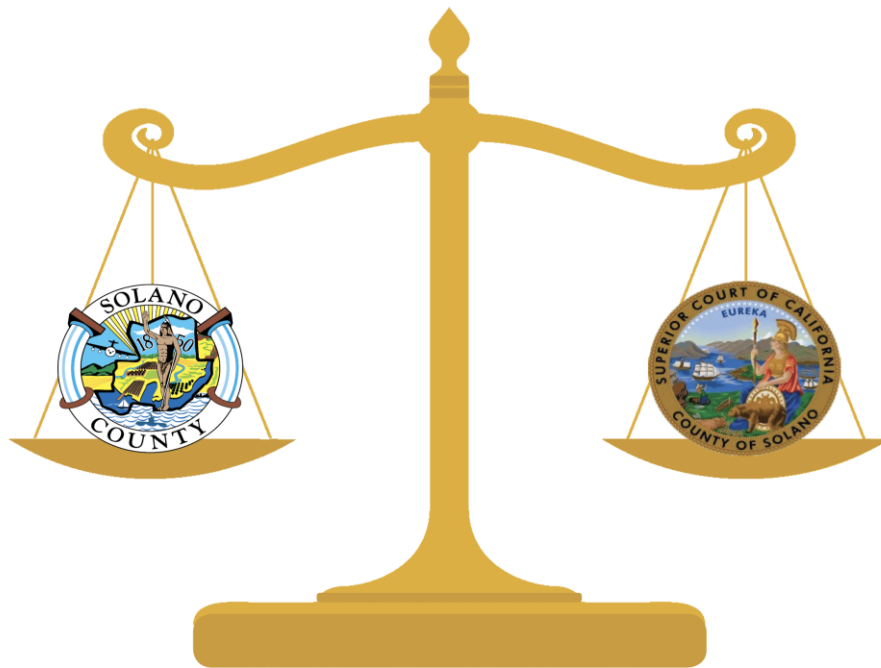




SOLANO COUNTY CIVIL GRAND JURY

2025-2026

SOLANO COUNTY'S RESPONSE TO THEFT OF HEALTH & SOCIAL SERVICES BENEFITS

June 23, 2026

Solano County’s Response to Theft of Health & Social Services Benefits

2025-2026 Solano County Civil Grand Jury

I. SUMMARY

The 2025-2026 Solano County Civil Grand Jury (Jury) reviewed the role and effectiveness of Solano County’s Health and Social Services Department (Department) in addressing large-scale public assistance benefits theft which occurred over a number of years.

This report focuses on benefits stolen from Electronic Benefits Transfer (EBT) cards, the Department’s investigation into the thefts, timely replacement to victims of stolen benefits, and raising public awareness of the problem.

While some arrests have been made in connection with EBT theft, data suggest that the most effective deterrent has been the relatively recent implementation of “chipped” EBT cards (cards with security chip technology added). According to Department staff, the rollout of the new cards has thus far resulted in a dramatic reduction of EBT theft.

II. INTRODUCTION

EBT theft has significantly affected vulnerable California citizens who rely on public assistance for food and housing. Criminals have stolen Supplemental Nutrition Assistance Program (SNAP) – also known as CalFresh or Food Stamps, CalWORKs, and General Assistance (GA) benefits,

using “skimming” devices to obtain card data from EBT cards. The criminals duplicated the card numbers to steal cash and/or make purchases before the recipients had a chance to spend their benefits.

SNAP benefits are administered to recipients via an EBT card, which is similar to a debit card. Funds are loaded onto the card each month. CalWORKs and GA recipients can opt for either an EBT card or direct deposit into a bank account. This report is concerned only with benefits skimmed from EBT cards.

Beginning around 2019, theft of funds on EBT cards surged dramatically, not only statewide but nationwide. Law enforcement investigations in various jurisdictions indicated that international crime organizations were heavily involved in perpetrating these thefts on a large scale, though some cases also revealed individuals acting alone.

Criminals would install card skimmers onto point-of-sale (POS) machines or ATMs located in banks, retailers, or gas station food marts, and gather information that could be used to clone an EBT card. They would then skim the funds from a benefits account within minutes or hours of funds being loaded onto the cards.

Until 2025, EBT benefits cards lacked security features, such as chips, which could provide added protection over the outdated magnetic strips. While Welfare Fraud Investigators throughout the State urged the California Department of Social Services (CDSS) as early as 2020 to adopt upgraded technology, implementation was delayed for years. Contributing factors for

the delay included the COVID Pandemic, budgeting and staffing shortages, and federal law which mandated “magnetic strips only” on SNAP EBT cards. In 2025 the State implemented electronic chips and, according to the California Governor’s Office, the skimming decreased by 83% by the end of 2025.

