



To: EFTA eGovernment Payments Council
Copy: EFTA Board of Directors
From: Kurt Helwig, President & CEO
Date: December 17, 2012
Subject: TANF EBT Card Rule Delayed

As you know, EFTA and the eGovernment Payments Council have been tracking closely the Rules Making process currently underway at the Department of Health and Human Services' Administration for Children and Families (ACF). ACF had hoped to release a Notice of Proposed Rulemaking (NPRM) on the use of Electronic Benefit Transfer (EBT) cards under the Temporary Assistance for Needy Families (TANF) program perhaps by late this year. However, ACF officials said this week that the rule will probably not be released until the early months of 2013 at the earliest.

In the meantime, ACF officials have reiterated that states can take action based on their own "reasonable" interpretation of the statute. The states' first reports under the requirement will be due February 2014, by which time states must 1) make a "good faith effort" to ensure cards are not cashed in prohibited locations; 2) put in place a process to ensure compliance; and, 3) determine the effectiveness of their approach. In subsequent years, EBT compliance will be part of the state's annual TANF report.

Once the NPRM is released, states will have 60 days to submit comments before publication of the final rule. EFTA and the eGPC will continue to monitor this situation.