview of the data collection methods, including a description of how the survey instrument was developed, how the survey respondents were selected, and the process and content of the interviews.

A. Survey Development

In recognition of the large number of new choices available to States in Federal Fiscal Year 1997 under the PRWORA and additional choices made available in Federal Fiscal Year 1998 under the BBA, HSR and the Food and Nutrition Service (FNS) made extensive efforts to prioritize the data items for inclusion in the telephone survey in order to prevent duplication of effort and minimize the burden on State food stamp officials.

In spring 1997, FNS and HSR worked together to identify specific food stamp provisions for which FNS was most interested in knowing the extent and nature of State choices. This prioritization was made utilizing the following three criteria:

¹ Where States did volunteer information about future changes in their food stamp choices, we noted the fact in the footnotes to the tables provided in Appendix A.

- Avoidance of duplication of information that is already required to be provided to FNS;
- Selection of policy choices that relate to understanding how States have modified their programs in response to the goals and objectives of welfare reform; and
- Inclusion of additional information requested by the national Food Stamp Program office, including States' choices in tracking systems for ABAWDs and the new optional food stamp sanctions, and States' choices regarding methods for documenting whether a client is a fleeing felon and thus ineligible for food stamps.

As a result of this prioritization process, the survey was limited to six areas of State food stamp policy choices, as described below in Section C.

After selecting the data items for inclusion in the telephone survey, HSR designed several draft instruments that were reviewed and edited by FNS staff. HSR pretested the survey instrument with food stamp officials responsible for policy development, program administration, and food stamp work programs in three State food stamp agencies. Modifications again were made to the data collection instrument and reviewed by FNS. The final data collection plan and survey instrument were approved by the Federal Office of Management and Budget in October 1997.

B. Selection of Survey Respondents

This survey collected information directly from State food stamp agency personnel in the 50 States and the District of Columbia. In order to ensure that the information reported to HSR reflected current State food stamp choices in a variety of policy areas, it was important to identify the appropriate State respondents. Accordingly, the following four-step process was used to select and prepare the appropriate State food stamp policy staff for the telephone interview:

- FNS wrote to each regional FNS office to explain the purpose of the study. Regional Food Stamp Program representatives were asked to contact the State food stamp directors in their regions to inform them that HSR would soon be contacting them.

- HSR sent a letter to each State food stamp agency director describing the overall objective of the study and providing an overview of the content and logistics of the telephone survey.
- These letters were followed up with a telephone call to each State Food Stamp Program director or his/her designated representative. The purpose of this call was to further describe the goals and content of the survey as needed. These directors or their designees were then provided a detailed summary of the questionnaire and a list of data questions that would necessitate special data runs or calculations.
- After the State had identified the appropriate person or persons to respond to all of the survey topic areas and to participate in the telephone survey, interviews were scheduled. In States where more than one person was needed for the interview, several staff usually participated in one joint conference call interview. In a few cases, the survey was conducted in segments, with separate telephone interviews with a number of specialized staff.

C. Overview of the Interview Process and Content

Interview Process

As described above, telephone interviews were conducted with one or more State food stamp officials. In nearly every State, the Food Stamp Program director or administrator was one of the respondents. Interviews were conducted by four HSR staff with policy expertise on food stamp policy and the new PRWORA legislation. Interviewers were provided an initial training on the content and process of the survey, including appropriate follow-up probes to clarify responses when necessary. Each interviewer received extensive supervision by the HSR Project Director throughout the interview process. On occasions when a State's responses were unclear or inconsistent despite thorough probes, the Project Director followed up to clarify their responses.

Interview Content

The content of the questionnaire addressed the following six food stamp policy areas:

- ABAWDS. The survey sought information about States' implementation policies for the new Food Stamp Program time limits and work requirements for able-bodied adults without dependents (ABAWDS). The greatest number of new options under PRWORA focus on ABAWDS, and the greatest number of questions in the survey concerned this subject area.
- Sanctions. The survey sought information about State choices regarding food stamp employment and training (E & T) sanctions and five new optional sanctions (i.e., comparable disqualification, benefit reduction for violation of Temporary Assistance to Needy Families (TANF) requirements, sanctions for parents in arrears in payment of child support, sanctions for noncompliance with child support, and sanctions for not ensuring that minor children attend school). Questions regarding these sanctions comprised the second largest section of the survey.
- Drug Felons and Fleeing Felons. The survey asked about State choices regarding the eligibility of drug felons for the Food Stamp Program and the tracking and identification of drug felons and fleeing felons.
- Databases Used to Verify Client Information. The survey asked about the databases States used before welfare reform and the databases they currently use to verify food stamp clients' income and other information.
- State/Local Food Assistance Programs for Legal Immigrants. The survey asked whether States opted to provide alternative food assistance for legal immigrants now ineligible for the Federal Food Stamp Program and sought descriptive information about these programs.²
- Coordination of the Food Stamp and TANF Application Process. This short section of the survey asked State food stamp officials whether the food stamp and TANF application processes occur in a single location at the local level and whether the State still requires a joint application and interview for determining eligibility for both programs, now that this coordination is no longer mandatory.

² Note that both the President and many Members of Congress have indicated support for legislation that would restore food stamp eligibility for some or all legal immigrants.

For each focus area, the survey asked not only whether the State selected the new options available under the law but also how it designed the selected policy options. Specifically, survey questions were crafted to obtain the following information about individual State food stamp choices:

- The components of each statutory option that the State chose;
- Descriptive information on the specific State activities initiated under an option;
- Whether or not the optional activities were targeted to certain populations and, if so, to which populations; and
- State efforts to track information on individuals affected by particular sanctions and time limits.

To obtain information on the size of the population affected by the State choices, the interviewers asked State officials to estimate the number of food stamp recipients affected by the ABAWD provisions and by each sanction option selected by a State.

The survey contained 156 questions. However, no State was required to respond to all 156 questions, because large groups of follow-up questions could be skipped if a respondent noted that the State had not chosen a particular policy option. As noted earlier, a copy of the survey instrument is contained in Appendix B.

