



**Consumer Law Essentials - Fraud
Fighters: A Beginner's Guide to
Protecting Consumers from Payment
Scams of all Stripes**

March 18, 2025

2:00 p.m. - 4:00 p.m.

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Fraud Fighters: A Beginner's Guide to Protecting Consumers from Payment Scams of all Stripes

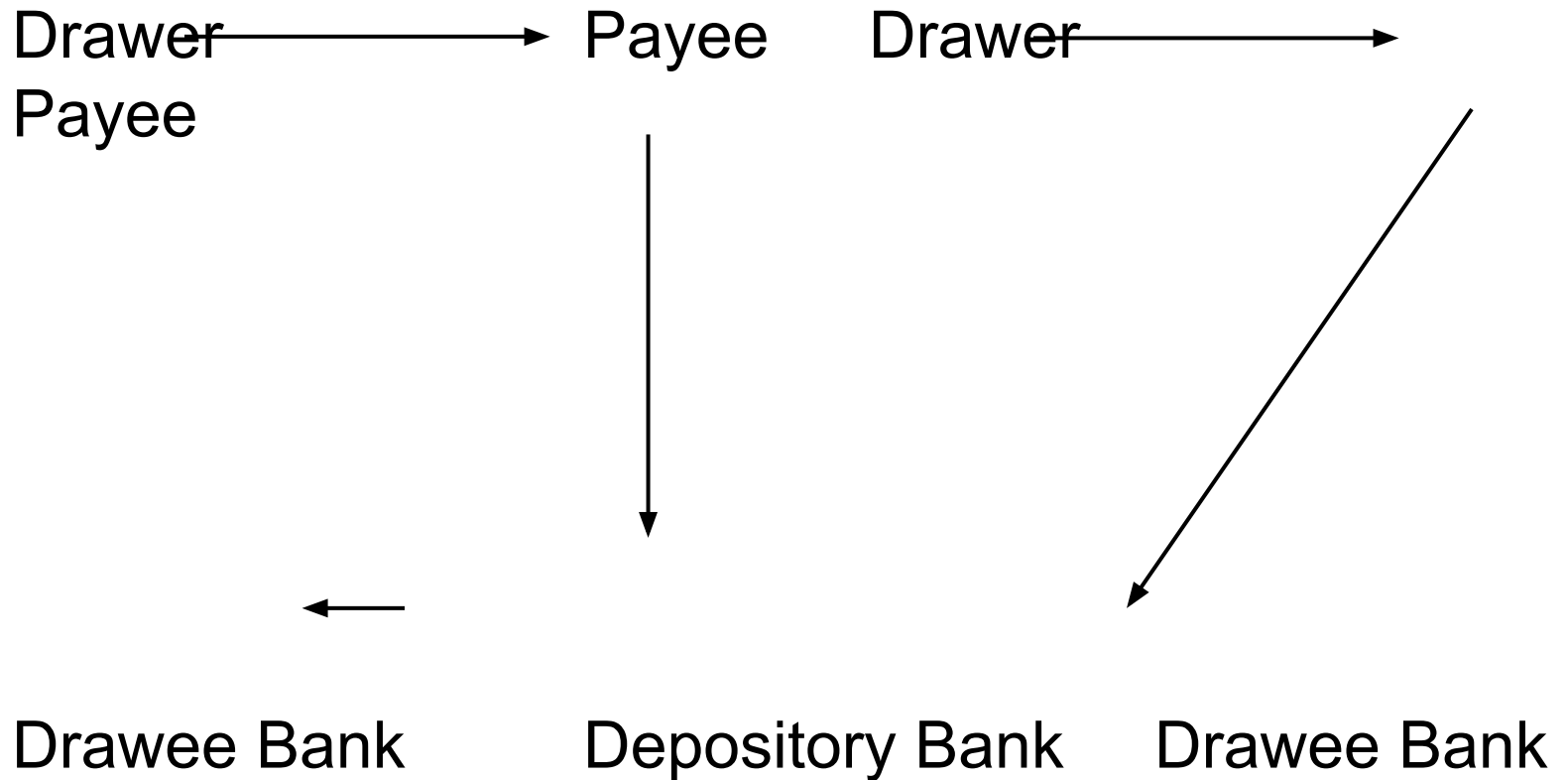


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March 18, 2025

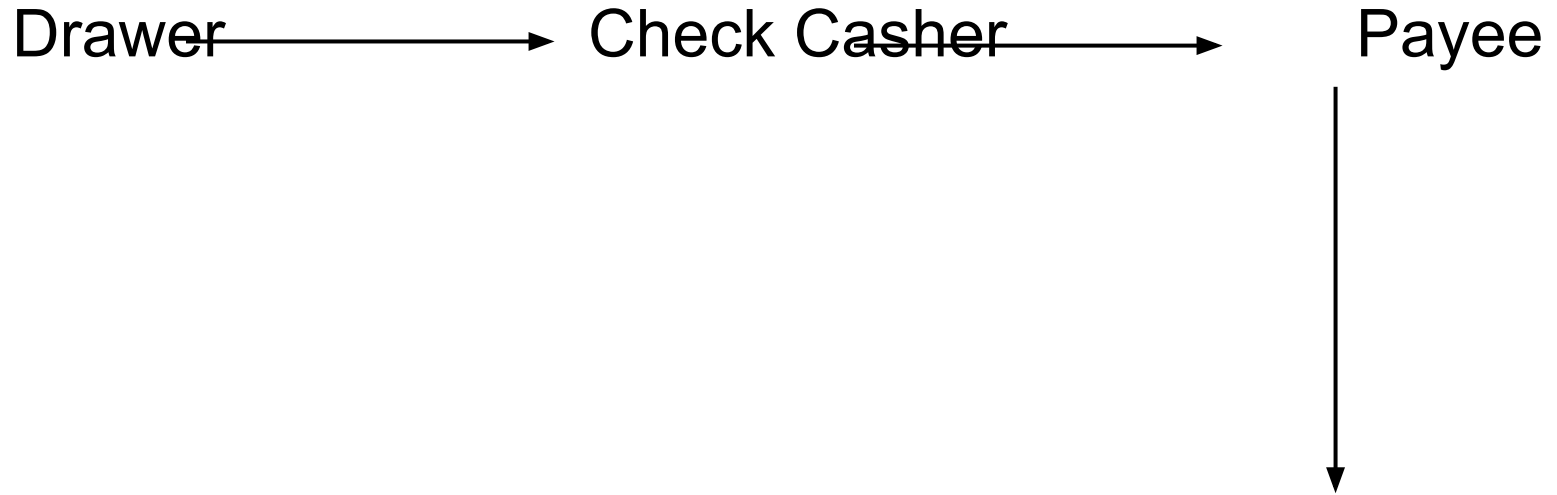
PAYMENT SCAMS USING CHECKS



PARTIES TO A CHECK - BASIC



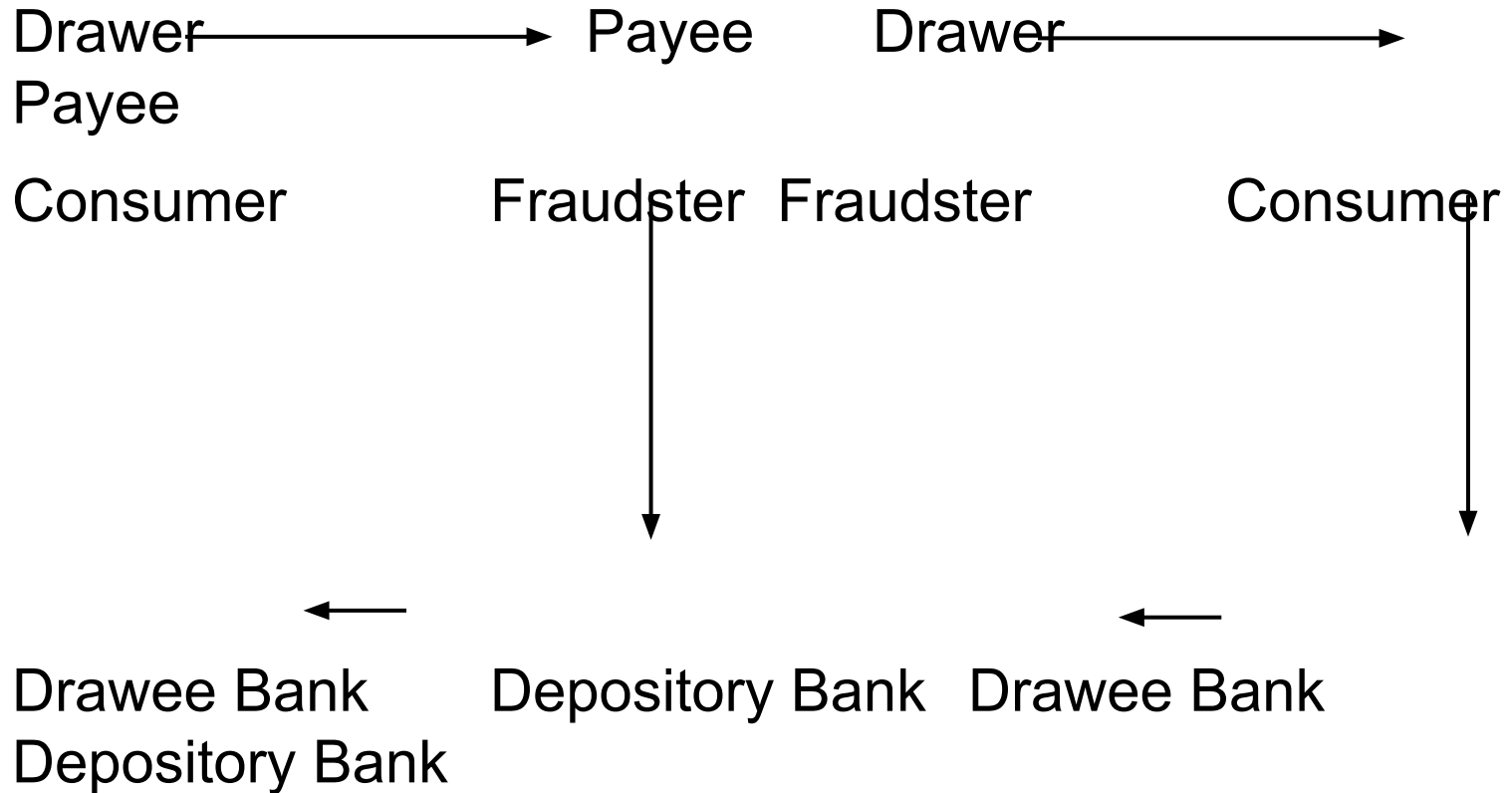