The theft issue came to the Jury’s attention because of public concern that replacements of stolen benefits were not being processed in a timely manner. If replacements were delayed, the Jury was interested in the factors contributing to the delays. During the review of that topic, the Jury learned of the serious magnitude of skimming theft.

III. STATEMENT OF FACTS

The Department administers several assistance programs to eligible County residents, under the authority of the CDSS including SNAP benefits, CalWORKs, and GA. SNAP benefits are funded by the United States Department of Agriculture (USDA), CalWORKs is funded by federal, state, and county governments. GA is a county-funded program.

According to the United States Attorney’s Office, Southern District of California, between June 2022 and January 2026, criminals stole more than \$310 million from EBT beneficiaries in California, primarily through unauthorized ATM withdrawals by sophisticated crime rings. In Solano County, \$5.9 million was skimmed between January 2023 and December 2025.

A. Welfare Theft Investigations

Welfare Fraud Investigators and Eligibility Technicians employed by the Department actively work to protect our most vulnerable citizens from EBT theft. The Department employs a multifaceted approach which includes public awareness, surveillance actions, and collaboration with County and State law enforcement agencies.

The Department has a welfare theft investigation unit, the Special Investigations Bureau (SIB). Suspected theft and theft cases are referred to this team for follow-up. Referrals come from the Employment and Eligibility Division, which receives the first reports of theft and the requests for replacement.

As sworn Peace Officers, SIB Investigators can make arrests when reasonable suspicion warrants. The unit consists of a Chief Welfare Fraud Investigator, a Supervising Investigator who reports to the Chief, and five Detectives under that Supervisor.

At the end of 2021 and beginning of 2022, the SIB became aware of the magnitude and impact of EBT theft within Solano County. SIB contacted CDSS to gather information, and to determine means to identify suspects. They also monitored skimming trends throughout the State to look for upturns. In addition, SIB coordinated sting operations with other law enforcement agencies, including Solano County cities and the District Attorney's Office.

Prior to the increase in EBT skimming each investigator averaged 30 cases, which included other types of criminal allegations related to benefits fraud. The attention and hours devoted to EBT skimming greatly increased the investigators' workload.

The SIB needed more resources to safely and effectively conduct surveillance. They met with the DA's Office to inform them of the magnitude of the theft and received support from that Office. They also consulted with some other counties and agencies for assistance, specifically: San Joaquin County, and the cities of Sacramento, Benicia, Fairfield, Vacaville and Dixon Police Departments. If investigations result in detection, arrest, or search warrant, the SIB offers jurisdiction to the local law enforcement agency to take the lead.

During active surveillance, investigators notify banks and retailers of their presence and their mission. Once SIB obtains a search warrant, banks and retail outlets cooperate in providing timely information such as video.

Although some arrests have been made in Solano County, no convictions of those associated with local EBT theft had occurred at the time of this report. One case did result in a significant recovery of evidence and cash, and the arrestee was extradited to Los Angeles for adjudication. If a suspect is found guilty, recovered funds will be returned to the State.

B. Welfare Theft Tracking

Under federal law Section 7 U.S.C. 2016a, states were required to submit plans for replacing stolen benefits and must report data on the frequency of card skimming, cloning, and other fraudulent methods. The USDA requires states to report on the methods of theft and the locations where fraud occurred. In December 2022 the Employment and Eligibility Division of the Department created a dashboard to capture relevant data and report it to the State.

The State generates data which identifies and lists skimming activity and locations repeatedly subject to skimming. The State collects and delivers this data to the Department's SIB. Their report captures cash-only losses from banks and ATM terminals for the first three days of each month, which is typically when benefits are loaded onto cards. The report provides addresses of affected terminals, enabling investigators to create a surveillance plan focusing on locations where criteria for possible theft operations have been met.

As a security measure, in May 2025 EBT cards were chipped to decrease skimming activity. Prior figures were showing \$8-20 million skimmed statewide in just the first three days of each month. As of the date of the Jury's review, the figures have been flat for several months, trending at \$2.5 million.

The Department provided data reflecting the dollar amount of Solano County benefits skimmed from CalFresh, CalWORKs, and GA for December 2024 through March 2026. Table A

summarizes the EBT skimming activity based on receipt of **EBT2259: Report of Electronic Theft of Benefits** forms submitted by affected clients.

In the CalFresh/CalWORKs portion of the table, the Department notes that * represents the number of “unique” cases/households who submitted an EBT2259 to report EBT theft(s). Multiple instances may be reported per EBT2259 form received per case.

