

Mr. Jeffrey N. Cohen, Chief  
Electronic Benefit Transfer Branch  
Benefit Redemption Division  
Food and Nutrition Service  
U.S. Department of Agriculture  
3101 Park Center Drive  
Alexandria, VA 22302  
jeff.cohen@fns.usda.gov

Office of Information and Regulatory  
Affairs  
Office of Management and Budget  
Attention: Desk Officer for FNS  
Washington, DC 20503

September 7, 2001

**Re: Comments on Proposed Changes to Food Stamp EBT Regulations, 66 Federal Register, 36495, 7 CFR Parts 274, Amendment No. 392 RIN 0584-AC37 (July 12, 2001)**

Dear Sirs,

Consumers Union,<sup>1</sup> the National Consumer Law Center,<sup>2</sup> the Consumer Law Center of the South,<sup>3</sup> Texas Legal Services Center,<sup>4</sup> Legal Aid Society of Dayton,<sup>5</sup> GRO-Grass Roots Organizing, <sup>6</sup> Ohio State Legal Services Association,<sup>7</sup> California Reinvestment Committee,<sup>8</sup> Consumer Action,<sup>9</sup> and Hunger Task Force of Milwaukee Inc.,<sup>10</sup> file these comments on the proposed changes to the Electronic Benefit Transfer Regulations by the Department of Agriculture Food and Nutrition Service. While we support several of the changes proposed by FNS, we oppose many of the proposed changes because they would adversely impact recipients. We also take this opportunity to discuss non-compliance with current regulations and to note our opposition to any efforts by state officials to weaken other consumer protections in the regulations.

### SUMMARY OF COMMENTS

#### **Support:**

We are in strong support of the proposed prohibition on printing the full Primary Account Number (PAN) on any transaction receipt. We also support the clarification that the time limit for replacement cards sets the outside time limit in which a working card and PIN must be in the hands of the EBT cardholder. Finally, we support the clarification that states must continue to follow the APD process when procuring subsequent EBT systems after a contract ends.

#### **Opposition:**

We strongly oppose these proposed changes:

- Elimination of the requirement that the PAPD include evidence of contacts with recipient organizations and a description of the initial contacts with recipients and their representatives.

- Revision in pilot reporting requirements from quarterly reports to reports only when problems arise.
- Authorization to begin statewide roll-out before the end of the pilot period.
- Authorization to use PIN preassignment so long as recipient can change to a self-selected PIN.
- Extension to five calendar days for receipt of replacement EBT cards sent from a centralized location.
- Elimination of the requirement for in-person, hands-on training.

**Additions:**

The FNS, and its regulations, should also address these issues:

- The high incidence of system down time that appears to be occurring. FNS should investigate this problem and its impact on recipients and on retailer participation.
- Noncompliance in many state EBT systems with existing requirements, such as the requirement to provide recipients a written 60 day transaction history upon request, and the requirement to fully inform recipients of this and their other rights under EBT as part of the EBT training.

**Areas For No Change:**

We are strongly opposed to any efforts that might be made by state officials to weaken other consumer protections contained in the existing FNS regulations, such as the provision of a 24 hour toll-free hotline that recipients can call to report problems or obtain balance information. We urge that those portions of the regulations remain undisturbed.

**Necessary Conforming Amendments:**

Finally, we wish to point out that the following conforming changes to the existing regulations need to be made:

- the reference in Section 274.12(g)(6)(iv) needs to be changed to (g)(6)(ii);
- the reference in Section 274.12(g)(10)(i) needs to be changed to (g)(1) through (g)(9); and
- Section 274.12(k)(3) needs to be modified to conform to the changes made in Section 274.12(c)(4).

**ISSUE BY ISSUE COMMENTS**

**Cooperation with advocates must continue to be encouraged**

The proposed changes to Section 274.12(c)(1) would eliminate the requirement that state EBT planning APDs include evidence of contacts with recipient organizations, individual recipients that may be affected by implementation of an EBT system, and their advocates.

We believe that it is critical for such parties to be involved from the very start of EBT planning through implementation and ongoing program monitoring. The requirement in the regulations to show contacts with recipient organizations opens the door to dialogue that can reduce misunderstandings, lead to creative solutions, and avoid later implementation problems. No change should be made that moves away from encouraging inclusion of recipient advocates in the earliest and all later stages of EBT planning, implementation, and monitoring.