This chapter has reviewed the design of the telephone survey, the selection of the respondents, the data collection process, and the content of the survey. The following chapter presents the survey findings.

CHAPTER III

Survey Findings

This chapter presents a profile of the extent and nature of State food stamp policy choices under major new options available to the States under the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) and the Balanced Budget Act of 1997 (BBA). The total number of States making each food stamp policy choice, and a discussion of overarching patterns across States is presented in text here and is illustrated in more detail in the 53 data tables contained in Appendix A.

The data are presented in Sections A through F separately for each of the six broad policy areas that are the focus of the study. Within each section, there is an overview of the specific State choices (both options in the law and implementation options) that were the subject of the survey, followed by a summary of the findings on the number and range of State choices in each area.

In addition, in the sections on State able-bodied adults without dependents (ABAWD) policy choices and State Food Stamp Program sanction options—the two largest sections of the survey— there is a brief discussion of any overarching patterns that may have been revealed when States' responses to multiple questions were compared.

A. State Choices Regarding Implementation of the Able-Bodied Adults Without Dependents Provision

This first and largest section of the survey included questions about many aspects of State choices regarding the policies they have for implementing the ABAWD provision. This provision imposes time limits on receipt of food stamps and work requirements on able-bodied

adults between the ages of 18 and 50 who are not responsible for a dependent child or are otherwise exempt from the work registration requirements of the Food Stamp Act.

1. Findings on State Implementation of FNS-Approved Waivers

a. The State Choices

States are permitted to request waivers from Food and Nutrition Service (FNS) to exempt certain areas of their State from the ABAWD provision. These waivers specifically allow States to exempt able-bodied adults without dependents from the time limits and work requirements in those geographic areas that meet FNS' waiver criteria because they lack a sufficient number of available jobs for ABAWDs. During the first year of this provision, 43 States applied for and received approval from FNS to waive some or all of the State from the ABAWD provision.

b. Survey Findings

- Although 43 States had FNS-approved ABAWD waivers, 7 of these States had not applied the waiver in some or all of their approved local jurisdictions.

2. How States Choose to Determine Whether an Adult is “Able-bodied”

a. State Choices

Adults who are physically or mentally unable to work are not considered “able-bodied” for the Food Stamp Program and are thus not subject to the new three-month time limits and work requirements in the ABAWD provision. However, the law does not specify how States should determine if an adult is able to work. The survey results reveal that States' policies vary considerably in this area, as illustrated by the findings below.

b. Survey Findings

- Three States (Alaska, Hawaii and Rhode Island) report that there is no statewide policy guidance on how local food stamp offices should determine whether an adult is able to work.³

³ The District of Columbia did not respond to the survey questions on ABAWDs because it is implementing an FNS-approved waiver that exempts 100 percent of the District from the ABAWD provision. It plans to

- Each of the 47 States with statewide policy guidance on how to determine whether an adult is able to work reports that it permits persons with temporary disabilities (such as a broken limb) to be exempt from the ABAWD requirements.
- All 47 States routinely utilize written documentation or receipt of disability benefits as verification that a person is unable to work, but they vary greatly in the kind of documentation or disability benefits required.
- Nearly three-fourths (34) of the 47 States with any statewide policy guidance on ABAWD disability determination report that the stringency of the criteria and procedures they use to determine ABAWD disability exemption are about the same as the criteria and procedures used for determining disability for the food stamp work registration exemption. Officials from eight States report that the criteria and procedures they use to determine disability for exemptions for ABAWDS are more stringent than they use to determine disability for the food stamp work registration exemption. The remaining five States report that they are less stringent.
- Washington and South Dakota allow local offices to document that a client is unable to work if the client says he or she is unable to work, without required written documentation. Not surprisingly, both of these States also reported that their criteria and procedures for determining the ABAWD disability exemption were more lenient than those used to determine their food stamp work registration exemption.
- More than half (25) of the States with statewide policy guidance on ABAWD disability determination allow food stamp office staff to document the exemption based on direct observation of a client's obvious disability, without required written documentation.
- All of the States with statewide policy guidance allow receipt of Supplemental Security Income (SSI) or Social Security Disability Insurance (SSDI) to certify a food stamp adult as unable to work and thus exempt from the ABAWD requirements. Forty-five of 47 States allowed receipt of Veterans Affairs (VA) disability benefits to certify this exemption.
- Over half of the States reported that they accept non-Federal disability insurance, such as workers compensation, State disability insurance (where such a program exists) or private disability insurance, as verification that a person is unable to work.

How States Define “Dependent Children” and “Caretaker Adults” for the ABAWD Provision

a. State Choices

While the law exempts able-bodied adults ages 18-50 who are responsible for the care of a dependent child from the new food stamp time limits and work requirements, State agencies can decide how many and which adults can potentially be exempt as “caretakers.” States can also determine the definition of a “dependent child.”⁴

b. Survey Findings

- Forty-eight States defined a dependent child for the ABAWD exemption as “a child living in the household under age 18.” The two exceptions are Maryland, which reported that a dependent child was defined as a child under age 18 or under age 20 if the child was included in a TANF household; and Nebraska, which reported that a dependent child is defined as a child under age 22.
- Thirty-one States have broadly interpreted the adult caretaker to include “all adults in a household” with a dependent child.⁵
- In all but three of the remaining States, both parents could be defined as caretakers for the ABAWD exemption. Massachusetts allowed all relatives in the household to be defined as caretakers. Nebraska and North Dakota permitted only one parent in the household to be defined as a caretaker for this exemption.

⁴ This flexibility may change when final regulations are issued for the food stamp provisions of PRWORA.

⁵ Among these 31 States there apparently is some discrepancy about how the policy choice is implemented. While there was no specific follow-up question about this policy choice, we learned during the interviews that some States implement this policy choice by automatically exempting all adults in the household if there is a dependent child in the household, while other States allow all adults to be exempt, but only if the applicant demonstrates that all adults share in the caretaking role for the dependent child or children.

