



**HB1434 Department of Human Services - Electronic Benefits Transfer Cards -
Restoration of Benefits
Finance Committee
March 21st, 2024**

Position: Favorable with Amendments

Background: HB1434 would update the authorization and timeline for the State to reimburse stolen electronic benefit transfer funds.

Comments: The Maryland Retailers Alliance (MRA) is in strong support of the continued restoration of food benefits funds to Marylanders who have been victims of fraud and theft. SNAP funds benefit Marylanders across the board by reducing food insecurity and directly supporting the local economy. We became aware of problems with Supplemental Nutrition Assistance Program (SNAP) funds in 2022 and reached out to the Department of Human Services (DHS) to determine the source of the issues. It soon became apparent that Maryland was experiencing one of the highest rates of SNAP theft in the country. We were strongly supportive of legislation passed in 2023 to address this issue and to restore stolen funds to Marylanders.

The use of skimmers to commit identity theft is an issue that continues to impact all shoppers, and the retail industry is working hard to address this widespread issue. The average customer whose personal debit or credit card is skimmed, cloned, or otherwise stolen is able to seek reimbursement from their banking institution. This, unfortunately, was historically not the case for SNAP beneficiaries before recent federal and State action. MRA continues to support the reimbursement of stolen benefits funds and the House amendment to HB1434 which would require the State to identify and recommend a dedicated stream of funding for this purpose. We would recommend the legislature also consider maintaining the existing mandate that benefits be reimbursed, and removing the date ending the window of time during which stolen benefits may be reimbursed. While we appreciate that HB1434 as introduced would extend that window and recognize the budget constraints currently facing the State, we do not expect that the theft issues impacting benefits customers will have abated by the end of this year and we would respectfully urge the body to allow continued reimbursement into the future.

Thank you for your consideration.