When the Food Stamp EBT regulations were first proposed in December 1991, several advocacy organizations raised concerns that, as proposed, the regulations did not do enough to assure that states include the recipient community and their advocates in EBT planning, implementation, and monitoring. They noted that proposed Section 274.12(c)(1) was the only place that even mentioned having states contact such parties and urged at that time that FNS expand on the nature of the involvement such parties were expected to have throughout the process. They further requested that the regulations specify the types of evidence the states would be required to submit to establish compliance. While reiterating its belief that recipients and their advocates had an important role to play throughout EBT design and implementation, FNS chose not to make any changes in the regulations regarding this matter.

As a result, there has been wide variation in the experiences of recipients and their advocates from state to state. Most advocates we have heard from over the years have reported being virtually shut out of the process. They have simply been invited to community meetings where they are informed about decisions already made, without any opportunity for input or comment, or they have been given a token seat on a so-called "advisory" body where they are expected to do little more than rubber stamp everything the state officials present to them. To now eliminate the only mention of the need to work with recipients and their advocates in the regulations will only serve to increase the likelihood that states will attempt to effectively shut these groups out of the process.

The experience of some of the signers of these comments in California illustrates the importance of early, continuing, mutually respectful dialog between states and local advocates in the EBT design process. California advocates were invited by the State Department of Social Services and Health and Human Services Agency Data Center (HHSDC) to participate in discussions about EBT design in California. The California EBT Project, under the HHSDC, has even published a list of the innovations for California's EBT system that came from those discussions.

As the California EBT Project states in its posted communications plan:

Recipients of federal Food Stamp Program benefits, CalWORKs, and/or county general assistance/general relief are the ultimate stakeholders in the EBT system. They are the ones that will use the system daily to access their cash and food benefits. Working to ensure that recipients' interests are considered and addressed in the planning and implementation of EBT are a variety of client advocacy and community-based organizations.

The Project Team has worked closely with a Client Advocate Advisory Group throughout the process of developing the project requirements, and will continue to hold meetings regularly with these interested parties. The involvement of advocacy groups is an avenue by which the State and counties can be aware of clients' issues and concerns related to EBT, and by which the State can educate and inform advocates about state-level project requirements and timelines so that they may keep their local communities informed.

California's requirement for pre-recorded ARU customer service in ten languages is a dramatic example of how early and sustained discussion, cooperation, and even disagreement between advocates and a state can result in an improved EBT system. To its credit, California decided to require live customer service in six languages. Advocates pressed hard over a period of more than a year for additional languages, arguing that the language diversity of California made added languages essential. After enough discussion to understand that the state's concern was the cost of additional languages, not a lack of desire to serve diverse populations, advocates proposed a solution that was adopted by the state - that at least prerecorded customer service, which is far cheaper than live customer service, be provided in the additional languages. This proposal probably would never have been developed if recipient advocates and state personnel had not worked together in an early and sustained fashion. Instead, advocates would have continued to insist on more live language coverage, and the state would have continued to respond that the advocacy community did not comprehend the cost restraints facing the state in designing the system.

In Wisconsin, a statewide group of advocates demanded to meet regularly (and did meet regularly) with the department that oversaw the implementation of EBT. They provided regular feedback on all recipient training materials, including videos and all written information that would be shown to recipients. They made several changes that improved those materials and improved services such as the toll-free customer service number. Through this collaboration, several changes were made that helped facilitate a smooth roll-out for recipients in Milwaukee County.

### **The obligation for state agencies to submit quarterly pilot project reports should not be eliminated**

The proposed revisions to Section 274.12(c)(4)(i) would eliminate the current requirement for states to file with FNS quarterly reports during the "pilot or shakedown period." This requirement would be replaced by a requirement that the state agency simply report problems or issues to FNS when the problems occur or are identified. This replacement is inadequate. When a state is using a new vendor, an existing vendor is using a new subcontractor, or the allocation of responsibilities between a state and its vendor differ from prior models used in that state or elsewhere, the pilot period is a particularly important time. We are concerned that the proposed substitute of permitting state agencies to report problems or issues to FNS "when they occur or are identified"

will reduce the likelihood that FNS will receive complete and timely information about problems in a pilot.

