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## The Untold Story of Welfare Fraud

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## The Untold Story of Welfare Fraud

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# The Untold Story of Welfare Fraud

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*The experiences of women who have been charged with welfare fraud in the years following the passage of the 1996 Personal Responsibility and Work Opportunity Reconciliation Act cast a shadow over the claim that welfare reform has been an unequivocal success. This article addresses this under-explored issue by considering the face of welfare fraud in San Diego, California after the change to federal welfare law. After a brief discussion of the socio-historical context of welfare fraud prosecution and a summary of the scholarly findings related to welfare fraud post-PRWORA, the article details a new "poverty knowledge" about welfare fraud drawn from the experiences of women. This is followed by a discussion of how this knowledge*

*has been used to help inspire the creation of a welfare fraud diversion program that serves as an alternative to felony prosecution for first-time, low-level welfare fraud defendants in San Diego County.*

*Key words: welfare fraud, welfare reform, poverty knowledge, gender inequality, social policy, legal reform*

In the aftermath of the passage of the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996, it has become more important than ever for those concerned with social and economic justice to pay attention to the experiences of those who have been affected by welfare reform. Although governmental officials commonly assert that welfare reform is successful, those of us who have observed this law in action know that such an assertion is based on a narrow understanding of success, defined solely in terms of a reduction of the number of people on welfare rolls. This conceptualization disregards the painful byproducts of the policy change. Indeed, the touted reduction in the number of welfare recipients has not led to a marked improvement in most recipients' lives; rather, its work requirements, time limits, and lack of support for job training and education that would have provided recipients with avenues for self sufficiency have instead exacerbated their financial hardships (Neubeck, 2006).

Our collective experience working in various capacities with low-income women impacted by welfare reform has allowed us to learn from their stories in order to distinguish the real impacts of these policies on their lives. Central to our work is that we have observed the increased demonization and criminalization of low-income women who have difficulty supporting their families on aid—consequences that directly correspond with ramped-up efforts to detect welfare fraud among “welfare queens” assumed to be out to cheat the system.

In this article, we will consider the realities of women caught in the web of welfare fraud prosecution after the 1996 changes to welfare law. Specifically, we will examine the reasons why women on public assistance have (knowingly or unknowingly) engaged in welfare fraud—fraud that occurred in most cases when they received some form of income that was not figured into the government calculation that determined the

amount of their aid. Taking legal action against poor parents on welfare became common beginning in the 1970s when grants were made available for prosecuting welfare fraud. This situation has been amplified post-1996 because of welfare reform's mandate that parents fulfill 32-hour per week work requirements, resulting in an increased number of women forced to work in largely minimum wage jobs that make it difficult to support their families. And yet, the experiences of these women have, for the most part, been unexamined.

In her book, *Poverty Knowledge* (2001), Alice O'Connor explains that a new type of knowledge about poverty is needed, one that is "grounded in practice, in activism, and in the experience not only of material deprivation but of the everyday workings of the economy" (p. 293). This type of knowledge is necessary to counter the large body of existing research that perpetuates flawed assumptions about poverty and to inform public policy. In this article, we explore a new "poverty knowledge" that policymakers have generally disregarded—how women experience welfare-to-work policy and complex income reporting rules, and how those experiences are related to welfare fraud. Importantly, we also show how this knowledge inspired the design of a welfare fraud diversion program that, since 2007, has served as an alternative to felony prosecution of first-time, low-level welfare fraud defendants in San Diego.

The development of San Diego County's Welfare Fraud Diversion Program is notable because historically public policies, and welfare policies in particular, have been constructed with little consideration of how they will affect low-income women and women of color (Abramovitz, 1998; Gatta, 2005; Neubeck, 2006). Similarly, criminal justice policies and laws traditionally have been constructed to disregard and marginalize the poor, women, and people of color (Cole, 1999; Miller, 1998). Thus, the creation of a fraud diversion program that has at its base an acknowledgement of the structural factors poor women are up against in the post-PROWRA era is an important policy change. It is our hope that the program will prove to be important in allowing women entangled in the legal system the possibility of future economic stability. Such an aim reflects the ostensible goal of welfare reform for self-sufficiency that

cannot be achieved in a system in which poor parents deemed guilty of even first-time, low-level welfare fraud receive felony and misdemeanor convictions that mean that they are essentially banned from future gainful employment.

