



eGPC Notes on Boozman Bill: S-1966 Hunger Free Summer for Kids Act of 2015

Summary: The implementation and operational requirements within the bill are problematic. The proposed administrative expense of 2.5 percent of the amount of benefits is not adequate to cover operational costs for the EBT account. The costs to implement the program will be significant, but is not discussed in the bill. There are programmatic and policy issues that require policy decisions before this program can be implemented.

Specific Concerns:

- The bill states “a retail store shall redeem EBT card benefits... in the same manner as benefit redemption under the special supplemental nutrition program ...” Implementation would require integration with the WIC EBT system, and potentially with the WIC MIS. The cost for the integration could potentially be significant.
- Support for this new type of benefit would require modifications to existing and planned WIC management Information systems, at a high cost, and could delay EBT adoption in many states.
- Many states are not yet EBT enabled, and some states will likely not meet the 2020 deadline. This leaves many unserved participants unable to utilize the program, and consequently without food for the summer.
- States differ in their implementation of WIC EBT, with some States using smart cards for an offline implementation and other states using magnetic stripe cards for an online implementation. This difference will need to be considered in making program policy and looking at implementation costs. Smart cards are significantly more expensive than magnetic stripe cards, about \$2.50 for smart cards versus \$.40 cents for magnetic stripe cards.
- WIC benefits are not issued as a dollar value, but consist of a food prescription for the participant. Policy and program decisions will be required to determine the proper food prescription for a school age participant’s lunch, as none currently exists for this age group. There are ramifications to EBT processors, retailers, and participants depending on the foods selected.
- The requirements for eligibility are complex (e.g., EBT cards are issued only to children residing— (aa) in a rural area, as defined by the Secretary; or (bb) outside an area in which poor economic conditions exist) and will be difficult and costly to implement. This will also increase the costs and complexity for implementation.
- There is language in the bill about issuing EBT cards to children. We strongly advise against language that states EBT cards will be issued to children. EBT cards should be issued to parents or legal guardians.