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Contact: Kerry Birnbach, kbirnbach@nyccah.org
(212) 825-0028, ext. 212

City Admits: No Criminal Fraud Found with Food Stamps Finger Imaging

Advocates Say City Was Just “Called On Its Bluff” First Lady/White House Obesity Report Decries the Practice

New York City’s Human Resources Administration (HRA) Commissioner Robert Doar, admitted in a City Council hearing today that the City’s costly practice of requiring food stamp applicants to provide finger images never results in referring people for prosecution for food stamps fraud, thereby undermining his previous assertions that the practice acts as a deterrent against fraud.

The admission comes on the heels of a report, issued by the White House Task Force on Childhood Obesity and announced by First Lady Michelle Obama, which also called finger imaging a “barrier” to food stamp participation.

At a budget hearing today held jointly by the City Council General Welfare and Finance Committees, Council Member Brad Lander asked Commissioner Doar how many people were referred for criminal prosecution as a result of engaging in food stamp fraud that was detected by the finger imaging process. Doar responded that no people were referred for prosecution because finger imaging was not designed for that purpose. Doar asserted that finger imaging prevented people who already had benefits from getting duplicate benefits. He did not explain why other methods of duplicate benefit detection – such as matching social security numbers – could not also catch potential duplications.

Commented Joel Berg, Executive Director of the New York City Coalition Against Hunger, “Given that the City engages in criminal prosecutions of turnstile-jumpers who try to obtain subway rides worth only \$2.25, surely it would seek to prosecute people that had tried to intentionally cheat the government out of food stamps benefits, which average thousands of dollars per year per family. The reality that the City never seeks to prosecute anyone as a result of information captured through finger imaging shows that the process has never detected actual criminal fraud. The fact that none of potential duplicate cases were referred for prosecution could indicate that the minimal amount of duplicate cases is likely the result of innocent paperwork errors by the City or the applicants. As the USDA has indicated, such errors can just as effectively be captured by matching Social Security numbers, a process far less costly and far less onerous than finger imaging.”

Berg continued, “Doar’s admission today clearly disproves the City’s claims, made over many years, that finger imaging deters people from even attempting fraud. The clearest way to deter people from criminal activity is to punish the people who engage in it; the reality that no punishment is even attempted by the City in duplicate cases detected by finger imaging proves that the amount of fraud in the Food Program is grossly exaggerated by City officials. It is clearer than ever that the finger imaging requirement is designed to treat poor people as criminals and discourage participation by eligible families, not to detect fraud. For all these years, the City has been bluffing the public into thinking that finger imaging is a fraud detection device, yet when called on their bluff, the City had to admit that the process, which costs hundreds of thousands of dollars per year, accomplishes absolutely nothing more than other less costly and less punitive methods.”

The recently-released White House on obesity included the following recommendation: “Increase participation rates in USDA nutrition assistance programs ... Improved policies and effective practices include streamlined and more timely application process, greater use of broad-based categorical eligibility and direct certification, and reductions of barriers to participation such as finger imaging.” (See page 62: http://www.letsmove.gov/tfco_fullreport_may2010.pdf)

Additionally, the Obama Administration’s top domestic anti-hunger official recently urged an end to the practice, calling it a “barrier to participation” that is “not cost effective.” Writing to the State of New York, which has allowed the practice to continue in New York City even after it was banned in the rest of the state, USDA Under Secretary Kevin Concannon stated: “More cost-effective alternatives to finger imaging should be actively considered both as a cost savings and as a means of program simplification.” Saying that finger imaging was a “prominent and continuing area of concern,” Concannon’s letter also read: “Most States satisfy the requirement to establish a system to prevent duplicate participation by matching names with social security numbers, which is far less costly than finger imaging yet is equally effective at detecting duplicate participation.”

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