Balanced Budget Act Optional ABAWD Exemptions

a. State Choices

The BBA permits States to grant their own exemptions from the food stamp time limits for ABAWDs, in addition to those exemptions required under Federal law. States may grant exemptions for up to 15 percent of the number of people who would be denied food stamps under the time limits and can use their own criteria to award these exemptions.

b. Survey Findings

- At the time of the survey, two-thirds (37) of the State food stamp agencies had made a decision regarding the new ABAWD exemptions. Of these States, 22 had decided to implement the new exemption and 15 had decided not to do so.
- Eleven of the 15 States that had already decided not to implement the new ABAWD exemptions were States that in 1997 had no ABAWD waivers or had waived less than 15 percent of their ABAWD caseload from the time limit and work requirement provisions.⁶
- Of those 22 States that had decided to implement the new exemptions, 11 had not yet decided on the criteria they will be using, five States had selected geographic criteria, one State had selected a lower age cut-off limit at age 45, and five States had decided on more complex criteria for exemptions based on individual circumstances.

Workfare Programs and Policies

a. State Choices

The work requirements for ABAWDs allow non-exempt adults aged 18-50 to be eligible for food stamp benefits for only 3 months in a 36-month period, unless they have a job in which

⁶ The information on States with no ABAWD waivers was obtained from FNS. The list of States with waivers exempting less than 15 percent of their ABAWD caseload from the time limits and work requirement provisions was obtained from estimates prepared by Mathematica Policy Research, Inc. (MPR) for FNS in fall 1997.

they work a total of at least 80 hours per month (or 20 hours per week), are participating in a workfare program, or are enrolled in an approved employment and training program for at least 20 hours per week.⁷ States have the option under their Food Stamp Employment and Training (FSET) Program to provide workfare programs for ABAWDs anywhere in the State. States also have some flexibility regarding the nature of these programs, as long as they do not require participants to work more hours than the dollar value of their monthly food stamp benefit divided by the minimum wage.

b. Survey Findings

- Twenty-five States reported having workfare programs for ABAWDs. Two-thirds (sixteen) of these States had workfare programs for food stamp participants prior to the enactment of PRWORA. (These programs may have expanded or changed in nature since PRWORA.)
- Twelve of the 25 workfare States reported having self-initiated workfare programs for ABAWDs. All required documentation of hours worked.⁸
- In 15 of these States workfare was offered to ABAWDs, but was never mandatory. In six States workfare was mandatory in only some cases or some local jurisdictions and, in the remaining four States with workfare programs, this specific kind of work activity was mandatory for all unemployed ABAWDs. In three of these four mandatory workfare States (Nebraska, North Carolina and Wisconsin), the State did not have any ABAWD waivers in 1997.
- Thirteen of these States reported that the largest proportion of their available workfare slots for ABAWDs were with public sector organizations.
- Three States report that workfare positions are available only for a limited number of months per year for ABAWDs.

⁷ If an ABAWD is disqualified under the time limit, finds employment for at least 80 hours a month, but then is subsequently laid off, he or she is eligible for a second three months of consecutive food stamp benefits without meeting the minimum ABAWD work requirements.

⁸ State comments during the survey indicated that some may have been applying definitions of self-initiated workfare that differ from the FNS definition.

State Tracking Systems for ABAWDs

a. State Choices

The law does not require States to set up any specific kinds of new systems to track the work and food stamp participation of ABAWDs. However, most States and local food stamp offices have implemented various new systems to determine whether an ABAWD has used up his or her three-month limit and whether he or she is meeting the new work requirements, as indicated by the survey findings summarized below.

b. Survey Findings

- Twenty-five of the States reported that all ABAWDs were certified for three months or less.
- All States had developed a system to track the work status and time limit status of ABAWDs. Half of the States had an automated system, while the remaining States relied on manual recording in the case files (9 States) or some combination of manual and automated tracking (16 States).
- Forty-six States had, or were planning to have, a system to track ABAWDs if they changed residences and applied for food stamps elsewhere within the State. No State had, or was planning to have, any formal systems to track the status of ABAWDs across State lines.

Follow-Up Studies on ABAWDs

a. State Choices

There has been much public debate about the potential impact of the ABAWD work requirements and time limits on food stamp recipients. The survey asked States whether they planned to conduct follow-up studies to determine what is happening to ABAWDs who are ineligible for food stamps because of the ABAWD time limits and work requirements. States that indicated plans for such studies were then asked to describe the kinds of data they plan to collect and how they intended to carry out these studies.

b. Survey Findings

- Seven States reported plans to conduct follow-up studies to determine what has happened to ABAWDs disqualified from food stamps because they exceeded the time limit. Only one State, Missouri, had begun such a study. It is being conducted through a contract with the University of Missouri.

State Data on ABAWDs

In order to capture information about the extent of the population affected by the new ABAWD provision, the survey asked States whether they collected quantitative data on clients impacted by it. If a State respondent told the interviewer that the State food stamp agency did collect such data, this was noted, and then he or she was asked to provide estimates and describe the general data system used to make the estimates.

The majority of the States did not provide estimates of the requested data on ABAWDs. If given more time, some State respondents indicated that they would be able to provide these estimates, but they could not provide the data at the time of the survey because of competing demands on their information systems and staff resources. Table III-1 on the following page tabulates the number of States that were able to provide each kind of data requested.

Overarching Patterns

When HSR examined the States' responses on ABAWD implementation across the individual policy areas discussed above, no significant patterns or associations were found in the States' responses that could categorize groups of States as having consistently lenient or consistently stringent policies in implementing the ABAWD provisions.

