

EBT Photo ID: The Impact on Massachusetts SNAP Recipients, Retailers and the Fiscal Costs to the State

Who receives EBT Cards in Massachusetts?

- There are currently 499,221 low-income SNAP EBT households in MA, comprised of 888,527 adults and children. Over 45% of all SNAP households in MA include one or more elder or disabled member.¹
- SNAP rules require all persons who “*customarily purchase and prepare food together*” be part of the same SNAP household including unrelated persons who share food and all adult children ages 18- 22 living at home.²
- 51,281 households receive TAFDC cash assistance for families with needy children, and 23,568 elder and severely disabled individuals receive EAEDC benefits.³ These cash benefits are put on the same EBT card.

Federal USDA rules restricting photo ID on SNAP EBT cards.

- Retailers cannot discriminate against or selectively card SNAP recipients.⁴
- All appropriate SNAP household members must have access to the EBT benefits.⁵
- A SNAP household has the right to designate a trusted relative, friend or service agency to food shop for them.⁶
- As SNAP is a 100% federally funded benefit, state EBT systems must be interoperable so SNAP recipients can use their EBT cards in any state within the country.⁷
- On May 12, 2012, USDA notified MA DTA of the federal requirements regarding EBT photo IDs.⁸ In February of 2013, USDA disallowed Maine’s photo ID proposal.⁹

An EBT photo ID would waste taxpayer dollars.

- The Romney Administration abandoned the photo ID requirement in 2004 as not cost effective.¹⁰
- In 2012, DTA estimated that the initial costs would be \$4M to issue just one SNAP photo card per household, with ongoing annual costs of approximately \$4.4M including cards, equipment, staffing costs and notices.¹¹ EOHHS recently noted initial implementation estimates of \$5 to \$7M.
- Other states have estimated the cost of this initiative, from a \$2 million estimate in Michigan to \$17.6 million in Washington State.¹² Pennsylvania, Illinois, Connecticut, Arizona, Kentucky and other states have considered and rejected EBT photo IDs as costly and not effective in addressing SNAP fraud or trafficking.¹³

An EBT photo ID hurts seniors and persons with disabilities.

- A photo ID requirement would undermine decades of work aimed at de-stigmatizing SNAP benefits. It reverses the state’s historic SNAP outreach efforts to reach low income seniors and persons with disabilities.
- Massachusetts is one of 39 states that allows for on-line SNAP applications – often with the help of senior services and community organizations. The SNAP applicant has a phone interview with DTA, and then mails or faxes verifications.¹⁴ Requiring all applicants and members of their households to go to DTA offices to be photographed would discourage low income persons – especially seniors and persons from disabilities – from accessing benefits.

- Seniors and persons with disabilities often have family members, relatives or trusted persons who they can authorize pick up groceries for them. A photo ID EBT requirement would hinder the ability of these caregivers from performing this important service.
- In 2005, the Romney Administration received USDA approval to implement a special SNAP pilot to reach elder and disabled persons through the Social Security Administration (SSA).¹⁵ SSA has a statutory obligation to offer SNAP applications to elder and disabled SSI applicants and recipients.¹⁶ Under the Bay State Combined Application Project (Bay State CAP), SSA offices electronically take a SNAP application and ship it to DTA so that SSI clients did not need to go to DTA. SSI eligibility information is considered verified upon receipt. Outside Section 15 would undercut the core foundation of the Bay State CAP pilot and the state's historic SNAP outreach efforts for elder and disabled persons. Over 30,000 SSI recipients participated in Bay State CAP in 2013, recipients whose cases often migrate to regular SNAP benefits.

An EBT photo ID requirement is not supported by retailers and grocers across the country.

- A photo ID proposal would effectively turn store clerks into welfare cops. It would compromise efficient business practices, including self-checkout lanes. Stores that attempt to selectively card SNAP recipients could subject themselves to legal challenges.
- The Maine Grocers Association and Maine Merchants Associations both testified in 2012 before the Maine State Legislature in opposition to EBT photo ID legislation, noting federal law prohibiting discrimination against SNAP recipients.¹⁷ USDA disallowed Maine's photo ID proposal in February of 2013.¹⁸ The Illinois Retail Merchants Association announced strong opposition to a state photo ID proposal for SNAP LINK cards in March of 2013.¹⁹

An EBT photo ID does not address SNAP trafficking or other fraud.

- SNAP benefit trafficking generally occurs between the SNAP card holder and the corner retailer. Trafficking does not happen with cash benefits. A convenience store engaged in the unlawful practice of giving cash for food benefits and billing USDA for that EBT transaction is highly unlikely to look at a photo on an EBT SNAP card.
- The State Auditor's Bureau of Special Investigations is responsible for investigating DTA fraud. For the first quarter of FY 2013, BSI found SNAP fraud equal to about .125% (slightly more than 1/10 of 1 %) of SNAP benefits, and TAFDC and EAEDC fraud equal to .283% (less than 1/3 of 1 %) of cash assistance benefits.²⁰
- According to a March 2011 USDA report, the electronic delivery of food stamp/SNAP benefits has made trafficking much easier to trace, prevent and prosecute. USDA reports that the SNAP trafficking rate has declined from 4% to 1% during the last 10 years.²¹ Neither USDA nor law enforcement considers photo ID EBT cards as an effective means to address trafficking between a card holder and small privately owned retailers.²²
- USDA continues to provide updated technologies and tools for states and law enforcement to deal with SNAP trafficking, EBT photo ID is not one of them.²³
- The personal identification number or PIN is widely recognized by banking institutions as the best way to protect personal finances on a debit card. A SNAP or cash assistance household whose card is lost or stolen – or who wishes to restrict use by a household member – can immediately deactivate the card through the EBT vendor and/or change the PIN, similar to a lost or stolen debit card.²⁴

¹ DTA Facts and Figures Report, April 2013, SNAP Caseload, <http://www.mass.gov/eohhs/researcher/basic-needs/food/snap-formerly-the-food-stamp-program.html>; see also USDA Building a Health America: A Profile of the SNAP Program; April 2012; <http://www.fns.usda.gov/ora/MENU/Published/snap/FILES/Other/BuildingHealthyAmerica.pdf>

² 7 CFR 273.1(a), SNAP household composition and “purchase and prepare” rules.

