

ASSEMBLY, No. 2909

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED FEBRUARY 20, 2020

Sponsored by:

Assemblyman PARKER SPACE

District 24 (Morris, Sussex and Warren)

Assemblyman HAROLD "HAL" J. WIRTHS

District 24 (Morris, Sussex and Warren)

SYNOPSIS

Restricts use of electronic benefit cards by cash assistance recipients.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 2/24/2020)

1 **AN ACT** concerning the use of electronic benefit cards by cash
2 assistance recipients and amending P.L.1997, c.37.

3

4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
5 *of New Jersey:*

6

7 1. Section 5 of P.L.1997, c.37 (C.44:10-75) is amended to read
8 as follows:

9 5. a. The department shall implement the electronic benefit
10 distribution system established pursuant to P.L.1985, c.501
11 (C.44:10-5.1 et seq.) in every county of the State.

12 b. All cash assistance and food stamp benefits shall be
13 provided through the issuance of a single benefit card utilizing the
14 electronic benefit distribution system. The commissioner may
15 include additional programs in this system at his discretion.

16 c. No charge, including a fee imposed by a terminal owner,
17 shall be imposed upon a person receiving cash assistance, food
18 stamp or other benefits for participating in the electronic benefit
19 transfer system, except as follows:

20 (1) after three free cash automatic teller machine withdrawals in
21 a month, the department may deduct a transaction fee from a
22 recipient's account for each subsequent withdrawal;

23 (2) a recipient shall be required to pay a fee for a replacement
24 benefit card in an amount to be determined by the commissioner,
25 which may be deducted from the recipient's account as determined
26 by the commissioner, in accordance with federal law; and

27 (3) in the case of a recipient who elects to receive benefits at a
28 point-of-sale location licensed by the Department of Banking and
29 Insurance pursuant to P.L.1993, c.383 (C.17:15A-30 et seq.), the
30 State shall pay the licensee the difference between the contracted
31 base transaction fee and \$1.00. The provisions of this paragraph
32 shall expire two years after the effective date of the single
33 Statewide electronic benefits distribution contract that is let
34 pursuant to P.L.1997, c.37 (C.44:10-71 et al.).

35 d. A retail establishment currently authorized to participate in
36 the federal food stamp program, or the New Jersey Supplementary
37 Food Stamp Program established pursuant to P.L.1998, c.32
38 (C.44:10-79 et al.), shall be afforded the opportunity to participate
39 in the electronic benefit distribution system.

40 e. The department shall cycle the issuance of cash assistance
41 and food stamp benefits over multiple dates throughout the month
42 in a manner that best serves cash assistance and food stamp
43 recipients within the framework of the electronic benefit
44 distribution system in each county.

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 f. The commissioner shall have the discretion to determine the
2 need for appropriate benefit card security measures, as well as
3 whatever personal identification technology is included on the
4 benefit card, to access cash assistance, food stamp or other benefits
5 under the electronic benefit distribution system.

6 g. A county agency shall issue a photo-identification card to
7 each adult recipient as a condition of receiving benefits until
8 implementation of the electronic benefit distribution system in that
9 county agency. Once a county begins to implement the electronic
10 benefit distribution system, the county agency shall no longer be
11 required to issue a photo-identification card to each adult recipient
12 but may continue the issuance of photo-identification cards separate
13 from the benefit cards.

14 h. **【**Notwithstanding any provisions of law to the contrary, until
15 such time as the electronic benefit distribution system is
16 implemented Statewide, contracts for the provision of food stamp
17 coupons are not subject to the requirements of the "Local Public
18 Contracts Law," P.L.1971, c.198 (C.40A:11-1 et seq.).**】** (Deleted by
19 amendment, P.L. , c. (pending before the Legislature as this bill)

20 i. The commissioner shall work with the New Jersey Office of
21 Information Technology and representatives of automatic teller
22 machine suppliers to create and implement a program or method to
23 prevent: access to cash benefits through the electronic benefit
24 distribution system at automatic teller machines located on the
25 premises of a casino, adult entertainment venue, adult bookstore, or
26 liquor store; and the use of a benefit card to make a point-of-sale
27 purchase at those premises or to pay for a cruise at a travel agency
28 or other venue.

29 (cf: P.L.1998, c.32, s.10)

30
31 2. The Commissioner of Human Services, as soon as is
32 practicable after the date of enactment of this act, shall apply for
33 any federal waivers that the commissioner determines are required
34 to implement the provisions of this act.

35
36 3. The Commissioner of Human Services, pursuant to the
37 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
38 seq.), shall adopt rules and regulations to effectuate the purposes of
39 this act.

40
41 4. This act shall take effect on the first day of the seventh
42 month next following the date of enactment, except that section 2 of
43 this act shall take effect immediately, but the Commissioner of
44 Human Services may take such anticipatory administrative action in
45 advance thereof as shall be necessary for the implementation of this
46 act.

STATEMENT

This bill is intended to restrict the use of electronic benefit cards by cash assistance recipients in those venues that do not conduce to the appropriate use of taxpayer dollars.

The bill directs the Commissioner of Human Services to work with the New Jersey Office of Information Technology and representatives of automatic teller machine suppliers to create and implement a program or method to prevent: access to cash benefits through the electronic benefit distribution system at automatic teller machines located on the premises of a casino, adult entertainment venue, adult bookstore, or liquor store; and the use of a benefit card to make a point-of-sale purchase at those premises or to pay for a cruise at a travel agency or other venue.

The commissioner, as soon as is practicable after the date of enactment of this bill, is to apply for any federal waivers that the commissioner determines are required to implement the provisions of the bill.

The bill takes take effect on the first day of the seventh month following the date of enactment, except for the provision that requires the commissioner to seek any necessary federal waivers, but the commissioner is authorized to take administrative action in advance as necessary to implement the bill.

The restrictions on access to electronic benefit cards by cash assistance recipients in certain venues as provided in this bill include certain restrictions that are currently embodied in federal law, pursuant to sections 4001 through 4005 of Pub.L.112-96, designated as the "Welfare Integrity and Data Improvement Act," enacted on February 22, 2012. Each state must comply with these federal requirements by 2014 or face a loss of federal funds for its TANF program (which is the Work First New Jersey program in this State).