



Sanctions in SNAP E&T Mandatory Programs: Lessons from the SNAP E&T Pilots

Brief

In 2015, the U.S. Department of Agriculture awarded pilot grants to 10 States—California, Delaware, Georgia, Illinois, Kansas, Kentucky, Mississippi, Vermont, Virginia, and Washington—to test innovative strategies for providing Supplemental Nutrition Assistance Program Employment and Training (SNAP E&T). Unless States exempt work registrants from SNAP E&T, they are required to participate in the program to retain their SNAP benefits. This means that if individuals fail to meet work requirements without good cause, they will be sanctioned for a State-specified period of time resulting in the loss of SNAP benefits. Among the pilots, two States—Georgia and Mississippi—operated mandatory programs statewide, and one State—Illinois—operated a mandatory program in the pilot areas that served the most individuals. This brief explores the prevalence of sanctions, the characteristics of people who were sanctioned, and differences in employment and earnings among individuals who were and were not sanctioned.

In the three pilots operating mandatory SNAP E&T programs, individuals were required to participate in E&T activities (through either the pilot or the existing SNAP E&T program) to retain their SNAP benefits. Those who did not comply with these requirements were sanctioned—meaning they lost their benefits and were ineligible to participate in SNAP (and the pilot) for a State-determined number of months or until they became compliant, whichever came later. SNAP E&T programs are designed to help SNAP recipients improve their employment and earnings—however, mandatory requirements and sanctions could pose additional obstacles, contributing to lower participation in SNAP E&T and a reduction or end to critical benefits for those in need of assistance.

This brief describes the sanction policies imposed in the three pilots with a mandatory program and the factors that could contribute to noncompliance and sanctions. It also presents findings on the prevalence of sanctions in these pilots and the differences in earnings, employment, and SNAP participation among those who were and were not sanctioned.

Sanction Policies in the SNAP E&T Pilots

Providers had flexibility to determine when an individual was not compliant with their training program requirements and when the provider's case managers reached out to individuals if they missed an appointment. In all three pilots, providers reported noncompliance through data systems accessible by the SNAP agency. For those individuals reported in the system, SNAP agency staff determined whether there was good cause (such as a temporary disability or no access to transportation) for not complying and mailed a notice of adverse action (NOAA) to those who were not found to have good cause. Individuals had 10 to 30 days to respond to the letter and show cause or come into compliance to avoid a sanction.

An individual who did not comply and did not have good cause would be considered noncompliant, and the SNAP benefit for that person would be removed from the SNAP household or the case closed if it was a one-person SNAP unit. The sanction amount, measured in terms of the SNAP benefit reduction, did not vary for the three pilots, though the length of the sanction did (Table 1). The first instance of noncompliance resulted in a one-month sanction in Georgia, a three-month sanction in Illinois, and a two-month sanction in Mississippi.

Table 1. Sanction policies by pilot

Policy or procedure	Georgia	Illinois	Mississippi
Provider method of reporting noncompliance	Used provider data system	Used State data system	Used State data system
Time that noncompliance starts after no show	Varied: providers attempt to re-engage for up to a few weeks	Varied: 10–60 days, depending on provider	7–10 days
Notification of noncompliance sent to individual	Sent letter that served as both a good cause determination and NOAA	Sent NOAA ^a	Sent NOAA ^b
Time to become compliant	Within 14 days of good cause letter	Within 30 days of NOAA date	Within 10 days of NOAA date
Sanction amount	Individual disqualified and portion of household benefit reduced	Individual disqualified and portion of household benefit reduced	Individual disqualified and portion of household benefit reduced
Sanction timing			
1 st instance	1 month	3 months	2 months
2 nd instance	3 months	3 months	6 months
3 rd instance	6 months	6 months	12 months
4 th instance or more	6 months	6 months	Permanent

NOAA= Notice of Adverse Action.

^a Illinois notified individuals of good cause and adverse action separately.

^b Mississippi initially combined good cause and adverse action giving individuals 10 days to respond, but FNS provided guidance that doing so did not provide individuals with enough time to address both actions. In June 2017, the grantee separated the two actions, providing 10 days to determine good cause and then sent the NOAA.

