



NEW YORK STATE SENATOR

Jack M. Martins

## Senate Passes Bill to Prevent Welfare Fraud

JACK M. MARTINS February 5, 2014

| ISSUE: TAXES



### *Buying Tobacco, Alcohol and Being Used at Liquor Stores, Casinos and Strip Clubs with Benefits Prohibited*

The New York Senate passed the “Public Assistance Integrity Act” that prohibit welfare benefits from being used to purchase alcohol and tobacco, or to be used at liquor stores, casinos and strip clubs in New York.

When people sign up for welfare, they are issued an Electronic Benefit Transfer (EBT) card, which works like a cash card at any ATM or like a debit card at a store. The card accesses two

separate accounts: Food Stamps and Cash Assistance. Food stamps are tightly regulated – but Cash Assistance is not.

Public records and investigative reports by the news media have shown widespread abuse of the EBT cards. Cards are used to buy beer, cigarettes and lottery tickets, or at liquor stores, strip clubs and casinos. The Public Assistance Integrity Act addresses that issue.

“New Yorkers have always been extraordinarily generous when it comes to public assistance for those in need, but abuse of that generosity cannot be tolerated. For every dollar that’s wasted, there’s one less dollar available to help those who truly need it. That’s the true tragedy. The Senate again passed this measure. I hope the Assembly will finally do the same,” said Senator Jack M. Martins, who co-sponsored the bill.

That taxpayer money is designed to go toward helping families in need purchase things like toothpaste, toilet paper, diapers, school supplies and clothes.

Senator Martins set up an online petition on his website that gathered hundreds of constituent signatures in support of the measure.

New York faces an important deadline: By Feb. 22, the state must show the federal government how it will prevent welfare fraud and abuse from EBT cards. If it doesn’t, New York stands to lose more than \$120 million in federal Temporary Aid to Needy Families