### The Sociohistorical Context of Welfare Fraud Prosecution

Historically, negative stereotypes about welfare recipients have spawned numerous efforts to increase social control and criminalization of single mothers in poverty. Welfare fraud investigation and prosecution have included the infamous "man in the house" midnight or early morning raids to see if men were residing in the households of single welfare mothers, as well as measures such as "wage matching" in which states had access to welfare parents' income data to detect fraud (Gilliom, 2001, pp. 30-32).

Project 100%, implemented in San Diego County in 1997, perhaps as a way of reducing the number of new cases in anticipation of caseload reductions that would be required under welfare reform, exemplifies the increased attention to welfare fraud prevention, detection, and prosecution. Under this program, every application in which eligibility has been verified is referred to a welfare fraud investigator for an unannounced visit to the parent's home. The "visit" may involve a simple "walk-through" or searches of closets, drawers, medicine cabinets, refrigerators, purses, and mail. Applicants can refuse to have their homes searched, but if they do, they will not be eligible to receive aid. Discovery in the case brought against San Diego to contest the use of these search procedures revealed that while there was no effect on prosecutions of fraud as a result of Project 100%, the program substantially interfered with the ability to complete a successful application (*Sanchez v. County of San Diego*, 464 F.3d 916 [9th Cir. 2006] rehearing denied by, rehearing, en banc, *Sanchez v. County of San Diego*, 483 F. 3d 965 (2007) cert. denied by *Sanchez v. County of San Diego*, 128 S. Ct. 649 [2007]).

By 2003, the shifting of welfare fraud investigators into the District Attorney's Office was a significant step that further criminalized welfare parents, as all fraud queries by

caseworkers would immediately be tied to the criminal process without any preliminary inquiries as to non-criminal reasons that might explain the client's conduct. Welfare fraud detection was now transformed into a fully pre-prosecutorial function whose costs had to be justified on the basis of presumed, but unsubstantiated, savings due to fraud detection. And, as a consequence, many women on welfare became secondary victims of these changes.

### Welfare Fraud in the Aftermath of PRWORA

In the aftermath of the passage of PRWORA, the mainstream media have given only sporadic attention to the subject of welfare fraud, typically by focusing upon alleged cases of fraud and by decontextualizing the events that led to charges of fraud by prosecutors or welfare investigators (Wright, 1998). Such biased distortions of the reality of welfare fraud have, in ways that are similar to what Chunn and Gavigan (2004) found in Canada, facilitated a generalized distaste for welfare recipients and an increased interest in the social control of the poor as, "welfare fraud became welfare *as* fraud" (p. 3). With the passage of PRWORA, welfare parents now have increased scrutiny from child care workers, eligibility technicians, welfare-to-work supervisors, and employment case managers as well as welfare fraud investigators, each of whom may make separate judgments about whether or not parents are adhering to the rules. Such heightened scrutiny and interest in social control of the poor indirectly serves the functions of welfare reform to reduce the size of welfare caseloads. As Mulzer (2005) argues,

...mistrustful of welfare claimants and convinced of their ability to "scam" the system, many politicians and members of the public wish to make benefits so hard to obtain that only the truly desperate would choose to apply. An emphasis on fraud may also have an expressive function, increasing hostility towards welfare and welfare claimants. In this way, stories about fraudulent claims may be used to justify the stringent verification procedures used for informal rationing or to pave the way for outright cuts in eligibility. (p. 125)

Although surprisingly little scholarly research on welfare fraud post-PRWORA exists, and some of what there is reflects mainstream myths (e.g., Luna, 1997),<sup>1</sup> most scholars challenge stereotypes about welfare fraud defendants as manipulative, lazy women of color who dedicate their lives to bilking the system (see Neubeck, 2006; Neubeck & Cazenave, 2001; Roff, Klemmack, McCallum, & Conaway, 2001). Studies published in the eleven-year period since welfare reform was enacted largely demonstrate that the majority of welfare recipients continue to be low-income women who are working hard to survive in a globalized capitalist economy (Johnson, 2000; Thomson, 2002). In the midst of this struggle, women have been found to break the welfare rules in order to support themselves and their children, sometimes knowingly and sometimes unwittingly because they are confused by the rules (Edin & Lein, 1997; Gilliom, 2005; Gustafson, 2005; Thomson, 2002; Wright, 1998).