PARTIES TO A CHECK – ADDITIONAL PARTIES POSSIBLE



Drawee Bank Intermediary/Collecting
Depository Bank

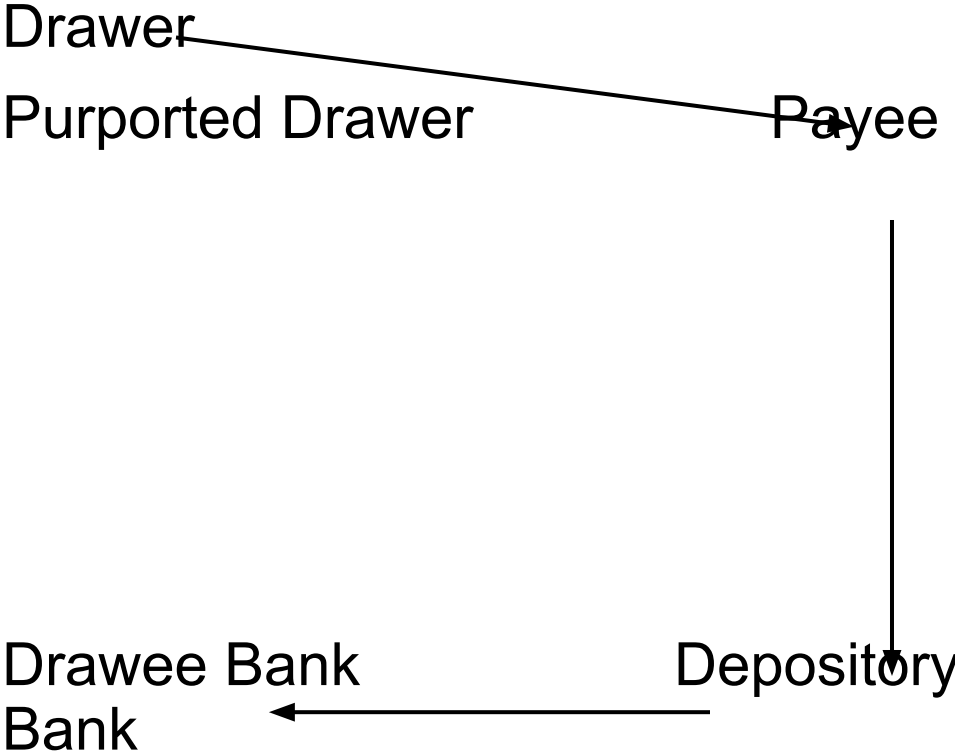
(And there may be payment processors involved)

IS DEFRAUDED CONSUMER A DRAWER OR PAYEE?



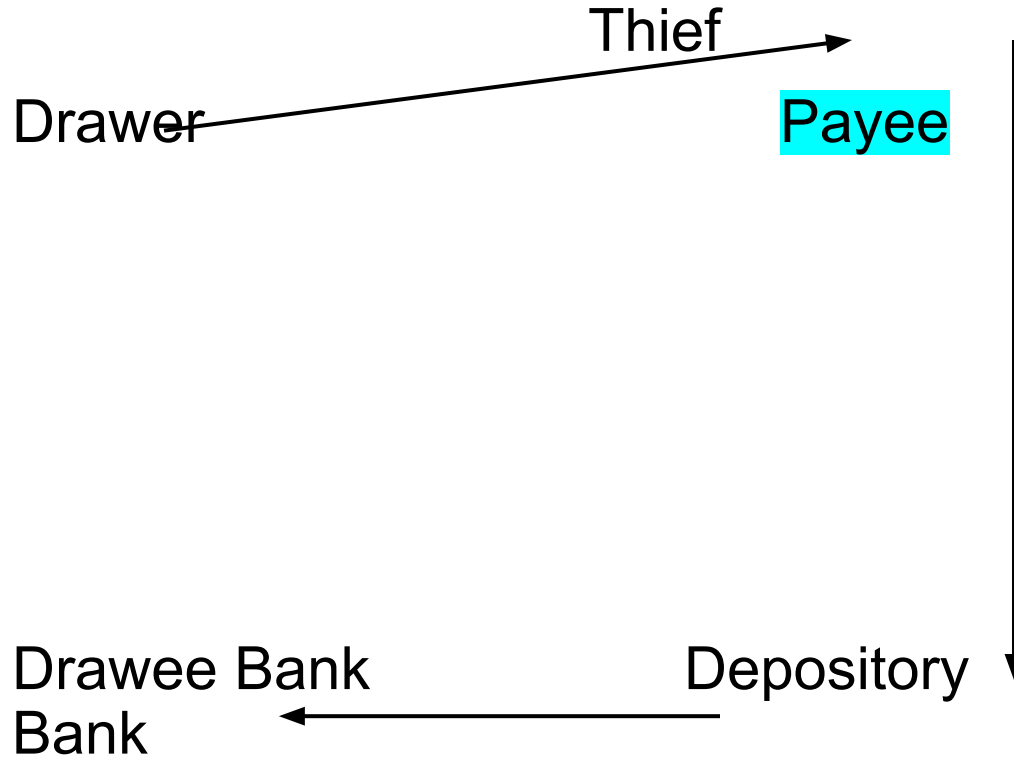
LOST OR STOLEN CHECKS

FORGERY OF THE DRAWER'S NAME (LOST OR STOLEN CHECK)

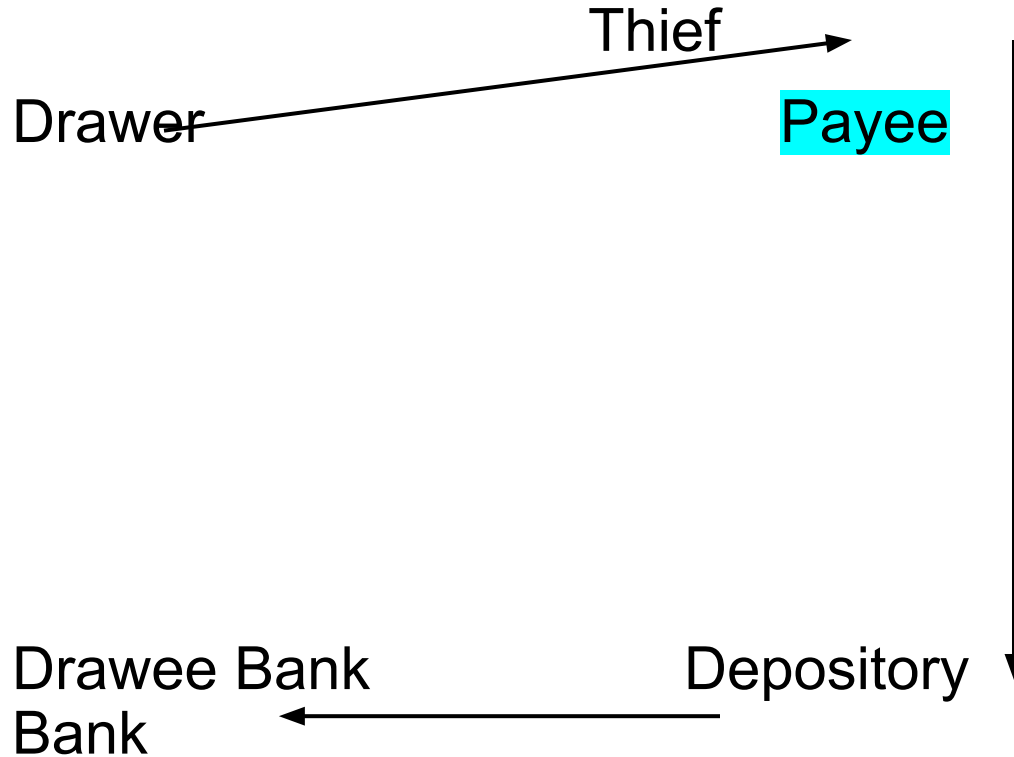


1. Did consumer sign, authorize, or ratify?
2. Was the signature forged?
3. Was the consumer negligent in a way that contributed to the forgery?
4. Did the consumer comply with the bank statement rule?

