

Santa Barbara County

Electronic Benefit Transfer (EBT)



What is EBT?

- Electronic delivery system
- Like ATM cards
- 7000 Cards will be issued to Clients and their Authorized Representatives

Why EBT?

- Federal law for Food Stamps
- Better service delivery to clients
 - Modernizes benefit redemption
 - Reduces stigma
 - Increases security and reliability of benefits

EBT for Food Stamp Coupons

- Replaces Food Stamp coupons
- Does not affect Food Stamp amount, eligibility requirements, availability dates, or where and how clients use Food Stamps

EBT for Cash Benefits

- Replaces paper checks
- Does not change cash amount or eligibility requirements
- Cash benefits will be available on first three days of the month

Benefits to Cash Aid Clients



- Better security
 - A check can get lost in the mail.
 - Reduces need to carry large amounts of cash because the entire benefit does not need to be “cashed” at one time.
 - No one can access benefits on the EBT card without the PIN.
 - A lost card can easily be replaced, unlike lost cash.

Benefits to Cash Aid Clients



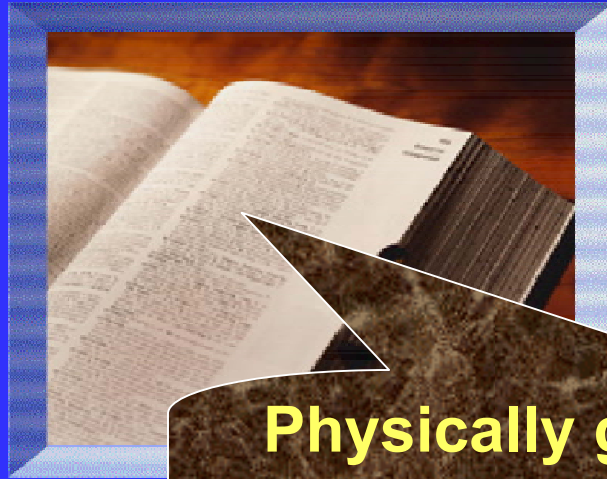
- Convenience and flexibility
 - clients can get their cash benefits in a variety of ways and places
 - Cash withdrawal
 - Purchase goods and services
 - Purchase with cash back
 - Purchase money orders
 - Direct bill payment (pending)



Benefits to **Cash Aid** Clients

- Low cost
 - Access to cash benefits via EBT will be free or low cost
- Improved Money Management
 - Uses POS and ATMs
 - Ability to budget funds in an account instead of carrying cash.

Switching from Paper Checks & Food Stamp Coupons to EBT



Physically getting the cards and PINs to clients and providing training

EBT Conversion



- The Conversion effort started in July 2002
- Walk-In Training Begins November 2002
- Most of the clients in Santa Barbara County will receive EBT cards in the mail in January 2003
- Some clients will come into a County Office to pick up their cards and get training

Cash Access Plan

- **Cost**
 - Possible fees for cash access
- **Capacity**
 - How much cash is available
- **Proximity**
 - Are there Banks and Businesses Close

Cash Access Goals

- Access to entire monthly cash benefit on the benefit availability date
- Flexibility and choice
- Free and low cost
- Option of direct deposit

"Cash Access" Cost

- **2 Types of Fees:**
 - **Transaction: The cost of moving a transaction over the financial network**
 - **Surcharge: A fee charged by ATM and/or POS owner**
- **Any transaction made could be subject to one, both, or neither fee.**

ATMs Cost

- Participating Surcharge Free ATMs
 - Washington Mutual
 - California Federal Bank
 - PIA of Texas CU (in some convenience stores)
- Participating ATMs with Surcharges
 - Bank of America
 - Mid-State Bank
 - Wells Fargo Bank

ATMs Capacity



- Cash Withdrawal at ATM
 - No daily withdrawal limit
 - Dollar limit per transaction at the ATM
- Found at banks, credit unions, malls, grocery stores, gas stations, convenience stores.
- Some ATMs will charge a surcharge

Point of Sale (POS) Capacity

- Purchase
- Purchase with Cash Back
- Purchase Money Order
- Cash Withdrawal
- Based on Store Policy
 - Fees, limits on cash back, purchase requirements
 - Same policy as for other customers

Point of Sale Capacity/Proximity

- Participating Locations
 - Food stamp stores



- Other non-food retail stores



Improving the Cash Access Plan

- How do clients cash checks now
- What alternatives can we provide for cash access
- The plan is not finalized yet
- The State will be continually seeking to add new cash access locations

CAP Status

■ Participants involved

- CBOs other County Departments and Interested Individuals are part of the Cash Acceptance Plan Team
- Plan Template Reviewed
- Plan Draft 9/ 27
- Plan Final 12/ 6
- Cash Plan Acceptance 12/9.

Questions and Comments

