

**First Regular Session
Sixty-eighth General Assembly
STATE OF COLORADO**

PREAMENDED

*This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading*

LLS NO. 11-0560.01 Thomas Morris

HOUSE BILL 11-1058

HOUSE SPONSORSHIP

Pabon,

SENATE SPONSORSHIP

(None),

House Committees

Health and Environment

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING A REQUIREMENT THAT THE ENTITY THAT ADMINISTERS**
102 **THE ELECTRONIC PUBLIC ASSISTANCE BENEFITS TRANSFER**
103 **SERVICE PROHIBIT RECIPIENTS FROM ACCESSING CASH BENEFITS**
104 **AT SPECIFIED LOCATIONS.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)

Current law prohibits recipients of public assistance from accessing cash benefits through automated teller machines located in

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
*Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.*

casinos, in-state simulcast facilities, racetracks, commercial bingo facilities, gun stores, or liquor stores. The bill adds adult entertainment businesses to the list of prohibited locations and requires the entity that administers the electronic benefits transfer service to develop a means to prevent recipients from accessing cash benefits at a prohibited location.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1. Short title.** This act shall be known and may be
3 cited as the "Responsible Family and Taxpayer Stewardship Act of 2011".

4 **SECTION 2.** 26-2-104 (2) (a), Colorado Revised Statutes, is
5 amended to read:

6 **26-2-104. Public assistance programs - electronic benefits**
7 **transfer service - rules.** (2) (a) (I) The state department is authorized
8 to implement an electronic benefits transfer service for administering the
9 delivery of public assistance payments and food stamps to recipients. The
10 STATE DEPARTMENT SHALL DESIGN THE electronic benefits transfer service
11 ~~shall be designed~~ to allow clients access to cash benefits through
12 automated teller machines or similar electronic technology ~~The electronic~~
13 ~~benefits transfer service shall~~ AND TO allow clients eligible for food
14 stamps access to food items through the use of point of sale terminals at
15 retail outlets. Only those businesses that offer products or services related
16 to the purpose of the public assistance benefits ~~shall be allowed to~~ MAY
17 participate in the electronic benefits transfer service through the use of
18 point of sale terminals.

19 (II) Clients shall not be allowed to access cash benefits through
20 the electronic benefits transfer service from automated teller machines in
21 this state located in: Licensed gaming establishments as defined in
22 section 12-47.1-103, ~~(15)~~, C.R.S.; in-state simulcast facilities as defined
23 in section 12-60-102, ~~(14)~~, C.R.S.; ~~tracks for racing~~ RACETRACKS as

1 defined in section 12-60-102, ~~(26)~~, C.R.S.; commercial bingo facilities as
2 defined in section 12-9-102, ~~(2.3)~~, C.R.S.; stores or establishments in
3 which the principal business is the sale of firearms; A STRIP CLUB OR
4 ESTABLISHMENT THAT OFFERS TOPLESS OR NUDE ENTERTAINMENT
5 SUBJECT TO SECTION 30-15-401 (1) (l) OR 31-15-401 (1) (p), C.R.S.;
6 or retail establishments licensed to sell malt, vinous, or spirituous liquors
7 pursuant to part 3 of article 47 of title 12, C.R.S.

8 (III) In the development and implementation of the service, the
9 state department shall consult with representatives of those persons,
10 agencies, and organizations that will use or be affected by the electronic
11 benefits transfer service, including program clients, to assure that the
12 service is as workable, effective, and efficient as possible. The electronic
13 benefits transfer service ~~shall be applicable~~ APPLIES to the public
14 assistance programs described in subsection (1) of this section and to food
15 stamps as described in part 3 of this article. The state department shall
16 contract in accordance with state purchasing requirements with any entity
17 for the development and administration of the electronic benefits transfer
18 service. THE STATE DEPARTMENT SHALL DEVELOP A MEANS TO
19 IDENTIFY THE BUSINESSES REFERENCED IN SUBPARAGRAPH (II) OF THIS
20 PARAGRAPH (a). THE STATE DEPARTMENT SHALL CONTACT THE
21 BUSINESSES TO INFORM THEM OF THE PROHIBITIONS ESTABLISHED IN
22 SUBPARAGRAPH (II) OF THIS PARAGRAPH (a) AND SHALL REQUEST THEIR
23 COOPERATION IN THE IMPLEMENTATION OF THAT PROHIBITION. THE STATE
24 DEPARTMENT SHALL OFFER ASSISTANCE OR GUIDANCE ON HOW THE
25 BUSINESSES CAN ASSURE THAT ACCESS IS DISABLED FOR CLIENTS TO
26 ACCESS CASH BENEFITS THROUGH AUTOMATED TELLER MACHINES
27 LOCATED IN THE BUSINESSES. ON AND AFTER A DATE ESTABLISHED BY THE

1 STATE DEPARTMENT, BUT NO LATER THAN JULY 1, 2012, THE MEANS
2 DEVELOPED BY THE ENTITY MUST BE OPERATIONAL. THE STATE
3 DEPARTMENT SHALL REPORT BACK TO THE GENERAL ASSEMBLY ON THE
4 RESULTS AND COST-EFFECTIVENESS OF IMPLEMENTING THE REQUIREMENTS
5 OF SUBPARAGRAPH (II) OF THIS PARAGRAPH (a) ON OR BEFORE JANUARY
6 1, 2012.

7 (IV) In order to ensure the integrity of the electronic benefits
8 transfer service, the system developed pursuant to this section shall MUST
9 use, but is not limited to, security measures such as individual personal
10 identification numbers, photo identification, or fingerprint identification.
11 The STATE DEPARTMENT SHALL SELECT THE security method or methods
12 ~~selected shall be those~~ that are most efficient and effective. The state
13 board shall establish by rule a policy and procedure to limit losses to a
14 client after the client reports that the electronic benefits transfer card or
15 benefits have been lost or stolen. The state department may authorize
16 county departments of social services to charge a fee to a client to cover
17 the costs related to issuing a replacement electronic benefits transfer card.

18 **SECTION 3. Safety clause.** The general assembly hereby finds,
19 determines, and declares that this act is necessary for the immediate
20 preservation of the public peace, health, and safety.