The indicators of leniency or stringency in States' implementation of the ABAWD provisions included: 1) how the State reported that its criteria and procedures for determining inability to work for the ABAWD provision compared to its criteria and procedures for determining the food stamp work registration exemption; 2) how limited or broad the State policies were

Table III-1. Number of States Providing Estimates of the Number of ABAWDs Meeting Specific Criteria, by Type of Data Request⁹	
<i>Type of Data Request</i>	<i>Number of States Providing Estimates</i>
Number of ABAWDs Subject to the ABAWD Work Requirements	28
Number of ABAWDs Waived from ABAWD Requirements (through FNS-approved waivers)	25
Cumulative Number of Participants Disqualified from Food Stamps Due to ABAWD Requirements (since ABAWD implementation)	24
Number of ABAWDs Working at Least 20 Hours Per Week (or 80 Hours per Month)	10
Number of ABAWDs in Food Stamp Employment and Training Programs	12
Number of ABAWDs in Workfare Programs	11 ¹⁰

regarding documentation of disability for the ABAWD provision; and 3) the number and type of adults in a household that the State allowed to be exempted as “adult caretakers” of dependent children.

Analysis of the data also revealed no consistent patterns within States nor patterns across States when the association between the State food stamp workfare policy choices for ABAWDs and the stringency or leniency of their policies on determining ABAWD exemptions were examined.

Lastly, when the extent of the FNS-approved ABAWD waivers in each State was compared to the State’s responses on key indicators of stringency or leniency in ABAWD implementation,

⁹ All data requests were for estimates in a typical month, except where otherwise noted.

¹⁰ This represents 11 of the 25 total States with workfare programs for food stamp recipients.

again no strong associations within State responses to varying questions nor consistent patterns across States were found in these two areas of policy choices.¹¹

As States have more time to implement PRWORA and as they learn what works best for administrators, caseworkers and clients, their implementation policies may change. As a result, future patterns in State implementation of the ABAWD provision may develop.

For more detailed information on the States' responses to the ABAWD questions in the survey see Tables I-1 through I-29 in Appendix A.

B. State Choices Regarding Food Stamp Program Sanctions

The second major section of the survey instrument focused on six different types of sanctions. In each case, PRWORA gives States the option to implement that particular sanction and, in some cases, the flexibility to decide to whom to apply it, how long to apply it and for what specific program violations the sanction applies. The survey questions asked States about their choices in all of these aspects of the sanctions. The questions were focused on six optional food stamp sanctions, as described in separate subsections below.

1. Food Stamp Employment and Training Sanctions

a. The State Choices

PRWORA allows a State to choose whether to disqualify either the head of household or the whole household if the head of household fails to comply with a State's FSET requirements. (Prior to PRWORA, States were required to sanction the entire food stamp household in such circumstances.) PRWORA also gives States greater flexibility in the length of the employment and training sanctions they choose, provided that they fall within specific Federal standards for the minimum and maximum lengths of sanctions. The survey asked each State which FSET

¹¹ The extent of each State's ABAWD waivers was determined based on estimates prepared by Mathematica Policy Research, Inc. (MPR) for FNS, based on waivers FNS approved for 1997.

sanction option they selected; the duration of the minimum and maximum sanctions for a participant's first, second, and subsequent FSET violations; whether the State tracked information on sanctioned individuals or households; and approximately how many participants are affected by the sanctions in a typical month.

b. Survey Findings

- This is one case where taking the new option has meant decreasing the severity of the sanction. Over half (27) of the States made the new, more lenient, choice to disqualify only the head of household if he/she does not comply with the FSET requirements. Twenty-one States chose the more severe penalty of sanctioning the entire household. Three States (Illinois, Massachusetts and Minnesota) reported that in some cases the whole household is sanctioned, and in others only the noncompliant head of household.
- Over one-quarter (14) of the States selected either minimum FSET sanction periods longer than Federal minimum sanction requirements or selected the new option to permanently disqualify a food stamp participant for his or her third violation of the FSET requirements.
- When data on States that sanctioned the entire household were cross-tabulated with data on States selecting longer sanction periods, only five States (Louisiana, Massachusetts, Mississippi, New Jersey, and New Mexico) were found to have chosen the more stringent options in both cases (i.e., sanctioning the entire household and choosing minimum sanction periods longer than the Federal minimum requirements).
- Nearly all of the States reported they had, or planned to have, a tracking system to ensure that participants subject to FSET sanctions do not receive benefits until their sanction period is completed. Only five States reported they do not plan to have an information system to track this.
- Forty-two States indicated they currently have a tracking system to identify and track food stamp participants sanctioned under FSET; however, only 17 of the States were able to provide estimates for a typical month of the number of individuals or the number of households disqualified from the Food Stamp Program because the head of household failed to comply with food stamp E & T requirements.

2. Optional Comparable Food Stamp Disqualification for Noncompliance with Another Means-tested Program

a. State Choices

PRWORA gives States the option to disqualify a food stamp participant if he or she is disqualified from another means-tested program and to use the disqualification rules for the other means-tested program in applying the food stamp disqualification. This includes the option to disqualify food stamp recipients for failure to comply with the work requirements of another program, such as TANF or General Assistance (GA), even if under the Food Stamp Program rules they are otherwise exempt from work requirements.

The survey asked States whether they selected this new sanction option. If they did, the survey interviewers asked a series of follow-up questions regarding which other means-tested programs they included in the comparable disqualification option, which specific program violations result in a comparable food stamp disqualification, and the minimum length of the disqualification period. Finally, States who chose this option were asked whether they had a tracking system to identify sanctioned participants, and they were asked to provide estimates of the number of participants disqualified under this sanction in a typical month, if such data were available.

b. Survey Findings

- Thirteen States chose the new comparable disqualification option.
- Of these States, all but one, Arizona, utilized the comparable disqualification option for TANF program violations. Two States utilized the option to disqualify food stamp recipients for violations of TANF requirements and for violations of GA program violations. Arizona utilized the option only for State Medical Assistance recipients who failed to cooperate with child support authorities.
- Of the 12 States choosing the comparable disqualification option for TANF requirements, 11 included work requirements as a primary requirement for which violation resulted in comparable food stamp disqualifications. Such policies usually were selected in order to impose a food stamp sanction on the parent who is otherwise exempt from food stamp work requirements (i.e., with a child under age six) or to impose a longer minimum sanction period than the State's FSET sanction policies allowed.

