

August 23, 2024

CALIFORNIA DEPARTMENT OF SOCIAL SERVICES

EXECUTIVE SUMMARY

ALL COUNTY LETTER NO. 24-62

The purpose of this All County Letter is to provide policy and automation updates for the replacement of electronically stolen food benefits. Unless Congress takes action, food benefit replacements due to electronic theft will be state funded effective October 1, 2024. To this end, electronically stolen food benefits will be provided using a new state-funded food benefit type. This letter also clarifies how to determine the number of countable instances of electronic theft that occur within the 90-day reporting timeframe.



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GAVIN NEWSOM
GOVERNOR

August 23, 2024

ALL COUNTY LETTER NO. 24-62

TO: ALL COUNTY WELFARE DIRECTORS
ALL COUNTY CALFRESH PROGRAM SPECIALISTS
ALL COUNTY CALWORKS PROGRAM SPECIALISTS
ALL COUNTY DISTRICT ATTORNEYS
ALL COUNTY ELECTRONIC BENEFITS TRANSFER (EBT)
COORDINATORS
ALL COUNTY SPECIAL INVESTIGATION UNITS (SIU)
ALL CONSORTIA PROJECT MANAGERS
ALL COUNTY REFUGEE CASH ASSISTANCE (RCA) PROGRAM
COORDINATORS
ALL COUNTY CASH ASSISTANCE FOR IMMIGRANTS (CAPI)
PROGRAM SPECIALISTS

SUBJECT: CALFRESH CHANGES TO ELECTRONIC THEFT
REPLACEMENT POLICY

REFERENCE: [CONSOLIDATED APPROPRIATIONS ACT, 2023](#); [TITLE 7 OF THE UNITED STATES CODE SECTION 2016a\(b\)](#); [7 CODE OF FEDERAL REGULATIONS \(CFR\) 273.16\(a\)](#); [ASSEMBLY BILL \(AB\) 161, CHAPTER 46, SECTION 10 \(STATUTES OF 2024\)](#); [MANUAL OF POLICIES AND PROCEDURES \(MPP\) SECTION 63-603.413](#); [MPP SECTION 63-603.42](#); [MPP SECTION 20-004](#); [ALL COUNTY LETTER \(ACL\) NO. 13-67](#); [ACL NO. 18-148](#); [ACL NO. 21-133](#); [ACL NO. 23-92](#)

The purpose of this All County Letter (ACL) is to provide policy and automation updates for the replacement of electronically stolen food benefits. Unless Congress takes action to extend current authority to reimburse certain electronically stolen Supplemental Nutrition Assistance Program (SNAP) benefits using federal funds, food benefit replacements due to electronic theft will be state funded effective October 1, 2024. This letter introduces a new EBT benefit type for state-funded food benefit replacements. As well, this letter clarifies how to determine the number of countable instances of electronic theft that occur within the 90-day reporting timeframe.

Throughout this letter, reference to 'CalFresh' food benefits is inclusive of state-funded California Food Assistance Program benefits.

BACKGROUND

The [Consolidated Appropriations Act, 2023](#), which was signed into law by President Joseph R. Biden on December 29, 2022, included provisions for the replacement of SNAP benefits with federal funds if the benefits are stolen due to card skimming, cloning, scamming, and similar fraudulent methods. The State of California received authority from the United States Department of Agriculture's (USDA) Food and Nutrition Service (FNS) to replace certain electronically stolen SNAP benefits from October 1, 2022 through September 30, 2024 using federal funds. Unless Congress takes action, authority to reimburse SNAP due to electronic theft using federal funds will sunset on September 30, 2024.

If Congress does not act, per [Assembly Bill \(AB\) 161, Chapter 46, Section 10 \(Statutes of 2024\)](#), effective October 1, 2024, food benefit replacements due to electronic theft must be provided using state funds. As a result, the Replacement SNAP (RPSNAP) benefit type currently used for federally funded electronic theft replacements will no longer be used. CDSS, in partnership with the Office of Technology Solutions Integration (OTSI) and the California Statewide Automated Welfare System (CalSAWS), has established a new food benefit type to replace electronically stolen food benefits with state-funded food benefits.

If Congress does act, the CDSS will inform CWDs when to use the RPSNAP benefit type for federally funded electronic theft replacements.

Only the funding source for electronic theft replacement for CalFresh will change on October 1, 2024, absent congressional action. Current policy related to the replacement of electronically stolen CalFresh benefits will not otherwise change.

The electronic theft replacement process for cash programs, such as California Work Opportunity and Responsibility to Kids (CalWORKs) and Cash Assistance Program for Immigrants also remains unchanged.

CalFresh recipients victimized by electronic theft are eligible to receive up to two months' worth of food benefits for each countable replacement of electronic theft. The amount replaced must equal the amount of electronically stolen benefits but cannot exceed the equivalent of two months' worth of their last monthly allotment. Further policy guidance regarding the replacement of electronically stolen CalFresh benefits may be found in [ACL No. 23-92](#), issued on November 6, 2023.