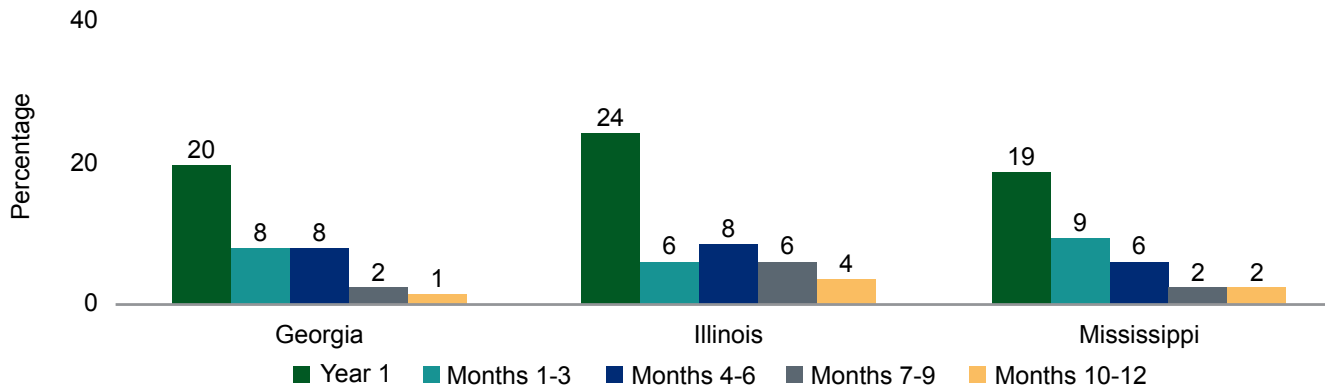
Under Federal law, mandatory participants are sanctioned for a minimum of one month for noncompliance with specified activities, but States may choose to administer longer sanctions, change the amount of the benefit that is sanctioned, and increase the severity of the sanction for subsequent instances of non-compliance.

Prevalence and timing of sanctions in the three pilots

Between 19 and 24 percent of individuals in the three pilots were sanctioned in the first year after enrollment (Figure 1).¹ Between 20 and 30 percent of the individuals who were first sanctioned in the 12 months after enrollment received more than one sanction over the two years after enrollment.

Across all three pilots, the prevalence of sanctions was highest in the first six months after enrollment. Between 14 and 16 percent of individuals received their first sanction within 6 months after enrollment, and another 4 to 10 percent of individuals received their first sanction in months 7 to 12. Fewer individuals were sanctioned for the first time in the second year after enrollment, with about 2 percent of individuals in Georgia, 16 percent in Illinois, and 5 percent in Mississippi receiving their first sanction in the second year after random assignment. Sanction rates in the second year may be higher in Illinois because more participants were still in the program through the second and third year than in Georgia and Mississippi; more than 90 percent of those in Georgia and Mississippi exited the pilot for the first time within the first year, whereas only about 73 percent of those in Illinois did so. The rest first exited in the second or third year of the pilot. Because participants stayed in the program longer in Illinois, there was more opportunity for them to be sanctioned for periods of noncompliance.

Figure 1. Percentage of individuals who were sanctioned for the first time, by time period



There were some differences in characteristics between individuals who were and were not sanctioned. Individuals who were sanctioned in the first year after enrollment were more likely to be male, Black (in Illinois and Mississippi), and to not have a high school diploma or equivalent (in Georgia and Mississippi; Table 2). Sanctioned individuals were also less likely to be employed at enrollment. In Illinois, individuals who were sanctioned were younger on average and less likely to have children living in the household than those who were not sanctioned.

Table 2. Characteristics of individuals, by pilot and sanction status

Characteristic	Georgia		Illinois		Mississippi	
	Sanctioned	Not Sanctioned	Sanctioned	Not Sanctioned	Sanctioned	Not Sanctioned
Male	57%**	53%	71%***	64%	63%***	49%
Black, non-Hispanic	79%	79%	77%***	68%	78%***	71%
Without a high school diploma	23%*	20%	25%	21%	35%**	29%
Average age	33	33	33**	34	31	32
Employed at enrollment	5%	6%	3%***	7%	4%*	6%
Children living in household	5%	5%	8%**	11%	2%	3%