This table illustrates the decrease in skimming activity since implementation of chipped cards in May 2025. Chipped cards were introduced into different programs over time, resulting in a gradual decrease in skimming between May and December.

TABLE A: EXTENT of SKIMMING from EBT CARDS in SOLANO COUNTY-ADMINISTERED AGENCIES

The table below summarizes the EBT skimming activity for the CalFresh and CalWORKS programs based on EBT2259s received from December 2024 through March 2026. The EBT theft reports were received from different sources such as in-person, by phone, and online through BenefitsCal. Replacement benefits are funded by:

Month	State				County	
	CalFresh	Amount	CalWORKS	Amount	General Assistance	Amount
December 2024	96	\$35,182.46	90	\$83,244.22	9	\$4,385.18
January 2025	253	\$118,339.33	143	\$131,823.70	13	\$5,438.00
February 2025	194	\$69,008.01	116	\$116,312.95	16	\$7,225.19
March 2025	154	\$55,361.85	104	\$91,866.65	12	\$7,110.83
April 2025	76	\$28,266.67	99	\$96,631.65	5	\$2,688.94
May 2025	63	\$17,369.40	67	\$64,891.48	6	\$2,676.07
June 2025	39	\$11,822.25	55	\$51,541.52	5	\$1,930.50
July 2025	31	\$8,287.38	13	\$12,242.93	2	\$747.49
August 2025	27	\$6,568.84	19	\$20,051.93	0	\$0.00
September 2025	30	\$6,083.61	25	\$22,869.61	2	\$817.50
October 2025	21	\$7,072.28	19	\$16,488.21	0	\$0.00
November 2025	18	\$4,939.09	13	\$11,753.59	1	\$1,155.49
December 2025	18	\$4,159.63	44	\$42,613.50	4	\$1,695.00
January 2026	48	\$14,108.56	22	\$16,973.88	0	\$0.00
February 2026	34	\$10,828.60	21	\$16,084.51	3	\$1,284.50
March 2026	20	\$8,602.82	8	\$5,064.39	0	\$0.00
Totals	1122*	\$406,000.78	858*	\$800,454.72	78	\$37,154.69

* Represents number of "unique" cases/households who submitted an EBT2259 to report EBT theft(s). Multiple instances may be reported per EBT2259 report received per case. Multiple EBT2259 or claims may be received for the same case during the last 12 months.

Note that GA is tracked separately because only CalFresh and CalWORKs data is required for State reports.

C. Replacement of Benefits

The Department developed processes and protocols designed to streamline replacement of benefits to victimized clients. The Jury reviewed the protocols in place.

When the EBT theft crisis was at its peak, the Department's Call Center alone was inundated with as many as 250-300 claims per day, resulting in unacceptable wait times. The Grand Jury was not able to learn how long replacement was taking at the height of the crisis. At the time of this report, the Department staff states that due to significant downturn in claims and implementation of streamlined processes they are meeting the State mandated 10-day replacement turnaround time. The 10-day turnaround time starts on the date the claim is reported, unless the claim is referred for investigation in which case the timeframe is 25 days.

A client has up to 90 days to report a skimming incident. When a client has been victimized, there are various avenues available to them to report the theft and seek replacement.

Social Services clients have electronic access to the BenefitsCal portal

<https://benefitscal.com/Help/faqs/ebt-faqs/HCEBQ>. There they can upload the EBT2259 form <https://www.solanocounty.gov/government/health-social-services-hss/employment-eligibility/electronic-benefits-transfer-ebt> (see Attachment A) and submit information, including the current balance on their card, and amount of benefits stolen.

- Clients also can download the EBT2259 form and send a completed hard copy via mail or FAX.
- The client can visit the benefits office in person to interact with staff, who will provide the EBT2259 form. A clerk taking the information from the client can access the client's account to verify details of skimming, such as amount skimmed and when it occurred.
- The client can also use the 800 number (1-800-400-6001) for the Call Center to report the skimming. A phone worker assists in the completion of the EBT2259 form. The worker collects an electronic signature from the client through California Statewide Automated Welfare System (CalSAWS), the case management platform used by all California County Social Services programs. Staff stated that the current wait time for the Call Center is approximately 10-20 minutes.

Eligibility Workers have a guide (EBT Skimming Replacement Process) setting forth detailed procedures for processing a claim, which vary depending on how they receive the claim.

For each claim, the Eligibility Worker processing it confirms that the transaction in question appears to be skimming. The claim then goes to a higher-level authority within the Department who will approve or deny the claim. They also track submissions for State and Federal reports. The determination regarding replacement is returned to Eligibility staff. If approved for replacement, the claim goes to the Fiscal department for processing. This chain of events provides checks and balances to ensure that no one individual can initiate a claim and also disburse funds.

