

HOUSE BILL ANALYSIS

HB 2896

Title: An act relating to circumstances when payment of public assistance benefits need not be paid through electronic funds transfer.

Brief Description: Describing when payment of public assistance benefits by electronic funds transfer is not required.

Sponsors: Representatives Ogden, Carlson, Tokuda, Dickerson, DeBolt, Schual-Berke, Radcliff, Eickmeyer, Edwards, Kagi and Santos.

HOUSE COMMITTEE ON CHILDREN & FAMILY SERVICES

Meeting Date: February 2, 2000.

Bill Analysis Prepared by: Deborah Frazier (786-7152).

Background: Under current law, cash assistance and food stamp recipients are accessing their grants through the use of an electronic benefits transfer (EBT) card.

Cash withdrawal transactions are conducted primarily at automated teller machines (ATM). The owners of the ATMs set cash withdrawal limits for each transaction and/or for the day. The machine owners also set surcharges for use of the machine. Cash limits and surcharges vary by machine and location. An 85 cent processing charge is made on every cash transaction.

Some grocery stores permit cash assistance recipients to receive cash from their EBT cards. In these transactions, the recipients are not subject to the 85 cent processing charge.

Food stamp recipients access that grant at terminals in grocery stores to purchase food. No surcharges or processing fees apply.

Summary of Bill: House Bill 2896 allows cash assistance recipients to choose to receive their grants as checks, rather than using the EBT cards. The recipient is permitted to declare that the use of the EBT cards impose a hardship due to a physical or mental disability; a geographic, language, or literacy barrier; or imposes a financial hardship.

Appropriation: None.

Fiscal Note: Requested on January 25, 2000.

Effective Date: Ninety days after adjournment of session in which bill is passed.