

Appendix 4 Electronic Benefits and Funds Transfer



Electronic Benefits Transfer (EBT)

Electronic Funds Transfer - Direct Deposit (EFT)

What EBT does:

- EBT – Electronic Benefits Transfer
- Delivers cash and food assistance benefits through a magnetic stripe debit card
- Enables clients to access food benefits through Point of Sale (POS) devices and cash benefits through Automated Teller Machines (ATM) and at retailer option, through POS devices in food retail stores

Who EBT serves:

- Clients who receive federal or state food assistance benefits, Temporary Assistance to Needy Families (TANF), General Assistance (GA), Refugee Cash Assistance (RCA), Consolidated Emergency Assistance Program (CEAP) cash benefits

How EBT was done:

- In 1996, Washington joined the Western States Electronic Benefits Transfer Alliance (WSEA) comprised of Washington, Alaska, Arizona, Colorado, Hawaii, and Idaho to conduct a joint competitive procurement for EBT services. Nevada later joined the alliance
- In 1996, Citibank EBT Services selected as the successful vendor for WSEA
- In 1997, Washington stakeholders participated in EBT workgroups to solicit their input. Stakeholders included food retailers, client advocates, tribal members, disability community, financial institutions, federal agencies, and state staff representing the union, field operations, and headquarters
- In 1998, business and technical requirements for Washington's EBT system were developed in association with Citicorp, ACES and stakeholders

EBT Time frames:

- April 1998 - Washington signed EBT contract with Citicorp, Inc.
- March 1999 - EBT Pilot started in Cowlitz, Grays Harbor, Clark, Klickitat, Pacific, Skamania, and Wahkiakum counties
- June 1999 - first of six regional rollouts began in Region 1
- November 1999 - statewide implementation of EBT completed
- October 2002 - Federal Food Stamp rules require EBT in all states
- June 2004 –Completion of nationwide implementation of EBT

What EFT does:

- EFT – Electronic Funds Transfer
- At client's request, cash benefits are deposited directly into their personal checking/savings account instead of being deposited into an EBT cash account.

Appendix 4 Electronic Benefits and Funds Transfer

Who EFT serves:

- Clients eligible to receive cash benefits via EBT, and who have or are willing to open a savings or checking account. EFT is an optional method clients may choose for receiving their cash benefits

How EFT was done:

- EBT Steering Committee pursued EFT through the State Treasurer's Office as more cost effective than procuring the service from Citicorp, Inc.
- June 1999 - a workgroup with staff from the EBT Unit, ACES, and State Treasurer's Office met to determine business and technical requirements

EFT Time frames:

- January 2000 - the EFT Pilot started in two Pierce County offices, Pierce West Community Service Office and Pierce North Community Service Office
- May 2000 - all EBT cash assistance clients statewide given option to use EFT

Reprocurement of WSEA EBT Services

- December 2001 - To ensure EBT services continued without interruption, the Western States EBT Alliance (WSEA) states developed and published a second-tier Request for Proposal. The Territory of Guam, unable to attract a bidder due to its small caseload, joined the WSEA in this procurement
- May 2002 - Citicorp Electronic Financial Services (CEFS) was announced as the successful second- tier vendor
- Washington's first tier contract expired April 28, 2003. Washington exercised the two, one-year extension options under the initial contract
- January 2004 - CEFS sold to J. P. Morgan Electronic Financial Services (EFS)
- April 2009 – WSEA awarded the EBT Request for Proposal to the successful bidder, J. P. Morgan EFS

New Contract with J.P. Morgan Electronic Financial Services (EFS)

- March 2005 - Washington signed a new 7-year contract with J. P. Morgan EFS through April 2012
- Internet Web Browser application was made available to clients for obtaining their own EBT account information at www.ebtaccount.jpmorgan.com
- June 2006 - New Mexico and Wyoming joined the WSEA
- June 2007 – New Mexico decided not to participate with WSEA as an alliance
- October 2007 – Nebraska joined the WSEA
- June 2008 – Amendment to the March 2005 contract was signed by J. P. Morgan EFS and the State of Washington to accept the contract extension for an additional 2 years, from May 2012 – April 2014.