Yet, acting on the assumption that welfare parents want to cheat the system, they have been subjected to silencing, humiliation, and unlawful treatment as state agents attempt to detect fraudulent activities (Kennedy, 1998; Murray, 2000; Roberts, 2005). Courts at both the federal and state levels have upheld the use of home visits and walk-throughs of welfare applicants' and welfare recipients' homes for verification purposes, in spite of the form of surveillance inherent in those acts (Harvard Law Association, 2007). Such efforts to detect welfare fraud have led to concerns about privacy and the legal rights of low-income individuals (see Kennedy, 1998; Oren, 1996). And, in the midst of their increased surveillance, women themselves have resisted these infringements upon their dignity in large and small ways (Gilliom, 2005; Roberts, 2005). Nonetheless, lawmakers and government workers often disregard the experiences of women accused of welfare fraud. Social scientists, as well, have paid insufficient attention to the causes of welfare fraud and how it can be prevented.

In what follows, we describe the efforts of The Supportive Parents Information Network (SPIN), a non-profit advocacy organization working on behalf of low-income and welfare families, and the San Diego Public Defender's Office, to systematically study the experiences of former welfare fraud



defendants in order to discover why welfare fraud occurs and to help develop a program that addresses its negative effects.

### Project Background: Putting Two and Two Together

The Supportive Parents Information Network (SPIN) is a grassroots organization that encourages low-income families and those on welfare to identify and respond to economic and social barriers to self-sufficiency. Located in San Diego, California, SPIN has grown from 12 parents who began meeting in their living rooms in 1998 to more than 3,500 parents and nearly 5,000 children who have received services from the organization. SPIN's activities, carried out throughout the county and state, center on peer support and advocacy, community leadership, and involvement in civic decision-making. Central to SPIN's mission is strengthening the participation of low-income families in the economic and social well-being of their families, neighborhoods, and communities. It is recognized as the only local organization that consistently encourages participation by low-income families in public testimony and debate, dialogue with public officials and legislators, coalitions across economic, race, and gender lines, public demonstrations, individual legal advocacy, and public interest lawsuits.

SPIN's work begins when dozens of low-income and welfare parents pass through its doors each week seeking help in overcoming personal, economic, and legal barriers to self-sufficiency. Over the years of listening to their stories, SPIN staff learned that people come because they want to work and get off of welfare but have had difficulty getting hired at even entry-level jobs or are unable to go from temporary work to permanent employment. Others, who are becoming homeless because landlords would not rent to them, come looking for answers to their housing problems. As SPIN staff probed more deeply into their circumstances, one theme appeared all too frequently: Many of these parents cannot pass the background checks that employers, landlords, and creditors increasingly use to screen applicants. And significantly, many have been excluded from these opportunities because records of welfare fraud charges appeared on their credit reports and other screening devices. This was often the case, even years after

restitution had been made.

As noted above, welfare fraud most often results when families on public assistance receive income that was not figured into the government calculation that determines how much aid they should receive. What SPIN staff learned in listening to these parents' stories is that welfare fraud is about much more than intentionally lying to the government about income. Parents often had felony records for welfare fraud because they or welfare workers misunderstood or had difficulty following the hundreds of resource and income reporting rules. As we will demonstrate, sometimes the reasons they failed to report income were completely out of their control, such as when husbands or boyfriends hid their income from the accused parent or refused to allow her to report it. Moreover, under welfare reform, parents who receive public assistance must work, train, or engage in other activities that prepare them for employment, but they are often only able to secure unstable jobs with fluctuating incomes. With incomes that are often difficult to anticipate, reporting problems resulting from calculations that lag behind actual allocations may lead to overpayment and charges of welfare fraud in subsequent months.