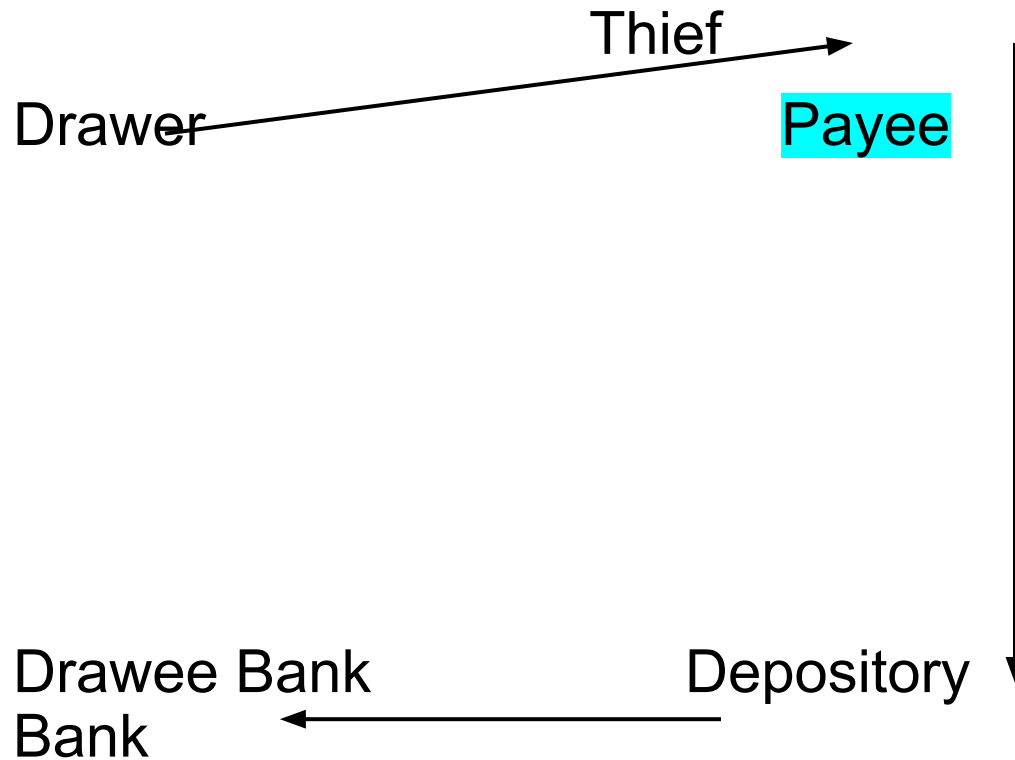
THEFT WHEN THE CONSUMER IS THE PAYEE – NO INDORSEMENT BY THE CONSUMER



THEFT WHEN THE CONSUMER IS THE PAYEE – SPECIAL INDORSEMENT BY THE CONSUMER

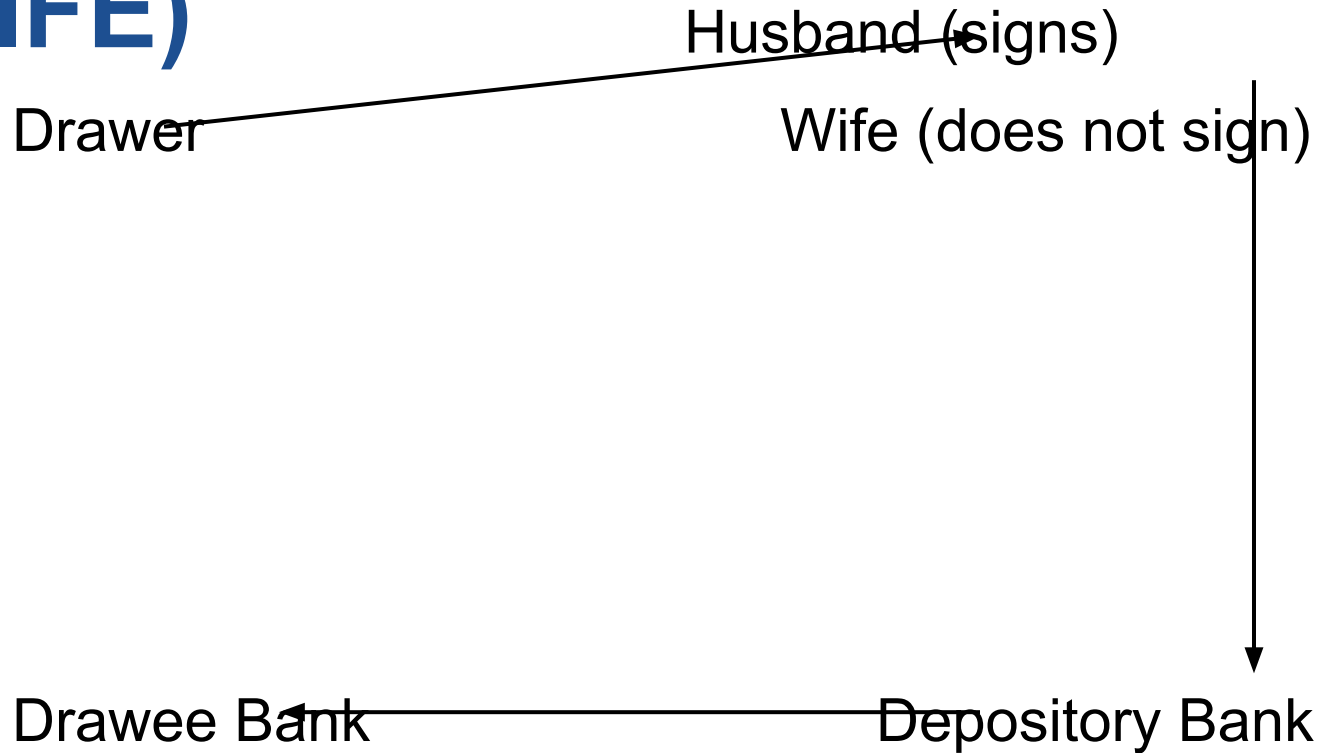


THEFT WHEN THE CONSUMER IS THE PAYEE – BLANK INDORSEMENT BY THE CONSUMER

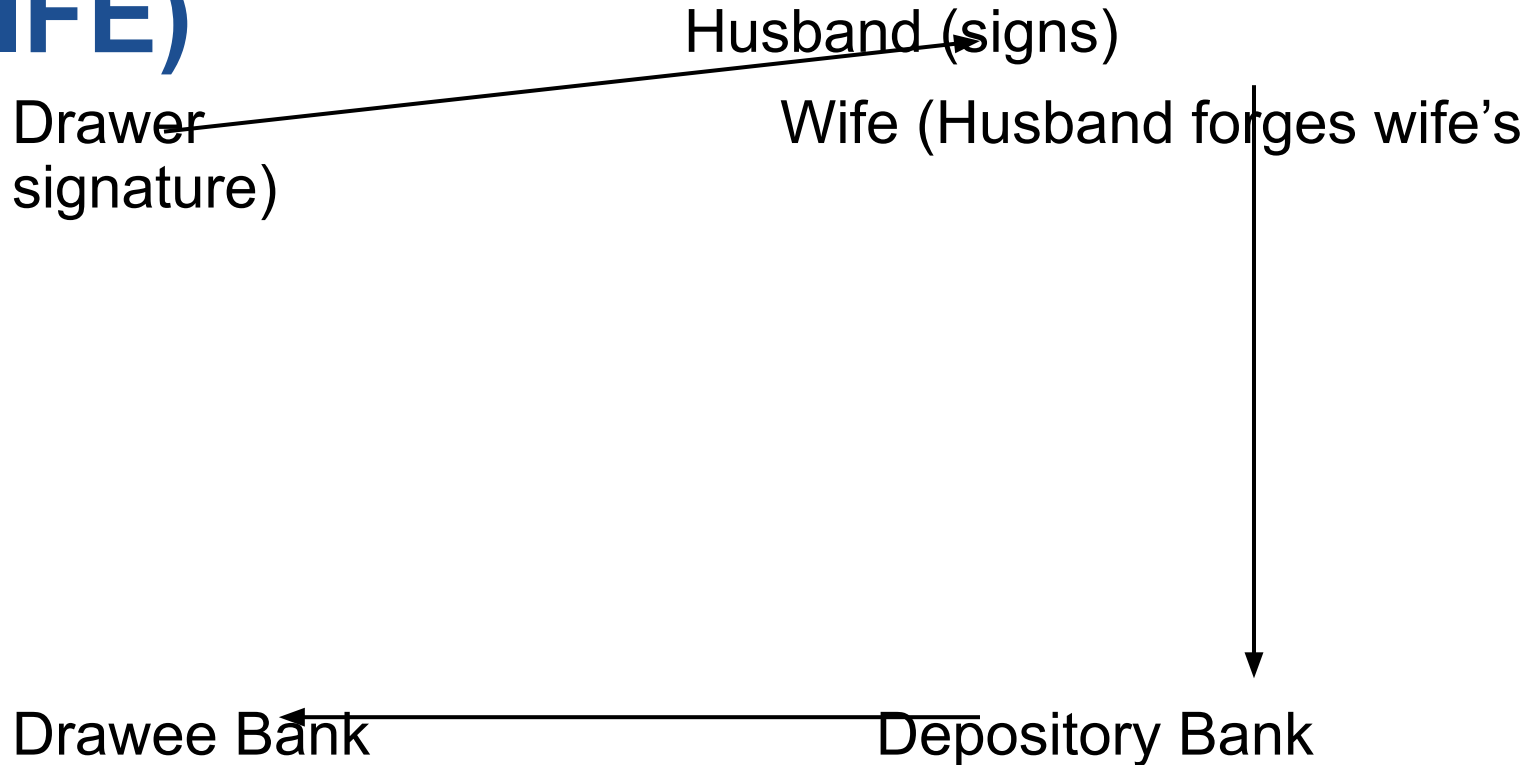


CHECKS PAYABLE TO TWO PAYEES

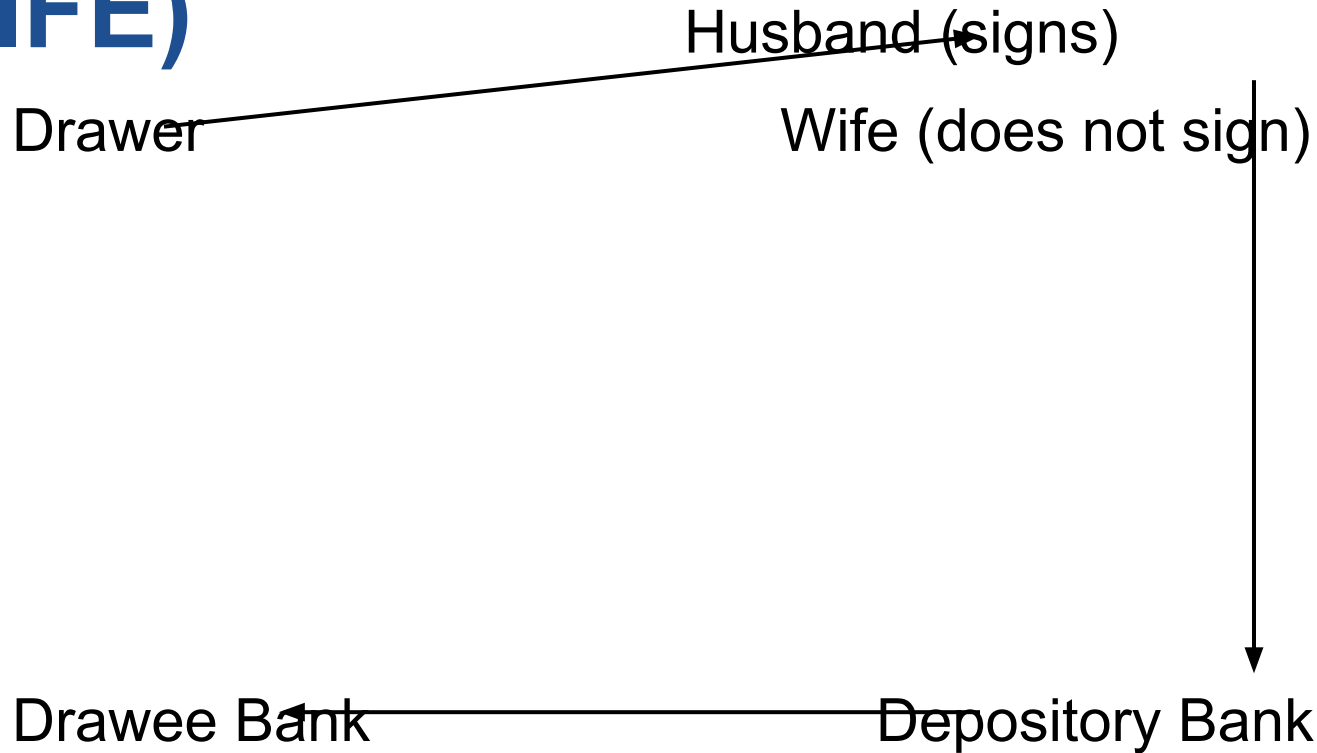
CHECKS PAYABLE TO TWO PAYEES JOINTLY (I.E. HUSBAND AND WIFE)



CHECKS PAYABLE TO TWO PAYEES JOINTLY (I.E. HUSBAND AND WIFE)

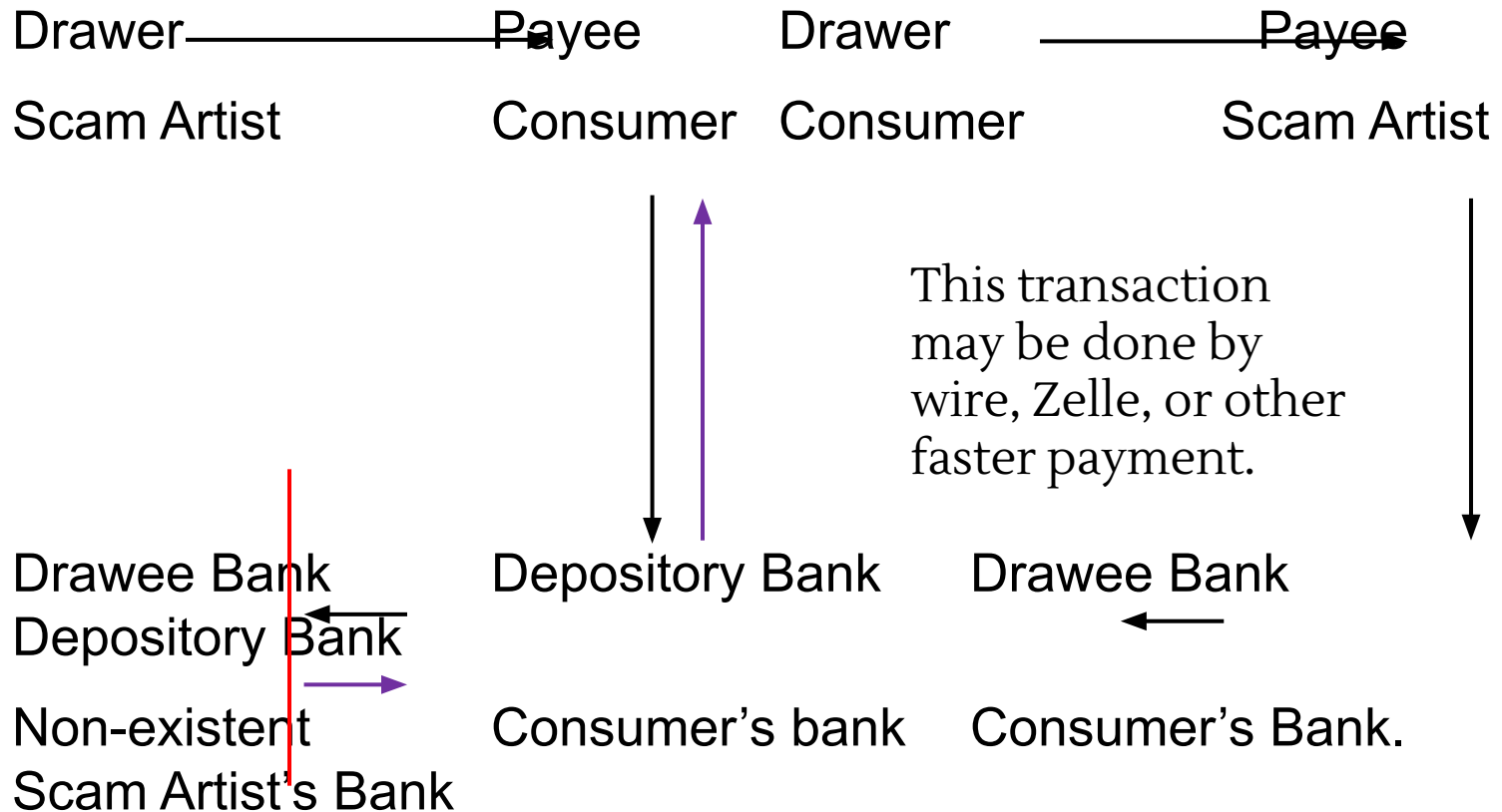


CHECKS PAYABLE TO TWO PAYEES JOINTLY (I.E. HUSBAND OR WIFE)



CHECKS WRITTEN AS THE RESULT OF A SCAM

IS DEFRAUDED CONSUMER A DRAWER OR PAYEE?



- 3 years after cause of action accrues – UCC 3-118(g) (uniform version)
- May be different in your state.
- May be altered by deposit agreement (UCC 4-103(a))

STATUTE OF LIMITATIONS

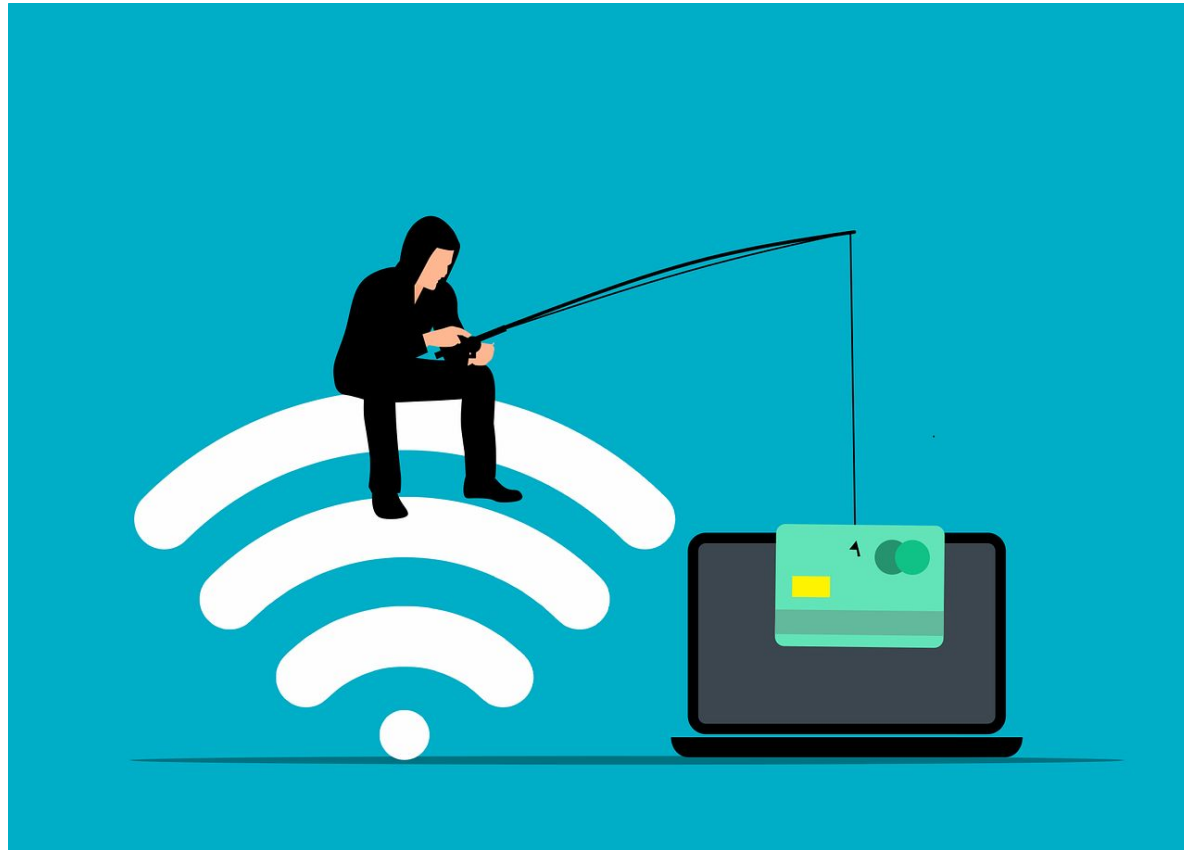
PRACTICE TIPS

PRACTICE TIPS¹⁹

1. Remember that the story of the fraud, and the story of the check, aren't always the same. UCC claims are based on the story of the check.
2. Identify the drawer and payee(s) and where the client alleges the check strayed from its intended path.
3. Figure out the path of the check, in order, and assess how each party got the check, and how they passed it along. Rights and liabilities under the UCC are often determined by this.
4. Assess who may be liable for the loss, including whether your client may take or share liability based on negligence or failure to examine the bank statement.
5. Draw the path of the check on a drawing like those in this presentation.
6. Consult the NCLC Consumer Banking and Payments Manual for advice about your particular check path. Keep in mind that any given check problem will reference many sections of the UCC, so finding a guide for your situation in the manual is the fastest way in.