### **Roll-out in other areas should not begin during the pilot period**

Revised Section 274.12(d) would explicitly permit expansion to non-pilot areas to "occur simultaneously with pilot operation." We oppose this change. This change appears to be based on an assumption that EBT has reached a stable level of operation in which problems are unlikely to arise. Thus, the proposed changes assume that conducting a full pilot, including time to learn from the pilot before roll-out elsewhere, is less important to trouble-free operation. We respectfully suggest that any such assumption is flawed. Problems occurring in the past three years suggest that use of an established vendor and/or established subcontractors does not guarantee a trouble-free roll-out. For example, the New York State Office of the State Comptroller reported a variety of problems with EBT in New York City in its audit report on the Electronic Benefit Transfer System used by the Office of Temporary and Disability Assistance to make payment for food stamps and cash public assistance benefits. These problems included a subcontractor sending letters to recipients about in-person training which omitted the training location (Staten Island), the dates and times (Manhattan) or the times (Bronx and Queens) for in-person training.

During early implementation in Wisconsin an assortment of problems arose, ranging from inadequate outreach to inform clients of the switch to the new system, to issuance of defective card stock and untimely issuance of new and replacement cards, to poor customer service. The problems were so severe that they actually prompted a legislative hearing and a call by legislators to delay roll-out until system improvements were implemented. In New Jersey, the subcontractor responsible for outreach and client training did such a poor job that county welfare workers had to step in and take over the training. The subcontractor was ultimately removed from the contract. These are the kinds of glitches that a careful pilot with follow-up evaluation should be designed to discover and prevent.

One of the purposes of a pilot is to identify and resolve potential problems before wider implementation. Even if a state is using an existing vendor without new subcontractors or new divisions of responsibility, the population of each state may vary in age demographics, languages spoken, literacy levels, familiarity with POS and debit card technology, and other factors which may affect pilot outcomes and require shifts in EBT design.

Where multiple players have responsibility for different aspects of EBT that must work together, there is a special risk of problems arising from uncertainty about who is responsible for what, and about how to address issues that require action and accommodation by multiple parties. As states relet their contracts, this issue may grow more significant as more states experiment with new forms of multi-vendor contracting, new configurations of subcontractors to main vendor, and new combinations of state and vendor-provided services. A comprehensive pilot, which includes periodic reports and a

period for evaluation before moving on to statewide roll-out, should help to identify and resolve these problems.

**The requirement that only truncated account numbers may appear on transaction receipts is valuable**

The revised regulations would require that the transaction receipt contain only a truncated card number, not the full primary account number. We strongly support this important recipient protection in section 274.12(f)(3)(iii). Every step that can be taken to reduce access by third parties to the PAN is a step that reduces the opportunities for theft of benefits. Identity theft is a growing crime nationwide. According to the California-based Privacy Rights Clearinghouse, there are 500,000 to 700,000 identity theft victims annually in the U.S.<sup>11</sup> Some of these frauds on consumers were more sophisticated than a stolen card number and PIN, others less so. For EBT cardholders, leaving the full account number off all receipts would eliminate one source from which that number could be stolen.

Opponents of this change, if any exist, might argue that the account number's presence on the receipt does not heighten the risk to the recipient because the PIN is also needed to use the card. Unfortunately, experience in the commercial debit marketplace has shown that there are a variety of ways to acquire a person's PIN. These include "shoulder surfing," which involves observing a PIN when it is entered, guessing commonly used numbers such as those derived from addresses and birthdays, as well as more sophisticated methods. Reducing access to one of the two pieces of information needed by a thief, the PAN, will increase the security of recipient benefits.

**PIN preassignment should not be imposed unless sought by the individual recipient, but, if imposed, must include a convenient means to change to a self-selected PIN**

The proposed changes to Section 274.12(g)(5)(i) would permit preassignment of PINs, so long as there is a later ability to change to a self-selected PIN. We oppose this change unless the regulations require the state and its vendor to offer a convenient, remote, and secure method for recipients to change the PIN, if they so desire, that does not necessitate going into an office to effect the change. We are aware that several states now provide for secure PIN selection via telephone and urge that FNS mandate the use of such systems whenever a state elects to use preassignment. In addition, if the regulations permit preassignment, they must also require effective outreach to recipients to let them know that they can change a preassigned PIN. This information should be provided both at the time of PIN assignment and in all EBT client training.