- Seven of the thirteen States had or planned to have an automated tracking system that collects information on this sanction and is able to identify sanctioned individuals to prevent their participation in the Food Stamp Program in another part of the State. No State was planning an interstate tracking system to monitor sanctioned participants across State lines.
 - Little information is available on the size of the caseloads affected by this new sanction option, given that only three States provided estimates for these figures.
3. Option to Reduce Food Stamp Benefits When Households are Sanctioned in TANF

a. State Choices

The law requires a household's food stamp benefits to be frozen if its TANF income is reduced due to a TANF program violation. PRWORA gives States the additional option to reduce a household's food stamp benefits up to 25 percent for violation of a TANF program requirement.

The survey asked States whether they selected this sanction option. For those States choosing this option, the interviewers asked the State officials which specific TANF program requirements in their State also resulted in a food stamp benefit reduction. Officials were then asked several questions to determine how these reductions are calculated. Finally, the officials were asked if they have a system to track sanctioned households and to estimate the number of participants sanctioned in a typical month, if this estimate was available.

b. Survey Findings

- Seven States selected the option to reduce food stamp benefits when a household is sanctioned for noncompliance with a TANF rule.
- Among the States selecting this option, three were using it in combination with the comparable disqualification option:

- In Tennessee, TANF/food stamp households who were exempt from food stamp work requirements had their benefits reduced for noncompliance with TANF work requirements, while TANF/food stamp households subject to food stamp work requirements were subject to the comparable disqualification sanction period, which is three months for the first violation (i.e., longer than the State's FSET sanction period).
 - In Michigan, benefits were reduced for the first four months of noncompliance with the specified TANF rules and, after the fourth month of noncompliance, comparable disqualification occurs.
 - In Mississippi, a combination of both sanctions were in place at the time of the survey. However, the respondent told HSR that the State was reconsidering how or whether they will continue the comparable disqualification sanction.
- Six of the seven States imposed the benefit reduction sanction based on household income after the TANF penalty was imposed. The exception was Iowa, which reported that the State imposes the food stamp benefit reduction based on household income before the TANF benefits are reduced.
 - Among States selecting this option, reduction rates varied from ten percent of the food stamp benefits in one State to 20 percent in two States and 25 percent in four States.
 - Six of the seven States selecting this option used it for violation of a TANF work requirement, while four States use the sanction when a client violated the State's TANF child immunization requirement. A smaller number of States used the sanction for violation of a school attendance requirement, for failure to attend non-work related classes (such as parenting or nutrition classes), for failure to meet requirements specific to minor parents, or for missed appointments with the TANF worker during the certification period.
 - Five of the seven States had, or were planning, a tracking system to identify individuals subject to this sanction throughout the State. However, only Michigan, Mississippi, and Tennessee provided estimates of the number of participants affected by this sanction in their State.
4. **Optional Food Stamp Disqualification for Parents Who Fail to Cooperate with Child Support or Those in Arrears on Child Support Payment**

a. State Choices

Under PRWORA, States have two new sanction options related to child support. One option allows States to disqualify noncustodial parents for being in arrears in their child support payments. A second option allows States to disqualify custodial and/or noncustodial parents for failing to cooperate with the State child support agency unless they have good cause for noncompliance.

The questions in this section of the survey asked the State officials whether they selected either or both of these options, and whether the sanction was applied to TANF-only households or to all food stamp households in their State. The interviewers also asked for additional information on how the sanction was applied. Finally, the State officials were asked whether they had an information system to track sanctioned individuals and to provide estimates of the number of participants affected in a typical month by each child support sanction they selected, if such estimates were available.

b. Survey Findings

- Eight States had chosen one or both of these options. Seven States disqualified food stamp households for failure to cooperate with State child support. Three States disqualified those with child support payment in arrears. Wisconsin and Ohio applied both child support sanction options.
- Two States limited the sanction to TANF cases. The other six States selecting this option applied the sanction to all food stamp households.
- Three of seven States choosing to sanction food stamp participants for failure to cooperate with child support disqualified non-custodial parents as well as custodial parents.
- While most of the States tracked these sanctions in an automated system, only three States were able to provide estimates of the number of parents sanctioned under these provisions.

5. Optional Sanction for Failure to Ensure Minors Attend School

a. State Choices

PRWORA provides States the option to sanction adults in a food stamp household or the whole household if the adults in the family fail to ensure that their minor dependent children attend school. Under this option, States can select either disqualification or benefit reduction as the sanction.

b. Survey Findings

- Respondents from four States reported selecting this sanction option. These States imposed the sanction on TANF participants only and not on all families participating in the Food Stamp Program.
- Under this sanction option, two States (New York and Wyoming) disqualified the adults in the household.
- The other two States (Kentucky and Mississippi) sanctioned the whole household by reducing the food stamp benefits 25 percent.

6. Overarching Patterns in States' Sanction Policy Choices

We analyzed the States' responses to determine how States varied in the extent and type of optional sanctions they have chosen and to identify any patterns in State choices. When State choices on all the new optional food stamp sanctions, including the child-support related sanctions and sanctions for minors not attending school, were analyzed no distinctive patterns emerged. However, when we focused on States' choices related specifically to work-related sanctions and the extent of their waivers from the Federal three-month time limit for ABAWDs—two areas of food stamp policy options that are most closely tied to the central goals of welfare reform—States clearly fell into certain patterns at the extremes.

To examine each State's approach regarding work requirements for food stamp clients, we analyzed the survey data to answer the following three questions.

- Did the State sanction TANF/food stamp participants with either the comparable disqualification and/or food stamp benefit reduction sanction if the participant does not comply with the TANF work requirements?

- What sanction options had the State taken for the food stamp employment and training program?
- What percent of the State's food stamp caseload was waived from the time limits and work requirements by FNS-approved State waivers?¹²

Our cross-tabulations of the survey data revealed two groupings of States whose food stamp choices in 1997 reflected a consistent pattern in their orientation to work-related sanctions. Seven States were consistent in their “more stringent” approach and nine States were consistent in their selection of the “more lenient” approach.

