



Welfare Advocates

Founded 1979

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Senate Bill 2

Department of Human Services – Electronic Benefits Transfer Cards – Fraud (Prevent Electronic Benefits Theft Act of 2023)

Senate Finance Committee

February 23, 2022

Favorable with Amendments

Welfare Advocates is a statewide coalition of social service organizations, advocacy groups, faith communities, and community members, whose mission it is to educate about and advocate for an adequate safety net and public policies that support families moving towards economic stability.

Welfare Advocates supports SB 2 with sponsor amendments, which requires the Department of Human Services (DHS) to reimburse Marylanders who have had their Electronic Benefits Transfer (EBT) card benefits stolen, and requires the Department to work with the EBT vendor to reduce the likelihood of future theft through improvements to the EBT card and system processes. The sponsor amendments will ensure the reimbursements are retroactive and that benefits are replaced quickly without burdening the family to secure investigatory materials related to the theft.

There is an alarming and escalating trend of public benefits being stolen off of EBT Cards through illegal practices like skimming. Social safety-net programs – like Supplemental Nutrition Assistance Program (SNAP) and Temporary Cash Assistance (TCA) - provide vital resources to low-income families. Families use benefits – which are loaded onto an EBT card - to purchase housing, food, transportation, and other basic needs. Particularly amidst record inflation, many Maryland families are struggling to make ends meet, and the benefits they receive each month on EBT cards are the difference between being housed or homeless, having food on the table or skipping meals. Individuals on public benefits live far below the federal poverty line, so if a household's benefits are stolen without replacement, it's catastrophic. Distressingly, there has been an escalating trend in skimming EBT cards – in 2022, at least 2,334 households in Maryland have had their benefits stolen, totaling over \$1.6 million in theft.

When low-income families have had their income stolen off their EBT cards, it is imperative the State immediately replace benefits without barriers. Just like dollars are quickly replaced when folks have their credit card number stolen, we must rapidly replace benefits for low-income families when their entire monthly income has been stolen. It is especially imperative that these funds be replaced without burdening the family to obtain police reports and other investigatory materials. Without replacement or if the processes is overly burdensome, families will be forced to survive the remainder of the month without food and income. Without a plan to make families whole when their benefits are stolen, the state is perpetuating the societal costs of hunger, homelessness, and poverty.

WA appreciates your consideration, and respectfully urges a favorable with amendments report on SB 2.

Submitted by Lisa Klingenmaier, Chair of Welfare Advocates