PIN preassignment increases the likelihood that the cardholder will need to write down the PIN and carry it on or with the card. Recipients, not states or vendors, are at risk for stolen benefits accessed with a PIN number prior to a report of loss or theft. This makes it essential that card issuance be designed to minimize the risk of benefit theft. Commercially available standards designed for commercial debit cards are designed for a

very different marketplace - one in which cardholders do not bear the theft risk of a compromised PIN so long as they report the loss promptly.

Recipients who have not had prior exposure to the commercial banking system may underestimate the risk they undertake by carrying the PIN with the card until they or someone they know loses benefits as a result of this practice. Training materials can tell recipients not to carry the PIN with the card, but an unbanked recipient will be receiving a great deal of new information at the time that he or she is first trained to use EBT. The warning about not carrying the PIN with the card may be overlooked. PIN preassignment heightens the risk of theft of benefits through compromise of the PIN, particularly in the early phase of a recipient's use of EBT.

One co-signer of these comments continues to find that many of their food stamp clients continue to write their PINs on the back of their EBT cards despite knowing that it is not a safe practice and despite the training they received on this issue. A major reason they do this is because they do not have previous experience with debit or credit cards. For many clients, it is their first electronic card.

There are recipients for whom preassignment makes sense. People with work and school requirements making it difficult to visit the local welfare office may desire preassignment. We are not opposed to a change in the regulations to permit preassignment only on the request of the client, rather than at the option of the state.

If preassignment is permitted to be imposed on recipients, the regulations must contain clear requirements for a simple, convenient means to change the preassigned PIN to a self-selected one. Several of the states that currently have waivers permitting preassignment either lack such procedures or fail to adequately inform recipients of the procedures. As a result, we have repeatedly heard of recipients having problems remembering their preassigned PINs and their advocates not even knowing of the recipient's right to change to a self-selected PIN or how such a change could be effectuated.

One of the co-signers found that their clients are confused by the customer service hotline instructions regarding PIN selection. Clients call the hotline and think they have selected a PIN through the ARU. In fact, they have not, and when they try to use their card at the check-out line at the store, their card does not work because they do not have the correct PIN. The regulations must be clear and allow clients to select and change PIN numbers conveniently.

### **Five days is too long for card replacement, even from a centralized location**

We strongly oppose the proposed change in section 274.12(g)(5)(ii) to permit up to five days for card replacement (including receipt of both the card and the PIN by mail) if the cards are sent from a centralized mail location. This extended time is not needed, and would be particularly inappropriate as a blanket standard.

The discussion of the proposed change asserts that it may be justified by the need to separately mail both an EBT card and a PIN, but often only a replacement card and not a new PIN must be mailed. There is no need for a new PIN when a card is being replaced because it has been demagnetized or otherwise damaged. There is no need to mail a new PIN if the state or its vendor offers a secure telephone PIN selection system. When a new PIN need not be mailed, then one mailing, not two, is required. No extension of time is needed for mailing only of a replacement card, and therefore, the proposed change should be limited to situations in which both a replacement card and PIN need to be mailed.

Furthermore, if both a replacement card and a new PIN need to be mailed, the proposed change should simply be that the card must be replaced within two days, and the PIN should be mailed three days later, which is the general practice for security reasons in states that use mail issuance of PINs. EBT is a highly automated process. Vendors should be able to mail replacement cards the day that a request for replacement is received. If a new PIN is also needed, a reasonable requirement is to allow three more days for the PIN only.

One of the benefits of moving from Food Stamp coupons to EBT is to decrease the stigmatization experienced by many recipients. When replacement cards are not promptly received, many recipients use food pantries because they need help feeding their families. This defeats the whole purpose of EBT as a less stigmatizing process. If people do not have a card or cannot use their card, using a food pantry is an even more dehumanizing and stigmatizing experience.

Many states now operate under the existing regulation, requiring two day replacement, or under a waiver permitting 3-5 day replacement. If a state has large areas with less-prompt rural mail service or another specific need for a longer time period, it should have to seek a waiver and show the need for it.

### **Clarification that the card must be received and ready for use within the required timeline**

We strongly support the clarification in section 274.12(g)(5)(ii) that the time limit set by the state agency for card replacement (within the confines of the regulation) defines the time in which an active card must be available in the hands of the recipient and ready for use, not the time in which such a card and any needed PIN must be placed in the mail. We believe that this is what existing regulations require, but the clarification is welcome.