To assist parents caught in these circumstances, SPIN staff appealed to an ally in the Public Defender's Office. Yet, they found that legal advocates for the poor were also hampered by a slow-moving, inflexible legal system that allowed few options other than a felony conviction, or, in the best case, if the defendant was able to pay back most of the overpayment over a period of time, plea bargains that resulted in misdemeanors.<sup>2</sup> The public defenders explained that the problem extends to, and is compounded by, gender inequities in the system. Fathers who fail to pay child support, and thereby fail to assist their children, are charged with a civil offense. But, mothers who receive overpayments from the welfare system while actively trying to support the children in their care are charged with felonies, treated as criminals, and, on occasion, even jailed. The elimination of what used to be criminal penalties for non-support by fathers involved an acknowledgement that parents with a criminal record often cannot fulfill their financial responsibilities to their children. Yet, the legal system persists in prosecuting mothers who are struggling with

day-to-day care of children and increased work requirements under welfare reform.

SPIN and the Public Defender's Office decided to team up to create an alternative way of seeking redress in these cases. The program, called Welfare Fraud Diversion, is a collaborative effort between researchers, the Public Defender's Office, the District Attorney, and SPIN that seeks to minimize the debilitating effects of fraud cases on both accused parents and the community. In order to establish the program, SPIN and the Public Defender's Office sought the assistance of members of our team as scholars of poverty, welfare, and criminal and restorative justice to conduct research and design a more just program to respond to the debilitating punishments associated with first-time, low-level fraud offenses.

### The Untold Story of Welfare Fraud

In order to develop a plan for a welfare fraud diversion program that was based upon the realities of welfare reform and the experiences of people who became involved in welfare fraud, we conducted a content analysis of a random sample of the Public Defender's welfare fraud case files for the year 2001 that yielded both quantitative and qualitative data. We later conducted a qualitative follow-up study of welfare fraud case files from the year 2005 to determine if changes in fraud patterns had occurred since the first study was conducted.

The quantitative findings of our initial study reveal that, consistent with the characteristics of San Diego County's welfare caseload, most of those convicted of fraud were women of color whose average age was 35.5 years. About half of them had a high school degree or less, only 17% had vocational training, and none of them had a college degree. They had, on average, two children, and they all received little to no child support.<sup>3</sup> This meant that they were struggling to support their children on an average monthly income of \$565.

Most fraud convictions were for unreported income with a median amount of \$2,423, which on average, amounted to only \$164 per month per household member.<sup>4</sup> This represented part-time earnings of less than five-months' duration that were scattered over a year or more, suggesting that parents made

repeated attempts to plug gaps in inadequate subsistence budgets. For the majority, the fraud conviction was their first offense, and the mean amount of the overpayment was less than \$5,000. With 64% receiving no child support, the median income from earnings and other sources—aid plus overpayment—was \$1,113 per month. To place this figure in perspective, if defendants had reported all of their income, 73% still would have incomes far enough below the poverty line to continue to qualify for welfare.

In both the 2001 and 2005 studies, qualitative data based on findings of fraud investigators, parole officers, public defenders, and the affidavits submitted by defendants reveal circumstances leading to fraud convictions that mirror the experiences of women who had come to SPIN to seek assistance in dealing with the consequences of fraud convictions. In some cases, interpersonal violence or external control over recipients' lives by significant others is involved in a recipient's fraudulent behavior. Toni, who had taken her children to stay with her mother at night while she worked because her husband had been harassing her, was convicted of fraud on the allegation that her children were not living with her. The father of Gloria's children hid his earnings from her and gave false pay receipts to file with the monthly earnings reports to the welfare department. Other women who had no access to their husbands' or boyfriends' income were threatened with assault if they reported it. The following probation officer's case notes describe the situation of a woman with \$17,000 of unreported income over a four-year period that resulted in a felony conviction. The unreported income came from the earnings of a live-in boyfriend who did not share his money or pay stubs and threatened her with abuse if she reported his income.

...the defendant was very frightened and anxious. She alleged that the co-defendant did not share money with her. He reportedly said, "You don't get shit, fucking bitch." She did not challenge him because [she said] she was "dumb and kind." The fraud continued out of her fear that she alone could not provide for her children. The defendant said that she feels "ashamed" for what has happened.

