

1 HB533  
2 198847-1  
3 By Representative Dismukes  
4 RFD: State Government  
5 First Read: 30-APR-19

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8 SYNOPSIS: This bill would further provide for  
9 procedures and limitations for various public  
10 assistance programs administered by the Department  
11 of Human Resources.

12 This bill would preclude the department from  
13 granting categorical eligibility for Supplemental  
14 Nutrition Assistance Program (SNAP) benefits.

15 This bill would provide a lifetime limit of  
16 36 months for temporary cash payments under the  
17 state Family Assistance Program administering the  
18 Temporary Assistance for Needy Families Program  
19 (TANF).

20 This bill would require the Department of  
21 Human Resources to utilize best efforts to identify  
22 purchases at points of sale outside this state  
23 using cash benefits under the Temporary Assistance  
24 for Needy Families Program (TANF) or SNAP benefits  
25 and to establish a benchmark number of out-of-state  
26 transactions using TANF benefits that will  
27 automatically generate review of the recipient's

1           residency status by the department, as well as  
2           review of frequent or large even-dollar purchases  
3           by recipients.

4           This bill would require the Department of  
5           Human Resources to monitor all requests for  
6           replacement EBT cards, and after the fourth request  
7           or sooner pursuant to department rules, require an  
8           office visit by the recipient to alert the  
9           recipient that his or her account would be  
10          monitored for potential suspicious activity.

11          This bill would also provide for the  
12          suspension of cash payments under the TANF program  
13          when a recipient fails to cooperate with an ongoing  
14          fraud investigation and would require the  
15          department to maintain sufficient fraud  
16          investigative staff.

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18                                   A BILL  
19                                   TO BE ENTITLED  
20                                   AN ACT

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22           Relating to public assistance; to preclude the  
23           department from seeking, applying for, accepting, or renewing  
24           certain waivers of work requirements for Supplemental  
25           Nutrition Assistance Program (SNAP) benefits; to preclude the  
26           department from granting categorical eligibility for SNAP  
27           benefits; to provide a lifetime limit of 36 months for

1 temporary cash payments under the Temporary Assistance for  
2 Needy Families program (TANF); to require the department to  
3 utilize best efforts to identify purchases using TANF or SNAP  
4 benefits at points of sale outside this state; to require the  
5 department to establish a benchmark number of out-of-state  
6 transactions using TANF benefits that will automatically  
7 generate review of the recipient's residency status; to  
8 require review of frequent, large, even-dollar purchases using  
9 EBT cards; to require review of multiple requests for  
10 replacement EBT cards and investigation for suspicious  
11 activity under certain conditions; to provide for the  
12 suspension of cash payments under TANF when a recipient fails  
13 to comply with a fraud investigation; to require the  
14 department to maintain sufficient fraud investigative staff;  
15 and to provide rulemaking authority.

16 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

17 Section 1. Unless expressly required by federal law,  
18 categorical eligibility exempting households from the required  
19 resource limit standards of the Supplemental Nutrition  
20 Assistance Program (SNAP) may not be granted for any non-cash,  
21 in-kind, or other benefit.

22 Section 2. Unless expressly required by federal law,  
23 the Department of Human Resources may not do either of the  
24 following:

25 (1) Seek, apply for, accept, or renew certain  
26 waivers of work requirements for Supplemental Nutrition  
27 Assistance Program (SNAP) benefits established under 7 U.S.C.

1 § 2015(o), except for a county where the unemployment rate is  
2 10 percent or greater as determined pursuant to rules adopted  
3 by the department.

4 (2) Grant categorical eligibility under 7 U.S.C. §  
5 2014(a) for any non-cash, in-kind, or other Supplemental  
6 Nutrition Assistance Program (SNAP) benefit.

7 Section 3. Unless expressly prohibited by federal  
8 law, the Department of Human Resources shall disqualify  
9 recipients of benefits under the Supplemental Nutrition  
10 Assistance Program (SNAP) for failure to perform program  
11 actions or for continued non-compliance with administrative  
12 actions as required by the Temporary Assistance for Needy  
13 Families (TANF) program.

14 Section 3. (a) Except as provided in subsection (b)  
15 and beginning on the effective date of this act, the lifetime  
16 limit temporary cash payments under the Temporary Assistance  
17 for Needy Families Program (TANF) shall be 36 months.

18 (b) The lifetime limit in subsection (a) does not  
19 apply to the exceptions set forth in 42 U.S.C. § 608(a)(7).

20 Section 4. The Department of Human Resources shall  
21 do all of the following:

22 (1) Utilize best efforts to identify purchases using  
23 cash benefits under the Temporary Assistance for Needy  
24 Families Program (TANF) and Supplemental Nutrition Assistance  
25 Program (SNAP) benefits at points of sale outside this state.

26 (2) Establish a benchmark number of out-of-state  
27 transactions using TANF and SNAP benefits that will generate

1 automatic review of the recipient's residency status by the  
2 department. A review under this subdivision shall include  
3 consideration of the residential proximity of a TANF or SNAP  
4 benefit recipient to a contiguous state.

5 (3) Use best efforts to identify frequent or large  
6 even-dollar purchases by recipients using EBT cards and  
7 establish a benchmark that will generate automatic review of  
8 the recipient's use of the cash benefits under TANF or SNAP to  
9 identify fraudulent use of benefits.

10 (4) Monitor all requests for replacement electronic  
11 benefits transfer cards (EBT) and, after the fourth request,  
12 or sooner pursuant to rules adopted by the department, in a  
13 12-month period, require an office visit in which the  
14 recipient is alerted that his or her account is being  
15 monitored for suspicious activity. If a recipient makes an  
16 additional request for replacement EBT cards subsequent to the  
17 notice required in this subdivision, the department shall  
18 automatically review the recipient's use of the card to  
19 identify fraudulent purchases or use.

20 (5) Adopt rules relating to cash benefits under TANF  
21 and SNAP benefits to provide that any individual who has  
22 failed to cooperate with a fraud investigation is ineligible  
23 to participate in the TANF program until the department  
24 determines that the person is reasonably cooperating with the  
25 fraud investigation.

26 (6) Maintain a sufficient level of fraud  
27 investigative staff to enable the department to conduct fraud

1 investigations in a timely manner and in full compliance with  
2 state law and rules of the department.

3 Section 5. The Department of Human Resources may  
4 adopt rules for the implementation and administration of this  
5 act.

6 Section 6. This act shall become effective on  
7 January 1, 2020, following its passage and approval by the  
8 Governor, or its otherwise becoming law.