### **Hands-on training should continue to be required**

We strongly oppose the proposed change to Section 274.12(g)(10) to eliminate the requirement for hands-on training. A meaningful opportunity to receive in-person, hands-on training greatly eases the transition to the new delivery system for most recipients, who generally lack any experience with debit card technology. It also provides a useful opportunity to reinforce information about rights, responsibilities, card security, and other issues relating to the EBT system.

Where alternative forms of training have been used under existing waivers, we have heard of numerous complaints from the retailer community that they are the ones that end up having to train the clients on how to use the card and that this is one of their major complaints about EBT. If clients are having difficulty figuring out how to use the cards, when this is the one topic covered by all the alternative forms of training we are aware of, one can only wonder how such clients ever become knowledgeable about their rights and responsibilities under EBT. We have seen no state materials that fully disclose this information, despite the clear mandate in the existing regulations that they do so. While the advocacy community can and has assisted with client training and education, our financial and staff resources are much more limited than those of the states and we should not be expected to bear the costs of what should rightly be a federal and state responsibility.

In preparing these comments, one advocate in a state using smart card technology said that after watching the video, it was still not clear even to her how to use the card. She also reported that in one Ohio case a recipient who is partially blind and has a learning disability forfeited three months of food stamps before she sought and received help using the system, and this was in a state where recipients supposedly receive some level of mandatory hands-on training. In other states where in-person, hands-on training is also required we have heard of many instances where recipients have had to return to the training sites multiple times to practice on the equipment before they were actually able to successfully negotiate a real transaction.

In Milwaukee County, one of the reasons cited by advocates for a "relatively pain-free roll-out" was that there was in-person, hands-on training of all recipients. For families for whom it was difficult to attend the training at a welfare office, county workers trained people door-to-door. The majority of poor households have no experience with what an electronic card looks like, much less how it operates. Clients attending the in-person, hands-on trainings had many questions which they were able to have answered immediately through this face-to-face process.

Currently, those states that have received waivers from the mandatory hands-on training requirement are supposed to be providing such training to anyone requesting it. However, the results of a multi-state client survey conducted by local advocates for the National Consumer Law Center from late Summer 2000 through January 2001 found that nearly 40% of those who indicated they had not received in-person training cited a lack of knowledge about the existence of such training as the reason, compared to only 28% who indicated that the reason had been that they did not feel they needed to attend training. If the proposed revision to drop the hands-on training requirement is implemented, one can only expect that the former percentage will rise and that any hands-on training that is offered by the state will be even more restrictive with respect to hours of availability and locations than that currently offered.

The "Background" section describing the changes to the regulations states, at 66 Fed Reg 36499, that "hands-on training must be available as a back-up for those clients who request it, for special needs populations such as the elderly, or for those identified as

having problems with the EBT system." However, these requirements appear to be missing from the regulations themselves and need to be incorporated into the actual regulations, regardless of whether the general requirement for the provision of hands-on training is retained or not.

Finally, it is critical, especially where in-person training is not required, that there be comprehensive and comprehensible written material in appropriate formats, languages, and literacy levels. Over the years, we have had the opportunity to see the written training materials being used in a significant number of states and have found them to be grossly inadequate. As mentioned above, most of these materials focus almost exclusively on explaining how to use the card and how to report problems, with little or no information on client rights, such as the right to receive a written transaction history, or the timelines within which the state or its agent must take certain actions, such as issuing a replacement card or responding to a report of missing benefits. This appears to us to be a clear violation of the provisions at 274.12(g)(10)(i) and we urge FNS to take this opportunity to reiterate and reinforce that requirement. Furthermore, these written materials do not appear to us to comply with the requirements at 274.12(g)(10)(iv) concerning the format of written materials for bilingual households and for households with disabilities and the educational reading level at which such materials should be geared. If FNS drops the general requirement for the provision of hands-on client training, then it is imperative that it exercise its responsibility to conduct an actual and in-depth review of all written materials that states will be using to assure that clients are being provided with all the information they are entitled to have about the EBT system.

## **ADDITIONAL COMMENTS**

### **Retailer fees for Food Stamp EBT should be expressly prohibited by regulation**

The "Background" portion of the promulgation, at 66 Fed. Reg. 36499-36500, notes that there have been instances where banks have attempted to impose a fee on retailers for Food Stamp EBT redemption services. We, too, have heard about this problem and understand that it has forced some neighborhood merchants to cease participation in the Food Stamp Program. We are pleased to see the clear statement that such fees are contrary to the regulations. However, the regulations themselves do not specifically address this matter. There is also no discussion of the recourse available to retailers faced with the imposition of such fees by their banks. Since client access to benefits is diminished whenever a retailer or other food vendor drops out of the Food Stamp Program because of the costs associated with the EBT system, FNS should directly prohibit the imposition of fees for redemption, and should do so in these regulations.