***/**/* Difference by sanction status is significantly different from zero at the 0.01/0.05/0.10 level.

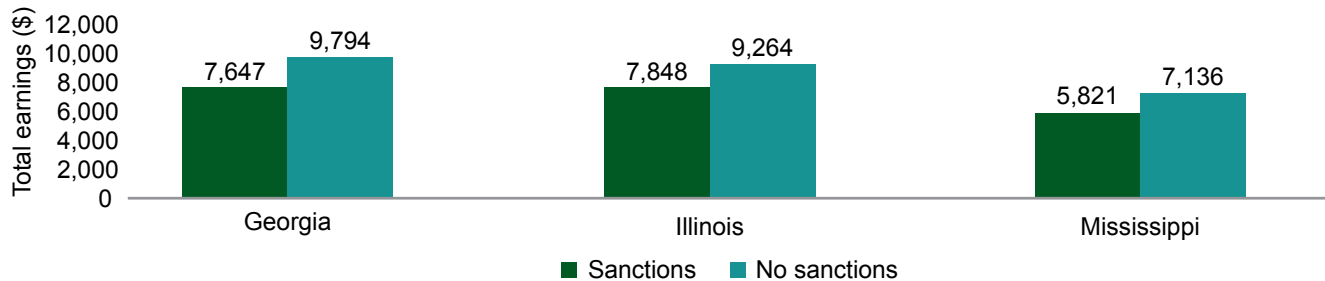
Differences in outcomes by sanction status

Individuals who were sanctioned within the first year after enrollment had lower earnings, employment, and SNAP participation in Year 2 after enrollment than those who were not sanctioned.²



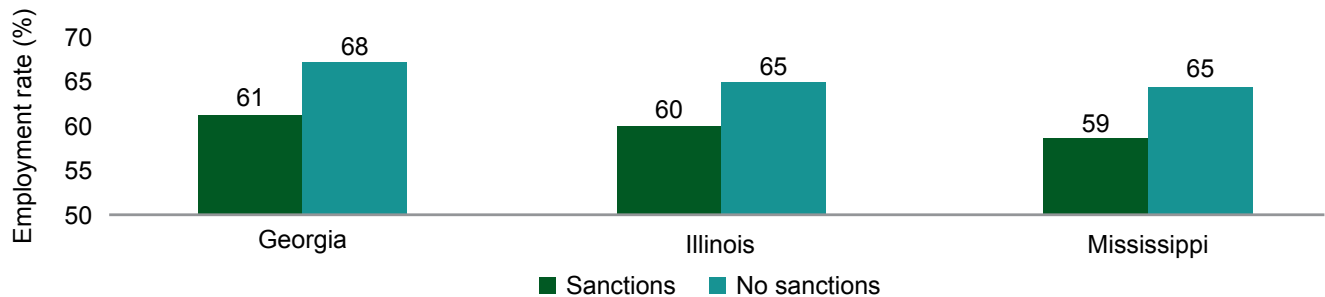
Earnings. Total earnings in Year 2 were lower for sanctioned individuals than for those who were not sanctioned. This difference in earnings was \$2,147 in Georgia, \$1,416 in Illinois and \$1,315 in Mississippi (Figure 2).

Figure 2. Year 2 total earnings, by pilot and sanction status³



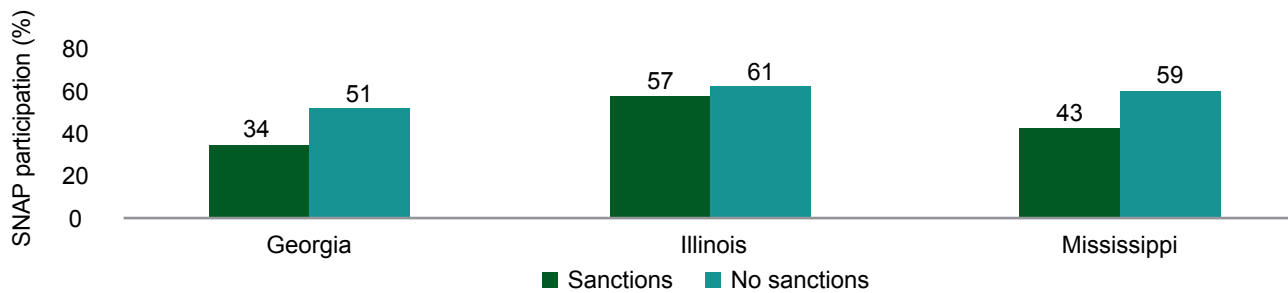
Employment. Across the three pilots, sanctioned individuals had employment rates between 5 and 6 percentage points lower than those who were not sanctioned (Figure 3).

