



NEW YORK STATE SENATOR

Catharine Young

Senator Young's Constituents Heard All the Way to Albany About Welfare Reform

CATHARINE YOUNG April 16, 2014

| ISSUE: **SOCIAL SERVICES, PUBLIC ASSISTANCE**

THE 2014-2015 STATE BUDGET

**PROTECTING TAXPAYERS:
PREVENTING WELFARE
ABUSE**

Ensuring public assistance goes to those in need and isn't wasted at:

- liquor stores & beverage centers
- casinos & racetracks
- video lottery terminals
- OTB parlors
- strip clubs

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Changes to EBT Card System Will Crack Down on Abuse

ALBANY - Senator Catharine Young (R,C,I-57th District) said she has great news to report to the 2,360 taxpayers from her district who contacted her in support of curbing Electronic Benefit Transfer (EBT) cards from being used to pay for liquor, strippers, and

gambling.

"People's voices in support of welfare reform were heard all the way to Albany, and we are making progress towards implementing common sense policies that provide support to those who truly need help while stopping welfare fraud and waste," she said.

Senator Young's push to stifle EBT misuse resulted in legislation she co-sponsored being included in the recently-passed final state budget.

The enacted reforms halt public assistance recipients from making EBT card payments or cash withdrawals at liquor stores, beer wholesalers, casinos, racetracks, and strip clubs, helping to prevent inappropriate purchases.

"Sometimes people fall on hard times and need a temporary helping hand to get back on their feet. There should be a safety net for people in those types of difficult situations. But we need to crack down on welfare abuse because it takes away resources from the truly needy and places a suffocating weight on our hardworking, overburdened taxpayers. Up until now there were few restrictions on how EBT cards could be used, which led to abuse," said Senator Young.

The new changes prohibit gaming facilities, liquor stores, beer wholesalers, and adult entertainment clubs from accepting EBT cards, and ATMs at these locations will be prevented from dispensing cash from EBT cards.

"With so many taxpayers struggling to provide for their families and make ends meet, tax dollars should not be squandered on alcohol, strip shows, and gambling," she said.

Senator Young said that she wasn't surprised that more than 2,000 of her constituents responded to her call to pass the EBT reform legislation.

"Every day, I hear from frustrated people from my district who witness welfare fraud and abuse, and feel powerless to fix it. I listen to my constituents' concerns and work to make sure they have a voice. Many of them weighed in via email, calls, and letters to support my efforts to get these reforms in place. I am thrilled to report that their voices were heard and made a significant difference," Senator Young said.

Senator Young said that the state Senate had previously passed her legislation three times, but the welfare reforms were blocked by downstate legislators in the Assembly.

A federal law passed by Congress last year required states to demonstrate meaningful reforms by complying with federal standards that ban EBT debit card withdrawals at ATMs in liquor stores, strip clubs, and casinos. If New York State failed to make the required changes, it stood to lose \$122 million of federal funding for needy families.

"Along with the property tax relief, phase-out of the 18-a surcharge tax on utilities that is passed on to residential consumers and employers, and the tax reforms to grow jobs and the economy that also were included in the state budget, these welfare changes will help to restore our state and make New York a more affordable place to live, work, and do business," said Senator Young.

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