### **Concern with high incidence of system down time**

We are taking the opportunity offered by this comment solicitation to share a concern that we know has also been expressed by the retailer community about the unacceptably high incidence of system down time.<sup>12</sup> In NCLC's multi-state survey of recipients, a full 37% reported having encountered problems buying food with their EBT cards and nearly half

of those under age 60 reported having had problems. By far, the largest percentage of problems noted involved system problems. Of those recipients who reported that either their cards were rejected by the store's system or that the system was out of order, only 12% reported being able to use a manual voucher, while 46% said they had to go without food for that day, 34% reported that they went to another store, and 16% ended up using cash to complete the purchase. In the New York City sample, which was heavily weighted for the elderly and non-English speaking populations, nearly one-third of the entire sample of 129 recipients reported having to go to another store to do their shopping because of equipment problems at the original store.[13](#)

These findings are simply not acceptable. People with limited incomes should not be forced to use cash or to incur additional expenses to travel from store to store to get needed food items because of system or equipment problems. FNS should take immediate steps to determine the causes for the high incidence of problems in this area and propose measures to address them.

### **FNS needs to enforce compliance with the client protections that are in its EBT regulations**

As we discussed above, we have serious concerns with the fact that the written training materials that many states are using do not appear to comply with the requirements in the existing regulations and that clients are being disadvantaged as a direct result of this. Another area of apparent noncompliance concerns the requirement at 274.12(g)(2) that households be provided with a written transaction history covering a period of up to two calendar months upon request. Not only do most states fail to advise clients of this right, but, even worse, many states do not even make this document available when requested. We know of several states where the only information the client can get beyond the current balance is an oral reporting of the last ten transactions on their food stamp account. Anyone who has tried to call their bank to get this recorded information knows how difficult it is to try to track things through an oral recitation, even when one has a check register to follow along with, so one can only imagine the limited utility this kind of accounting has for recipients.

When advocates for recipients in the District of Columbia pushed to have information about the availability of a written transaction history provided to clients they found themselves in a major battle. It turned out that one of the subcontractors did not want recipients to have this information because the system was not set up to comply with such a request. The contractor claimed that in all the states in which it was involved all that was being provided was the oral accounting and that they were unwilling to take on this new cost item unless the District amended the contract to cover this additional feature. Due to the persistence of the advocacy community, the District finally agreed to provide the transaction history itself to any client who requested it. However, we are left to believe that in many of the other states where this major EBT contractor is involved, written transaction histories are not available. In fact, in a separate survey the National Consumer Law Center recently conducted of state EBT project directors several openly

acknowledged that only oral reports of the last ten transactions are provided in response to requests for a transaction history.

**FNS should not take any steps to further weaken the remaining consumer protections in these regulations**

We understand that the American Public Human Services Association as well as some of the states have taken the position that some of the provisions in the current regulations, such as the requirement to provide a 24 hour toll-free customer help line, amount to unfunded federal mandates on the states. The parties are seeking to have such provisions modified or removed. We vehemently object to any such efforts and urge FNS not to do anything to further weaken the limited protections that these regulations offer recipients.

A reliable, efficient, safe EBT system benefits the federal government, the states, and recipients. We appreciate the opportunity to work with you toward that goal.

Very truly yours,

Gail Hillebrand  
Consumers Union of U.S. Inc.