Figure 3. Year 2 employment rate, by pilot and sanction status



SNAP participation. Individuals who were sanctioned in Year 1 generally had lower SNAP participation rates in the second year compared to those who were not sanctioned (Figure 4). These differences ranged from 4 percentage points in Illinois to 17 percentage points in Georgia and Mississippi. As expected, sanctioned individuals also received lower SNAP benefits in Year 2 compared to non-sanctioned individuals, both in absolute terms and as a percentage of the maximum benefit amount. Differences in SNAP participation and benefit amounts between sanctioned and non-sanctioned individuals tended to be largest in the first three months of Year 2 after enrollment, becoming smaller over the remainder of the year.

Figure 4. Year 2 SNAP participation, by pilot and sanction status



States that choose to operate mandatory SNAP E&T programs have a responsibility to ensure that their programs are fully compliant with all Federal laws and regulations and that sanctions are applied only after all efforts are made to avoid them.

Considerations for States operating mandatory SNAP E&T Programs

This brief describes findings from the three pilots with mandatory SNAP E&T programs. Between 19 and 24 percent of individuals enrolled in these three pilots were sanctioned in the 12 months after enrollment. In addition to experiencing lower rates of SNAP participation, individuals who were sanctioned had lower total earnings and employment in the 12 months after their sanction. Negative employment and earnings patterns after sanction may result from many sanctioned individuals not receiving needed assistance through SNAP E&T and from the reduction or elimination of their SNAP benefits.

States that choose to operate mandatory SNAP E&T programs have a responsibility to ensure that their programs are fully compliant with all Federal laws and regulations and that sanctions are applied only after all efforts are made to avoid them. Congress made several changes in the 2018 Farm Bill to the SNAP E&T program to increase State accountability. These new requirements can be an important step in ensuring that mandatory participants fully understand their requirements (providing an oral explanation and consolidated work notice detailing work requirements), are not sanctioned if the SNAP agency cannot identify a provider that is a good fit or has an open space (providing good cause for lack of an appropriate and available opening), and are not sanctioned if a provider refers them back to the State agency because they are not a good match for the provider (provider determination).

As States realign their policies and redesign their programs to meet new requirements for operating mandatory SNAP E&T programs, the findings from the SNAP E&T pilots provide useful information to consider.

Challenges with service delivery models can lead to low initial engagement rates in SNAP E&T and, in turn, higher rates of sanctions.

Between 36 (Illinois) and 63 (Georgia) percent of individuals in the three pilots exited before engaging in any activities. This lack of engagement was due to challenges with program design that created obstacles for participation, as well as individual-level barriers to participation such as access to transportation or child care.⁴ Increasing engagement in E&T activities can in turn lead to reduced rates of noncompliance and sanction.

Initial engagement with service providers. All three pilots worked with partner organizations to provide services during the pilots. Many of the individuals who exited without engaging in pilot activities never reached a provider, partly because the agency that enrolled them in the pilot was not the same one that provided services.



The pilots with mandatory programs faced challenges with their service delivery models, creating obstacles for some individuals to stay engaged; for other individuals, barriers prevented them from remaining in the pilot. These issues could lead to noncompliance and sanction.

Generally, individuals received information about where to go or who to contact for an appointment at a provider, but they were responsible for reaching out for that appointment. Individuals often did not follow-up.

Evidence from the pilots suggests that the number of steps in the process or “hand-off” points may limit engagement in activities. Some of the pilots had extended intake processes, including models with orientations that required many steps and visits to multiple organizations or locations. For example, all three pilots enrolled individuals during orientations at the SNAP agency offices, but participants were scheduled for subsequent orientations at a provider location. Significant drop-off occurred between these two types of orientations, and between orientation and the start of education, training, and employment activities at the providers.

In Illinois, after the enrollment period for the pilot ended, agency staff focused their attention on re-engaging individuals that dropped off at various points of the process. For example, they established a process in which each month staff reached out to individuals who appeared on a list of those who remained SNAP eligible or who lost eligibility but later became eligible for SNAP benefits again. Sometimes agency staff referred re-engaged individuals to a different provider in an effort to better match their interests.

Provider staff noted that individuals who show up for the first appointment with a provider were more likely to engage and those who did not were more likely to drop-off completely. Thus, increased efforts to ensure individuals attend the first appointment with the providers may result in higher overall engagement. Additionally, staff suggested that better connections between participants and a provider were more likely to result in increased engagement.

