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HOUSE MEMORIAL 93

49TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2009

INTRODUCED BY

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A MEMORIAL

REQUESTING THE WORKFORCE SOLUTIONS DEPARTMENT AND THE INCOME SUPPORT DIVISION AND CHILD SUPPORT ENFORCEMENT DIVISION OF THE HUMAN SERVICES DEPARTMENT TO COLLABORATE IN ORDER TO LEVERAGE STATE ASSETS AND NEGOTIATE AGREEMENTS THAT AVOID OR REDUCE FEES FOR USING ELECTRONIC BENEFIT TRANSFER OR PREPAID DEBIT CARDS FOR RECIPIENTS OF UNEMPLOYMENT COMPENSATION, CHILD SUPPORT ENFORCEMENT PAYMENTS AND CASH ASSISTANCE.

WHEREAS, the child support enforcement division of the human services department administers the state's child support enforcement program and offers recipients of child support payments the option of receiving child support payments in the form of direct deposit, by warrant or by prepaid debit card; and

WHEREAS, the human services department has negotiated a

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1 fee schedule with the state's fiscal agent, bank of America, on
2 behalf of the child support payment recipients it serves,
3 whereby recipients may make four automatic teller machine, or
4 ATM, withdrawals and four automatic customer service inquiries
5 per month free of charge; and

6 WHEREAS, recipients of child support payments pay nothing
7 to use their debit cards in making point-of-service purchases
8 or cash withdrawals; and

9 WHEREAS, recipients of child support payments pay nothing
10 for up to five automatic customer service inquiries per month;
11 and

12 WHEREAS, the income support division of the human services
13 department administers the state's temporary assistance for
14 needy families, or TANF, and general assistance programs; and

15 WHEREAS, the income support division requires recipients
16 of TANF and general assistance to receive benefits via
17 electronic benefits transfer, or EBT, cards; and

18 WHEREAS, the income support division also uses EBT cards
19 for the supplemental nutrition assistance program, or food
20 stamps program; and

21 WHEREAS, the income support division negotiated the fee
22 schedule with the state's fiscal agent, bank of America; and

23 WHEREAS, TANF, general assistance and food stamps
24 recipients are not charged any fees when making point-of-sale
25 purchases with their EBT cards; and

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1 WHEREAS, TANF and general assistance recipients must pay
2 forty-two cents (\$.42) per transaction when they use ATMs to
3 get cash with their EBT cards; and

4 WHEREAS, TANF and general assistance recipients do not pay
5 any fee for balance inquiries at ATMs; and

6 WHEREAS, the workforce solutions department and human
7 services department deposit many millions of dollars with their
8 respective financial institutions, JP Morgan and bank of
9 America, thus increasing the financial power of these financial
10 institutions; and

11 WHEREAS, considering the many millions of dollars
12 deposited monthly into JP Morgan and bank of America by these
13 programs to the benefit of these financial institutions, the
14 human services department and workforce solutions department
15 should be able to jointly leverage their funds to gain more
16 favorable fee schedules with these financial institutions, such
17 as no fees or reduced fees for recipients using EBT or prepaid
18 debit cards;

19 NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF
20 REPRESENTATIVES OF THE STATE OF NEW MEXICO that the workforce
21 solutions department and the income support division and child
22 support enforcement division of the human services department
23 be requested to collaborate to leverage state assets and
24 negotiate the best terms possible for electronic debit and
25 benefit card contracts in order that recipients of unemployment

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1 compensation, child support payments and cash assistance
2 through TANF or general assistance pay no fees or reduced fees;
3 and

4 BE IT FURTHER RESOLVED that copies of this memorial be
5 transmitted to the governor; the secretary of workforce
6 solutions; the secretary of human services; and the secretary
7 of finance and administration.

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