QUESTIONS

UNAUTHORIZED BANK TRANSFERS & OTHER EFTA ISSUES



Introduction

Speaker: Pat McNichol
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Overview

- Unauthorized Transfers
 - Diagnosing Client Problems
 - Bank Account Fraud
 - EFTA
- Other EFTA Problems
- Wire Transfer Fraud
 - UCC Article 4A



Unauthorized Bank Transfers



Diagnosing Client Problems

- Always ask first:

What was the mode of the fraud?

Common Types of Fraud:

- Bank Account/
Debit Card
- Wire Transfers
- Credit Card



Diagnosing Client Problems

- Why's the mode of fraud matter?

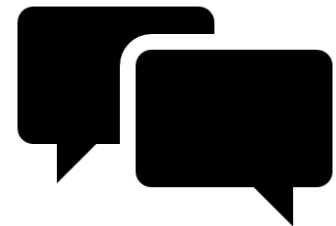
It dictates applicable law.

Rarely will claims concern the common law (e.g., negligence). Statutory claims preempt – and often to the benefit of the consumer (better remedies, attorneys' fees, etc.)

- Bank Account/Debit Card: EFTA
- Wire Transfer: UCC Article 4A
- Credit Card: TILA/FCBA
- Checks: UCC Articles 3 & 4

Diagnosing Client Problems

- Don't jump the gun
- Ascertain all relevant facts
 - Did the fraudster act alone?
 - Did the fraudster dupe the client into providing account/card access?
 - Did the fraudster convince the client to do the transactions by themselves?
- Push for the full story – clients are often ashamed of what happened and leave out “bad” facts. Or they're simply confused about what happened.
- Confirm client characterizations:
 - “It was my debit card”
 - “They wired my money”



Bank Account Fraud

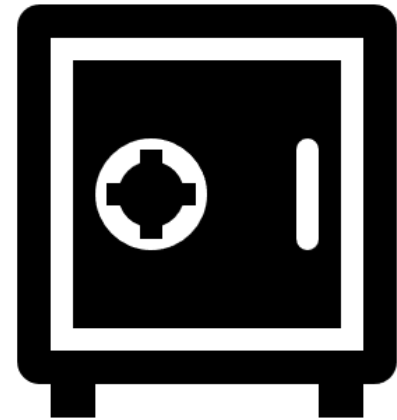
- Ideally, the EFTA (and Regulation E) governs the fraud transactions.

Threshold Issues for EFTA Coverage

- Applies only to consumers (not business accounts – those are probably governed by the UCC)
- Was the “transfer” performed electronically?
 - Electronic transfers include debit card transactions and ACH transfers, but exclude checks and *maybe* wire transfers.
- Is the putative defendant a financial institution?
 - Financial institutions include banks and credit unions, etc., but also any other person who, directly or indirectly, holds an account belonging to a consumer.

The EFTA Generally

- Caps consumer liability for unauthorized transfers;
- Provides dispute and notice mechanisms;
- Enables consumers to correct errors; and
- Replaces less favorable UCC/common law regimes.

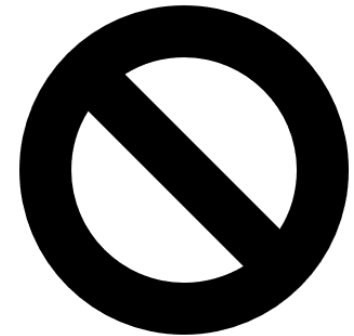


15 U.S.C. § 1693a(12) – “Unauthorized”

- The term “unauthorized electronic fund transfer” means an electronic fund transfer from a consumer’s account initiated by a person other than the consumer without actual authority to initiate such transfer and from which the consumer receives no benefit, but the term does not include any electronic fund transfer (A) initiated by a person other than the consumer who was furnished with the card, code, or other means of access to such consumer’s account by such consumer, unless the consumer has notified the financial institution involved that transfers by such other person are no longer authorized, (B) initiated with fraudulent intent by the consumer or any person acting in concert with the consumer, or (C) which constitutes an error committed by a financial institution.

15 U.S.C.³¹ § 1693g – Consumer Liability Caps

- Three tiers of consumer liability for unauthorized transfers/transactions:
 - \$0* or \$50 (within two days of learning of loss or theft of “access device”)
 - \$500 (after two days of learning of loss or theft of “access device” but within 60 days of statement)
 - Unlimited (after 60 days from first statement showing unauthorized transfers/transactions – maybe (exceptions apply))
- Consumer not liable in excess of those “caps”
- Financial institution bears burden of establishing authorization (cannot shift proof to customer)



15 U.S.C. § 1693f(a) – Dispute Resolution

- Consumer notification requirements are not demanding
 - (a) If a financial institution, within sixty days after having transmitted to a consumer documentation pursuant to section 1693d(a), (c), or (d) of this title or notification pursuant to section 1693d(b) of this title, receives oral or written notice in which the consumer—
 - (1) sets forth or otherwise enables the financial institution to identify the name and account number of the consumer;
 - (2) indicates the consumer's belief that the documentation, or, in the case of notification pursuant to section 1693d(b) of this title, the consumer's account, contains an error and the amount of such error; and
 - (3) sets forth the reasons for the consumer's belief (where applicable) that an error has occurred,

15 U.S.C. § 1693f(a) – Dispute Resolution

- Financial institution must investigate
 - “[T]he financial institution shall investigate the alleged error, determine whether an error has occurred, and report or mail the results of such investigation and determination to the consumer within ten business days. The financial institution may require written confirmation to be provided to it within ten business days of an oral notification of error if, when the oral notification is made, the consumer is advised of such requirement and the address to which such confirmation should be sent.”



15 U.S.C. § 1693f(c) – Dispute Resolution

- Financial institution must investigate within 10 days or provisionally credit the consumer's account pending investigation.
 - “If a financial institution receives notice of an error in the manner and within the time period specified in subsection (a), it may, in lieu of the requirements of subsections (a) and (b), within ten business days after receiving such notice provisionally recredit the consumer's account for the amount alleged to be in error, subject to section 1693g of this title, including interest where applicable, pending the conclusion of its investigation and its determination of whether an error has occurred. Such investigation shall be concluded not later than forty-five days after receipt of notice of the error. During the pendency of the investigation, the consumer shall have full use of the funds provisionally recredited.”

15 U.S.C. § 1693f(d) – Dispute Resolution

- Financial institution must provide reasons for its decision to deny a consumer dispute.
 - “If the financial institution determines after its investigation pursuant to subsection (a) or (c) that an error did not occur, it shall deliver or mail to the consumer an explanation of its findings within 3 business days after the conclusion of its investigation, and upon request of the consumer promptly deliver or mail to the consumer reproductions of all documents which the financial institution relied on to conclude that such error did not occur. The financial institution shall include notice of the right to request reproductions with the explanation of its findings.”

Special Considerations

- Access device (card or login) obtained through robbery or fraud.
 - An unauthorized EFT includes a transfer initiated by a person who obtained the access device from the consumer through fraud or robbery. See Official Interpretation to 12 C.F.R. § 1005.2(m)
 - “[W]hen a consumer is fraudulently induced into sharing account access information with a third party, and a third party uses that information to make an EFT from the consumer’s account, the transfer is an unauthorized EFT under Regulation E.” Error Resolution: Unauthorized EFTs - Question 5.
 - “[U]nder the Official Interpretation, access obtained by fraud was never truly ‘authorized’ Thus, the Court finds, consistent with the fraud exception, that access to account information that was furnished in the first instance under fraudulent pretenses is not ‘authorized’ access under the EFTA.” *Green v. Capital One, N.A.*, 557 F.Supp.3d 441, 448 (S.D.N.Y. 2021).
- But if a consumer furnishes an access device and grants authority to make transfers to a person (such as a family member or co-worker) who exceeds the authority given, the consumer is fully liable for the transfers unless the consumer has notified the financial institution that transfers by that person are no longer authorized.



Special Considerations

- Predicate transfers (pre-wire intrabank transfers) should be covered, even if loss realized by non-wire transaction!
 - Savings to checking?

Moore v. JPMorgan Chase Bank, N.A., 2022 WL 16856105, at *2 (N.D. Cal. Nov. 10, 2022) (“Plaintiffs are not bringing suit under the EFTA for the wire transfer; instead, the claim is limited to the savings to checking transfer. The unauthorized wire transfer is evidence that supports a plausible inference that Plaintiffs did not benefit from the savings to checking transfer.”).

Wingard v. TBK Bank, SSB, 2025 WL 605265, at *4 (D. Colo. Feb. 25, 2025) (“[T]he few courts to construe ‘benefit’ under the EFTA have considered the ‘downstream effects’ of the transaction. . . . Accounting for the downstream effects of the Savings Transactions, Plaintiffs plainly received no benefit from those transfers. . . . [T]he Savings Transactions were an intermediate step that led to the fraudulent Check Transactions and Plaintiffs’ loss of tens of thousands of dollars. Even if Plaintiffs reaped a brief, unrealized benefit from money being moved between their accounts before it was stolen, they were unaware of it.

