



# OLR RESEARCH REPORT

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## **WELFARE RECIPIENTS—HOW CLIENTS SPEND THEIR ASSISTANCE**

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You asked if the state collects data on how welfare recipients spend the money that is on their electronic benefit transfer (EBT) cards to ensure that it is being spent, as you wrote in your letter, “as intended.”

According to Carolyn Treiss, the Department of Social Services (DSS)’ Legislative Program Manager, DSS does not track how welfare recipients spend the cash that they receive from the state. Since 1997, DSS has provided both cash and Supplemental Nutrition Assistance Program (SNAP) benefits (i.e., food assistance) on EBT cards. (Cash assistance recipients have the option of getting benefits deposited directly into their bank accounts.) Clients may spend their cash benefits how they choose but can spend SNAP benefits only on items that the federal government allows.

Although welfare recipients can spend their cash anywhere, they cannot use their EBT cards at certain ATMs in the state. According to Treiss, cash assistance recipients cannot use their cards at ATMs located at five facilities: the three casinos, Bradley Teletheater, and Autotote (Sports Haven off-track betting). The company that provides cash to these establishments, and not the state, instituted this policy.

SNAP benefits can be spent only on certain food items that the U.S. Department of Agriculture (USDA) permits (see attached [list](#)). According to Treiss, retailers authorized to accept SNAP benefits know what products SNAP benefits can be used to purchase. She adds that the USDA’s Food and Nutrition Services (FNS) Division reviews SNAP

transaction data and can investigate a retailer it believes is allowing SNAP recipients to purchase items that the program disallows, and stop noncompliant retailers from selling to SNAP recipients.

OLR Report [2009-R-0337](#) provides additional information about the EBT program, including the ways recipients can retrieve cash.

**HYPERLINK**

**USDA**

<http://www.fns.usda.gov/snap/retailers/eligible.htm>

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