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MEMORANDUM

FROM: Sam Adolphsen, Senior Fellow

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RE: How the food stamp crisis is fueling the drug pandemic

Our nation has a drug problem. Specifically, we face a heroin and opioid problem that has spread across the country like wildfire. And if the drug crisis is a fire, policies that expand welfare and push more EBT cards onto the street are like a douse of gasoline.

Electronic benefits transfer (EBT) cards are most well known for being the “debit” card that contains food stamp benefits, which are currently received by roughly 40 million Americans each month. In many cases, there is also some welfare cash on the cards.

Unfortunately, there is a dark side to EBT cards. Once upon a time, when a drug raid occurred law enforcement might find drugs, guns, and cash. Now, drug agents find drugs, guns, and EBT cards. While this epidemic is certainly evident in larger American cities, small towns are far from immune.

In Maine, when Governor LePage doubled the number of welfare fraud investigators and started working closely with drug agents and other law enforcement, the alarming connection between EBT cards and the drug trade became all too clear in small towns and cities across Maine.

- **Wiscasset, Maine:** This idyllic Maine town is home to just 3,700 people and many lobster boats. But in May 2015 a felon was sentenced for trafficking in the dangerous narcotic Fentanyl – a dangerous drug that is responsible for an increasing number of overdose deaths, according to the CDC.¹ The felon and his accomplices were caught dealing this heinous drug out of their motel room, but Maine law enforcement did not just find drugs – they also found an EBT card. The perpetrator was ultimately charged with welfare fraud in addition to the drug charges.²
- **Lewiston, Maine:** Another major bust in this Maine town turned up drugs, guns, and cash – and six EBT cards that did not belong to the drug dealer.³ Prosecutors in the case acknowledged that EBT cards had become “a common currency for drugs.”

¹ Pierre Thomas et al., “Fentanyl deaths have spiked across the US, with no sign of slowing down,” ABC News (2017), <http://abcnews.go.com/US/fentanyl-deaths-spiked-us-sign-slowing/story?id=4455460>.

² Ben Bulkeley, “Drug trafficking, EBT abuse sends former Wiscasset man to prison,” Boothbay Register (2015), <http://www.boothbayregister.com/article/drug-trafficking-ebt-abuse-sends-former-wiscasset-man-prison/53566>.

³ Scott Thistle, “Drug agents say EBT cards being used to buy drugs,” Bangor Daily News (2015), <http://bangordailynews.com/2015/08/17/politics/drug-agents-say-ebt-cards-being-used-to-buy-drugs>.

Trading EBT cards for drugs is so prevalent that one Maine Drug Enforcement Agent testified that "it is common practice for drug dealers to take custody of a drug user's EBT card either as direct payment or in lieu of immediate payment."⁴

Unfortunately, this problem is not just found in the heroin-ravaged state of Maine. There are many recent examples across the country of the connection between food stamps and illegal drug trafficking.

- **Alabama:** in March of 2017, law enforcement officers arrested a trespasser who turned out to be a felon previously convicted of manslaughter. He had in his possession two guns, illegal drugs, \$6,800 in cash, and four EBT cards that belonged to other people.⁵
- **Washington:** On March 27th, 2017, police officers in Spokane, Washington stopped a vehicle at 1:00 a.m. and reportedly found the driver with meth, heroin, and a "number of EBT cards" that they believed he was "receiving in exchange for drugs."⁶
- **Missouri:** In January 2017, a Missouri woman pleaded guilty to exchanging meth and cash for EBT cards. Investigators found four EBT cards alongside 100 grams of meth in her bedroom.⁷

As states around the country explore ways to address the addiction epidemic, they should step lightly if they are tempted to think the expansion of welfare is a solution to the problem. If anything, it appears likely that food stamps contributed to the drug problem in these cases.

Many states that previously enacted policies to expand their food stamps programs have been the hardest hit states in the heroin and opioid addiction wave. In fact, of the 19 states that the CDC said had significant increases in drug overdoses, 17 had previously adopted major eligibility expansions in food stamps.⁸

Food stamp enrollment has increased for decades and it has done nothing to stem the tide of drug addiction. Worse, based on examples from around the country, it appears to be exacerbating the problem.

Rather than contemplating expansions of the food stamp program, states and the federal government should enact measures that shut down the use of EBT cards as currency in the drug market and encourage individuals to move off food stamps, into a job, and onto the path of personal independence.

⁴ Matthew Cashman, "Testimony in support of LD 607, an Act to stop the abuse of Electronic Benefits Transfer cards," Maine Drug Enforcement Agency (2015), <https://www.scribd.com/document/274303647/Testimony-of-Matthew-Cashman-Maine-DEA-on-use-of-EBT-cards-in-drug-crimes>.

⁵ Times Staff Report, "Trespassing fisherman arrested for drugs, gun charge," Gadsden Times (2017), <http://www.gadsdentimes.com/news/20170307/trespassing-fisherman-arrested-for-drugs-gun-charge>.

⁶ Nichole Mischke, "Spokane Police announce huge drug and weapons bust," KHQ (2017), <http://www.khq.com/story/35003578/spokane-police-announce-huge-drug-and-weapons-bust>.

⁷ Western District of Missouri U.S. Attorney's Office, "Nevada woman pleads guilty to taking 'food stamps' for meth, cash," U.S. Department of Justice (2017), <https://www.justice.gov/usao-wdmo/pr/nevada-woman-pleads-guilty-taking-food-stamps-meth-cash>.

⁸ Centers for Disease Control, "Drug overdose death data," U.S. Department of Health and Human Services (2017), <https://www.cdc.gov/drugoverdose/data/statedeaths.html>.