CALIFORNIA DEPARTMENT OF SOCIAL SERVICES

EXECUTIVE SUMMARY

ALL COUNTY WELFARE DIRECTORS LETTER

The purpose of this All County Welfare Directors Letter (ACWDL) is to inform counties of the expedited implementation of Electronic Benefits Transfer (EBT) online purchasing in California.



STATE OF CALIFORNIA—HEALTH AND HUMAN SERVICES AGENCY **DEPARTMENT OF SOCIAL SERVICES**

744 P Street • Sacramento, CA 95814 • www.cdss.ca.gov



APRIL 14, 2020

ALL COUNTY WELFARE DIRECTORS LETTER

TO: ALL COUNTY WELFARE DIRECTORS

FROM: NATASHA NICOLAI, Deputy Director

Research, Automation, and Data Division

SUBJECT: IMPLEMENTATION OF ELECTRONIC BENEFIT TRANSFER

(EBT) ONLINE PURCHASING

The purpose of this All County Welfare Directors Letter (ACWDL) is to inform counties of the expedited implementation of Electronic Benefits Transfer (EBT) online purchasing which will be available to EBT cardholders statewide on April 28, 2020.

California Implementation of EBT Online Purchasing

The Coronavirus Disease 2019 (COVID-19) emergency response and subsequent statewide sheltering in place order has made it a challenge for some EBT cardholders to access adequate food and other necessary household items. These vulnerable populations especially may need to utilize delivery in order to avoid in-person interaction at stores and adhere to social distancing and stay at home orders. To help ease this burden, the California Department of Social Services (CDSS) has expedited implementation of EBT online purchasing in California.

EBT online purchasing is currently allowed in several states under pilot project authority provided by the US Department of Agriculture, Food and Nutrition Service (FNS). Expansion of EBT online purchasing was expected nationwide upon completion of the pilot projects.

In light of the COVID-19 emergency, CDSS requested to implement EBT online purchasing on an expedited basis. The CDSS submitted an EBT online purchasing plan which was approved by FNS on April 2, 2020. The EBT online purchasing functionality will be available to EBT cardholders statewide on April 28, 2020.

The FNS approved California's EBT online purchasing plan and expedited implementation timeframe contingent on initial roll out of the functionality at existing FNS authorized retailers only. As such, EBT online purchasing will initially be available

at two California retailers, Amazon and Walmart. Both currently have the technological capacity to operate EBT online purchasing and have shown success as part of the pilot projects. The CDSS is in the process of engaging additional FNS authorized retailers and plans to expand the number of participating retailers once online purchasing is fully implemented and operational in California.

Using EBT to Make Online Purchases

Both Amazon and Walmart accept EBT for food purchases using CalFresh benefits. Walmart also accepts EBT for non-food item purchasing using CalWORKs cash benefits. Additional detail regarding the nuances of cash usage is provided in the delivery fee section below.

The process for EBT online purchasing follows a similar process as is currently used by the customers making an online purchase with a debit or credit card. After shopping for their items online, clients will choose a delivery date and time and then are taken to the payment page. They will need to select their method of payment and will be instructed to enter their EBT card number. They will then be presented with a virtual secure Personal Identification Number (PIN) pad where they enter their PIN to complete the transaction.

Online Purchase Delivery Fees

Amazon and Walmart offer free delivery on online purchases over \$35.00. Delivery fees for orders under \$35.00 vary and can be found on the respective retailers' websites. Federal law prohibits the usage of CalFresh benefits to pay for delivery, convenience, or other fees and charges associated with online purchasing. Clients will be required to utilize another method of payment if they incur delivery fees. Walmart accepts EBT cash benefits to pay for delivery fees.

To help address delivery fees, Amazon offers 'Amazon Cash' at over 11,000 locations throughout California, including 7-Eleven, RiteAid, and CVS stores. EBT cardholders can create an account and deposit between \$5.00 and \$500.00 cash at any Amazon Cash location. There are no fees associated with this service. Cardholders may then use the money they deposited to pay delivery fees or purchase other items from Amazon. Cardholders can find locations by visiting the Amazon Cash website, found at <a href="https://doi.org/10.1007/jhis.200

All County Welfare Directors Letter Page Three

County Impact and Client Outreach

While the implementation of EBT online purchasing will not impact counties directly, counties may still receive calls from clients inquiring about the availability of EBT online purchasing. Counties will be provided general informational materials, but should refer clients to the retailer's web site or customer service number on the back of their EBT cards for responses to more detailed questions regarding EBT online purchasing.

The CDSS has created client facing outreach materials in English and Spanish to provide clients with general information about EBT online purchasing. Materials are available at www.cdss.ca.gov/EBTonline. Counties are encouraged to display and distribute materials. Given current county office closures and reduced in-person services, we advise that the materials and information regarding the availability of EBT online purchasing are also added to county websites and social media. Links to our webpage will be added to the EBT and SAWS client portals as well.

If you have any questions regarding the information in this letter, please contact the Automation and Client Initiatives Bureau at (916) 654-2125 or email the EBT inbox at CDSSEBT@dss.ca.gov.

Sincerely,

Original Document Signed By

NATASHA NICOLAI Deputy Director, Chief Data Strategist Research, Automation, and Data Division