

FOR IMMEDIATE RELEASE

CONTACT: Eric Manke
510-272-4435 x214
415-350-0700 (mobile)
eric@cafoodbanks.org



Finger Imaging: Pointing California in the Wrong Direction CAFB Releases a Comprehensive Report on Finger Imaging

Oakland, California – July 6, 2010 – The time has come for California to rid itself of finger imaging, points out the California Association of Food Banks (CAFB). Today CAFB released “Finger Imaging: Pointing California in the Wrong Direction”, a comprehensive look at the wasteful and ineffective use of finger imaging for food stamps, known as the Supplemental Nutrition Assistance Program (SNAP) at the Federal level. CAFB found that the use of finger imaging in California has been ineffective at reducing fraud, wastes scarce tax dollars, and reduces program participation. After millions of dollars wasted and significant damage to this vital safety net, it is time for this counterproductive practice to end.

This request has been echoed by both the California State Assembly and Senate budget committees and the U.S. Department of Agriculture (USDA). Both budget committees recently moved to eliminate all funding for the finger imaging system, which has been negatively critiqued by the State Auditor for finding almost no duplicate aid fraud. Kevin Concannon, US Department of Agriculture Undersecretary for Food, Nutrition and Consumer Services, not only has said that if requested today, he would deny application for states to use finger imaging, he also sent a letter to California discouraging the use of the practice. In his letter, Concannon stated: “More cost effective alternatives to finger imaging should be actively considered both as a cost savings and as a means for program simplification.” He also highlighted the barriers that finger imaging creates. “We must also ensure that we are not creating unnecessary and harmful barriers in the application process, so we can assure fair and reasonable access to this essential nutrition program.”

“Finger Imaging: Pointing California in the Wrong Direction” delves into the history of finger imaging in California and examines the effects this practice has had on fraud detection, participation, and its economic impact. “We all know how bad the budget situation is and eliminating finger imaging is a simple act that the state can take to bring more federal dollars to California. With this one act, we can simultaneously help families struggling with hunger and make a huge impact to stimulate the state’s economy,” said Sue Sigler, Executive Director of the California Association of Food Banks.

California has the second to worst food stamp participation rate, with only 48% of eligible individuals participating and this translates into a significant loss for California. According to Congressman Joe Baca, California “is losing \$3.7 billion per year in federal benefits and \$6.9 billion per year in economic activity because of finger imaging and other application problems.” For every dollar in food stamps that is brought into California, \$1.84 of economic activity results. A recent USDA study found that the use of biometric technologies, typically finger imaging, results in a 7 percentage point decrease in food stamp participation. The use of finger imaging is resulting in an estimated loss of 210,000 participants in California. This translates into a loss of over \$287 million per year of federal nutrition assistance benefits for the state. In the end, the use of finger imaging is costing California up to \$528 million of economic activity each year, during a time when it needs it most.

In the report, CAFB outlined several recommendations relevant to finger imaging. Due to its failure to reduce fraud and its negative impact on participation and state resources, CAFB urges the State of California and the three other states that use this practice to:

1. Stop the use of finger imaging in the food stamp application process through legislation;
2. Transition to a more cost-effective approach; and
3. Educate the public about the elimination of finger imaging to increase California's participation rate in the Food Stamp Program.

With the implementation of these recommendations, California will be able to increase its low participation rate (second worst in the nation), bring millions of federal dollars to California, and spur hundreds of millions of dollars of economic activity. Putting an end to finger imaging will be a large step towards improving the Food Stamp Program in California and a step in the right direction for the state's bottom line.

The report is available on CAFB's website at www.cafoodbanks.org.

About CAFB:

The mission of California Association of Food Banks is to provide a unified voice among food banks to maximize their ability to build a well nourished California. For more information on the California Association of Food Banks please visit our website at www.cafoodbanks.org.

#