



Minnesota Department of **Human Services**

Electronic Benefit Transfer (EBT)

Electronic Benefit Transfer (EBT) is a system that automates the delivery, redemption and reconciliation of public assistance benefits. An EBT card is the primary mechanism in Minnesota for issuing Food Support and temporary cash assistance. Cards can be used at a point-of-sale device or at an ATM. EBT cards are used in all 50 states and U.S. territories as mandated by the U.S. Department of Agriculture's nutrition assistance program, known as Food Support in Minnesota.

EBT use statistics

Recipients of public assistance in Minnesota receive different combinations of benefits, depending on their circumstances and program eligibility rules. On average, more than 190,600 cases per month in fiscal year 2010 received benefits through EBT. Of those:

- 122,200 households with an income at or below 165 percent of the federal poverty guidelines received Food Support only.
- 53,200 households received both cash and food assistance.
- 15,200 households received cash assistance only through programs such as the Diversionary Work Program, General Assistance, the Minnesota Family Investment Program, Minnesota Supplemental Aid, Refugee Cash Assistance and the Work Benefit Program.

Approximately \$575.1 million in Food Support was distributed in FY 2010, involving more than 20 million transactions. Of those:

- 97 percent occurred in Minnesota.
- About 1.5 percent occurred in border states.
- About 1.5 percent occurred in another state or territory.

Of more than 3.8 million cash transactions, involving approximately \$207.2 million:

- 98 percent occurred in Minnesota.
- About 1 percent occurred in another state or territory.
- Less than 1 percent occurred in border states.

Federal and state regulations

Minnesota prohibits the use of EBT cash cards at terminals located in or attached to gambling establishments. The U.S. Food and Nutrition Act of 2008 clarified restrictions for state food programs.

- The food portion of an EBT card can only be used at USDA-authorized food retailers to purchase foods such as breads, cereals, fruits, vegetables, meats, fish, poultry and dairy products.
- Alcoholic beverages, tobacco products, hot food and any food sold for on-premise consumption are precluded from the Food Support program.

- Nonfood items such as pet foods, soaps, paper products, medicines, vitamins, household supplies, grooming items and cosmetics are ineligible for purchase with Food Support benefits.

Other methods available for cash assistance

Food Support is only available through EBT. Most clients eligible for cash assistance receive it through EBT, but they may choose other methods. In FY 2010, more than:

- 12,400 households received cash benefits via state-issued warrants.
- 9,200 households receive direct deposits to bank accounts.

EBT administration

Minnesota has an EBT vendor contract with eFunds Government Solutions, a subsidiary of Fidelity National Information Services Inc. Under terms of the contract, eFunds handles the processing of all Minnesota EBT transactions, provides customer and retailer support and supplies EBT cards for clients. The total amount paid for EBT services in FY 2010 was \$3.8 million. Last year's monthly average activity included:

- 1.9 cash withdrawals per household, per month, at point-of-sale or ATM
- 1,715,600 point-of-sale transactions
- 108,300 ATM withdrawals
- 6,900 point-of-sale cash-back transactions.

This information is available in alternative formats to individuals with disabilities by calling (651) 431-4671. TTY users can call through Minnesota Relay at (800) 627-3529. For Speech-to-Speech, call (877) 627-3848. For additional assistance with legal rights and protects for equal access to human services programs, contact our agency's ADA coordinator.