



**Testimony in Support of LD 117:**

**“An Act to Prohibit the Use of Electronic Benefits Transfer System Cards for Cash Withdrawals”**

Senator Baldacci, Representative Meyer, and the distinguished members of the Committee on Health and Human Services, my name is Nick Murray and I serve as director of policy for Maine Policy Institute. We are a free market think tank, a nonpartisan, non-profit organization that advocates for individual liberty and economic freedom in Maine. Thank you for the opportunity to testify on LD 117.

LD 117 is a common sense bill that would ensure recipients of public assistance are not abusing a system meant to provide food and basic necessities. This is purely an issue of fairness. If some are withdrawing cash from their EBT cards for fraudulent or illicit purchases, it is not fair to the taxpayer or to those who use their benefits appropriately.

Currently, the only establishments where use of EBT cards are explicitly prohibited are gambling locations, those which earn more than 50% of gross revenue from selling liquor, or those which “provide adult-oriented entertainment in which performers disrobe or perform in an unclothed state for entertainment.” There are no other restrictions on EBT usage.<sup>1</sup> ATM cash withdrawals are an enormous loophole around these basic restrictions.

State welfare benefits should truly be a safety net, meant for those who are struggling and need a hand-up. These programs should spur individuals to become independent; unfortunately, they tend to become handouts and trap individuals in a toxic cycle of dependence on the state.

These programs should also be held to the highest standards of accountability, not only because they are funded by those who work, but because their intent is to feed the hungry and clothe the bare. The Legislature should work to secure this noble cause by providing stronger safeguards against inappropriate use of EBT cards and assistance benefits broadly.

Please deem LD 117 “Ought To Pass” and contribute to a more fair and transparent welfare system to serve Mainers who need it most. Thank you for your time and consideration.

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<sup>1</sup> Title 22, §23: Unauthorized use of electronic benefits transfer system