Barbara Leyser  
For the National Consumer Law Center

Mark Budnitz  
Consumer Law Center of the South  
Atlanta, Georgia

Bruce Bower  
Texas Legal Services Center  
Austin, Texas

Stanley A. Hirtle  
Legal Aid Society of Dayton  
Dayton, Ohio

Robin Acree  
GRO-Grass Roots Organizing  
Mexico, Missouri

Eugene R. King  
Ohio State Legal Services Association  
Columbus, Ohio

Arthi Varma  
California Reinvestment Committee  
San Francisco, California

Cher McIntyre  
Consumer Action  
Los Angeles, California

Jon Janowski  
Hunger Task Force of Milwaukee Inc.  
Milwaukee, Wisconsin

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1 Consumers Union is a nonprofit membership organization chartered in 1936 under the laws of the State of New York to provide consumers with information, education and counsel about goods, services, health, and personal finance; and to initiate and cooperate with individual and group efforts to maintain and enhance the quality of life of consumers. Consumer Union's income is solely derived from the sale of Consumer Reports, its other publications and from noncommercial contributions, grants and fees. In addition to reports on Consumers Union's own product testing, Consumer Reports with

over 4 million paid circulation, regularly, carries articles on health, product safety, marketplace economics and legislative, judicial and regulatory actions which affect consumer welfare. Consumers Union's publications carry no advertising and receive no commercial support.

2 The National Consumer Law Center (NCLC) is a nonprofit organization specializing in consumer issues on behalf of low-income people. NCLC works with thousands of legal services, government and private attorneys, as well as community groups and organizations, from all states who represent low-income and elderly individuals on consumer issues.

3 The Consumer Law Center of the South is a non-profit, public interest organization, incorporated in Georgia in 1995. The Center's mission is to advocate for consumer protections through consumer education, legislative reform, involvement in the regulatory process, and litigation support.

4 Texas Legal Services Center (TLSC) is the state support office for offices providing legal services to low-income Texans. TLSC has extensive experience in serving food stamp recipients. That experience is both direct experience with clients it serves on an attorney-client basis, and also derivative experience, through service to other offices serving food stamp recipients.

5 The Legal Aid Society of Dayton provides legal representation to low income, older adults and disabled people in Montgomery County, Ohio. A large number of our clients receive food stamps and we assist them with problems they have with the program. In 1992, Montgomery County became the site of an early pilot program using off-line technology. This pilot program was highly successful because it received large amounts of community input, provided extensive training for users, and provided the right to all users to select their PINs. The design of the Montgomery County program was eventually adopted statewide.

6 GRO-Grass Roots Organizing is a newly-formed, community-based, nonprofit organization incorporated Friday, the 13th, of October 2000, in Missouri. We are primarily made up of women who use public assistance and youth, as well as those with limited financial resources and our allies.

7 Ohio State Legal Services Association (OSLSA) provides direct legal counsel and representation to low-income Ohioans in 29 counties in southeastern Ohio and, through its State Support Center, targets issues of statewide importance and impact. OSLSA is committed to searching out the patterns, causes, and solutions of the recurring and fundamental legal problems facing our client community, and seeking the legal recourse necessary to redress the grievances of our clients, both as a community and as individuals.

8 The California Reinvestment Committee (CRC) is a nonprofit membership organization of more than two hundred nonprofit organizations and public agencies across California.

CRC works with community-based organizations to promote the economic revitalization of California's low-income communities and communities of color. CRC promotes increased access to credit for affordable housing and community economic development and to access to financial services for these communities.

9 Consumer Action (CA) is a non-profit consumer education and advocacy organization serving consumers since 1971. CA's areas of interest are a myriad of marketplace issues including marketing education for low-income, disadvantaged consumers, as well as newly arrived immigrants, senior citizens, and those who are the most economically vulnerable in our society. CA also focuses on offering educational materials to consumers in multiple languages and our multi-lingual, multi-cultural staff conducts community workshops and trainings around developing marketplace skills and general consumer education.

10 Hunger Task Force of Milwaukee Inc. is a private, non-profit community organization that exists to prevent and alleviate hunger. We accomplish this mission by providing support for hunger-relief organizations, by promoting sound social policy, and through community and economic development initiatives related to food security. We promote the idea that all people should have dignified access to food obtained through normal means.

11 See [http://privacyrights.org/ar/ld\\_theft.htm](http://privacyrights.org/ar/ld_theft.htm). See also U.S. General Accounting Office, [www.gao.gov](http://www.gao.gov) "Identity Fraud," Report No. GGD-98-100BR, 1998, p. 40, showing a 16-fold increase over six years in calls from individuals to the fraud unit of just one credit reporting agency.

12 See for example, [http://fmi.org/elect\\_pay\\_sys/outages.htm](http://fmi.org/elect_pay_sys/outages.htm), at which the Food Marketing Institute lists nine separate incidents of multi-state system outages during the first four months of this year.

13 These survey findings will be included in an upcoming NCLC report expected to be published later this year.