Replacement may be denied if no valid proof is submitted for the claim, if the theft was due to negligence on the part of the client, or if the client has exceeded the allowable number of replacements within a specific timeframe mandated by the State.

Loss claim forms (EBT2259) must be submitted within 90 days of the incident. If a client files three or more claims within 12 months, the case *may* be referred to the SIB for further investigation. The claim *must* be referred to SIB when it exceeds \$1,000. SIB will investigate whether such losses can be attributed to skimming or to the client.

The client can also track the progress of their claim in BenefitsCal. If a claim is denied, the client will be notified by a Notice of Action sent by mail. They may choose to file a Request for Fair Hearing to appeal the decision. However, if SIB's review results in a criminal investigation, the client cannot appeal by filing a Request for Fair Hearing.

While the Department can verify how or where benefits are being withdrawn or used, they cannot preemptively identify a fraudulent transaction. The workers are dependent on the client notifying them of suspicious activity. It is incumbent on the benefits recipient to safeguard their own information.

Concerted efforts have been made to educate clients on the importance of never sharing their PIN. Clients are advised to change their PIN after a skimming incident has occurred. Clients also may replace their card if desired or have benefits electronically deposited. The State has texted warnings to clients advising them to be suspicious of texts and emails requesting their personal information because various fraudulent apps are currently circulating via social media. There is also a warning on the toll-free number. The State expects to send out paper mailings as well to reiterate these warnings.

CDSS has implemented ebtEDGE, a mobile application through which cardholders can track and manage their EBT card activity, including allowing clients to freeze their cards (<https://cdss.ca.gov/inforesources/cdss-programs/ebt/ebtedge>). The Investigators also use ebtEDGE to identify times and locations of any California-issued EBT card transactions.

The USDA funds SNAP benefits. Congressional Authority to replace funding for SNAP benefits stolen via skimming expired December 2024. Subsequently, the State assumed funding of SNAP benefits replacements. CalWORKs is funded by federal, state, and county governments. Stolen CalWORKs benefits are replaced using State funds.

Because GA is funded solely by the County, these losses due to theft and replacement will have the most impact on the County budget. The allocated funds for GA were depleted because of these losses. Staff stated that amounts earmarked for GA in the County budget needed to be increased.

The Department provided data reflecting that EBT skimming numbers began to decrease dramatically in Solano County after chipped cards were issued beginning in February of 2025. The Department will continue to track skimming data as required by the federal Food and Nutrition Service and, if that requirement expires, then for as long as they continue to receive EBT2259 claim forms.

IV. FINDINGS AND RECOMMENDATIONS

FINDING 1 – Although skimming has decreased, it remains to be seen whether or how long it will take criminal organizations to figure out how to bypass chip readers.

RECOMMENDATION 1A – HSS continue monitoring data trends and continue collaborating with Federal and State agencies to monitor criminal efforts underway to defeat the chip technology.

RECOMMENDATION 1B – In collaboration with other HSS agencies throughout the State, lobby federal and state governments to improve cybersecurity protections for EBT cards.

FINDING 2 – Reported data does not clarify discrepancies such as size of household, number of thefts per report, amount of benefits, etc., which leads to possible underreporting of theft.

RECOMMENDATION 2 – By July 1, 2027, HSS fine-tune report methodology to include factors which influence fluctuating numbers.

FINDING 3 – Call Center waiting time has improved since the height of skimming complaints in 2023-2024.

RECOMMENDATION 3 – Continue to improve Call Center hold times. Adopt process improvement management.

FINDING 4 – Reimbursement processing time has improved to comply with the 10-day requirement.

RECOMMENDATION 4 – Maintain the current level of compliance.

FINDING 5 – The Department has provided public outreach to educate benefits recipients on how to protect their EBT cards from skimming, enhancing protection against theft.

RECOMMENDATION 5A – Continue to provide and update educational outreach efforts as new skimming technologies emerge.

RECOMMENDATION 5B – Encourage clients to use direct deposit for cash benefits.

V. COMMENTS

- While San Diego and Los Angeles Counties have successfully apprehended several perpetrators (see **Methodology**), few skimming arrests have been made in Solano County, despite their best efforts. Fewer arrests in Solano County may be the result of theft which originate in southern California and other areas.
- The Department’s data reporting omits some details which impact analysis, such as size of household and amounts of each incident. Also, a multiple number of incidents may be reported on some EBT2259 forms. The Jury recognizes that the reporting parameters are set by the State.

