



103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

HB5500

Introduced 2/9/2024, by Rep. Kevin John Olickal

SYNOPSIS AS INTRODUCED:

305 ILCS 5/12-4.57a new

Amends the Administration Article of the Illinois Public Aid Code. Provides that to reduce the risk of SNAP and TANF recipients becoming the victims of benefits fraud by means of card skimming, card cloning, or some other similar fraudulent method, the Department of Human Services shall begin the process of transitioning to the use of electronic benefits transfer (EBT) cards embedded with smart chip technology that enables cardholders to make a payment transaction by either inserting their EBT card into a card-reader or by "tapping" their EBT card onto a payment terminal or card reader that is enabled to accept and process contactless payments. Provides that the transition to EBT cards embedded with smart chip technology shall be completed no later than January 1, 2026 and that all EBT cards issued by the Department on and after January 1, 2026 shall be enabled with smart chip technology. Provides that EBT cards, including LINK cards, issued by the Department prior to the Department's roll-out of smart-chip-enabled cards, shall be replaced by January 1, 2026 with EBT cards embedded with smart chip technology. Effective immediately.

LRB103 38730 KTG 68867 b

1 AN ACT concerning public aid.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Illinois Public Aid Code is amended by
5 adding Section 12-4.57a as follows:

6 (305 ILCS 5/12-4.57a new)

7 Sec. 12-4.57a. Electronic benefits transfer card
8 modernization.

9 (a) As used in this Section:

10 "LINK card" means an electronic benefits transfer card
11 issued by the Department of Human Services for the purpose of
12 enabling the cardholder to obtain SNAP benefits or cash.

13 "SNAP" means the federal Supplemental Nutrition Assistance
14 Program.

15 "TANF" means the Temporary Assistance for Needy Families
16 program established under Article IV of this Code that
17 provides cash assistance to eligible families.

18 (b) To reduce the risk of SNAP and TANF recipients
19 becoming the victims of benefits fraud by means of card
20 skimming, card cloning, or some other similar fraudulent
21 method, the Department of Human Services shall begin the
22 process of transitioning to the use of electronic benefits
23 transfer (EBT) cards embedded with smart chip technology that

1 enables cardholders to make a payment transaction by either
2 inserting their EBT card into a card-reader or by "tapping"
3 their EBT card onto a payment terminal or card reader that is
4 enabled to accept and process contactless payments. The
5 transition to EBT cards embedded with smart chip technology
6 shall be completed no later than January 1, 2026. All EBT cards
7 issued by the Department on and after January 1, 2026 shall be
8 enabled with smart chip technology. EBT cards, including LINK
9 cards, issued by the Department prior to the Department's
10 roll-out of smart-chip-enabled cards, shall be replaced by
11 January 1, 2026 with EBT cards embedded with smart chip
12 technology.

13 Section 99. Effective date. This Act takes effect upon
14 becoming law.