

Regular Session, 2012

HOUSE BILL NO. 95

BY REPRESENTATIVES HENRY, ADAMS, ARNOLD, STUART BISHOP, BROWN, HENRY BURNS, CHAMPAGNE, GAROFALO, GISCLAIR, GREENE, HAVARD, HENSGENS, HILL, HODGES, HOFFMANN, HOLLIS, LEOPOLD, LIGI, LOPINTO, LORUSSO, MACK, JAY MORRIS, PUGH, PYLANT, REYNOLDS, RICHARD, SEABAUGH, TALBOT, THOMPSON, AND WHITNEY

WELFARE: Prohibits Family Independence Temporary Assistance Program (FITAP) benefits from being drawn at ATMs, utilized for the purchase of alcohol or tobacco, and remitted at gaming establishments and sexually oriented businesses

1 AN ACT

2 To amend and reenact R.S. 46:231.13 and 450.1(B)(6) and (C)(3) and to enact R.S.
3 46:231(15) and (16), 231.2.1, and 450.1(C)(4) and (5), relative to aid to needy
4 families; to provide for the Family Independence Temporary Assistance Program;
5 to prohibit certain uses of Family Independence Temporary Assistance Program
6 benefits; to provide limitations on retailers participating in the cash assistance
7 electronic benefits transfer system; to provide for definitions; to authorize
8 promulgation of rules; and to provide for related matters.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. R.S. 46:231.13 and 450.1(B)(6) and (C)(3) are hereby amended and
11 reenacted and R.S. 46:231(15) and (16), 231.2.1, and 450.1(C)(4) and (5) are hereby enacted
12 to read as follows:

13 §231. Aid to needy families; definitions

14 As used in this Subpart, unless the context clearly requires otherwise:

15 * * *

16 (15) "Gaming establishment" means any establishment which provides
17 gaming activities which are subject to regulation by the Louisiana Gaming Control
18 Board.

1 card, or to remit cash assistance for the purchase of any prohibited item as provided
2 in R.S. 46:231.2.1.

3 B. Any retailer participating in the cash assistance electronic benefits
4 transfer system who violates a provision of this Section shall be subject to the
5 following penalties:

6 (1) A retailer who allows cash assistance to be used for a purpose prohibited
7 pursuant to the provisions of this Section shall be disqualified from participation in
8 the cash assistance electronic benefits transfer system for a period not to exceed six
9 months.

10 (2) A retailer who allows cash assistance to be used for a purpose prohibited
11 pursuant to the provisions of this Section, and the ownership of the retail
12 establishment approved of or was involved in the conduct of the violation, shall be
13 disqualified from participation in the cash assistance electronic benefits transfer
14 system for a period not to exceed one year.

15 * * *

16 §450.1. Electronic authorization and distribution of public assistance benefits and
17 services

18 * * *

19 B. The contract program selected to provide the electronic issuance system
20 shall include but not be limited to:

21 * * *

22 (6) Provision, installation, and maintenance of ~~automated teller machines,~~
23 point of sale terminals, printers, and personal identification number "PIN" pads in
24 the parish offices, in retail establishments which accept food stamps, and in other
25 appropriate locations of participants in the program.

26 C. The contract program shall also:

27 * * *

28 (3) Provide that ~~the cash back provisions of~~ the electronic issuance system
29 shall not allow the merchant to ~~charge the recipient reasonable and customary~~
30 ~~charges for the provision of~~ provide any cash back services.

- (1) A retailer who allows cash assistance to be used for a purpose prohibited by proposed law shall be disqualified from participation in the cash assistance electronic benefits transfer system for a period not to exceed six months.
- (2) A retailer who allows cash assistance to be used for a purpose prohibited by proposed law, and the ownership of the retail establishment approved of or was involved in the conduct of the violation, shall be disqualified from participation in the cash assistance electronic benefits transfer system for a period not to exceed one year.

Present law provides that retailers participating in the cash assistance electronic benefits transfer (EBT) system are not prohibited from charging or assessing a fee against cash assistance recipients who are accessing benefits for the sole purpose of obtaining cash. Proposed law amends present law to provide that no retailer participating in the cash assistance EBT system shall allow a cash assistance recipient to obtain cash through the use of an electronic benefits transfer card.

Proposed law deletes present law which provides that the contract program selected by DCFS to provide the electronic benefits issuance system shall install and maintain automated teller machines in DCFS parish offices, in retail establishments which accept food stamps, and in other appropriate locations of participants in the program.

Present law provides that the contract program selected by DCFS to provide the electronic benefits issuance system shall ensure that such system allows the merchant to charge the recipient reasonable and customary charges for the provision of cash back services. Proposed law amends present law to provide that such system shall not allow a merchant to provide any cash back services.

Proposed law provides that the contract program selected by DCFS to provide the electronic benefits issuance system shall ensure that no gaming establishment or sexually oriented business as defined in proposed law participates as a merchant in the system. Provides that such contract program also ensure that no FITAP assistance is remitted at any participating retailer for the purchase of an alcoholic beverage or tobacco product.

Proposed law provides that DCFS shall promulgate, in accordance with the Administrative Procedure Act, all rules necessary to implement the provisions of proposed law by Feb. 1, 2013.

(Amends R.S. 46:231.13 and 450.1(B)(6) and (C)(3); Adds R.S. 46:231(15) and (16), 231.2.1, and 450.1(C)(4) and (5))

Summary of Amendments Adopted by House

Committee Amendments Proposed by House Committee on Health and Welfare to the original bill.

1. Added provision to proposed law which prohibits remittance of FITAP assistance to any retailer for the purchase of an alcoholic beverage.
2. Made technical change.

House Floor Amendments to the engrossed bill.

1. Deleted definition of liquor store from proposed law.
2. Eliminated a liquor store, as defined in proposed law, as a place where the use of FITAP assistance would be prohibited.

3. Added provision to proposed law prohibiting remittance of FITAP assistance to any retailer for the purchase of a tobacco product.
4. Provided that nothing in present law or proposed law shall prohibit the remittance of FITAP assistance for the purpose of obtaining a cashiers check, certified check, or money order.
5. Provided the following penalties for violations by retailers of proposed law:
 - (a) A retailer who allows cash assistance to be used for a purpose prohibited by proposed law shall be disqualified from participation in the cash assistance electronic benefits transfer system for a period not to exceed six months.
 - (b) A retailer who allows cash assistance to be used for a purpose prohibited by proposed law, and the ownership of the retail establishment approved of or was involved in the conduct of the violation, shall be disqualified from participation in the cash assistance electronic benefits transfer system for a period not to exceed one year.
6. Added requirement that DCFS shall promulgate all rules necessary to implement the provisions of proposed law before Feb. 1, 2013.
7. Made technical changes.