

FINAL BILL REPORT

SSB 6386

C 253 L 12
Synopsis as Enacted

Brief Description: Enacting measures to reduce public assistance fraud.

Sponsors: Senate Committee on Human Services & Corrections (originally sponsored by Senators Carrell, Becker, Zarelli, Hargrove, Delvin, Schoesler, Honeyford and Keiser).

Senate Committee on Human Services & Corrections
House Committee on Early Learning & Human Services
House Committee on Ways & Means

Background: For purposes of receiving public assistance benefits, only the recipient or the recipient's authorized representative may use an electronic benefits transfer (EBT) card or EBT card benefits, and the use may only be for the respective benefit purposes. The recipient may not sell, or attempt to sell, exchange, or donate an EBT card or any benefits to any other person or entity. The first violation on the use of an EBT card is a class 4 civil infraction under RCW 7.80.120. Second and subsequent violations constitute a class 3 civil infraction.

In 2011 the Office of Fraud and Accountability (OFA) was established in the Department of Social and Health Services (DSHS) to detect, investigate, and prosecute any act that constitutes fraud or abuse in the public assistance programs administered by DSHS, except for Medicaid and other medical programs. OFA is to conduct independent investigations into allegations of fraud and abuse, recommend policies, procedures, and best practices designed to detect and prevent fraud and abuse, analyze cost effective, best practice alternatives to the current cash benefit delivery system, and use best practices to determine the appropriate use and deployment of investigative resources. No later than December 31, 2011, OFA is to report to the Legislature on the development of the office, identification of any barriers to meeting the stated goals of OFA, and recommendations for improvement to the system and laws related to the prevention, detection and prosecution of fraud and abuse in public assistance programs.

On January 3, 2012, OFA issued its report on the development of its office. One of the barriers to meeting the stated OFA goals identified in the report was investigator's access to child care records when conducting a fraud investigation. Both the State Auditor and OFA have recommended that fraud investigators be provided immediate access to child care records, especially attendance records.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Summary: No member of a recipient's family may use the recipient's EBT card unless the recipient's family member is an eligible member of the household, has been designated as the recipient's authorized family member, is an alternative cardholder, or has been assigned as a protective payee.

In assigning a personal identification number (PIN) to an EBT card, DSHS is not prohibited from using a sequence of numbers that appear on an EBT card as the PIN for that card, but is prohibited from doing so routinely, except in circumstances of an in-state or national disaster.

Possessing or being in control of EBT cards in the name of two or more persons is a misdemeanor when the person in possession of the cards does not have authorization from the persons in whose names the cards were issued.

The statutory provision requiring applicants and recipients of subsidized child care to seek child support enforcement services as a condition of receiving subsidized child care is removed.

An OFA investigator must have access to all original child-care records maintained by licensed and unlicensed child care providers if the investigator has the consent of the provider, a court order allowing access, or a valid search warrant.

Votes on Final Passage:

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| Senate | 45 | 2 | |
| House | 97 | 0 | (House amended) |
| Senate | 49 | 0 | (Senate concurred) |

Effective: June 7, 2012