



**MARYLAND**  
**LEGAL AID**

*Advancing*  
**Human Rights and**  
**Justice for All**

The Honorable Senator Melony G. Griffith, Chair  
Senate Finance Committee  
Miller Senate Office Building  
11 Bladen Street  
Annapolis, Maryland 21401

**RE: SB 2 - Department of Human Services, Electronic Benefits Transfer Cards, Fraud (Prevent Electronic Benefits Theft Act of 2023)**

Dear Chairman Griffith and Members of the Committee:

Thank you for the opportunity to write in support of SB 2. This bill addresses the current Statewide increase in the theft of electronically issued government benefits. SB 2 requires the Department of Human Services (DHS) to reimburse a person who is a beneficiary of government funds and who has suffered a loss due to fraudulently stolen benefits from their electronic benefits transfer (EBT) account. Maryland issues multiple types of government benefits on EBT cards, including SNAP, Temporary Cash Assistance and Temporary Disability Assistance benefits. It has been well documented that theft of the benefits through various devices have increased substantially both in Maryland and nationwide.<sup>1</sup> DHS does not reimburse stolen benefits. Maryland Legal Aid (MLA) supports SB 2.

MLA is Maryland's largest civil non-profit law firm that provides free legal services to indigent residents. MLA assists individuals and families in every Maryland county with a wide array of civil legal issues, including protecting people from the epidemic of the loss of income security. This letter serves as notice that Cornelia Bright Gordon Esq., will testify on behalf of MLA in support of SB 2 at the request of Senator Fry Hester.

EBT funds are deposited on account by DHS upon approval for benefit programs that are designed to stabilize older adults, low-income families and disabled persons: SNAP provides assistance to purchase food, TCA supplements family income and provides health insurance, and TDAP issues a

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<sup>1</sup> <https://www.wusa9.com/article/news/investigations/maryland-families-struggle-and-want-money-reimbursed-after-ebt-fraud/65-84e334bf-e32e-4467-adda-b4382585803f>

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small amount of funds as cash for disabled single adults. The theft of EBT benefit funds has become rampant: as of November 2022, the total federal dollars reported as a loss from fraudulent transfers was \$1,056,651.22.<sup>2</sup> The 2022 federal omnibus spending bill, HR 2617, was recently signed into law by President Biden, and provides funds for States to reimburse victims of SNAP theft.<sup>3</sup> The federal bill requires states to use their SNAP allocation to replace benefits that are determined to be stolen through card skimming, card cloning or similar fraudulent methods.<sup>4</sup> State and federal funds issued on EBT cards are distributed to households with the lowest incomes in the State. Currently, despite reports of the thefts to DHS, and a subsequent investigation and finding of fraudulent activity, stolen benefits are not restored in Maryland. This terrible history is unacceptable and inappropriate. Clear direction at the federal level is now available for replacement of stolen SNAP benefits and should follow for all stolen State benefits.

SB 2 will address the inherent impropriety of proven acts of theft of State and federal benefits from the most vulnerable of Maryland residents. This is recognized as a statewide problem, despite Maryland State governmental refusal to reimburse those benefits to the vulnerable folks that rely on them. This impropriety affects struggling older adults, families with minor children, and disabled persons. EBT benefits can make the difference between homelessness and hunger, and advance beneficiaries along to a better state of housing and food security. The theft of EBT funds presents real dangers to Maryland citizens – reimbursement can help our low income neighbors remain housed and will assure that they have healthy food on their tables. MLA supports SB 2 and urges a favorable report and the passage of the bill.

Sincerely,

CBGordon  
Director of Advocacy for Administrative Law  
Maryland Legal Aid

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<sup>2</sup>Id.

<sup>3</sup>H.R. 2617, Title IV § 501 (EBT Benefit Fraud Prevention) (signed 12/31/2023).  
<https://ruppersberger.house.gov/news-room/press-releases/ruppersberger-funding-bill-will-require-states-reimburse-victims-snap>.

<sup>4</sup> Id.