Electronic Benefit Transfer

Electronic Benefit Transfer, often referred to as EBT, is the primary mechanism in Minnesota for issuing Supplemental Nutrition Assistance Program (SNAP) benefits and cash assistance. Electronic Benefit Transfer cards can be used at point-of-sale devices for cash or food purchases, or at ATMs for cash only. These cards for Supplemental Nutrition Assistance Program purchases can be used in all 50 states and U.S. territories as mandated by the U.S. Department of Agriculture’s Food and Nutrition Services Division. Cash purchases or withdrawals with these cards can only be made within Minnesota and its four bordering states.

Card use statistics

Recipients of public assistance in Minnesota receive different combinations of benefits, depending on their circumstances and program eligibility rules. On average, 210,575 households per month in fiscal year (FY) 2018 accessed benefits through Electronic Benefit Transfer cards. Of those:

- 133,235 households with an income at or below 165 percent of the federal poverty guidelines received SNAP aid only.
- 54,319 households received both cash and nutrition assistance.
- 23,021 households received cash assistance only through programs such as Diversionary Work Program, General Assistance, Minnesota Family Investment Program, Minnesota Supplemental Aid and Refugee Cash Assistance.

Approximately $525 million in nutrition assistance was redeemed in FY 2018, involving more than 18 million transactions. Of those:

- 96.9 percent occurred in Minnesota.
- 1.9 percent occurred in border states.
- 1.2 percent occurred in another state or territory.

Of more than 4.5 million cash transactions, involving approximately $238 million:

- 99 percent occurred in Minnesota.
- 1 percent occurred in the four states bordering Minnesota.

Federal and state regulations

Minnesota prohibits the use of Electronic Benefit Transfer cards at terminals located in, or attached to, gambling establishments. The U.S. Food and Nutrition Act of 2008 clarified restrictions for SNAP.
• The food portion (SNAP) of an Electronic Benefit Transfer card can only be used at U.S. Department of Agriculture-authorized food retailers or authorized farmers markets to purchase foods such as breads, cereals, fruits, vegetables, meats, fish, poultry and dairy products.
• Nonfood items such as pet foods, soaps, paper products, medicines, vitamins, household supplies, grooming items and cosmetics are ineligible for purchase with SNAP.
• Alcoholic beverages, tobacco products, hot food and any food sold for on-premise consumption results in a variety of actions, including temporary or permanent program disqualification.
• As of March 1, 2013, access to cash assistance program benefits with Minnesota Electronic Benefit Transfer cards was restricted to Minnesota, Iowa, North Dakota, South Dakota and Wisconsin.
• Federal regulations prohibit accessing Temporary Assistance for Needy Families benefits at gambling or retail establishments that provide adult-oriented entertainment.

Legislation

• The 2013 Minnesota Legislature required that an Electronic Benefit Transfer card for General Assistance, Minnesota Supplemental Aid, Minnesota Family Investment Program and Diversionary Work Program be issued with the name of the head of household printed on the card.
• The card must include the following statement: “It is unlawful to use this card to purchase tobacco products or alcoholic beverages.”
• The Electronic Benefit Transfer card with the name of the head of household must be issued within 30 calendar days of an eligibility determination. Cash program recipients will have an Electronic Benefit Transfer card via mail at the time of eligibility approval with a name printed on the card. This card will be the same card on which SNAP benefits are issued when there is an eligibility for both cash and SNAP. A first-time expedited SNAP household that is also eligible for cash benefits may have its first Electronic Benefit Transfer card issued at the county office without a name on the card. Within 30 calendar days, a new Electronic Benefit Transfer card with the name of the head of household will be mailed to replace the initial Electronic Benefit Transfer card issued by the county. Effective September 2012, all Electronic Benefit Transfer cards, including replacements, are mailed via the U.S. Postal Service with the exception listed above of those issued at counties.

Methods available for cash assistance

SNAP is only available through Electronic Benefit Transfer cards. Most clients eligible for cash assistance receive it through this card, but they may choose other methods. In FY 2018:

• 110,617 households received their benefits on Electronic Benefit Transfer cards.
• 41,964 households received cash benefits via state-issued warrants.
• 32,590 households received direct deposits to bank accounts.

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Electronic Benefit Transfer administration

Minnesota has a vendor contract with Fidelity National Information Services Inc., which handles the processing of all Minnesota Electronic Benefit Transfer transactions, provides customer and retailer support and supplies cards for clients. The total amount of paid for these services in FY 2018 was $2.03 million. Average activity included:

- 1.7 million point-of-sale transactions per month
- 101,789 ATM withdrawals per month
- Three cash withdrawals per household, per month, at point-of-sale machines or ATMs.

For accessible formats of this information or assistance with additional equal access to human services, write to dhs.info@state.mn.us, call 651-431-4000, or use your preferred relay service. ADA (1-18)