Addressing barriers to participation. In the pilots, SNAP E&T participants frequently experienced barriers that sometimes prevented them from participating in pilot activities. These barriers were most often related to transportation and housing, both of which were structural problems in many communities. Although the pilots offered robust support services (called participant reimbursements in SNAP E&T), many still faced challenges in helping individuals mitigate significant barriers. Providing gas cards or bus passes could not help individuals who lacked access to a car or public transportation, which was most prevalent in rural areas. Many of the pilots did not provide housing assistance or provided assistance that was not able to fully remediate housing issues, and the availability of shelters or transitional housing was limited in many areas.

If individuals have costs associated with participation in mandatory SNAP E&T that the State cannot cover, States operating mandatory programs are required to exempt these individuals from participation. However, in the pilots, it was possible that many of the individuals who never engaged in the program and were sanctioned had barriers that were not identified at enrollment that were the cause for the person to not engage.

Improving State SNAP agency screening, referral, and good cause processes is essential to ensuring participants who are exempt from mandatory SNAP E&T requirements are consistently and accurately identified. In Illinois and Mississippi, provider staff referred many participants back to the State SNAP agency for reassessment because those participants were not ready to engage in services with that provider. In Georgia, staff noted that mental health issues, past or current substance use disorders, and unstable housing were prevalent but also difficult to immediately identify. Some staff noted that

barriers were sometimes disclosed after some time had elapsed. Because barriers such as homelessness, mental health challenges, and enrollment in a substance use disorder program can exempt SNAP participants from SNAP E&T mandatory requirements, taking steps to effectively identify these barriers in initial screening is vital to properly determining work requirement status. Improved and new policies around eligibility staff providing good cause for lack of an appropriate and available opening and provider determination should help reduce unnecessary sanctions.

Clear communication is key to ensuring that the SNAP E&T population is served as intended. The three pilots brought together a diverse set of partners and providers to operate their SNAP E&T programs. Ensuring that SNAP E&T participants were served as intended, including ensuring sanctions were applied correctly, required clear and consistent communication and an understanding of the complex SNAP program rules.

Communication between and within organizations. Many of the pilots were hampered early on by poor communication within and between organizations. Several pilots sought to develop partnerships with organizations that had not typically worked with one another or with the SNAP agency in the past, and challenges in building these relationships often related to a lack of clear communication. These challenges in turn led to difficulties with the sanctioning process and with implementation more generally.

In Illinois, provider staff described challenges in the sanctioning process due to a lack of clarity regarding the policy and procedures and responsibilities of the enrollment staff versus the provider staff. For example, some eligibility and provider staff reported that after entering updates in the State data system, their counterparts (at either the State agency or a service provider) would not respond or take action. In response to this challenge, pilot staff created a policy and procedures document detailing the sanctioning policy and staff responsibilities and encouraged all staff to work together to implement the policy. The pilot also implemented monthly meetings in which provider staff and enrollment staff discussed each individual case. Overall, these meetings seemed to be effective, but they were also extremely time consuming. Provider staff described these meetings as “getting in the way of serving” individuals. Eventually, administrators allowed providers serving fewer than five individuals to conduct these meetings over the phone.

Clear communication between States and provider staff is necessary to ensure that providers understand their roles and responsibilities, including the new provider determination provision created as part of the 2018 Farm Bill, and that States understand the types of participants that are best suited for a provider’s services. States also need to clearly define and describe providers’ responsibilities for reporting sanctions and for referring participants back to the agency under new provider determination policies.

Communication with SNAP E&T participants. Clearly communicating mandatory program requirements with SNAP E&T participants is an important step in the process of reducing sanction rates and improving earnings and employment trajectories for individuals participating in SNAP E&T. In the pilots, the method of notification of work requirements contributed to reduced engagement in services. Some individuals were only notified of their work requirements by mail, but it was not clear whether they received and read these notices. Some individuals moved frequently and were no longer at the address on file, some had unstable housing or were experiencing homelessness and may not have had a permanent address at which to receive mail, and some may



Findings from the pilots suggest that sanctioning individuals for failure to comply with work requirements may lead to adverse effects on earnings and employment in the year following sanction.

have received the mailing but either did not open or lost it. Also, depending on the speed of mail delivery, individuals may have had only a few days to respond and comply with their requirements before being sanctioned.

New requirements under the 2018 Farm Bill are in place to ensure that individuals are effectively notified of their mandatory requirements. States are required to provide an oral explanation and a consolidated work notice detailing requirements for work registrants, mandatory E&T participants, and able-bodied adults without dependents (ABAWDs).

