

**The 2013-2014 Legislative Annual Report on
Food Assistance Program Violations and the
Electronic Benefit Transfer System**

Pursuant to section 414.34, Florida Statutes, the Department of Children and Families is required to submit a report annually outlining the status of Food Assistance Program violations. The Department is also required to report on the progress of the implementation of the Electronic Benefit Transfer (EBT) system, which replaced the previous system of food assistance benefit issuance. The following responses are correspondingly numbered as they appear in the authorizing legislation.

Food Assistance Program Violations

The Department of Children and Families contracts with the Department of Financial Services / Division of Public Assistance Fraud (DPAF) to conduct investigations of suspected fraudulent activity and, if warranted, pursue prosecution of violations in the various public assistance programs. The data provided here summarizes the referrals to DPAF for investigation and the results of those investigations.

1. The number of food assistance complaints received during state fiscal year 2013-2014 totaled 19,660 and the number of post-fraud referrals that resulted in actual investigations was 4,523.
2. The number of findings of probable cause as a subset of the investigations of post-fraud referrals was 3,630.
3. The number of findings of no probable cause as a subset of the investigations of post-fraud referrals was 171.
4. The number of administrative complaints filed as a result of the above referenced investigations was 2,957.
5. Dispositions of administrative complaints filed were 2,327 guilty and 19 not guilty.
6. The number of criminal complaints (referrals to the various state attorneys) brought under s. 414.39, F.S., was 544. The disposition of criminal complaints filed was:

| | |
|-------------------|------------|
| Filed: | 399 |
| Not Filed: | 32 |
| Filed - Nol Pros: | <u>113</u> |
| Total | 544 |

The disposition figures for filed criminal complaints are lower than the number of cases referred to the various state attorneys because there was no resolution of a portion of the referrals during the report period. Dispositions of criminal complaints against individuals contain multiple program violations (food assistance, cash assistance, Medicaid), therefore separate data for only food assistance violations is unavailable. There is a single disposition against the individual that includes all program violations.

7. Electronic Benefits Transfer

EBT activities and accomplishments for 2013-14 related to fraud reduction focused on the continued implementation of House Bill 701, which was effective October 1, 2013, and the implementation of House Bill 515, which was effective October 1, 2014.

House Bill 701 restricted the use of EBT cards at casinos, liquor stores, and adult entertainment establishments. January through November 2014, EBT blocked access to \$77,411 at these establishments.

Effective October 1, 2014, Florida House Bill 515 limited the use of Temporary Cash Assistance (TCA) benefits out of state to 30 consecutive days. Recipients using benefits out of state for more than 30 days with no subsequent in-state usage must have their TCA benefits terminated unless the Department determines the recipient is temporarily absent and has intent to return to the state.

Use of TCA benefits out of state was monitored for October through November 2014. The first report which was generated in December 2014 contained 188 TCA cases, which are in the process of being evaluated for Florida residency.