

1 SB116  
2 154556-5  
3 By Senators Orr, Scofield, Taylor, Allen, Beason, Pittman and  
4 Holtzclaw  
5 RFD: Fiscal Responsibility and Accountability  
6 First Read: 14-JAN-14

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4 ENGROSSED

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7 A BILL  
8 TO BE ENTITLED  
9 AN ACT

10  
11 Relating to public assistance benefits; to prohibit  
12 a recipient of public assistance from using benefits to  
13 purchase any alcoholic beverage, tobacco product, or lottery  
14 ticket; to prohibit a recipient of public assistance benefits  
15 from withdrawing or using public assistance benefits in a  
16 retail establishment that primarily sells alcoholic beverages,  
17 a casino, a tattoo or body piercing facility, a facility  
18 providing psychic services, or an establishment that provides  
19 adult-oriented entertainment in which performers disrobe or  
20 perform in an unclothed state; to provide penalties for  
21 violations; to allow a parent of a minor child who is  
22 disqualified from receiving benefits to designate a third  
23 party to receive the benefits for the benefit of the minor  
24 child; to require the Department of Human Resources to notify  
25 applicants and recipients of public assistance of the  
26 restrictions and penalties for violations; to require the  
27 Department of Human Resources to consult with providers of

1 automatic teller machine services to consider and implement a  
2 program or method of blocking access to cash benefits from  
3 Electronic Benefits Transfer cards issued by the department at  
4 automatic teller machines located in certain establishments if  
5 feasible; to provide rulemaking authority to the department;  
6 and to require the department to perform monthly matches to  
7 determine eligibility based upon incarceration and whether the  
8 recipient is deceased.

9 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

10 Section 1. (a) For the purposes of this section, the  
11 term "public assistance benefits" means money or property  
12 provided directly or indirectly to eligible persons through  
13 programs of the federal government, the state, or any  
14 political subdivision thereof, and administered by the Alabama  
15 Department of Human Resources.

16 (b) (1) A recipient of public assistance benefits may  
17 not use any portion of the benefits for the purchase of any  
18 alcoholic beverage, tobacco product, or lottery ticket. Any  
19 person who violates this subsection shall reimburse the  
20 Department of Human Resources for the purchase and shall be  
21 subject to the following sanctions:

22 a. Upon the first violation, the person shall be  
23 disqualified from receiving public assistance benefits by  
24 means of direct cash payment or an electronic benefits  
25 transfer access card for one month.

26 b. Upon the second violation, the person shall be  
27 disqualified from receiving public assistance benefits by

1 means of direct cash payment or electronic benefits transfer  
2 access card for three months.

3 c. Upon a third or subsequent violation, the person  
4 shall be permanently disqualified from receiving public  
5 assistance benefits by means of direct cash payment or an  
6 electronic benefits transfer access card.

7 (2) A person who is disqualified from receiving  
8 public assistance benefits under this subsection shall have  
9 the right to a hearing pursuant to the Alabama Administrative  
10 Procedure Act.

11 (c) (1) A cash recipient of public assistance  
12 benefits may not withdraw or use cash benefits by means of an  
13 Electronic Benefits Transfer transaction for the purchase of  
14 goods or services in a retail establishment the primary  
15 purchase of which is the sale of alcoholic beverages, a  
16 casino, a tattoo or body piercing facility, a facility  
17 providing psychic services, or an establishment that provides  
18 adult-oriented entertainment in which performers disrobe or  
19 perform in an unclothed state. Any person who violates this  
20 subsection shall reimburse the Department of Human Resources  
21 for the amount withdrawn and used and shall be subject to the  
22 following sanctions:

23 a. Upon the first violation, the person shall be  
24 disqualified from receiving public assistance benefits by  
25 means of direct cash payment or an electronic benefits  
26 transfer access card for a period of one month.

1           b. Upon the second violation, the person shall be  
2 disqualified from receiving public assistance benefits by  
3 means of direct cash payment or electronic benefits transfer  
4 access card for a period of three months.

5           c. Upon a third or subsequent violation, the person  
6 shall be permanently disqualified from receiving public  
7 assistance benefits by means of direct cash payment or an  
8 electronic benefits transfer access card.

9           (2) A person who is disqualified from receiving  
10 public assistance benefits under this subsection shall have  
11 the right to a hearing pursuant to the Alabama Administrative  
12 Procedure Act.

13           (d) If a parent is deemed permanently disqualified  
14 from receiving public assistance benefits under subsection (b)  
15 or (c), the dependent child or other adult family member's  
16 eligibility for public assistance benefits is not affected.

17           (1) An appropriate protective payee shall be  
18 designated to receive benefits on behalf of the child members.

19           (2) The parent may choose to designate another  
20 person to receive benefits for the minor child members. The  
21 designated person must be an immediate family member or, if an  
22 immediate family member is not available or the family member  
23 declines the option, another person may be designated. The  
24 designated person must be approved by the department.

25           (e) The Department of Human Resources shall inform  
26 all applicants for and recipients of public assistance  
27 benefits of the restrictions contained in this section and the

1 penalties for violating those restrictions through any means  
2 practical.

3 (f) (1) The Department of Human Resources shall  
4 consult with providers of automatic teller machine services to  
5 consider the implementation of a program or method of blocking  
6 access to cash benefits from an electronic benefits transfer  
7 access card issued by the department at automatic teller  
8 machines located in or at a retail establishment the primary  
9 purchase of which is the sale of alcoholic beverages, a  
10 casino, a tattoo facility, a facility providing psychic  
11 services, or an establishment that provides adult-oriented  
12 entertainment in which performers disrobe or perform in an  
13 unclothed state. If the department determines the  
14 implementation of a program is feasible, the department shall  
15 initiate the program by October 1, 2015.

16 (2) If the department requires a federal waiver to  
17 comply with this section, the department shall apply  
18 immediately for the federal waiver.

19 (g) The Department of Human Resources shall adopt  
20 rules to implement this section.

21 Section 2. (a) For the purposes of this section, the  
22 term "public assistance benefits" means money or property  
23 provided directly or indirectly to eligible persons through  
24 programs of the federal government, the state, or any  
25 political subdivision thereof, and administered by the Alabama  
26 Department of Human Resources.

1           (b) (1) The Alabama Department of Human Resources  
2 shall perform a monthly incarceration match to obtain  
3 information to assist in determining eligibility for public  
4 assistance benefits based on incarceration status.

5           (2) If the department determines that a recipient of  
6 public assistance benefits is incarcerated at the time the  
7 incarceration match is performed, the department shall not  
8 issue an electronic benefits transfer access card to the  
9 incarcerated recipient. If an electronic benefits transfer  
10 access card has already been issued to the incarcerated  
11 recipient, the department shall deactivate the card.

12           (c) The department shall perform a monthly match  
13 using the United States Social Security Death Index Database  
14 to determine if a recipient is deceased. If the department  
15 determines that the recipient is deceased at the time the  
16 index match is performed, the department shall not issue an  
17 electronic benefits transfer access card. If an electronic  
18 benefits transfer access card has already been issued to the  
19 deceased recipient, the department shall deactivate the card.

20           Section 3. This act shall become effective on the  
21 first day of the third month following its passage and  
22 approval by the Governor, or its otherwise becoming law.

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Senate

Read for the first time and referred to the Senate  
committee on Fiscal Responsibility and Account-  
ability..... 14-JAN-14

Read for the second time and placed on the calen-  
dar 1 amendment..... 22-JAN-14

Read for the third time and passed as amended .... 26-FEB-14

Yeas 25  
Nays 0

Patrick Harris  
Secretary