Frequently Asked Questions:
Save Money, Fight Hunger, Reduce Government Waste: End Finger Imaging

What is finger imaging?

California requires all adult household members to give their electronic fingerprint and photograph in order to get food stamp benefits or CalWORKs cash assistance. The objective of this statewide system is to prevent "multiple-aid fraud," when someone gets benefits in two counties at the same time or under two different names.

Don't we need finger imaging to prevent fraud in the Food Stamp Program?

No. The state does have a responsibility to taxpayers and the federal government to minimize fraud within all of its programs, including social safety-net programs like CalWORKs and food stamps. But fraud within the food stamp and CalWORKs programs doesn't happen very often, and multiple-aid fraud is especially rare. In a given month, fewer than 70 households are even suspected of multiple-aid fraud. That's miniscule compared to the 660,000 households that receive food stamps and makes the over $8.5 million California spends on finger imaging each year cost-*in*effective. As recommended by the California State Audit of the Statewide Fingerprint Imaging System released in early January 2003, California should consider using less costly fraud prevention methods that better reflect the level of risk of multiple-aid fraud.

Anti-fraud efforts in California also have been vastly improved with the recent move to a secure credit-card-type system for issuing benefits called Electronic Benefits Transfer (EBT), which will be in place in 40 counties by January 1, 2004.

How much fraud does go on in the Food Stamp Program?

On the whole, the Food Stamp Program is very successful in ensuring that the correct benefits are issued to people who meet the program's strict eligibility requirements. USDA requires rigorous investigations and audits of over 50,000 food stamp households every year. Only 2 percent of households that receive benefits are in fact ineligible for food stamps—and most of these families receive food stamps as a result of mistakes their caseworker makes in determining their eligibility, not fraud.

Food stamp trafficking—in which food stamps are sold for cash—is another type of fraud within the Food Stamp Program. A recent USDA study found that the extent of food stamp trafficking is relatively small. The rate of trafficking has fallen from four cents per benefit dollar in 1993 to an average of two and a half cents per benefit dollar in 1999 through 2002. Finger Imaging is not designed to reduce trafficking.

How does finger imaging contribute to California's low food stamp participation rate?

Compared to other states California has one of lower food stamp participation rates. Only half of eligible Californians get food stamps. Finger imaging deters potentially eligible families from getting food stamp benefits because it:

- Adds one more layer of bureaucracy to an already burdensome application process. USDA reports that it takes an average of five hours and three trips to the food stamp office to apply for food stamps. Unfortunately, finger imaging adds one more step (and, potentially, one more visit) to this long and complicated process.

- Is a source of great fear for immigrants and others who are concerned that their finger image with be shared with other government agencies. Many people believe that when they give their finger image, they risk having that information shared with other government agencies, including the Immigration and Naturalization Service (note: undocumented immigrants are not eligible for food stamps). Finger imaging is a barrier for other groups, including survivors of domestic violence and people suffering from mild or severe mental illness.

- Hinders county efforts to conduct effective outreach to potential participants. Because clients still need to come to the main food stamp office to complete finger-imaging requirements, counties have little incentive to outstation workers at non-traditional locations like schools and health clinics.

When was finger imaging developed?

The state's finger-imaging requirement for food stamps and cash assistance was legislated during the Wilson administration. Although it didn't go into effect until 2000, the policy is an artifact of the pre-welfare reform era. Under current welfare rules, multiple-aid fraud poses virtually no threat. Strict work requirements for CalWORKs and Food Stamps act as a natural deterrent to seeking aid in multiple counties. A person receiving aid in two counties would almost certainly be unable to meet the work requirements required to receive benefits in both counties without risking sanctions and termination of benefits. Additionally, the state has other, less intrusive anti-fraud measures in place, like the Income and Employment Verification System (IEVS), which uses computer matching of social security numbers already collected by various state agencies.

Was there a specific need for a finger imaging system as opposed to another less costly tracking system for multiple-aid fraud?

According to an audit released by the Bureau of State Audits in early January 2003, the State did not determine the extent of multiple-aid fraud before implementing the finger imaging system. Thus, no specific need for the sophisticated and expensive finger imaging system was identified before its implementation. The audit also found that they cannot justify the $31 million spent on its implementation or the more than $8.5 million spent annually on its operation as cost-effective.

How much money will California save if we end finger imaging?

Based on budget figures from 2002, we anticipate that California will save more than $8.5 million each year as a result of ending SFIS. However, the Department of Social Services does not track county administrative costs. Thus, the full potential savings of discontinuing the finger imaging system may be much more. By removing this major barrier to food stamp participation, California has an opportunity to draw down additional federal food stamp benefits that will boost local economies and help working families maintain their health and their jobs.

What will we do in place of finger imaging to prevent multiple-aid fraud?

Given the tiny problem of multiple aid fraud, only a handful of states use finger imaging or other biometric methods of preventing multiple-aid fraud. The rest are successful in using less intrusive, less costly methods like Social Security Number matches. This method, called the Income Eligibility and Verification System (IEVS), relies on data already collected by state agencies, and protects against multiple-aid fraud without adding another layer of bureaucracy or prompting serious fears about immigration status.

Is finger imaging cost effective?

Based on the most recent reports on fraud activity from DSS, counties requested multiple-aid fraud *investigations* for an average of 65 food stamp cases each month—or one tenth of one percent of all of the food stamp households in California. DSS has not made public the number, if any, of *confirmed* cases. In January 2003, the State Bureau of Audits released an independent audit of the finger imaging program that concluded that it could not justify the $31 million spent on its implementation or the more than $8.5 million spent on its operation annually as cost-effective.

If immigrants are in California legally and in need of food stamps, why does finger imaging keep them from participating?

Finger imaging requirements present a special barrier to California's large immigrant population. As a group, legal immigrants are eligible for food stamps in California but tend not to seek these benefits. Many immigrants don't have enough information or are misinformed about immigration-related issues like public charge, sponsor liability, and deeming. As a result, they may/frequently unnecessarily fear the impact of food stamp use on their citizenship status. Finger imaging requirements exacerbate these fears, as the perception among many immigrants is that their fingerprints will be shared with INS or another government agency.

Citizen or legal immigrant children of undocumented immigrants are most vulnerable when it comes to finger imaging. In many cases, even an undocumented parent who cannot receive food stamps is required to give his or her fingerprint in order to get benefits for their child. Undocumented immigrants tend to be especially fearful that the fingerprint will be used to take action against them, when legally it cannot. As a result, finger imaging is a strong deterrent to immigrants who would otherwise enroll their children in the food program.

Does finger imaging help or hurt county food stamp offices?

Counties are responsible for ensuring that recipients of food stamps and CalWORKs provide their finger and photo image, which adds one more step to an already long and complicated application process. Finger imaging takes staff time that could be used instead to improve outreach, customer service, or payment accuracy.

In addition, many counties have attempted to address low food stamp participation by conducting outreach and outstationing eligibility workers at non-traditional sites. But counties' obligation to complete finger imaging requirements make it difficult for them to reach out to eligible families. Because clients still need to come to the main food stamp office to complete finger-imaging requirements, counties have little incentive to outstation workers at non-traditional locations like schools and health clinics. Portable machines are very costly, heavy, and difficult to set up.

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