- Personal to business?



Ongoing Citibank Litigation

New York v. Citibank, N.A., No. 1:24-cv-659 (S.D.N.Y.)

- New York alleges that Citibank’s wire transfers are electronic fund transfers because the stolen money is not actually wired from the consumer’s account but is debited via an electronic fund transfer and then wired to an external account from a separate Citibank account. Despite those mechanics, Citibank invariably assesses disputes as if the EFTA does not apply.
- The CFPB supported New York’s interpretation in an amicus filing opposing Citibank’s Motion to Dismiss.
 - “Based on more than three decades of regulatory history, the Bureau’s understanding is that when a transaction that otherwise qualifies as an ‘electronic fund transfer’ includes a fund transfer by wire, only the wire portion of the transfer is excluded from EFTA and Regulation E coverage. The remaining electronic fund transfer is subject to EFTA and Regulation E.”
- Court denied Citibank motion to dismiss – meaning, consumer wire transfers are covered by the EFTA.



Preauthorized Transfers

15 U.S.C. § 1693e

- (a) A preauthorized electronic fund transfer from a consumer's account may be authorized by the consumer **only in writing**, and a copy of such authorization shall be provided to the consumer when made. **A consumer may stop payment of a preauthorized electronic fund transfer by notifying the financial institution orally or in writing at any time up to three business days preceding the scheduled date of such transfer.** The financial institution may require written confirmation to be provided to it within fourteen days of an oral notification if, when the oral notification is made, the consumer is advised of such requirement and the address to which such confirmation should be sent.
- (b) In the case of preauthorized transfers from a consumer's account to the same person which may vary in amount, **the financial institution or designated payee shall**, prior to each transfer, **provide reasonable advance notice to the consumer**, in accordance with regulations of the Bureau, of the amount to be transferred and the scheduled date of the transfer.

See also 12 C.F.R. § 1005.10

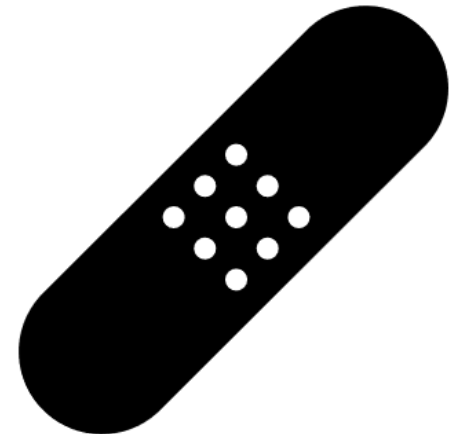
15 U.S.C. § 1693m – Asserting EFTA Claims

- Statutory damages:
 - Individual: \$100-\$1,000
 - Class: No minimum per person, but capped at lesser of 1% of net worth or \$500K
- Actual Damages;
- Attorneys' Fees; and
- Costs.
- One year statute of limitations.



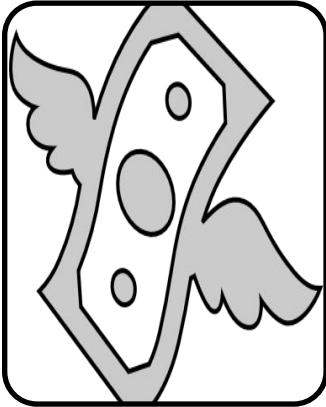
Special Consideration

- Actual Damages
 - Banks will maintain that only out-of-pocket damages for actual monetary loss are available – and not any consequential damages or damages for emotional distress.
 - Because there are no EFTA decisions on point, cite to FDCPA and FCRA decisions.
- Treble Damages – 15 U.S.C. § 1693f(e)
 - Failure to provisionally recredit; and
 - failure to conduct a good faith investigation; or
 - lack of reasonable basis for believing that consumer's account was not in error; or
 - Knowingly and willfully concluded that the consumer's account was not in error when such conclusion could not reasonably have been drawn from the evidence available to the financial institution at the time of its investigation



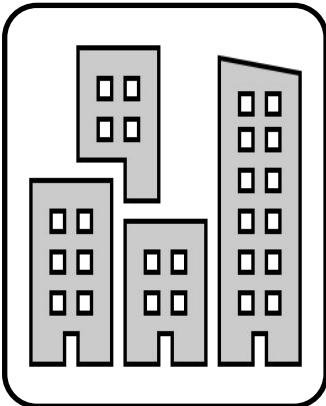
Questions?

Article 4A – Wire Transfers



Article 4A covers payment orders that do not qualify as “electronic fund transfers” under the EFTA, such as in-person wire transfers.*

** Excludes remittance transfers (governed by the EFTA); see also New York litigation versus Citibank, N.A.*



It covers payment orders (even electronic ones) from accounts not used for personal, family, or household purposes. In other words, it covers transfers from business accounts, even if the EFTA covers the same kind of transfer for consumers.

What if your client has an Article 4A issue?



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Unauthorized wire transfers
("I didn't do it.")



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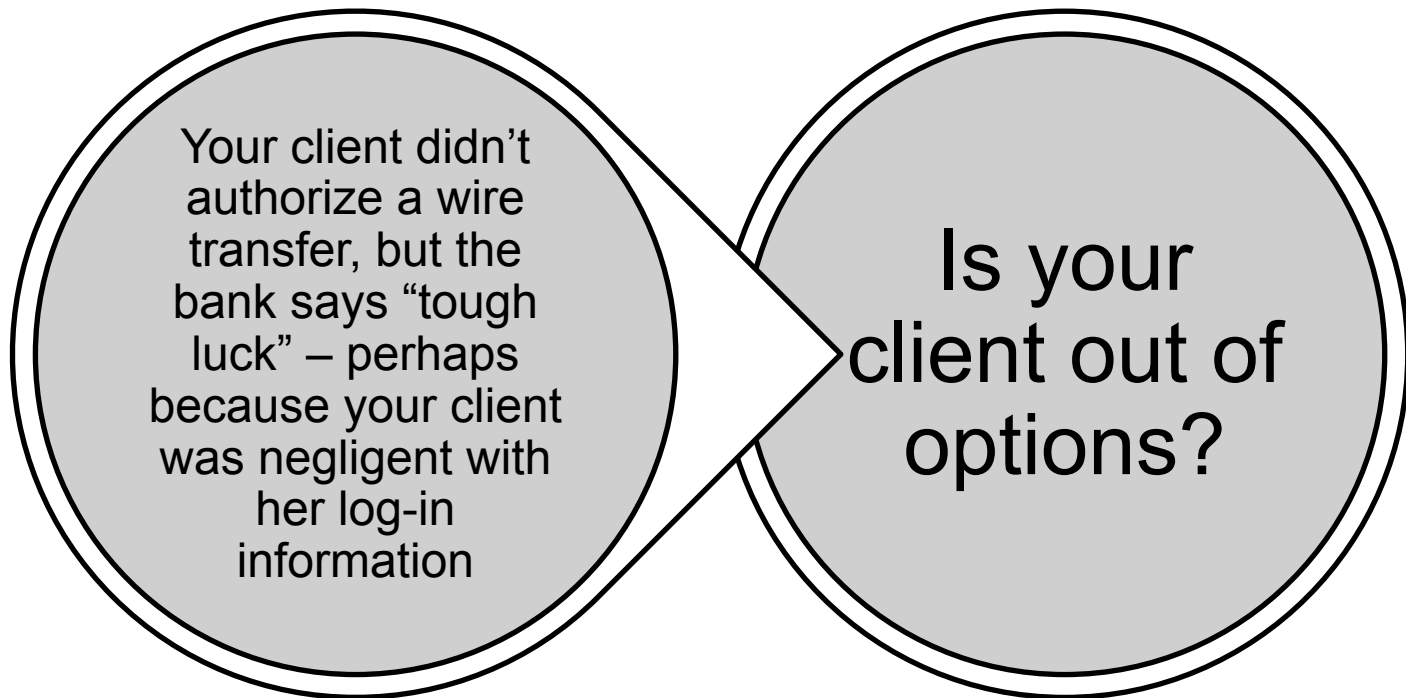
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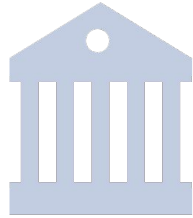
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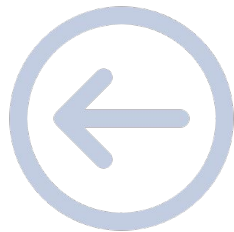
Unauthorized Wire Transfers



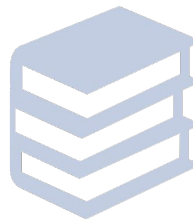
Not so fast



The default rule is that the bank is responsible for unauthorized wire transfers.

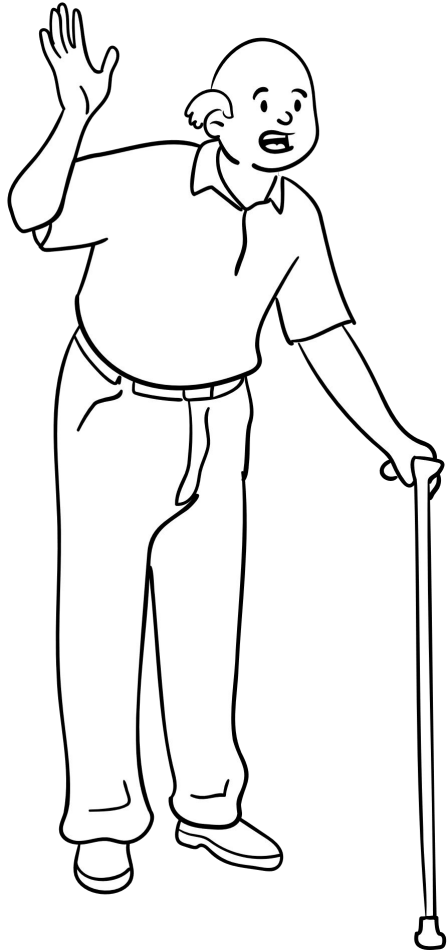


The bank, therefore, has to shift responsibility to the consumer.



