

2013 -- S 0821

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LC02151
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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2013

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A N A C T

RELATING TO HUMAN SERVICES - PUBLIC ASSISTANCE ACT

Introduced By: Senators Bates, Hodgson, Algieri, Ruggerio, and McCaffrey

Date Introduced: April 04, 2013

Referred To: Senate Finance

(Governor)

It is enacted by the General Assembly as follows:

1 SECTION 1. Chapter 40-6 of the General Laws entitled "Public Assistance Act" is
2 hereby amended by adding thereto the following section:

3 **40-6-8.1. Prohibited uses of electronic benefit transfer cards. -- (a) Notwithstanding**
4 **any provision of the general or public laws to the contrary, eligible recipients of direct cash**
5 **assistance shall not use direct cash assistance funds for the purchase of alcoholic beverages,**
6 **lottery tickets or tobacco products. An eligible recipient of direct cash assistance who makes a**
7 **purchase in violation of this section shall reimburse the department for such purchase.**

8 **(b) Notwithstanding any provision of the general or public laws to the contrary, an**
9 **individual or store owner shall not accept direct cash assistance funds held on electronic benefit**
10 **transfer cards for the purchase of alcoholic beverages, lottery tickets, or tobacco products. An**
11 **individual or store owner who knowingly accepts electronic benefit transfer cards in violation of**
12 **this section shall be punished by a fine of not more than five hundred dollars (\$500) for the first**
13 **offense, a fine of not less than five hundred dollars (\$500), nor more than one thousand dollars**
14 **(\$1,000) for the second offense, and a fine of not less than one thousand dollars (\$1,000) for the**
15 **third or subsequent offense.**

16 **(c) The department is hereby empowered and shall maintain policies and practices as**
17 **necessary to prevent cash assistance provided under this chapter from being used in any**
18 **electronic benefit transfer transaction at:**

19 **(1) Liquor stores;**

- 1 (2) Casinos as defined by chapter 41-9.1;
2 (3) Gambling facilities as defined by chapter 41-9;
3 (4) Retail establishments which provide adult-oriented entertainment in which performers
4 disrobe or perform in an unclothed state for entertainment as defined in the social security act,
5 section 42 U.S.C. 608(a);
6 (5) Adult bookstores or adult paraphernalia stores;
7 (6) Firearms dealers licensed under section 11-47-39;
8 (7) Tattoo parlors; manicuring shops, or esthetic shops as defined in section 5-10-1; or
9 (8) Rent-to-own stores, jewelry stores, or on cruise ships.
10 (d) Such establishments shall not accept electronic benefits transfer cards. A store owner
11 who knowingly allows a prohibited electronic benefit transfer transaction in violation of this
12 section shall be punished by a fine of not more than five hundred dollars (\$500) for a first
13 offense, by a fine of not less than five hundred dollars (\$500) nor more than two thousand five
14 hundred dollars (\$2,500) for a second offense, and by a fine of not less than two thousand five
15 hundred dollars (\$2,500) for a third or subsequent offense.
16 (e) A store owner who knowingly violates this section and who also possesses a license
17 to sell alcoholic beverages under chapter 3-7 shall be referred to the appropriate licensing
18 authority for possible disciplinary action pursuant to title 3.
19 (f) A store owner who knowingly violates this section, and who also possesses a license
20 to sell lottery tickets under chapter 42-61 shall be referred to the director of the state lottery for
21 possible disciplinary action.

22 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
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RELATING TO HUMAN SERVICES - PUBLIC ASSISTANCE ACT

1 This act would prohibit the use of direct cash assistance funds held on electronic benefit
2 transfer cards for the purchase of alcoholic beverages, lottery tickets, or tobacco products. The act
3 would further provide for penalties for violations of the act.

4 This act would take effect upon passage.

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