HLS 12RS-528 ENGROSSED

Regular Session, 2012

HOUSE BILL NO. 95

1

BY REPRESENTATIVES HENRY AND HAVARD

WELFARE: Prohibits the conversion to cash of Family Independence Temporary Assistance Program (FITAP) benefits issued electronically and prohibits the use of such benefits in liquor stores, gaming establishments, and sexually oriented businesses

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), (16), and (17), 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), (16), and (17), 231.2.1, and 450.1(C)(4) and (5) are hereby
12	enacted 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 (16) "Liquor store" means any retail establishment which sells exclusively 2 or primarily intoxicating liquor, except a grocery store which sells both intoxicating 3 liquor and groceries including staple foods as defined in Section 3(r) of the Food and 4 Nutrition Act of 2008. (17) "Sexually oriented business" means any commercial enterprise which 5 6 has as its primary business the offering of a service or the sale, rent, or exhibit of 7 devices or any other items intended to provide sexual stimulation or sexual 8 gratification to the customer. 9 10 §231.2.1. Prohibition on use of benefits 11 The department shall develop and maintain such policies as are necessary to 12 ensure the following: 13 (1) That no FITAP assistance is used in any transaction in a liquor store, 14 gaming establishment, or sexually oriented business. 15 (2) That no FITAP assistance issued on an electronic benefits transfer card 16 is drawn in the form of cash from an automated teller machine or a retailer. 17 (3) That no FITAP assistance is remitted at any retailer for the purchase of 18 an alcoholic beverage as defined in R.S. 14:93.10(3). 19 20 §231.13. Retailer fees for access Access to cash assistance benefits at retailers; 21 prohibition on obtaining cash 22 Retailers No retailer participating in the cash assistance electronic benefits 23 transfer system are not prohibited from charging or assessing a fee against cash 24 assistance recipients who are accessing benefits for the sole purpose of obtaining 25 cash. Such fee shall not exceed the retailer's normal and customary check cashing 26 fee assessed against the general public. Retailers shall not establish maximum limits 27 for recipient access to cash assistance benefits. shall allow a cash assistance recipient 28 to obtain cash through the use of an electronic benefits transfer card. 29

1	§450.1. Electronic authorization and distribution of public assistance benefits and
2	services
3	* * *
4	B. The contract program selected to provide the electronic issuance system
5	shall include but not be limited to:
6	* * *
7	(6) Provision, installation, and maintenance of automated teller machines,
8	point of sale terminals, printers, and personal identification number "PIN" pads in
9	the parish offices, in retail establishments which accept food stamps, and in other
0	appropriate locations of participants in the program.
1	C. The contract program shall also:
12	* * *
13	(3) Provide that the cash back provisions of the electronic issuance system
14	shall not allow the merchant to charge the recipient reasonable and customary
15	charges for the provision of provide any cash back services.
16	(4) Ensure that no gaming establishment, liquor store, or sexually oriented
17	business as defined in R.S. 46:231 participates as a merchant in the electronic
18	issuance system.
19	(5) Ensure that no FITAP assistance is remitted at any participating retailer
20	for the purchase of an alcoholic beverage as defined in R.S. 14:93.10(3).
21	* * *
22	Section 2. The Department of Children and Family Services shall promulgate, in
23	accordance with the Administrative Procedure Act, any rules necessary to implement the
24	provisions of this Act

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

Henry HB No. 95

Abstract: Prohibits the conversion to cash of Family Independence Temporary Assistance Program (FITAP) benefits issued electronically and prohibits the use of such benefits in liquor stores, gaming establishments, and sexually oriented businesses.

<u>Present law</u> provides that the Family Independence Temporary Assistance Program (FITAP) is the cash assistance program for needy families of this state established pursuant to the Federal Welfare Reform Act of 1996.

<u>Proposed law</u> provides the following definitions:

- (1) "Gaming establishment" means any establishment which provides gaming activities which are subject to regulation by the La. Gaming Control Board.
- (2) "Liquor store" means any retail establishment which sells exclusively or primarily intoxicating liquor, except a grocery store which sells both intoxicating liquor and groceries including staple foods as defined in Section 3(r) of the Food and Nutrition Act of 2008.
- (3) "Sexually oriented business" means any commercial enterprise which has as its primary business the offering of a service or the sale, rent, or exhibit of devices or any other items intended to provide sexual stimulation or sexual gratification to the customer.

<u>Proposed law</u> provides that the Dept. of Children and Family Services (DCFS) shall ensure that no FITAP assistance is used in any transaction in a liquor store, gaming establishment, or sexually oriented business. Provides that DCFS shall ensure that no FITAP assistance issued on an electronic benefits transfer card is drawn in the form of cash from an automated teller machine or a retailer. Provides further that no FITAP assistance is remitted at any retailer for the purchase of an alcoholic beverage.

<u>Present law</u> 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. <u>Proposed law</u> amends <u>present law</u> 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.

<u>Proposed law</u> deletes <u>present law</u> 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.

<u>Present law</u> 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. <u>Proposed law</u> amends <u>present law</u> to provide that such system shall not allow a merchant to provide any cash back services.

<u>Proposed law</u> provides that the contract program selected by DCFS to provide the electronic benefits issuance system shall ensure that no gaming establishment, liquor store, or sexually oriented business as defined in <u>proposed law</u> 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.

<u>Proposed law</u> provides that DCFS shall promulgate, in accordance with the Administrative Procedure Act, any rules necessary to implement the provisions of <u>proposed law</u>.

(Amends R.S. 46:231.13 and 450.1(B)(6) and (C)(3); Adds R.S. 46:231(15), (16), and (17), 231.2.1, and 450.1(C)(4) and (5))

Summary of Amendments Adopted by House

Committee Amendments Proposed by <u>House Committee on Health and Welfare</u> to the <u>original</u> bill.

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