The bank bears this burden.

The bank can shift liability in two ways



- “Under Article 4A, a bank receiving a payment order ordinarily bears the risk of loss of any unauthorized funds transfer.” *Patco Construction Co., Inc. v. People’s United Bank*, 684 F.3d 197, 208 (1st Cir. 2012).
- “The bank may shift the risk of loss to the customer in one of two ways, one of which involves the commercial reasonableness of security procedures and one of which does not.” *Id.*

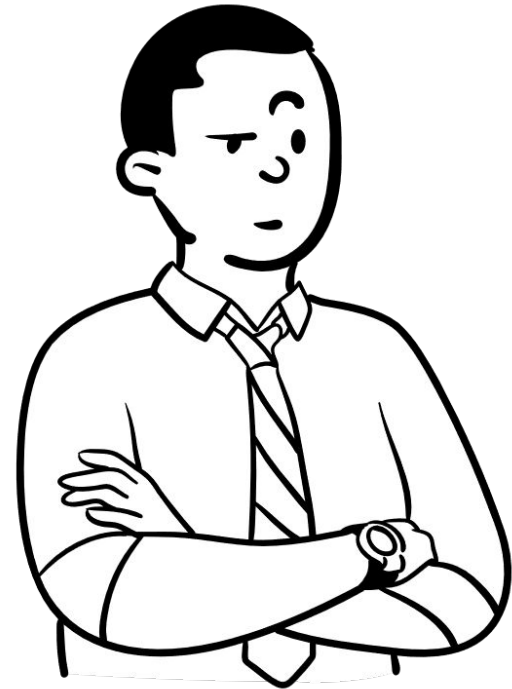
First, your client is liable:

If the transfer was *legally* authorized under principles of agency law (e.g., implied authority, apparent authority)

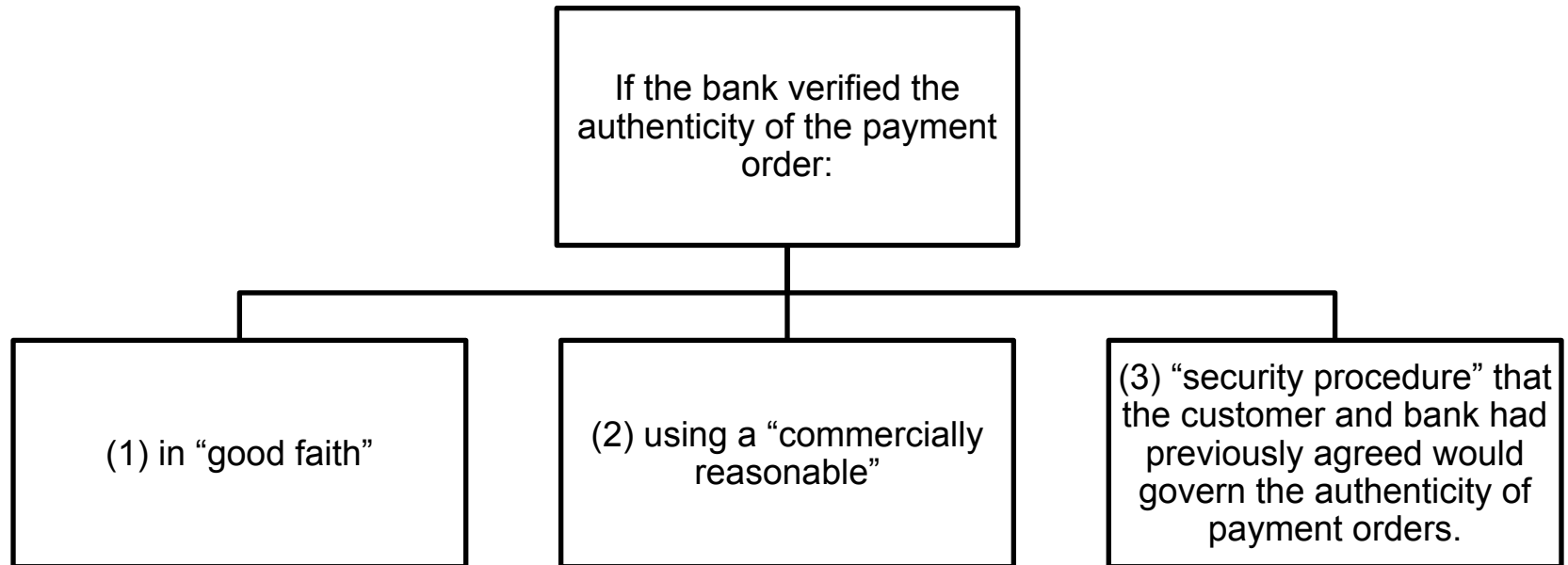
But “[i]n a very large percentage of cases covered by Article 4A, . . . [c]ommon law concepts of authority of agent to bind principal are not helpful’ because the payment order is transmitted electronically and the bank ‘may be required to act on the basis of a message that appears on a computer screen.’” *Patco Construction Co., Inc. v. People’s United Bank*, 684 F.3d 197, 208 (1st Cir. 2012) (quoting U.C.C. § 4A-203 cmt. 1).

Find out what happened:

- Who sent the wire transfer?
- Was it your client?
- Your client's family member or friend? Did that person have authority?
- Did your client do it but think they had good reason?
 - “Unauthorized” does not protect your client from wire transfers sent under duress or in response to a scam



Second, your client is liable:



- “The risk of a fraudulent payment order remains with TD, however, unless TD ‘proves that it accepted the payment order in good faith and in compliance with the security procedure and any written agreement or instruction of the customer.’”
Essgeekay Corp. v. TD Bank, N.A., 2018 WL 6716830, at *4 (D.N.J. Dec. 19, 2018).



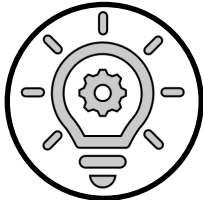
Always start with the security procedure!



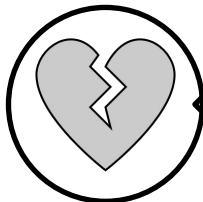
What security procedure did your client agree to?



Most likely a security procedure exists – but it's probably embedded deep in a customer agreement



Check the wording re: acceptance, e.g., is it conditioned upon specific use of the wire transfer service? Did your client use the wire transfer service or did the fraudster?

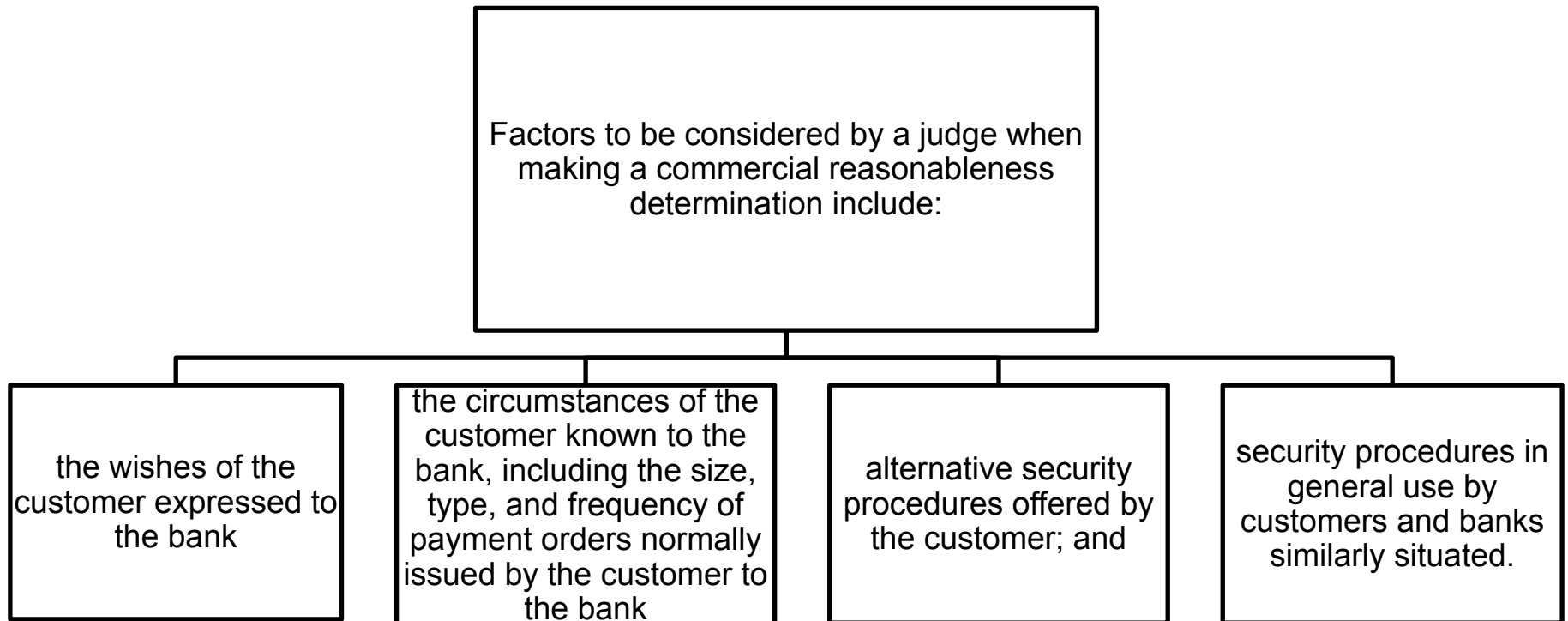


In any event, are the procedures ascertainable? Or can the bank do as it pleases? Arguably no agreement where procedures are unilaterally implemented.