States fell into the grouping of “more stringent” if they made the following three choices:

- The State chose either the comparable disqualification or food stamp benefit reduction sanction option for noncompliance with TANF work requirements;
- The State chose to sanction the entire food stamp household when the individual head of the household fails to comply with food stamp E & T requirements or the State chose to implement a food stamp E & T sanction period of longer duration than the Federal minimum requirements; and
- In 1997, the State had no waivers to the food stamp time limits and work requirements for ABAWDs or had approved waivers for less than 15 percent of its ABAWD caseload.

The seven States in this group are Idaho, Iowa, Kansas, Michigan, Mississippi, North Dakota, and Ohio. These States' policy choices in the areas of comparable food stamp sanctions for TANF program violations, food stamp E & T sanctions, and ABAWD waivers are depicted below in Table III-2.

Using the same cross-response analysis, we identified which States were “more lenient” in their sanction approach. States were determined to be most lenient if their choices reflected the following pattern:

¹² Information on the percentage of the caseload waived from the ABAWD requirement was the measure of the extent of a State's ABAWD waiver. The percentages HSR examined were those estimated by MPR for FNS, based on waivers FNS approved for 1997.

- The State had not chosen any comparable disqualification or food stamp benefit reduction sanction options for violation of any other program’s work requirements;
- The State chose to disqualify the individual head of household rather than the entire household for noncompliance with FSET work requirements; and
- In 1997, the State waived at least 40 percent of the ABAWD caseload from the ABAWD time limit/work requirement.¹³

**Table III-2.
Food Stamp Policy Choices of
States Classified as “More Stringent”
for FSP Work-Related Sanctions and ABAWD Policy**

<i>State</i>	<i>Food Stamp Sanction for Noncompliance with TANF Work Requirement</i>	<i>Food Stamp Employment and Training Sanction Choice</i>	<i>Percent of ABAWD Population in Waived Areas</i>
Idaho	Comparable Disqualification	Entire Household ¹⁴	Did Not Implement Waiver
Iowa	Benefit Reduction	Entire Household & Exceeds Minimum	No Waiver
Kansas	Comparable Disqualification	Entire Household	No Waiver
Michigan	Benefit Reduction with Disqualification After Four Months of Non-cooperation	Exceeds Minimum	No Waiver
Mississippi	Benefit Reduction & Comparable Disqualification ¹⁵	Entire Household & Exceeds Minimum	No Waiver
North Dakota	Comparable Disqualification	Entire Household	12 Percent
Ohio	Comparable Disqualification	Entire Household ¹⁴	Did Not Implement Waiver

¹³ Forty-percent was selected as the cut-off criteria because this it represents 125 percent of the mean proportion of the total national caseload waived from the ABAWD requirements in 1997.

¹⁴ Idaho and Ohio officials reported that the State will soon sanction only the individual head of household.

¹⁵ Mississippi officials reported that the State is reconsidering the imposition of comparable disqualifications.

Nine States were found to have made all of these three “more lenient” food stamp policy choices. These States are Alaska, District of Columbia, Hawaii, Illinois, Maryland, New York, Pennsylvania, Washington, and West Virginia. The specific food stamp policy choices that characterize them as “more lenient” are depicted below in Table III-3.

Table III-3. Food Stamp Policy Choices of States Classified as “More Lenient” for FSP Work-Related Sanctions and ABAWD Policy			
<i>State</i>	<i>No Comparable Disqualification or Reduction in Food Stamp Benefits for Violation of Another Program’s Work Requirements</i>	<i>Food Stamp Employment and Training Sanction Choice</i>	<i>Percent of ABAWD Population in Waived Areas</i>
Alaska	√	Sanction Individual Head of Household	57%
District of Columbia	√	“ ”	100%
Hawaii	√	“ ”	41%
Illinois	√	“ ”	46%
Maryland	√	“ ”	49%
New York	√	“ ”	56%
Pennsylvania	√	“ ”	69%
Washington	√	“ ”	51%
West Virginia	√	“ ”	80%

It is important, however, to emphasize the limited data on which these two groupings of States were made. While the groupings accurately portray State policy choices, they may not accurately reflect how the policies are being implemented. For example, States that have many

new work-related sanctions that appear “more stringent” in their sanction approach may not have been disqualifying or penalizing food stamp clients in great numbers, because they provided employment and training services in sufficient quantity and quality to prevent the sanctions from being imposed. On the other hand, some States that appear “more lenient” in their policy choices may have made affirmative decisions not to take certain options, while others simply had not yet addressed the issue fully, given pressing policy decisions required in their cash welfare programs.

For more detailed information on State-specific choices in regards to food stamp sanction options, see Tables II-1 through II-15 in Appendix A.

C. State Choices Regarding Treatment of Drug Felons and Fleeing Felons

1. State Choices

Under PRWORA, drug felons are permanently ineligible for food stamps unless the State passes a law to opt out of the provision by exempting some or all individuals, limiting the sanction, or a combination of both. The questions in the survey are designed to determine whether or not States have opted out of the Federal drug felon provision and, if so, whether they have done so in whole or part. For States that have opted out of the provision only partially, the survey interviewers collected information on how they have modified the provision. In addition, State officials were asked what information sources they used to identify individuals as drug felons.

Also under PRWORA, States are required to make all food stamp applicants or recipients identified as fleeing felons ineligible for the program. While this provision was not a new “option” under PRWORA, it was included in the survey at the request of the FNS Food Stamp Program office to determine what methods States are using to identify an applicant or a program participant as a fleeing felon.

2. Survey Findings

- Twenty-one States had passed a State law opting out of the drug felon provision. Ten States had opted out entirely and did not disqualify or penalize drug felons, while eleven States did sanction some categories of drug felons.

