Department of Human Services
Health Services Committee
Senator Lee, Chairman
November 4, 2015

Chairman Lee, members of the Health Services Committee, I am Arlene Dura, Director of the Supplemental Nutrition Assistance Program for the Department of Human Services (Department). I am here today to provide information on Electronic Benefit Transfer retailers and information on the training and education component of the Supplemental Nutrition Assistance Program (SNAP).

Supplemental Nutrition Assistance Program (SNAP) Retailers:

As a result of the Agricultural Act of 2014 (commonly referred to as the Farm Bill), Electronic Benefit Transfer (EBT) retailers are required to pay for their EBT equipment and supplies. This change was effective August 7, 2014.

- The number of participating retailers declined from 475 in November to 445 in December 2014. There is no information available to tell us about the reason for the decrease of 30 retailers.
- The average number of retailers for the period July 31, 2014, through July 31, 2015, is 459.
- The Department was contacted by two retailers regarding this provision. Information was provided to those stores regarding other potential vendors that may have less expensive equipment and they were encouraged by staff to continue serving SNAP clients.

Authorization of Retailers, Audit Responsibility, and Process:

- The Food and Nutrition Service (FNS) Retailer Operations Division (ROD) staff are responsible to perform the following functions:

- Front-end authorization, reauthorization (re-assessment of the eligibility of participating stores and businesses).
- Maintenance and administration related to retailer participation and administrative sanction.
- Retailer investigations in coordination with compliance partners (i.e. USDA Office of the Inspector General, state law enforcement bureaus, Special Supplemental Nutrition Program for Women, Infants and Children).
- Monitor electronic transaction activity at the store level to identify suspicious retail grocers for further analysis and investigation.
- Development and use of innovative analytical tools to strengthen fraud detection capabilities.
- Visit stores or request information from a retailer. They may take pictures of a store, both inside and out, and gather information on store layout and stock. The retailer is required to cooperate and to respond to their questions.

<u>In Federal Fiscal Year 2014, the Retailer Operations Division (nationwide):</u>

- Reviewed the transactions of over 17,700 stores.
- Conducted nearly 7,700 investigations of authorized retail grocers to determine compliance with program regulations.
- Imposed 2,226 sanctions. Of this number, 1,496 stores were permanently disqualified and another 632 stores were given a time-limited term disqualification.

Employment and Training

The Basic Employment Skills Training (BEST) program is the name of the Employment and Training (E and T) component of SNAP. Due to limited federal funding, the program currently operates only in Burleigh and Cass Counties. The federal grant is based on the number of mandatory work registrants participating in the program as well as Able-Bodied Adults without Dependent (ABAWDs) each year. ABAWDs are defined as single individuals between the ages of 18 and 50, who are unemployed or working less than 20 hours per week.

Job Service North Dakota has been our partner in providing these services. Clients may receive the following services:

- A one or two hour initial group orientation session that briefly explains client rights and responsibilities; the economy; how to look for work; what services are available in the community; and services and resources offered by Job Service. Clients are also assigned a case manager.
- One-on-one sessions to address individual needs based on an assessment.
- General overview of the BEST Program, its requirements, and activities.
- Referrals to internal and external services based on need.
- Job Club, with an open entry and exit to weekly activities.
- Employment plan development.
- Job search with contacts.
- Referral to job skills training.

Clients are required to participate 20-25 hours per week and this continues until they find employment, move on, or become exempt.

FFY 2014 BEST participation data Burleigh County:

- Monthly average number of individuals referred: 25
- Monthly average of new referrals who participated: 9
- Monthly average of individuals who began employment: 7

SNAP average monthly caseload – 2,477 Burleigh only

FFY 2014 BEST participation data Cass County:

- Monthly average number of individuals referred: 29
- Monthly average of new referrals who participated: 14
- Monthly average of individuals who began employment: 4

SNAP average monthly caseload – 5,632 Cass only

FFY 2015 BEST participation data Burleigh County:

- Monthly average number of individuals referred: 53
- Monthly average of new referrals who participated: 20
- Monthly average of individuals who began employment: 8

SNAP average monthly caseload – 2,435 Burleigh only.

FFY 2015 BEST participation data Cass County:

- Monthly average number of individuals referred: 57
- Monthly average of new referrals who participated: 27
- Monthly average of individuals who began employment: 8

SNAP average monthly caseload – 5,485 Cass only.

This concludes my testimony and I would be happy to answer any questions.