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March 7, 2016

Ms. Vicky T. Robinson, Chief  
Retailer Management and Issuance Branch, Rm. 426  
Food and Nutrition Service  
U.S. Department of Agriculture  
3101 Park Center Drive  
Alexandria, VA 22302

Re: Federal Register Notice/Proposed Rule: Supplement Nutrition Assistance Program (SNAP) Photo Electronic Benefit Transfer (EBT) Card Implementation Requirements

Dear Ms. Robinson,

The Electronic Funds Transfer Association (EFTA), on behalf of its eGovernment Payments Council (eGPC), is submitting the following comments in response to the above-captioned Notice published January 6, 2016 in the Federal Register.

EFTA is a non-profit, professional association that through education and outreach promotes the adoption of electronic payments and commerce. EFTA was an early and strong proponent of using electronic benefits technology for SNAP and other government programs.

The eGPC is an EFTA working group that focuses on the business, policy and operating issues involved in government electronic payment programs. eGPC members include financial institutions, state government agencies, EBT processors, ATM networks, non-profit advocates, equipment and card manufacturers, and technology companies. These members support EBT Programs and work with other stakeholders to help ensure effective and efficient delivery of EBT services.

EFTA and its eGPC members are committed to the long-term success of EBT. We greatly appreciate the opportunity to provide comments on the proposed rule providing regulatory guidance to States that choose to implement the SNAP Photo EBT card option.

We congratulate FNS on drafting rules that clearly define the policy requirements for implementing SNAP Photo EBT cards and protect the integrity of the program. One of the many benefits of EBT is that at the point-of-sale an EBT cardholder is treated like any other cardholder by the retailer. What is needed to make a purchase is a valid EBT card and PIN. The proposed rule makes it very clear that in States that choose to add a photo to the SNAP EBT card, all members of the household and their authorized representative must continue to be able to use the EBT card to purchase food, regardless of whose photo is on the card. Interoperability of EBT cards will remain the same regardless of whether there is a photo on the card and which State issued the card.

The eGPC believes that there is no cost benefit to a State for a photo on the EBT card, and that such a requirement will have little or no impact on fraud. That said EBT processors and their card vendors are well equipped to implement and operate a photo EBT card program should a state choose this option. We are also very pleased that from a technology, EBT service delivery, and regulatory perspective there are no provisions in the proposed rule that would negatively impact an EBT contractor's ability to continue to provide quality EBT service to States and the clients they serve.

We would like to provide feedback on program access and integrity, and possible approaches to preventing individual from using multiple EBT cards that they have obtained illegally, such as establishing

a dollar threshold for individuals using three or more cards. As noted in the proposed rule, establishing a dollar threshold for an individual using three or more cards may cause program access issues for an individual shopping for a group home or other authorized facility. We would also like to point out that from a system processing perspective there is no way to implement such a feature that puts a dollar threshold for an individual using three or more cards. EBT cards are set-up and maintained under different account numbers and household members. There is no systematic way for the EBT system to know that the same person is using the different EBT cards.

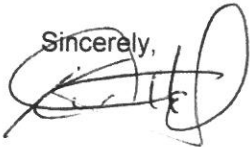
There are a number of ways the EBT processors can assist the federal government and the States in fraud monitoring. For example, these transactions would show up on the EBT report of retailers performing multiple purchases within a short period time. EBT processors can also monitor transactions on a situation-by-situation basis, run velocity checks, and monitor multiple cards being used within a specific timeframe at a specific retailer. Additionally, if a State knows that an individual will be shopping for multiple clients, it can pass on this information to their EBT processor and the processor can eliminate these clients from this sort of fraud monitoring.

EFTA would also like to provide comments on the topic of how to verify appropriate implementation of photos EBT cards on an ongoing basis to identify access issues. We agree with the proposed FNS method of using "testers" to determine if in practice SNAP participants and their authorized representatives are able to purchase food at authorized retailers, regardless of whether their picture is on the card. On an ongoing basis, FNS could also monitor EBT redemption reports to determine if there has been a decrease in a store's redemption pattern as a result of the photo EBT card program. Additionally, tracking complaint calls to EBT contractor help-desks and States to report photo card access issues could be used to determine if a retailer is not complying with regulatory requirements.

In summary, EFTA would like to compliment FNS on developing a very thorough and clearly defined set of proposed policy requirements and procedures for a photo EBT card program that will help ensure that SNAP participant access to benefits is maintained.

Thank you for your consideration of our comments. If we have any follow-up questions please feel free to contact me directly.

Sincerely,

A handwritten signature in black ink, appearing to read "Kurt Helwig", written over a white background.

Kurt Helwig  
President & CEO