**South Carolina General Assembly**

126th Session, 2025-2026

**H. 4401**

**STATUS INFORMATION**

General Bill

Sponsors: Reps. Jones and Dillard

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Introduced in the House on April 23, 2025

Currently residing in the House Committee on **Ways and Means**

Summary: South Carolina EBT Fraud Reimbursement and Economic Protection Act

**HISTORY OF LEGISLATIVE ACTIONS**

 Date Body Action Description with journal page number

 4/23/2025 House Introduced and read first time (House Journal‑page 55)

 4/23/2025 House Referred to Committee on **Ways and Means** (House Journal‑page 55)

View the latest  [legislative information](https://www.scstatehouse.gov/billsearch.php?billnumbers=4401&session=126&summary=B)  at the website

**VERSIONS OF THIS BILL**

[04/23/2025](https://www.scstatehouse.gov/sess126_2025-2026/prever/4401_20250423.docx)

A bill

TO AMEND THE SOUTH CAROLINA CODE OF LAWS BY ENACTING THE “SOUTH CAROLINA EBT FRAUD REIMBURSEMENT AND ECONOMIC PROTECTION ACT” BY ADDING ARTICLE 11 TO CHAPTER 5, TITLE 43 SO AS TO ESTABLISH A FUND AND RELATED PROGRAM THROUGH WHICH CERTAIN SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM BENEFICIARIES WHO ARE VICTIMS OF EBT THEFT MAY RECOVER LOST BENEFITS, TO DEFINE TERMS, TO ESTABLISH PROGRAM REQUIREMENTS, TO PROVIDE A FUND CAP, AND FOR OTHER PURPOSES.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. This act may be cited as the “South Carolina EBT Fraud Reimbursement and Economic Protection Act.”

SECTION 2. Chapter 5, Title 43 of the S.C. Code is amended by adding:

Article 11

EBT Fraud Reimbursement and Economic Protection Program

 Section 43‑5‑1310. The purpose of this article is to establish a reimbursement program for Supplemental Nutrition Assistance Program (SNAP) beneficiaries in South Carolina who are victims of electronic benefit transfer card theft including, but not limited to, by skimming, cloning, or other unauthorized electronic access, which reimburses up to eighty percent of any lost benefits, subject to annual appropriations and a statewide reimbursement cap tied to SNAP enrollment figures.

 Section 43‑5‑1320. The General Assembly finds that:

 (1) The unauthorized skimming of EBT benefits has caused undue harm to low‑income South Carolinians.

 (2) Expired federal protections have left families with no pathway to recover stolen benefits, resulting in hunger, housing insecurity, and local economic disruption.

 (3) For every dollar of SNAP benefits spent, approximately one dollar and fifty cents is generated in local economic activity, according to U.S. Department of Agriculture estimates.

 (4) Protecting and restoring EBT benefits support both low‑income families and South Carolina’s retail and agricultural economy.

 Section 43‑5‑1330. For purposes of this article:

 (1) “Department” means the Department of Social Services.

 (2) “EBT” means electronic benefits transfer card.

 (3) “EBT skimming” means the unauthorized collection of electronic benefits transfer card information through illegal electronic devices or networks.

 (4) “Reimbursement fund” means a fund created pursuant to this article from which reimbursements are issued upon approval.

 (5) “SNAP” means the Supplemental Nutrition Assistance Program.

 (6) “SNAP beneficiary” means an individual or household currently receiving SNAP benefits.

 Section 43‑5‑1340. (A) There is hereby created the EBT Fraud Reimbursement Fund, administered by the South Carolina Department of Social Services.

 (B) The reimbursement fund shall reimburse eligible SNAP beneficiaries up to eighty percent of the value of verified stolen benefits as a result of EBT theft.

 (C) The department shall develop a fraud verification and appeal process, including:

 (1) required documentation from the recipient;

 (2) written internal fraud investigation process; and

 (3) a timeline for reimbursement decision.

 (D) Reimbursements of verified stolen benefits shall be issued as temporary replacement EBT credits.

 Section 43‑5‑1350. (A) The reimbursement fund is subject to an annual cap based on the number of active SNAP households in the previous fiscal year. Unless modified by the department through a duly promulgated regulation, the formula to determine the annual cap is the product of the number of active SNAP households multiplied by five.

 (B) The department annually shall report to the General Assembly:

 (1) the number of cases filed;

 (2) the number of reimbursements granted;

 (3) the total value reimbursed; and

 (4) the fund utilization rate.

 Section 43‑5‑1360. This article and fund created pursuant to this article must be funded in the annual general appropriations act, or may be supported through any combination of state funds and private or public grants.

SECTION 3. This act takes effect upon approval by the Governor.

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