

103<sup>D</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 4764

To provide for the payment of aid to families with dependent children through the use of debit cards.

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IN THE HOUSE OF REPRESENTATIVES

JULY 14, 1994

Mr. FRANKS of Connecticut introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To provide for the payment of aid to families with dependent children through the use of debit cards.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. PAYMENT OF AFDC BENEFITS THROUGH THE**

4 **USE OF DEBIT CARDS.**

5 Section 402(a) of the Social Security Act (42 U.S.C.  
6 602(a)) is amended—

7 (1) by striking “and” at the end of paragraph  
8 (44);

9 (2) by striking the period at the end of para-  
10 graph (45) and inserting “; and”; and

1 (3) by inserting after paragraph (45) the fol-  
2 lowing:

3 “(46) provide that—

4 “(A) the State shall—

5 “(i) for each recipient of aid under  
6 the State plan, establish an account into  
7 which the State will deposit the amounts of  
8 aid payable to the recipient under the  
9 State plan, and the amounts in which are  
10 accessible to the recipient only through the  
11 use of a debit card issued pursuant to  
12 clause (ii); and

13 “(ii) issue to each recipient of aid  
14 under the State plan a debit card that—

15 “(I) contains a unique identifica-  
16 tion number, a photograph of the re-  
17 cipient, and the signature of the recipi-  
18 ent;

19 “(II) is indistinguishable from  
20 other kinds of debit cards; and

21 “(III) may be used by the recipi-  
22 ent only to obligate amounts in the  
23 account for the purchase of goods and  
24 services, for not more than the price  
25 thereof, through an electronic funds

1 transfer network and point-of-sale  
2 technology; and

3 “(B) the State shall comply with subpara-  
4 graph (A)—

5 “(i) not later than January 1, 1996,  
6 with respect to each recipient of such aid  
7 whose application for such aid is approved  
8 on or after such date; and

9 “(ii) not later than January 1, 1998,  
10 with respect to each recipient of such  
11 aid.”.

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