Banks do not have discretion to do what they want to protect your client's money

- Official Commentary to § 4A-201:
 - “[T]he term does not apply to procedures that the receiving bank may follow unilaterally in processing payment orders.”
- *Choice Escrow & Land Title, LLC v. BancorpSouth Bank*, 754 F.3d 611, 617 (8th Cir. 2014):
 - “A ‘security procedure’ is a ‘procedure established by agreement of a customer and a receiving bank for the purpose of . . . verifying that a payment order . . . is that of the customer.’ As this definition makes clear, only security measures ‘established by agreement’ are considered ‘security procedures’ for purposes of Article 4A; security measures implemented unilaterally by the bank are irrelevant.”

Is the security procedure commercially reasonable?



Question of law, but
a flexible inquiry

Was it carried out in good faith?

Good faith is honesty in fact and observance of reasonable commercial standards of fair dealing.

Courts assessing the “good faith” standard have remarked that it “has both a subjective component—honesty in fact—and an objective component—the observance of reasonable commercial standards of fair dealing”

Probing this probably requires discovery – but it’s the bank’s burden!

Wire Transfer Recap

- In order to shift liability for an unauthorized wire transfer, the bank needs to show (1) that your client agreed to a security procedure, (2) which was commercially reasonable, and (3) that the bank followed it in good faith.
- Think of it as having three bites at the apple.
- Any demand or pleading should consider challenging the bank's proof on all three points.
- Bring suit under § § 4A-202, 4A-204

The Bank Statement Rule

- Regarding all kinds of errors, always remember that your clients have a duty to check their account statements for errors
- Errors must be reported to banks within 1 year of notification
- Errors must be reported to banks within 30 days (if FedWire) or 90 days in order for the client to recover interest
- This is not a statute of limitation – it's a prerequisite to filing suit and thus a statute of repose (SOL is determined by state law)

Think About Common Law Claims

- Article 4A pre-emption does not preclude everything:

While Article 4A should be the first place parties look for guidance when they seek to resolve claims arising out of a funds transfer, “the article has not completely eclipsed the applicability of common law in the area. The exclusivity of Article 4A is deliberately **restricted to ‘any situation covered by particular provisions of the Article.’** Conversely, situations not covered are not the exclusive province of the **Article.**” In fact, the Official Comment tacitly states that resorting to principles of law or equity outside of Article 4A is acceptable, so long as it does not create rights, duties and liabilities “inconsistent with those stated in this Article.

Schlegel v. Bank of Am., N.A., 628 S.E.2d 362, 367 (Va. 2006 (quoting *Centre–Point Merch. Bank Ltd. v. American Express Bank Ltd.*, 913 F. Supp. 202, 204 (S.D.N.Y. 1996)).

- Consider whether the bank erred before or after the wire transfer (but keep in mind standard bank litigation issues (e.g., who owes a duty and to whom?))

Questions?

Credit Card Dispute Rights

Social Law Library

Consumer Law Essentials - Fraud Fighters: A Beginner's
Guide to Protecting Consumers from Payment Scams

March 18, 2025

Chi Chi Wu (cwu@nclc.org)



Three Separate Dispute Rights

- § 1643 - Protections against unauthorized use
- § 1666 – Billing error procedures
- § 1666i – Right to withhold payment for claims & defenses against merchant

These are separate and independent rights



Unauthorized Use

- 15 U.S.C. § 1643
- Limits liability for unauthorized use to \$50
 - \$0 if telephone or Internet or zero liability policies
- Definition (15 U.S.C. § 1602(p))

“a use of a credit card by a person other than the cardholder who does not have actual, implied, or apparent authority for such use and from which the cardholder receives no benefit”

Unauthorized Use

- Does not protect against unauthorized use by authorized users
- Issues with fraud that appears to “benefit” user
 - E.g., concert tickets

Susan Tompor, [Grosse Pointe Woods woman: Michigan First Credit Union says concert tickets not fraud](#), Detroit Free Press, May 9, 2024

Billing Error Procedures

- 15 U.S.C. § 1666
- Strict procedural requirements
 - Written notice
 - Sent to specific address
 - Includes
 - Name and account number
 - The dollar amount in dispute
 - A statement of the reason for the dispute
 - Within 60 days of periodic statement
 - Can disputes be sent electronically?

Billing Error Procedures

- Types of billing errors
 - Unauthorized use
 - Even if cardholder benefited
 - Wrong amount
 - \$1000 charge for \$30 ride
 - Double billing
 - Goods not received
 - Goods not accepted
 - Does not cover faulty goods

Billing error procedures

- Requires investigation and response
 - Acknowledgement of receipt within 30 days
 - Investigation and response within two billing cycles or 90 days
 - “reasonable” investigation – See Official Interpretations to Reg Z, 12 C.F.R. § 1026.13(f)-3
 - Finality of decision
- Right to withhold payment
- Credit reporting protections

Remedies

- 15 U.S.C. § 1640
 - Actual damages, statutory damages, attorney's fees
- 15 U.S.C. § 143
 - Right of recovery?
- 15 U.S.C. § 1666
 - Procedural violations
 - Forfeiture of disputed amount?

Other sources of authority

- Cardholder agreement
- Network rules
- State law

QUESTIONS?

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EBT Cards and SNAP Benefits Theft

BETSY GWIN

What is EBT

- Electronic Benefit Transfer
- Issued by states to distribute needs-tested benefits
- Cards have magnetic stripe* and consumers use personal identification number (PIN) to access benefits
 - *In Jan. 2025, CA became 1st state to issue EBT cards with chip
- Cards only accepted at approved retailers

What benefits are paid via EBT?

EBT

- All states issue SNAP (Supplemental Nutrition Assistance Program) via EBT
- Other needs-tested benefits issued via EBT vary by state, e.g.:
 - Temporary Assistance to Needy Families (TANF)
 - Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)
 - General assistance programs
 - Refugee assistance

NON-EBT (PREPAID CARDS) EXAMPLES

- Federally-administered SSA benefits
 - Social Security (SSRI/DI) and Supplemental Security Income (SSI)
 - Issued by direct deposit or prepaid cards (Direct Express)
- Unemployment assistance
- Child support payments

EBT history

- **1996 “welfare reform”, Personal Responsibility & Work Opportunity Reconciliation Act (PRWORA):**
 - Required states to move from paper coupons (“food stamps”) to EBT system
 - States must issue SNAP benefits via EBT under federal law. 7 U.S.C. § 2016(h)
 - Excluded EBT from federal consumer protections under Electronic Funds Transfer Act (EFTA)
 - Congress amended EFTA to exclude EBT systems. 15 U.S.C. § 1693b(d)(2)
 - Excludes “needs-tested” benefits delivered by state or local government agency
 - Directed USDA to issue EBT replacement regulations “similar to paper-based system,” where paper food stamps stolen through no fault of household were replaced
 - USDA never issued replacement regulations. Note: pending litigation on this issue

Card Skimming & SNAP theft



- “Skimming” devices used to steal card information from POS devices
 - Capture account number and PIN
 - Devices are undetectable for consumers
- Thieves use info to clone cards and make unauthorized purchases
 - Appear as out-of-state purchases
 - Often see multiple balance checks before draining account
- Affects all consumers, but EBT cards much more vulnerable
 - No chip or tap – must swipe

SNAP theft trends



Summer 2022, dramatic increase in SNAP theft due to EBT skimming



Over 450,000 households filed claims between 2023-24



\$220 million in SNAP benefits replaced by federal government 2023-24




Nationwide problem, but local spikes



Organized national and international criminal rings responsible for large-scale theft

SNAP Theft Victims

- SNAP serves 1 in 8 people in the U.S.
 - 1 in 5 children in U.S.
 - Over 40 million people
- Nearly all SNAP households include a child, an older adult, or someone with a disability
- **Learn more about SNAP in your state here:**
[State-by-State Fact Sheets](#)



"... My eyes filled up with tears and my heart sunk. **They took everything**, everything we had, they left us with 0.56 cents. We have been struggling so much that I am literally counting change just for a gallon of milk."

Relief for Theft Victims?

SNAP BENEFITS

- Under federal law, SNAP benefits stolen between Oct. 1, 2022, and Dec. 20, 2024 were eligible for replacement
 - Congress failed to extend this provision in Dec. 2024
 - Benefits stolen Dec. 21 or later not covered
- Some states, like CA, still replace stolen SNAP under state law
- **Victims should still report theft to state agency**
 - [Directory of SNAP offices by state](#)

OTHER BENEFITS

- Depends on state and program
- Some states replace stolen cash assistance
- **Reminder: cash benefits that are **direct deposited** into a bank account are covered by EFTA**

How to protect against theft



Change PIN after every time you use your EBT card



Use tools available in your state

Locking/unlocking card
Blocking out-of-state usage



Request replacement of physical card, if lost or stolen

Note: when EBT card is skimmed, changing PIN can protect against theft



For non-SNAP benefits, use direct deposit

Opportunities to advocate for solutions

Pending federal legislation to improve EBT card security

Advocate for your state to adopt chip/tap EBT cards

Advocate for your state to replace stolen benefits

Connect with SNAP advocates in your state

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Contact me with questions

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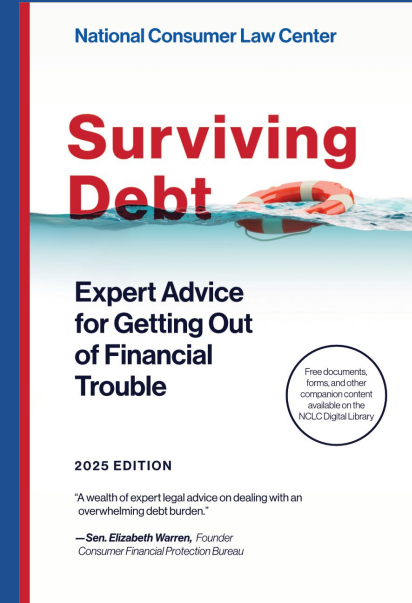


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