In addition to clarifying mandatory program requirements, establishing clear and consistent communication can improve engagement and completion of services and activities, leading to lower rates of sanction. In the Mississippi pilot, focus group participants described communication challenges at one community college following the departure of the case manager, including being told that they had completed services when they had not. In Georgia, staff made efforts to bolster program participation including new approaches to communicating about services and participation early in service flows, and efforts to offer multiple activities during each visit. Staff reported that these efforts did result in a larger share of individuals progressing farther in the service sequence.

Conclusion

About one in five individuals in the three pilots with mandatory programs were sanctioned in the first year after enrollment. We found that these individuals had subsequent employment rates that were between 5 and 6 percentage points lower than those who were not sanctioned, and annual earnings that were between \$1,300 and \$2,100 lower. Despite having lower employment and earnings, individuals who were sanctioned also had significantly lower rates of SNAP participation over the subsequent year after initially being sanctioned. The lower rate of SNAP participation may be due to some individuals still having a sanction at some point in Year 2 (perhaps due to long disqualification periods or because sanctioned individuals are unable to come into compliance) or individuals deciding to leave SNAP because the work requirements were a deterrent. These findings suggest that sanctioning individuals for failure to comply with work requirements may lead to adverse effects on earnings and employment in the year following sanction.

Because sanctions can lead to negative effects on individuals' income and SNAP receipt, there is a burden on SNAP agencies that operate mandatory programs to ensure that sanctions are applied correctly and only after all efforts are made to avoid a sanction. Changes to SNAP E&T program rules introduced in the 2018 Farm Bill address some of these challenges by improving the communication of mandatory requirements to participants and increasing the points at which individuals may receive good cause. This could reduce the level of sanctioning overall, and in particular the rate of exit very early after eligibility is determined (within the first 3 months). The benefits of lowering sanction rates to States are numerous, including improving SNAP participants' employment and earning outcomes, reducing the level of churn (which increases the wellbeing of participants and decreases burden on eligibility staff who redetermine eligibility), and reduces the overall administrative costs of sanctioning participants.

For more information: Detailed final findings are available in the full report "Expanding Opportunities & Reducing Barriers to Work: Final Summary Report" at <https://www.fns.usda.gov/research-analysis>. Reports summarizing final findings from the 10 individual pilot reports also are available.

Endnotes

¹ The analyses in this brief focus on individuals enrolled in the evaluation of the SNAP E&T pilots who were randomly assigned to the treatment group (individuals who were eligible for the enhanced set of services developed under the pilot).

² We used a recently developed method called Bayesian Causal Forests to estimate the relationship between whether someone is sanctioned and their labor market and SNAP participation outcomes. This method controls for observable factors that may be related to sanction status and also impact the outcomes of interest (such as employment status at enrollment and demographic characteristics). However, because there may be unobservable differences between those who were and were not sanctioned, we cannot interpret these findings as reflecting the causal effect of sanctions.

³ All differences in Year 2 employment, earnings, and SNAP participation by sanction status are statistically significant at the 0.05 level, with the exception of the SNAP participation rates in Illinois. Analyses of outcomes are based on administrative SNAP and Unemployment Insurance wage records for 486 sanctioned and 1,997 non-sanctioned individuals in Georgia, 396 sanctioned and 1,272 non-sanctioned individuals in Illinois, and 377 sanctioned and 1,646 non-sanctioned individuals in Mississippi.

⁴ Note that under SNAP E&T program rules, individuals experiencing barriers to participation that are not mitigated by participant reimbursements should be exempted from mandatory requirements and should not be sanctioned.

About the study

In the Agricultural Act of 2014, Congress authorized and funded 10 SNAP E&T pilots to test a range of innovative strategies to help SNAP participants find employment that increases their incomes and reduces their need for public assistance benefits. To encourage a diversity of approaches, each grantee identified focus populations, selected partners and service providers, and determined which services and activities best met their populations' needs. The legislation that authorized the pilots also included funding for a randomized controlled trial evaluation to assess the impacts of the pilots, which was awarded to Mathematica.

The findings presented in this brief are based on analyses of data from baseline information registration forms collected at pilot enrollment, SNAP administrative data, and Unemployment Insurance wage records.

Prepared by Leah Shiferaw, James Mabli, and Gretchen Rowe

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