



## TANF 901-1 Payment Methods

**Supersedes: 1/1/2018**

**Reference:** ARM 37.78.424; MCA 17-8-303 and 17-8-306, Section 4004 of the Middle Class Tax Relief and Job Creation Act of 2012 (P.L. 112-96)

### **OVERVIEW:**

TANF cash assistance can be received one of three (3) ways; warrant, direct deposit, or Electronic Benefit Transfer (EBT). Every TANF cash assistance household must sign the “TANF Cash Assistance Payment Selection Form” (HCS-180) each time they apply for benefits or change the payment method.

TANF clients may select a new payment method at any time.

### **WARRANT:**

Clients receive the paper check in the mail the first working day of the month after authorization and issuance.

### **DIRECT DEPOSIT:**

Monthly deposits will be made to the client’s account on the first banking day of the month. For daily issuance, benefits will be available by the third banking day after benefit authorization.

Clients who select direct deposit must complete the “Direct Bank Deposit Authorization Form” (HCS-179). Households must attach a voided check (for a checking account) or a voided deposit slip (for a savings account) to the HCS-179. Benefits are issued via warrant until a successful pre-note has been accomplished (28 days).

Direct deposit may only be deposited into a personal checking or personal savings account; business accounts are not allowed. Bank changes require a four-week notice. Warrants are issued until a new successful pre-note has been accomplished.

### **MONTANA EBT CARD:**

Benefits are available the first calendar day of the month after authorization and issuance, even on a weekend or holiday.

All customer service for the EBT system is managed through the Interactive Voice Response (IVR) system or a personal online account.

**EBT RESTRICTIONS:**

Households are restricted from using an EBT card at:

1. Any liquor store
  - a. Any retail establishment that sells exclusively or primarily intoxicating liquor. This does not include a grocery store that sells both intoxicating liquor and groceries that include staple foods.
2. Any gaming establishment
  - a. This does not include any establishment that offers casino, gambling or gaming activities that are incidental to the main purpose of the business.
3. Any retail establishment which provides adult-oriented entertainment in which performers disrobe or perform in an unclothed state.

**PENALTIES FOR EBT CARD VIOLATIONS:**

Participants found to have violated the policy on three (3) or more occasions within twelve (12) consecutive months are restricted from receiving TANF funds on an EBT card for six (6) consecutive months. Recipients have the option to receive TANF cash benefits either by direct deposit or paper warrant during the restricted period.

The 12-month consecutive count will still start from the 1<sup>st</sup> violation date. If a 1<sup>st</sup> violation is done on 1/15/22 and is entered in CHIMES on 2/15/22, the 12-month count will begin 1/15/2022.

Three (3) or more occasions includes multiple transactions per day completed in a restricted location.

- 1st violation: Warning Notice. A TANF EBT Issuance Warning Notice is sent to the primary individual informing the household of the 1<sup>st</sup> violation and the penalty associated with a third violation. No negative action will occur. Adequate or timely notice is not required.
- 2<sup>nd</sup> violation: Warning Notice. A TANF EBT Issuance Warning Notice is sent to the primary individual informing the household of the 2<sup>nd</sup> violation and the penalty associated with a third violation. No negative action will occur. Adequate or timely notice is not required.
- 3rd violation: 6-month penalty imposed. A TANF EBT Issuance Warning Notice is sent to the primary individual informing the household of the 6-month penalty period and negative action associated with a third violation. Timely notice is required.

**Penalty:**

The penalty refers to the time period a household may not receive TANF cash benefits on an EBT card. Benefits are issued via warrant unless client opts to receive direct deposit and completes form HCS-180 "TANF payment selection form" and HCS-179 "Direct Bank Deposit Authorization Form" prior to issuance.

The 3<sup>rd</sup> violation penalty period starts on the 1<sup>st</sup> of the month after timely notice is given. Benefits continue to issue via warrant or Direct Deposit after the penalty period ends. Completion of the HCS-180 "TANF Payment Selection Form" is required to receive payment by EBT after the penalty period.

**Effective Date:** June 2, 2022