In addition, in 2023 CDSS dropped a requirement that victims file a police report each time their benefits are stolen. The California Welfare Fraud Investigators’ Association maintains that dropping the requirement has negatively impacted the State’s tracking of theft.

VI. METHODOLOGY

- Interviews with Solano County Health and Social Services personnel
- Data and charts provided by Department
- Federal crackdown nets over 50 in California EBT fraud case: U.S. Attorney's Office, Southern District of California Press Release Mar 19, 2026
https://www.thedesertreview.com/news/federal-crackdown-nets-over-50-in-california-ebt-fraud-cases/article_ed9a21c6-8b48-452d-b1a9-55da5ad15e0f.html
- State of California Department of Social Services (CDSS) public website
<https://cdss.ca.gov>
 - All-County Letters (ACLs)
 - BenefitsCAL website
 - EDGE website
 - County of Solano Fiscal 2025/2026 Recommended Division Budget for HSS (pp. J-44-45 <https://www.solanocounty.gov/government/county-administrators-office/financial-documents/budget-documents>)
- Video/interview on KCRA Channel 3 (<https://www.youtube.com/watch?v=ooY8-ejf81Y>)
- USDA/FNS reporting requirements (<https://www.fns.usda.gov/snap/stolen-benefits#>)
- USDA FNS dashboard tracking stolen benefits (<https://www.fns.usda.gov/data-research/data-visualization/snap-replacement-stolen-benefits-dashboard>)
- 15 Arrested in Law Enforcement Operation Targeting Fraudulent Withdrawal of Benefits Designated for Low-Income Families (<https://www.justice.gov/usao-cdca/pr/15-arrested-law-enforcement-operation-targeting-fraudulent-withdrawal-benefits>)

- Welfare fraud investigators say California's new EBT cards won't stop criminals
<https://www.nbcsandiego.com/news/investigations/welfare-fraud-investigators-say-californias-new-ebt-cards-wont-stop-criminals/3778374/>
- Article: Newsom touts gains against EBT theft
<https://calmatters.org/politics/2026/01/california-welfare-fraud-improvement/>

VII. REQUIRED RESPONSES

Solano County Board of Supervisors

COURTESY COPIES

Director, Solano County Health and Social Services

Attachment A

California Health & Human Services Agency

California Department of Social Services

REPORT OF ELECTRONIC THEFT OF BENEFITS

Instructions: Fill out this form completely and return it to your county worker. Any delays in the completion and/or submission of this form may cause a delay in the processing of your replacement.

INSTRUCTIONS FOR RECEIVING A REPLACEMENT OF ELECTRONICALLY STOLEN BENEFITS

If you think you are a victim of electronic theft of your CalFresh food benefits or cash benefits, contact your local county office or California EBT Customer Service Helpline to cancel your EBT card and get a new card.

Note that if your compromised EBT card has not already been replaced, it will be cancelled and replaced once you submit this form.

Change your Personal Identification Number (PIN) immediately. You can change your PIN in person at your local county office or by calling the California EBT Customer Service Helpline. A Customer Service Representative will cancel your card and give you a new one.

The California EBT Customer Service Helpline is open 24 hours a day, 7 days a week: 1-877-328-9677

- TTY: 1-800-735-2929 (Telecommunications Relay Service for Hearing/Speech Impaired)

This is the only customer service phone number for EBT in California

You may get your EBT benefits replaced if:

- You had your EBT card with you when benefits were stolen from your EBT account.
- One of the following occurred:
 - Your card was skimmed by electronic equipment taking your information without your knowledge.
 - You were scammed into giving a third-party your EBT card number and personal identification number (PIN) to an unauthorized 3rd party that you believed to be the contracted EBT vendor, an approved retailer, or a government entity, but not more than one time in a 36-month period for cash benefits.
- You cancelled your EBT card and got a new card by going to your local county office or by calling the California EBT Customer Service Helpline.
- You completely fill out the EBT 2259 and give it to your county worker.

EBT cash benefits cannot be replaced if:

- You do not turn in a completed EBT 2259 within 90 calendar days from the date of the electronic theft transaction.
- Your physical EBT card has been lost or stolen.
- You gave your EBT card number and/or PIN to someone you know and your benefits were stolen by them.

EBT food benefits cannot be replaced if:

- You do not turn in a completed EBT 2259 within 90 calendar days from the date of the electronic theft transaction.
- Your physical EBT card has been lost or stolen.
- You gave your EBT card number and/or PIN to someone you know and your benefits were stolen by them.
- Your electronically stolen food benefits have already been reimbursed twice within the current Federal Fiscal Year (October 1 – September 30).