³ DTA Facts and Figures Report, April 2013

⁴ 7 C.F.R. 278.2(b) “Equal treatment for coupon customers: No retail store may single out [EBT card] users for special treatment in any way.”

⁵ 7 CFR 274.8(b)(5) “All appropriate household members or authorized representative are able to access benefits from the account as necessary.”

⁶ 7 CFR 273.2(n)(1). “Authorized Representatives: Representative may be authorized to act on behalf of a household in the application process, in obtaining food stamp benefits, and in using food stamp benefits.”

⁷ 7 CFR 274.12, SNAP regulations governing operation of SNAP EBT program.

⁸ Letter of FNS North East Regional Administrator James Arena-DeRosa to Daniel J. Curley, DTA Commissioner, 5-3-2012

⁹ <http://www.pressherald.com/politics/USDA-rejects-Maine-request-to-require-ID-for-food-stamp-purchases.html>

¹⁰ Comments of EOHHS Secretary John Polanowicz re costs of photo ID; SHNS, April 12, 2013

¹¹ EBT Card Commission Report, April 1, 2012, pg 15:

“Based on pricing data from New York, the only state in the Northeast region identified as currently including photos on EBT cards, the Department estimates that the cost for the cards alone would be approximately \$4 million initially, with ongoing annual costs of approximately \$4.4 million (which includes cards and equipment, staffing costs, and notices to clients). This is an estimate for one card only per family, when in fact each appropriate member of the household and any authorized representative of the household would also need a card. Additional cost estimates not yet available include those associated with the storage and transmission of digital images for replacement of cards, the design of the cards, changes to the issuance system and the DTA system, and card printer technology. These estimates reflect actual and expected caseloads, which have risen steadily since 2004. Several other states have estimated the cost of this initiative, from a \$2 million estimate in Michigan to \$17.6 million in Washington State.”

¹² *ibid.*

¹³ PA General Assembly, Legislature Budget and Finance Committee, *The Feasibility of Using Biometric Smart Cards or Photo ID Cards to Dispense Public Assistance Benefits*, November 2012. <http://lbfc.legis.state.pa.us/reports/2012/76.PDF>

¹⁴ USDA Office of Research and Analysis, Enhancing SNAP Modernization Efforts, April 2010

http://www.fns.usda.gov/ora/MENU/Published/snap/FILES/ProgramOperations/EnhancedCertification_IntVol1.pdf; USDA SNAP State Options Report, August 2012 http://www.fns.usda.gov/snap/rules/Memo/Support/State_Options/10-State_Options.pdf

¹⁵ DTA Commissioner John Wagner press announcement and outreach materials, Bay State CAP, May 26, 2005.

<http://www.mass.gov/eohhs/docs/dta/r-fsmc-52605.pdf>

¹⁶ 7 USCA 2020(i) Obligation of SSA offices to offer and assist with SNAP application of SSI applicants and recipients.

¹⁷ Testimony of Shelley Doak, ED of the Maine Grocers Association, February 28, 2012 and Testimony of Curtis Picard, ED of Maine Merchants Association, February 21, 2012 in opposition to LD 1812.

¹⁸ <http://www.pressherald.com/politics/USDA-rejects-Maine-request-to-require-ID-for-food-stamp-purchases.html>

¹⁹ “Stores don’t want photo ID food stamps,” (quoting Illinois Retailers Association), March 9, 2013,

<http://www.firstelectricnewspaper.com/2013/03/stores-dont-want-photo-id-food-stamps.html>

²⁰ Office of the State Auditor, Bureau of Special Investigations, First Quarter Report-FY 13 (Jan. 18, 2013),

<http://www.mass.gov/auditor/docs/bsi/2013/2013qtrreport1.pdf>; FY 13 Budget: Mass. Law Reform Inst. calculations

²¹ USDA Office of Research and Analysis, *The Extent of Trafficking in the Supplemental Assistance Program; 2006-2008, Final Report*. March 2011

<http://www.fns.usda.gov/ora/MENU/Published/snap/FILES/ProgramIntegrity/Trafficking2006.pdf>.

²² *ibid.*. See also comments of Chelsea Police Chief Brian Keyes, State House News Service, April 12, 2013

<http://www.wickedlocal.com/weymouth/newsnow/x633475327/State-House-News-State-law-enforcement-team-up-to-curb-welfare-benefit-abuse>

²³ Press Release, USDA Announces New Partnership with States to Strengthen Integrity of Nation’s Most Vital Nutrition Assistance Program (Mar. 20, 2013), <http://www.usda.gov/wps/portal/usda/usdahome?contentid=2013/03/0051.xml&contentidonly=true>

²⁴ 7 CFR 274.2(f)(5). See also DTA instructions to SNAP consumers for lost or stolen cards and changing a PIN.

<http://www.mass.gov/eohhs/consumer/basic-needs/food/snap/ebt-benefit-availability-and-customer-service.html>