



State of Wisconsin
2015 - 2016 LEGISLATURE

LRBs0116/1
PJK:kjf

**ASSEMBLY SUBSTITUTE AMENDMENT 1,
TO ASSEMBLY BILL 200**

September 28, 2015 - Offered by Representative HEATON.

1 **AN ACT** *to create* 49.79 (11) of the statutes; **relating to:** limiting the number of
2 replacement cards under FoodShare.

Analysis by the Legislative Reference Bureau

This substitute amendment places a four-card threshold on the number of replacement benefit cards that is determined to be excessive in a 12-month period under FoodShare and provides for notice and other requirements if a household requests replacement cards at or over that threshold.

The federal Supplemental Nutrition Assistance Program (SNAP), known as FoodShare in Wisconsin and formerly known as the Food Stamp Program, provides benefits to eligible low-income households for the purchase of food. FoodShare is administered by the Department of Health Services (DHS). The state and the federal government share the cost of administration. Benefits, which are electronically debited to a Quest card, are paid entirely with federal funds. Under federal regulations, there is no limit on the number of replacement cards that must be issued to a household for cards that are reported lost, stolen, or damaged. However, under the federal regulations, a state may opt to require a household member to contact the state agency to provide an explanation if the number of replacement cards requested reaches a threshold that is determined to be excessive, which threshold may not be fewer than four replacement cards in a 12-month period. The household must be given notice that it has reached the threshold and that it must contact the state agency. If a household member does not contact the state agency, no replacement card is issued and the case is referred for investigation.

This substitute amendment makes four replacement cards the threshold number of replacement cards under FoodShare that is determined to be excessive in a 12-month period. If a household requests a fourth replacement card in a 12-month period, DHS must issue the card but must also send the household a notice advising that the threshold has been reached and, if another request for a replacement card is made, the household's FoodShare account may be referred to the Office of the Inspector General for review for possible misuse in connection with the card. If a household requests a fifth replacement card in a 12-month period, DHS must issue the card, refer the household's FoodShare account to the Office of the Inspector General for review for possible misuse in connection with the card, and send the household a notice advising that the threshold has been exceeded, that the household's FoodShare account is being reviewed by the Office of the Inspector General, and that if the household makes any further requests for a replacement card a household member will have to contact DHS to explain the need for the replacement card. If a household requests more than five replacement cards in a 12-month period, for each such request DHS must send the notice that was sent after the request for a fifth replacement card. If a household member does not contact DHS, DHS may not issue a replacement card. If a household member contacts DHS and provides an appropriate explanation for the need for the replacement card, DHS must educate the member on the proper use of the card. If a household member contacts DHS but refuses to provide an explanation for the need for the replacement card, or provides an explanation that appears to indicate trafficking, DHS must conduct an investigation. In any case, if a household member contacts DHS, regardless of whether an explanation is provided, DHS must issue a replacement card so that the household will have FoodShare benefits during an investigation or while waiting for a hearing.

The substitute amendment also requires a FoodShare caseworker to report to DHS any suspicion that a household receiving FoodShare benefits, or any other person, may be committing fraud in connection with a request for a replacement card.

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

1 **SECTION 1.** 49.79 (11) of the statutes is created to read:
2 **49.79 (11) LIMITS ON REPLACEMENT CARDS.** (a) In this subsection, "recipient"
3 means a household, as defined in 7 USC 2012 (n), that is eligible for and receiving
4 benefits under the food stamp program.

1 (b) 1. Subject to pars. (c) and (d), the department shall limit the number of
2 replacement benefit cards that it issues in a 12-month period to a recipient to 4
3 replacement cards.

4 2. If a recipient requests a 4th replacement benefit card in a 12-month period,
5 the department shall issue the card and send the recipient the notice under subd. 3.

6 3. The notice that the department must send a food stamp program recipient
7 who requests a 4th replacement benefit card in a 12-month period shall inform the
8 recipient of all of the following:

9 a. That the recipient has reached the threshold for the number of replacement
10 cards that is determined to be excessive in a 12-month period.

11 b. That, if the recipient requests another replacement card in the same
12 12-month period, the recipient's benefit account may be referred to the office of the
13 inspector general for review for possible misuse in connection with the recipient's
14 benefit card.

15 c. Any other information required by the department.

16 (c) 1. If a recipient requests a 5th replacement benefit card in a 12-month
17 period, the department shall issue the card, send the recipient the notice under subd.
18 2., and refer the recipient's benefit account to the office of the inspector general for
19 review for possible misuse in connection with the recipient's benefit card.

20 2. The notice that the department each time must send a recipient who requests
21 5 or more replacement benefit cards in a 12-month period shall inform the recipient
22 of all of the following:

23 a. That the recipient has exceeded the threshold for the number of replacement
24 benefit cards that is determined to be excessive in a 12-month period and that, as

1 a result, the recipient's benefit account is being reviewed by the office of the inspector
2 general for possible misuse in connection with the recipient's benefit card.

3 b. That, if the recipient requests any more replacement benefit cards in the
4 same 12-month period, the recipient will be required to contact the department to
5 provide an explanation for the need for the replacement card.

6 c. How to contact the department to comply with the requirement under subd.
7 2. b.

8 d. Any other information required by the department.

9 (d) If a recipient requests more than 5 replacement benefit cards in a 12-month
10 period, all of the following apply to each request:

11 1. The department shall send the recipient the notice under par. (c) 2.

12 2. The recipient must contact the department to provide an explanation for the
13 need for the replacement card.

14 3. If the recipient does not contact the department as required under subd. 2.,
15 the department shall not issue a replacement card.

16 4. If the recipient contacts the department and provides an appropriate
17 explanation for the need for the replacement card, the department shall educate the
18 recipient on the proper use of the benefit card.

19 5. If the recipient contacts the department but refuses to provide an
20 explanation for the need for the replacement card, or provides an explanation that
21 appears to indicate trafficking benefits, the department shall conduct an
22 investigation.

23 6. If the recipient contacts the department, regardless of whether the recipient
24 provides an explanation for the need for the replacement card, the department shall

1 issue the replacement card so that the recipient has access to benefits during any
2 investigation and while the recipient is awaiting a hearing, if any.

3 (e) If a food stamp program caseworker suspects that a recipient or another
4 person may be committing fraud in connection with a request for a replacement card,
5 the caseworker shall report that suspicion to the department.

6 (END)