Notwithstanding such circumstances, 45% of the cases reviewed in the 2001 study resulted in felony convictions and 29% in misdemeanors. Approximately 19% of the cases were thrown out due to errors on the part of welfare workers. Many women whose cases were not dismissed also cited worker error as central to their experiences as welfare fraud defendants. For example, Catherine, whose husband was temporarily employed while living separately from her and her family for two months, failed to report his income because she was unaware that he was working. Upon finding out about what he was doing, she told her case worker about her situation and was given incorrect information about how to proceed, which ultimately led her to be prosecuted for welfare fraud. Similarly, Raquel gave her paycheck stubs to her caseworker's receptionist, but they were misplaced, and she was convicted of fraudulent behavior for failing to report her income.

In contrast to popular assumptions, the case files reveal that most committed fraud unknowingly or out of desperation. In a number of cases, they did not understand or had been misinformed by caseworkers about their income and resource reporting rules. They may have worked or received money from a working husband or boyfriend because their cash aid was not sufficient to support themselves and their families. But because they could not provide for themselves and their families on income from welfare and low-paying or temporary jobs, they were "doing what they had to do," not for money to buy luxuries, but to ensure the survival of their children. This woman's words exemplify the experiences of many:

...I was only getting \$645 per month, and my rent was \$439. I did not have much to live on, and I was told that if I reported it, my welfare check was going to be cut dramatically. ...I am a single mother trying to make it. I know that lying about the money was wrong, but at the time, it seemed that I didn't have much choice.

The difference between the cost of rent and this family's cash aid left \$206 to cover the costs of household supplies, clothing, transportation, gas, electric, and telephone for a working mother with children.

Consistent with the findings of Edin and Lein's *Making Ends Meet* (1997), parents like Yolanda failed to report income because they did not have enough money to provide for their families, "I did not report because I did not have enough money to pay the rent, children's expenses, and my ill mother's expenses...it was a lot what I paid, and I did not have enough money. That is why I did it." Gisela made a similar decision not to report income. She needed money to pay her deceased father's debts and son's legal expenses, but once those debts were paid, she contacted her worker about the income that she had not reported as a means of dealing with otherwise unmanageable debt. Thus, our findings reveal that women seek additional work or remuneration to enable family survival and may fail to report it out of fear that they may be unable to support their families should the additional income result in either losing their welfare benefits or having their cash aid reduced.

Women also fear losing access to health care under Medicaid because most of their employers, and the low-wage labor market generally, are unlikely to provide health benefits for them or their family members. Most, however, recognized that their extra income was temporary, at best, and thus would generate resources for only a very short period of time. In one case, Alicia had secured a series of temporary jobs, and because she was fearful of becoming indigent if her aid were cut and she lost one of them, she did not report the income. In another case, Janet misunderstood the reporting requirements for temporary employment and thus failed to follow the rules. Several women who received no child support, but secured temporary employment, hoped that this employment would provide a possible avenue out of welfare.

Often, women did not have a solid understanding of their rights or legal procedures. And even when they felt they were innocent, taking their case to trial risked conviction, not only for fraud but also for perjury, a much more serious offense. In such circumstances, plea agreements were routinely encouraged by public defenders. Traumatized by accusations of fraud and perjury and the consequences of conviction, plea agreements were taken as the only viable option, even by defendants who felt strongly that they were innocent. Only very rarely did

cases go to trial.

As part of the plea agreements, convicted parents had to repay the fraud amount and, in most cases, perform community service. But the costs to both the court and the parents do not end here. With cases lasting on average 16 months, in nearly all cases, the costs of investigation, apprehension, prosecution, and defense, as well as oversight of probation and collection efforts, are considerably larger than restitution amounts. Moreover, restitution, combined with court costs, places further financial burdens on already struggling families. But even worse, welfare fraud convictions remain on their records. With the background checks often required for even low-wage jobs and in order to secure housing, these felony convictions severely limit access to employment and housing and increase the chances of continued dependence on the welfare system.