- Of the 11 States which opted out of the drug felon provision but still imposed a modified sanction, six States exempted certain subgroups from the disqualification (most often felons participating in substance abuse treatment programs) and four selected to reduce the length of the disqualification period, reduce benefits, and/or impose other special conditions on drug felons. One State (Rhode Island) had not yet decided how it would implement the sanction, if at all.
- In the first year of implementation of the new food stamp fleeing felon and drug felon eligibility provisions, by far the method most often selected to identify an applicant or recipient as a fleeing felon was to “ask the client.” Forty-seven States used the “ask the client” approach to identify either fleeing felons or both drug felons and fleeing felons.
- Of the 47 States that had an “ask the client” approach to identifying fleeing felons, 34 States did not report having any Statewide system to verify clients’ self-reports. Of the 13 States that had an “ask the client” approach and a verification system, nine States reported verifying an individual’s fleeing felon status through tracking arrest warrants or other court records and four States reported verifying against another State or Federal database.
- The large majority of the States had or planned to have a tracking system to identify fleeing felons who try to participate in the program in other parts of the State, though 15 States reported no plans to develop such a tracking system at the time of the survey.

For more detailed information on State responses regarding their choices for drug felons and fleeing felons see Tables III-2 through III-5 in Appendix A.

D. Databases Used by States to Verify Food Stamp Client Circumstances

1. State Choices

Prior to PRWORA, States were required to use two income and eligibility verification systems to validate food stamp client circumstances and obtain information on changes in food stamp client circumstances. This included the Income and Eligibility Verification System (IEVS) for verifying households’ financial information and the Systematic Alien Verification for

Entitlements (SAVE) Program for verifying the immigration status of individuals in a household.¹⁶

The survey questions asked State officials whether they were continuing to use, had discontinued, or had never used each of these systems. Questions were then asked about additional databases utilized by the State to match and verify food stamp client information.

2. Survey Findings

- All States were continuing to use most of the IEVS databases, though seven States had discontinued using one or two of these six databases.
- Only one State reported discontinuing the use of SAVE, though four States reported that they had never used this system.
- When asked about additional databases used to verify food stamp client information, 16 States reported using State prison records, 35 States reported using their State Department of Motor Vehicles database to check for motor vehicles, and 43 States reported matching between State child support records and food stamp records.

For State-specific information on databases used to verify food stamp client information see Tables IV-1 and IV-2 in Appendix A.

E. State/Local Food Assistance Programs for Legal Immigrants

1. State Choices

Under a provision of PRWORA, 940,000 million legal immigrants were made ineligible for food stamps in Federal Fiscal Year 1997. However, States were not prevented from creating their own food assistance programs for legal immigrants with State funds. Beginning in June

¹⁶ The IEVS system includes the following six databases: State Wage Information Collection Agency database (SWICA); the Internal Revenue Service's Unearned Income database; the Unemployment Insurance (UI) database; the Beneficiary Data Exchange Database (BENDEX); the State Data Exchange database (SDX); and Beneficiary Earnings Exchange Reporting System (BEERS). SAVE is a single database established in coordination with the Immigration and Naturalization Service.

1997, as a result of language in the *FY 1997 Supplemental Appropriations Act*, States were specifically provided the option to purchase food stamps from the Federal government for use in State-funded food assistance programs for legal immigrants.¹⁷

The survey questions were designed to determine whether the States had initiated a State-funded program for legal immigrants, what immigrant populations were eligible for this new program, the income eligibility criteria, the form of the assistance, what agency administered the program at the direct service level, the size of the average household benefit, and the number of participants served in a typical month.

2. Survey Findings¹⁸

- Approximately one-fourth (13) of the States had initiated, or were planning to initiate, an assistance program for legal immigrants who became ineligible for food stamps under PRWORA. Eleven States had a program in place at the time of the survey, one State (Texas) was planning to start a program in February 1998, and one State (Illinois) was strongly considering a program.
- Nine of the eleven States tied the income eligibility for this program to Food Stamp Program income eligibility. As an exception to this rule, Minnesota provided benefits only to legal immigrants on TANF, SSI, or GA.
- Five of the 11 States limited the assistance to children under age 18, the disabled, and/or the elderly.
- Nine of the eleven States had taken the option to purchase Federal food stamps for this population. Colorado and Minnesota were providing cash benefits. Minnesota, through a second food assistance program for legal immigrants, provided vouchers for the purchase of specific Minnesota-grown foods.

¹⁷ Under the *FY 1997 Supplemental Appropriations Act*, States were also afforded the option to purchase food stamps for ABAWDs disqualified because of the three-month food stamp time limit. Because no State started such a program, this option is not discussed in this report, nor are these survey results presented in the data tables in Appendix A.

¹⁸ As noted in Chapter One, both the President and Members of Congress have indicated support for legislation that would restore food stamp eligibility for some or all legal immigrants. If such legislation is enacted, the nature and extent of these State-funded food assistance programs for immigrants will be more limited than today.

More information on the State-funded food assistance programs for legal immigrants can be found in Table V-1 in Appendix A.

F. Coordination of Food Stamp and TANF Application Process

1. State Choices

PRWORA eliminated the Federal legal standards for local food stamp office operations. One of the previous Federal requirements was for States to have a single application for the Food Stamp Program and the cash assistance to families program (now TANF). States were also required to offer households a joint application process for these two programs. The survey asked four questions to assess how States currently coordinate and/or co-locate the food stamp and TANF application process. The issue is particularly significant for its implications for food stamp access, because at the applicant's first point of contact with the welfare office many States now emphasize finding "work first" and some provide diversion assistance to prevent dependency on TANF. In either of these cases the processing of the TANF application may be delayed until the applicant utilizes the employment services and clients' access to food stamps may be affected.

2. Survey Findings

Seven States reported that they had some new policies in place that affected the coordination of the TANF and food stamp application process. Regarding the application form itself, the respondent from the District of Columbia noted that there was no single application form for both TANF and food stamp applicants and respondents from Idaho and Oregon indicated that there was no State requirement for a joint TANF and food stamp application interview, though the respondents thought that joint interviews were usually conducted at local offices.

