

State of Wisconsin



1995 Senate Bill 445

Date of enactment: **May 28, 1996**
Date of publication*: **June 11, 1996**

1995 WISCONSIN ACT 368

AN ACT to create 49.129 of the statutes; relating to: transfer of food stamps and other governmental benefits through an electronic benefit transfer system and granting rule-making authority.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

[ENROLLING NOTE BY THE LEGISLATIVE REFERENCE BUREAU: This act is 1995 Senate Bill 445, as amended. The bill was prepared for the joint legislative council's special committee on electronic benefit transfer systems. 1995 Senate Bill 445, as initially introduced, contained a PREFATORY NOTE, which was provided by the joint legislative council. The PREFATORY NOTE was deleted from the act because amendments affected the bill.]

SECTION 1. 49.129 of the statutes is created to read:
49.129 Electronic benefit transfer. (1) DEFINITION.

In this section, "food stamp program" means the federal food stamp program under 7 USC 2011 to 2029 or, if the department determines that the food stamp program no longer exists, a nutrition program that the department determines is a successor to the food stamp program.

(2) DELIVERY OF FOOD STAMPS. (a) The department shall request any necessary authorization from the secretary of the federal department of agriculture to deliver food stamp benefits to recipients of food stamp benefits by an electronic benefit transfer system.

(b) 1. Except as provided in subd. 2. and sub. (8), if the necessary authorization under par. (a) is granted, the department shall begin to implement, no later than July 1, 1999, a program to deliver food stamp benefits to recipients of food stamp benefits by an electronic benefit transfer system and shall implement the program state-

wide no later than April 1, 2000. All suppliers, as defined in s. 49.127 (1) (d), may participate in the delivery of food stamp benefits under the electronic benefit transfer system. The department shall explore methods by which nontraditional retailers, such as farmers' markets, may participate in the delivery of food stamp benefits under the electronic benefit transfer system.

2. The department need not implement a program to deliver food stamp benefits by an electronic benefit transfer system if any of the following applies:

a. The department determines that the cost of the electronic benefit transfer system would be greater than the cost of another food stamp delivery system.

b. The department determines that the state may be liable under 12 CFR 205 for lost or stolen benefits.

(3) DELIVERY OF OTHER BENEFITS. (a) The department shall request any necessary authorization from the appropriate federal agency to deliver benefits that are administered by the department, other than food stamp benefits, to recipients of benefits by an electronic benefit transfer system.

(b) If the necessary authorization under par. (a) is granted, and except as provided in sub. (8), the department may implement a program to deliver by an electronic benefit transfer system any benefit that is administered by the department and that the department designates by rule.

* Section 991.11, WISCONSIN STATUTES 1993-94: Effective date of acts. "Every act and every portion of an act enacted by the legislature over the governor's partial veto which does not expressly prescribe the time when it takes effect shall take effect on the day after its date of publication as designated" by the secretary of state [the date of publication may not be more than 10 working days after the date of enactment].

(4) DUTIES; IMPLEMENTATION. In implementing a program to deliver benefits by an electronic benefit transfer system, the department shall do all of the following:

(a) Consult with members of the following groups:

1. Benefit recipients.
2. Advocates for benefit recipients.
3. Financial institution personnel.
4. Appropriate county, state and tribal governing body employes.
5. Persons who sell goods or services to recipients for which payment may be made by use of an electronic benefit transfer system, including, as appropriate, retailers, landlords and public utilities.

(b) Hold informational meetings at a variety of locations around the state.

(c) To the extent possible, maximize the use of existing automated teller machines and point-of-sale terminals.

(d) Authorize the use of cards that physically resemble financial transaction cards, as defined in s. 943.41 (1) (em).

(5) STATE AGENCIES. The department may enter into an agreement with any state agency to deliver benefits paid by that agency by an electronic benefit transfer system.

(5m) JOINT COMMITTEE ON FINANCE REVIEW. Prior to implementing the electronic benefit transfer system under this section, the department shall notify the joint committee on finance of the proposed system. The department may proceed with implementation of the system if, within 14 working days of the notification, the committee does not schedule a meeting for the purpose of reviewing the department's proposed system. If the committee schedules a meeting for the purpose of reviewing the proposed system, the system shall not take effect unless the committee approves the system.

(6) ADMINISTRATION; CONTRACTS. The department may enter into a contract with any financial institution, as defined in s. 705.01 (3), or other fiscal intermediary to administer a program to deliver benefits to recipients by an electronic benefit transfer system. The contract shall require the contractor to do all of the following:

(a) Provide training on the use of the electronic benefit transfer system to the persons enumerated in sub. (4) (a).

(b) Provide ongoing assistance, on a 24-hour basis, on the use of the electronic benefit transfer system.

(7) RULES. The department shall promulgate rules for the administration of the electronic benefit transfer system under this section. The rules shall include all of the following:

(a) The liability, and limits on the liability, of a recipient for lost benefits after the loss or theft of a card issued to the recipient under sub. (4) (d).

(b) The suspension from a program of recipients, retailers or other participants for fraudulent activity, as defined by the department.

(c) A provision for confidentiality.

(d) Measures to be taken by the department or the person with whom the department contracts under sub. (6) to ensure the security of card issuance and electronic transfer of benefits.

(8) COUNTY PARTICIPATION; EXCEPTION. The department may not require a county or tribal governing body to participate in an electronic benefit transfer system under this section if the costs to the county or tribal governing body would be greater than the costs that the county or tribal governing body would incur in delivering the benefits through a system that is not an electronic benefit transfer system.