### Policy Application: Imagining a More Just Alternative to Fraud Prosecution

The results of our studies of welfare fraud cases confirmed what many of us had already suspected based on the experiences of parents coming to SPIN and the Public Defender's Office for help—that women often commit fraud unknowingly, and when they do commit fraud intentionally, it is because they simply cannot make ends meet. Acknowledging this difficulty, and in consultation with the various stakeholders, we conceptualized a welfare fraud diversion program with several components. First, prosecution would be diverted for first-time offenders while they worked to repay the fraud amount. Second, participants would attend a series of short workshops to help welfare recipients better understand the rules for reporting income, the capacity of the welfare system to effectively account for income from temporary and intermittent work, and to help them strategize ways to avoid fraud charges in the future. In addition, one workshop would be dedicated to financial literacy and to navigating successfully through the world of check cashing and asset conservation. Third, there would be a support system created to provide parents who have entered diversion access to an advocate who would help them continue to meet the requirements of diversion and to

contend with their daily challenges. Ideally, this program would include mentoring by former welfare fraud defendants and a peer support network.

Successful completion of the program would result in dismissal of the case, and importantly, leave people with no welfare fraud charges or convictions on their records. The Welfare Fraud Diversion Program would allow women the same chance for a financially stable future that is given legally to men who have failed to provide child support. This opportunity is only ethically just, given that the plight of many low-income women is directly connected to this lack of child support and a need to keep their families afloat. The Diversion Program would also be a cost-effective approach to addressing welfare fraud, consistent with the self-sufficiency goals of welfare reform.

In order to achieve the adoption of the Welfare Fraud Diversion Program, the District Attorney for San Diego County, as well as judges who heard welfare fraud cases, had to approve the program. After months of negotiation between the Public Defender's Office, the District Attorney's Office, SPIN, and community members, a form of welfare fraud diversion was put into place in San Diego County in late 2007. As implemented, the program will allow individuals accused of misdemeanor and felony welfare fraud to enter a guilty plea and work to repay the money that they owe over a period of three years. Fraud amounts of less than \$5,000 are automatically charged as misdemeanors, whereas previously, they were charged as felonies. If the diversion participants pay a third of their restitution per year, follow the rules of the program, and fulfill their community service hours (i.e., a 40-hour requirement for misdemeanor defendants and an 80-hour requirement for felony defendants over the three-year period), they will successfully complete the program. Upon completion, participants can petition the court to remove their guilty pleas and all charges against them will be dropped.<sup>5</sup>

As noted above, our original vision included educational and support components that we thought would enhance the ability for participants to successfully complete the diversion program. However, a concern with overburdening welfare fraud defendants with too many requirements, as well as the



lack of funding, resulted in the District Attorney's decision to implement a welfare fraud diversion program that does not include all of the elements that our team had envisioned. The omission of the education and support components of the diversion program is unfortunate because, as research has demonstrated (see Gatta, 2005; Neubeck, 2006), welfare policies force women to take low-paying jobs, and PRWORA programs do little to assist recipients in getting the skills needed to get better paying positions. Once they are accused of welfare fraud, low income women are even more disadvantaged, because they are trapped in a place where restrictive welfare policies intersect with punitive criminal justice policies, and they are all the more in need of specialized information and assistance to help them navigate through their predicaments. A peer support network that is tied to the diversion process is needed to harness the poverty knowledge that women who have been through the system possess and to utilize it to empower others. Instead, the current program requires the completion of a significant number of community service hours, which does not help participants improve their economic situations and serves primarily as a form of punishment.

While falling short of our ultimate goals, the diversion program that has been developed is nonetheless one of the few fraud diversion programs in the country and, as such, plays an important role in creating a just alternative to the prosecution of low-level welfare fraud offenses. Moreover, the Welfare Fraud Diversion Program that is now being employed in San Diego County has the potential to enable welfare fraud defendants to get back on their feet and avoid the stigma of a criminal record. As of January 2008, 39 parents have become part of the Diversion Program. Our research team plans to evaluate the Welfare Fraud Diversion Program in the summer of 2008 and to provide feedback about the construction of the current program based upon the experiences of women going through it. We remain hopeful that as the body of poverty knowledge based on the actual (not imagined) experiences of women facing welfare fraud charges deepens, the elements of support that we had originally envisioned will be incorporated into the program.