Of greater significance for the accessibility of the Food Stamp Program and potential interest for program managers are those changes in the TANF and food stamp application processes reported by officials from the States of South Dakota, Texas, Utah and Wisconsin. These State responses are summarized below.

- **South Dakota.** The State respondent reported that in many South Dakota communities, the TANF application process originated outside of the welfare office in a Job Services office, whereas the food stamp application was processed at the local Social Services office. While State policy required Job Services offices to offer households the option to begin the food stamp application process at the Job Services site, the State respondent did not know how routinely this joint application process was actually occurring.
- **Texas.** In response to interest from local offices, Texas implemented a group interview process in several counties to streamline the application process for both food stamps and TANF. Group interviews were followed up by shorter individual client interviews to document circumstances and determine eligibility.
- **Utah.** Utah accepted public benefit applications at new employment centers rather than the traditional welfare office. While this had not changed the co-location and coordination of the TANF and food stamp applications for individual households, the Utah State respondent noted that the food stamp application process overall had changed as employment services were now initiated at the first point of contact with the welfare office, simultaneous to the processing of the application.
- **Wisconsin.** In a small number of counties in Wisconsin (including Milwaukee County, where a large segment of the State caseload resides), private agency personnel processed TANF applications and public employees processed the food stamp application. In some of the local offices in these counties, the two application processes occurred at a single location though they were conducted by two separate employees. In other areas, the TANF and food stamp application interviews were conducted at separate sites.

It is likely that changes in the focus of welfare policy may have affected coordination between food stamps and cash welfare in ways that can only be observed at the local level. Hence, it is not surprising that a limited number of States reported changes in the coordination of their food stamp and TANF application processes.

In this chapter, we provided a summary of the extent and nature of food stamp choices States have made in six policy areas where States have been recently afforded greater flexibility. As noted above, the complete data from the survey have been tabulated and are presented in a series of tables, organized by policy area, in Appendix A.

CHAPTER IV

Next Steps: Future Data Collection Plans for this Study

Health Systems Research, Inc. (HSR) and the Food and Nutrition Service (FNS) recognize that additional information is needed to understand the operational aspects of States' new food stamp policy choices under welfare reform. As indicated earlier, an additional data collection phase of this study is planned in order to capture more detail on how some States are actually implementing the choices they have made. Plans are also needed to develop a system to track how State choices change over time. In this chapter, we summarize the next steps planned for this study.

A. Case Studies in Selected States

To better understand the implications of the new State food stamp choices under welfare reform, later this year HSR will be conducting case studies in eight to ten States across the country. The purpose of these case studies will be to clarify the intended goals of the State Food Stamp Program policy choices, how these are translated at the local level, and perceptions of the impact of these choices on the responsiveness and accessibility of the program, including their success in helping food stamp clients make the transition to work. To obtain this information, HSR will interview State and local food stamp office staff about their perspectives on implementation of State food stamp choices under welfare reform. Of particular importance will be the collection of information from local food stamp officials to assess the changing role of the food stamp caseworker under welfare reform, and how the local approach to specific program elements may have changed. Areas of interest include the food stamp application process, employment and training services, sanctions, and other program operation strategies.

HSR and FNS have developed the following four research questions that will guide the case study phase of this project:

- Why do State officials say they have made certain food stamp policy choices or sets of choices regarding the promotion of employment for food stamp recipients?
- How have State and local officials attempted to translate their policy intentions to local office operations?
- How do local office staff perceive these State policy choices have affected local office procedures, including the application and eligibility determination process and the employment and case management services provided for food stamp clientele?
- How do local office staff perceive that these changes have affected the responsiveness and accessibility of the program for low-income clients? Specifically, how do staff perceive: 1) the success of different policies in helping people move to employment; and 2) the impact of these and other welfare reform policies on Food Stamp Program participation?

B. Tracking Changes in State Food Stamp Choices Over Time

Because the results of this survey only reflect food stamp policy choices made by States a little more than one year after the enactment of PRWORA, FNS wants to be able to continue tracking State food stamp choices over a longer period of time. To do so, FNS will need to develop a data collection system that can be responsive to program and policy makers who must evaluate the impact of State food stamp choices on the program's operations and clients.

During the first year of PRWORA implementation, States focused a great deal of attention and resources on changing the nature of their cash assistance programs for families under the new TANF block grant. As a result, many States had little time to consider the food stamp policy options available to them. Several State officials told HSR interviewers that during this first year after PRWORA the only decisions they made in their food stamp policies were those mandated by Federal law.

Given the currently evolving nature of State welfare reform policies, it is possible that the food stamp choices many States made in the first year after PRWORA will change significantly in subsequent years. State choices in the future are likely to reflect a more deliberate strategic planning process that clearly and consistently defines the States' intent for the role of the Food

Stamp Program in their overall welfare reform policy. For example, more definitive patterns may emerge in State choices based on the extent to which the States view the program as a tool of welfare reform to promote work and self-sufficiency or as a safety-net program intended primarily to meet the basic nutrition assistance needs of its participants. State and Federal policy makers will need to keep abreast of the extent and nature of the choices States are making in the Food Stamp Program in order to understand the costs, benefits and policy implications for both program administrators and clients.

To address the need for ongoing information on State food stamp policy choices, HSR will be working with FNS on recommendations for an approach and a model for continued tracking of these State choices. The recommendations will be based upon a balance of several factors including: 1) the capacity of FNS to automate and standardize tracking systems with Regional offices, 2) the future need to develop a cost-efficient ongoing reporting system to track changes in State food stamp policy choices, 3) the need for such a system to provide information to State and FNS officials in a timely manner, and 4) the extent to which such a system poses a burden on the States.

The results of this first Summary Report serve as a baseline for future FNS tracking efforts. The goal of a long term tracking system would be not only to provide State-specific information on changes in food stamp policy choices over time, but also to identify large variations or patterns in State choices as they emerge. These in turn can be used to analyze the factors affecting changes in program participation, program costs, and other aspects of FSP operations under welfare reform.