



STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
P. O. Box 339
Honolulu, Hawaii 96809-0339

February 12, 2013

MEMORANDUM

TO: The Honorable Mele Carroll, Chair
Committee on Human Services

FROM: Patricia McManaman, Director

SUBJECT: **H.B. 1113 – RELATING TO ELECTRONIC BENEFITS TRANSFER
CARDS**

Hearing: Thursday, February 12, 2013, 9:30 a.m.
Conference Room 329, State Capitol

PURPOSE: The purpose of H.B. 1113 is to require the Department of Human Services to submit a waiver to allow the placement of photo identification on electronic benefits transfer (EBT) cards and to provide an estimate of the cost to replace current EBT cards with photo identification, to phase in the new photo cards under the current contract with the EBT card vendor, and implement uniform distribution of EBT photo cards under a new request for proposals upon expiration of the current contract with the EBT card vendor.

DEPARTMENT'S POSITION: The Department of Human Services (DHS) appreciates the intent of this bill and offers the following comments.

Placement of a photo on the State EBT card is a State option and would not require a waiver of federal regulations. The DHS has sought guidance from the U. S. Department of Agriculture (USDA) on the issue of photo identification on EBT cards in the past. The USDA has advised that while this is a State option, participating states

would need to ensure that all appropriate household members and any authorized representatives could access benefits. This would require multiple cards with different photo identifications. USDA further advised that states would need to establish procedures to ensure that recipients have reasonable opportunity to complete the photo, that exemptions to the photo requirement for good cause are allowed, and that the cost of adding the photo was reasonable and necessary to the purposes of the program. Importantly, USDA cautioned that adding photo identification could potentially slow down the application process and decrease the timeliness rate. At a time when the State is experiencing a significant deficiency in application processing timeliness, the photo requirement may be an unnecessary barrier to services.

The Department initiated a cost inquiry with the current vendor that provides the cards. The estimated cost per photo card could be \$2.00 with a shipping cost of \$0.85 per card. The DHS would need to replace approximately 100,000 cards. Camera costs are estimated at \$3,000 per device. A minimum of one device would need to be installed at each of the 30 processing centers statewide. Other costs to consider include equipment, system modifications and possible upgrades, production costs, client notification, and increased mail processing at the very least. Currently, the EBT card has security features such as a signature panel at the back of the card and a personal identification number (PIN).

The Department believes that imprinting photo identification on the State EBT card is not cost effective and be labor intensive for State personnel. There is no evidence that imprinting photos onto the EBT card will reduce fraud activities.

Thank you for this opportunity to provide comments on this bill.

kobayashi1-Joni

From: mailinglist@capitol.hawaii.gov
Sent: Friday, February 08, 2013 10:15 AM
To: HUS testimony
Cc: nalani.mcdougall@gmail.com
Subject: *Submitted testimony for HB1113 on Feb 12, 2013 09:30AM*

Categories: Yellow Category

HB1113

Submitted on: 2/8/2013

Testimony for HUS on Feb 12, 2013 09:30AM in Conference Room 329

Submitted By	Organization	Testifier Position	Present at Hearing
Brandy Nalani McDougall	Individual	Support	No

Comments:

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kobayashi1-Joni

From: mailinglist@capitol.hawaii.gov
Sent: Saturday, February 09, 2013 8:43 AM
To: HUS testimony
Cc: waynetakamine@hawaii.rr.com
Subject: Submitted testimony for HB1113 on Feb 12, 2013 09:30AM

Categories: Yellow Category

HB1113

Submitted on: 2/9/2013

Testimony for HUS on Feb 12, 2013 09:30AM in Conference Room 329

Submitted By	Organization	Testifier Position	Present at Hearing
Wayne Takamine	Individual	Support	No

Comments: HOUSE OF REPRESENTATIVES THE TWENTY-SEVENTH LEGISLATURE REGULAR SESSION OF 2013 COMMITTEE ON WATER & LAND Rep. Cindy Evans, Chair Rep. Nicole E. Lowen, Vice Chair Rep. Denny Coffman, Rep. Chris Lee, Rep. Ty J.K. Cullen, Rep. Richard Lee Fale, Rep. Faye P. Hanohano, Rep. Cynthia Thielen, Rep. Derek S.K. Kawakami COMMITTEE ON EDUCATION Rep. Roy M. Takumi, Chair Rep. Takashi Ohno, Vice Chair Rep. Henry J.C. Aquino, Rep. Mark M. Nakashima, Rep. Isaac W. Choy, Rep. K. Mark Takai, Rep. Faye P. Hanohano, Rep. Lauren Kealohilani Cheape, Rep. Linda Ichiyama, Rep. Richard Lee Fale COMMITTEE ON FINANCE Rep. Sylvia Luke, Chair Rep. Scott Y. Nishimoto, Vice Chair Rep. Aaron Ling Johanson, Vice Chair Rep. Ty J.K. Cullen, Rep. Richard H.K. Onishi, Rep. Mark J. Hashem, Rep. Gregg Takayama, Rep. Kaniela Ing, Rep. James Kunane Tokioka, Rep. Jo Jordan, Rep. Justin H. Woodson, Rep. Bertrand Kobayashi, Rep. Kyle T. Yamashita, Rep. Nicole E. Lowen,,, Rep. Beth Fukumoto, Rep. Dee Morikawa, Rep. Gene Ward NOTICE OF HEARING DATE: Saturday, February 09, 2013 TIME: 9:00 AM PLACE: Auditorium State Capitol 415 South Beretania Street Aloha House Committee on Water and Land, Chair Cindy Evans, Vice Chair Nicole E. Lowen and Members, House Committee on Finance, Chair Sylvia Luke, Vice Chair Scott Y. Nishimoto, Vice Chair Aaron Ling Johanson and Members, Please accept this testimony (revised form previous submittal)in support of HB 1133, RELATING TO PUBLIC LAND - Repeals the Public Land Development Corporation. Transfers certain assets to the Department of Land and Natural Resources. I have been following the PLDC rules making process and there is just too much public opposition to this development land corporation. The PLDC Board has failed to create its rules and I believe it they have lost the public's trust. Respectfully, Wayne Takamine Honolulu

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