NEW EBT BENEFIT TYPE

The new State-Funded Replacement SNAP for Electronic Theft (SFRPSN) benefit type allows for the replacement of electronically stolen CalFresh benefits with state-funded food benefits beginning October 1, 2024. Once the SFRPSN benefit type is implemented, the CWD must stop using the RPSNAP benefit type.

COUNTABLE REPLACEMENTS FOR ELECTRONIC BENEFIT THEFT

[ACL No. 23-92](#) updated the electronic theft replacement policy for households victimized by electronic skimming or scamming of their CalFresh benefits. The updated theft replacement policy includes a longer theft reporting timeframe, increased maximum replacement amount, and a new timeline by which countable replacements are evaluated. As stated in [ACL No. 23-92](#), “the term ‘countable replacement’ refers to each overall sequence of electronic theft transactions as reported by a recipient on the EBT 2259, regardless of the number of specific transactions that were involved.” Per [ACL No. 23-92](#), households have 90 days to report electronic theft and file a corresponding EBT 2259.

How to Determine the Number of Countable Replacements When Multiple Thefts Occur Within the Reporting Timeframe

Effective upon the release of this letter, the CWD must determine countable replacements based on the transactions included on the customer’s EBT 2259. All transactions that occur within 90 days and are listed on the same EBT 2259 will be considered one countable replacement, unless, as explained below, it is evident that more than one instance of theft occurred.

To ensure customers receive the full replacement allotment they are entitled to, the CWD must contact the customer when it suspects, based on the information provided on the EBT 2259, two series of thefts occurred within the 90-day timeframe. Indications that the transactions included in the EBT 2259 may represent separate instances of theft include, but are not limited to, thefts that occurred in different states; thefts that occurred across multiple months; or thefts in which there are weeks between the dates of different theft transactions. In this case, the series of thefts may be considered separate countable replacements and may exceed the equivalent of two months’ worth of their last monthly allotment. In these situations, the household must not be required to submit another EBT 2259, and the county worker must document in the case record and inform the household why two countable replacements were issued with one EBT 2259 submission.

As a reminder, a household must only receive two instances of replacement benefits in each Federal Fiscal Year (FFY) (i.e., October 1 – September 30). If the household has already received one countable replacement for the current FFY, the CWD will issue a replacement for only the first instance of theft included on the EBT 2259.

Example:

A household submits an EBT 2259 on September 15, 2024, and reports that they lost \$600 between July 1-3, 2024, as well as, \$200 between September 5-6, 2024. Their last allotment was issued on August 10, 2024, for \$250 (two months of their last monthly allotment is equal to \$500). In this scenario, the county worker would contact the household to clarify the timeline and circumstances around the series of thefts that occurred in July and September. If the county worker assesses based on available information the thefts in July and September constitute separate instances of theft, the county worker may issue two countable replacements issuing the maximum replacement allotment the household is entitled to. The household would receive \$500 in replacement benefits for the first occurrence in July, and \$200 in replacement benefits for the second occurrence in September. The county worker must document in the case record and inform the household why two countable replacements were issued with one EBT 2259 submission.

If the household has already received one countable replacement for electronic theft, the CWD must only issue a replacement for the instance of theft in July. The thefts in September would not be eligible for replacement, as the customer would have already received the maximum of two countable replacements for the FFY.

COPIES AND TRANSLATIONS

Forms referenced in this letter are available on the [CDSS Forms/Brochures](#) webpage.

When CDSS completes all translations of a form, they are posted on [the Translated Forms and Publications](#) webpage. When made available by CDSS, forms translated into an individual's preferred language must be provided to the individual pursuant to [Manual of Policies and Procedures \(MPP\) Section 21-115.2](#). For questions on translated materials, please contact Language Services at (916) 651-8876. If translations are not available, recipients who have elected to receive materials in languages other than English should be sent the English version of the form or notice along with the [GEN 1365-Notice of Language Services](#) and a local contact number.

Per [Government Code Section 7290, et seq.](#), the CWDs must ensure that effective bilingual services are provided. This requirement may be met through utilization of paid interpreters, qualified bilingual employees, and qualified employees of other agencies or community resources. These services must be provided, free of charge, to the applicant/recipient. If CDSS does not provide translations of a form, it is the county's responsibility to read and interpret the form if an applicant or recipient requests it.

Additionally, the CWDs must provide auxiliary aids and services to persons who are deaf or hearing impaired, or persons with impaired speech, vision, or manual skills, where applicable. More information regarding provisions for services to applicants and

recipients who have limited English proficiency or who have disabilities can be found in [MPP Section 21-115](#) and [ACL No. 19-45](#).

If you have any questions or need additional guidance regarding the information in this letter, please contact the CalFresh Policy and Employment Bureau at CalFreshPolicy@dss.ca.gov or the EBT Unit at CDSSEBT@dss.ca.gov.

Sincerely,

Original Document Signed By

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