## Conclusion

Welfare reform has widened the net of social control over low-income families, and in the post-PRWORA era, our studies reveal that welfare fraud is chiefly related to survival, confusion over complicated reporting procedures, or errors on the part of welfare officials. Yet, welfare policy, the agencies that administer its rules, and welfare law designed to adjudicate its violators are predicated on assumptions that cast the poor as undeserving of assistance and worse, as criminals. And, indeed, the parents in our study have broken the rules. But, welfare fraud convictions that carry fines, requirements for community service, jail sentences, and felony records create additional burdens that make the immediate survival of the poor more difficult and jeopardize their future ability to provide for their families. With little attention given to this group of women and the conditions that lead to fraud, even among scholars of poverty and advocates for the poor, fraud convictions simply reinforce these false assumptions; they demonstrate that the poor are truly bad seeds, that we are doing something to weed them out, and that we are holding them up as a warning to others. The result, however, is to further marginalize this group of poor parents and to provide further justification for the punitive policies and practices that contribute to fraud in the first place. Largely demonized and forgotten by the public, policymakers, and scholars alike, those deemed guilty of welfare fraud are the silent casualties of contemporary welfare policy.

Welfare fraud can only be reduced by acknowledging the varied factors behind the act and setting aside stereotypes about the welfare poor. The experiences that we have recounted paint a picture of welfare fraud grounded in the conditions of women dealing with poverty amid complicated welfare rules while attempting to support their families on subsistence wages that provide no way out of poverty. Progress toward a more just disposition of welfare fraud cases requires that advocates, armed with parents' actual experiences, continue to push an agenda that ends the nearly unquestioned demonization of this group of poor parents and that furthers a more just disposition of welfare fraud cases. Without research to interrogate and challenge popular assumptions about

welfare reform, we are, if only unwittingly, complicit in sustaining iconic assumptions that cast all poor parents on welfare as cheats who would rather take advantage of the system than work to support themselves—the very assumptions that underlie welfare reform's punitive response to the problems of the nation's poorest families.

The Welfare Fraud Diversion program in San Diego County has not yet accomplished all of its goals. It is an ongoing struggle to overcome the limitations of funding and to entirely break free of the imperatives of the legal system to punish those who have broken society's laws. Yet, the program has achieved a crucial breakthrough in its ability to use the poverty knowledge of welfare parents to make way for a more just dispensation of these cases. And, by drawing on the voices of women to minimize the negative effects of welfare fraud, the program offers a new model for crafting policy that transcends stereotypes to place the conditions of their lives and the needs of the poor at its center.

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(Endnotes)

- 1) Luna's (1997) article, "Welfare Fraud and the Fourth Amendment" is an example of one that perpetuates the myth that the majority of welfare fraud is committed intentionally by people with plenty of means to survive without public assistance. Taken from sensationalized accounts appearing in newspapers, he highlights atypical examples as though they are typical and states, "These are the many faces of welfare fraud. They are sometimes arrogant, other times pitiful, but always criminal" (p. 1239).
- 2) The actual "best case," from the point of view of public defense attorneys, is a dismissal which is obtained only after extensive investigation. This is not typically undertaken unless a parent makes a clear-cut decision to go to trial, which is difficult for poor parents who are told they need to work rather than prepare for and attend multiple legal hearings. It may even be inadvisable given the climate of public opinion concerning welfare parents.
- 3) The amount of child support ranged from \$0 to \$380, with a median amount of \$0 per month and an average amount of \$40.45, with 64% receiving no child support. The average amount is affected by the fact that when a parent pays child support, but does so at a level that is less than the welfare income eligibility threshold, the child support goes to the County, and a parent gets a "pass through" amount of only \$50 per month. The rest goes to reimburse counties for what they paid in welfare. So, the study results reveal that 64% receive no child support, and the rest receive the \$50 pass through, an amount that is far less than what is necessary to cover the costs associated with caring for even one child.
- 4) These amounts are based on minimum wages applicable during the study period and account for both food stamps and cash aid.
- 5) If a parent can repay the full amount before a preliminary court proceeding, charges are dismissed completely. Sometimes family members come together to provide such a loan.

