

# MAINE STATE LEGISLATURE

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HUMAN RESOURCES

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
117TH LEGISLATURE
SECOND REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 212, L.D. 271, Bill, "An Act to Establish an Electronic Benefit Delivery Program for Aid to Families with Dependent Children, Food Stamp, Women, Infants and Children Special Supplemental Food and Medicaid Programs"

Amend the bill by striking out the title and substituting the following:

'An Act to Establish an Electronic Benefit Transfer System for Programs Administered by State Government'

Further amend the bill by striking out everything after the enacting clause and before the statement of fact and inserting in its place the following:

'Sec. 1. 22 MRSA c. 1, sub-c. 1-A is enacted to read:

SUBCHAPTER 1-A

ELECTRONIC BENEFIT TRANSFER SYSTEM

§21. Definitions

As used in this subchapter, unless the context otherwise indicates, the following terms have the following meanings.

1. AFDC. "AFDC" means the Aid to Families with Dependent Children program administered pursuant to chapter 1053.

2. Automated teller machine or ATM. "Automated teller machine" or "ATM" means a machine that accepts a debit card distributed to recipients; to the extent permitted by federal law on the effective date of this subchapter, issues funds from

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COMMITTEE AMENDMENT "A" to H.P. 212, L.D. 271

2 established accounts to recipients; and records and reports  
3 individual recipient account activity related to the deposit and  
4 distribution of recipient cash benefits.

6 3. Debit card. "Debit card" means an encoded plastic card  
7 distributed by the department or another department or a  
8 contractor with that department for use in an automated teller  
9 machine or a point of sale device.

10 4. Electronic benefits transfer system or EBT. "Electronic  
11 benefits transfer system" or "EBT" means a system for the  
12 delivery of benefits to recipients by means of automated teller  
13 machines or point of sale devices.

14 5. Food stamps. "Food stamps" means the food stamp program  
15 established pursuant to section 3104.

16 6. Medicaid. "Medicaid" means the Medicaid program under  
17 the provisions of the United States Social Security Act, Title  
18 XIX, and successors to it, and related rules of the department  
19 pursuant to chapter 855.

20 7. Other department or another department. "Other  
21 department" or "another department" means a department of the  
22 State other than the Department of Human Services.

23 8. Other program or another program. "Other program" or  
24 "another program" means a program of the department not defined  
25 as a program in subsection 10 or a program of another department  
26 that is approved for addition to the EBT system.

27 9. Point of sale device. "Point of sale device" means a  
28 machine that accepts a debit card distributed to recipients;  
29 electronically processes transactions at the vendor's place of  
30 business; and records and reports individual recipient benefit  
31 entitlement and distribution.

32 10. Program. "Program" means the AFDC program, food stamps  
33 or Medicaid program or another program.

34 11. Recipient. "Recipient" means a recipient of benefits  
35 under the AFDC, food stamp or Medicaid programs or another  
36 program.

37 12. Vendor. "Vendor" means an authorized retailer,  
38 wholesaler or health care provider that provides food, cash  
39 benefits or health care services to a recipient.

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**§22. Electronic benefit transfer system established**

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The department is authorized to establish an electronic benefit transfer system for the issuance of benefits under the AFDC, food stamp and Medicaid programs.

1. Rulemaking In accordance with Title 5, chapter 375, the department shall adopt rules required for implementation of this subchapter. Rules adopted pursuant to this section are routine technical rules as defined in Title 5, chapter 375, subchapter II-A.

2. Other programs. The department may add other programs to the EBT system if approved for addition by their respective departments, as long as rules are adopted by the department and other departments for the administration of and delivery of benefits under those programs.

3. Participation. All recipients of benefits under the AFDC, food stamp and Medicaid program or another program approved for addition under subsection 2 must participate in the EBT system.

4. Restriction. The following requirements apply prior to implementation of the EBT system and as applied to each program using the EBT system:

A. The department and other departments must determine that use of the EBT system will not decrease benefits or result in unreasonable costs to the recipients; and

B. The department and other departments must successfully complete a request for proposals evaluation and contract negotiations that ensure that the EBT system will be cost-effective for the individual program.

**Sec. 2. Report.** By January 1, 1997, the Department of Human Services shall report to the joint standing committee of the Legislature having jurisdiction over human resource matters on progress in implementing the electronic benefit transfer system established under the Maine Revised Statutes, Title 22, section 22.'

Further amend the bill by inserting at the end before the statement of fact the following:

**FISCAL NOTE**

The Department of Human Services will incur additional General Fund and Federal Expenditure Fund costs if the department

2 elects to pursue electronic benefit transfer systems for certain  
programs.

4 The net amount of future costs or future savings associated  
6 with implementation of an electronic benefit transfer system can  
not be estimated at this time.'

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**STATEMENT OF FACT**

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12 This amendment removes the waiver application date of  
14 October 20, 1995 for the electronic benefit delivery program. It  
16 authorizes the Department of Human Services to establish an  
18 electronic benefit transfer system. It allows for participation  
20 in the electronic benefit transfer system by departments other  
than the Department of Human Services and for programs in  
addition to Aid to Families with Dependent Children, food stamps  
and Medicaid. It changes the date for the report to the Joint  
Standing Committee on Human Resources from January 1, 1996 to  
January 1, 1997.

22 This amendment also adds a fiscal note to the bill.