

# SNAP Benefit System Boosted as Fraud is Targeted

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A proposed overhaul of how [New York](#) deals with stolen SNAP benefits is being considered by lawmakers, following thousands of fraud cases. Several bills have been put forward to try to boost the system by stamping out electronic benefit transfer (EBT) card fraud crimes committed against those who claim Supplemental Nutrition Assistance Program ([SNAP](#)) benefits, formerly known as food stamps.

SNAP is administered to recipients through EBT cards, similar to a debit card, which are loaded with money each month to use in participating stores across the country. Like regular debit or credit cards, [they are subject to scams](#) such as cloning, phishing or skimming.

According to one of the bills, more than 61,000 New Yorkers have filed claims for electronic benefit transfer (EBT) fraud in the previous nine months, and an estimated \$17 million in SNAP benefits have been reported stolen from January 2022 to October 2023. Now, several New York lawmakers are vying to pass legislation that could simplify canceling affected cards and bring in new punishments for fraudsters.

S. 8918, sponsored by Luis R. Sepúlveda, argues that compromised EBT cards should be "automatically canceled" as soon as the recipient reports the crime to the benefit authority. *Newsweek* has contacted Sepúlveda for comment via email.

The bill text reads: "As it stands, if an EBT recipient has their benefits stolen, they must report their benefits stolen to get reimbursed. Then the recipient must cancel their card in order to apply for a new, uncompromised card. If a recipient reports fraudulent activity their card should be automatically canceled at that point. There is no reason to make these victims jump through multiple hoops so they may once again be able to put food on the table."



Using a card machine to pay for goods. Lawmakers in New York are seeking to tackle benefit fraud in a variety of ways. **GETTY**

The bill argues that the current system for reporting fraud leaves them open to potential further thefts. "If a recipient fails to cancel their current card, thieves can continue to steal their funds each time they are added to the account," it continues. "This results in the waste of taxpayer money, added stress to the government agency, and more hardship for an already vulnerable New Yorker."

Another bill, S. 9649, would if enacted order the commissioner of the Office of Temporary and Disability Assistance to conduct a study on the prevalence of SNAP fraud in the state. Sponsored by Brooklyn Representative Iwen Chu, the bill would aim to identify the "common tactics used by scammers, and report any recommendations on how to evolve EBT technology to prevent extreme levels of fraud."

Speaking to *Newsweek* about the proposed legislation, Chu said that SNAP benefit fraud is "a critical issue affecting both my district and the entire state" that have "victimized countless individuals and families," as well as draining "substantial state resources."

"This is why the study on SNAP fraud is so important; it will help us uncover the root causes; identify common tactics used by scammers; and guide us in crafting effective countermeasures," Chu added. "The state must act immediately to identify how these benefits are being stolen. This is the essential first step to protect low-income New Yorkers who rely on this assistance for food and other necessities."

A bill proposed earlier this year would also make EBT card theft a class D felony. A. 8372, which was referred to New York's codes committee in January, would mean fines of up to \$10,000.

The fight against EBT fraud in New York has been ongoing for some time. Earlier this year, a representative for New York Assembly member [Jessica González-Rojas spoke to \*Newsweek\*](#) about separate legislation that would see magnet stripe cards replaced with chip cards in an effort to bring down fraud.