1

EBT records

State processors send FNS every transaction, daily.

~250M /month (GAO 2018)

daily records →

2

ALERT flags

Each store gets a trafficking score; stores above a threshold join a watch list.

80%+

of detected retailer trafficking is found mainly through EBT data (CRS)

watch list →

3

Analyst review

Rank by sale size against store type; compare with similar stores in the same ZIP code.

priority cases →

4

Undercover buy

FNS or USDA OIG agents offer to sell benefits; state police in 28 states by agreement (GAO 2018).

evidence →

5a

Retailer disqualified

Trafficking: permanent (7 CFR 278.6). Other violations: 6 months to 5 years; repeats double.

EBT data alone can support it

5b

Recipient penalties

12 months, 24 months, then permanent (7 CFR 273.16). Trafficking conviction of $500+: permanent.

often stalls: EBT data rarely enough

Every stage runs after the sale: the store has already been paid.

Patterns that drive cases

Each is a proxy for "no real basket behind this amount."

- Many sales in round or repeated amounts, such as totals ending in .00
- Several swipes from one household account in a short window
- Sales too large for the store's size and type
- Many households making similar sales in a short period
- Accounts drained in one or two swipes, sometimes by out-of-state cards

Five structural limits

1. **Detects after the fact.** The store is already paid; owners can reopen under a new name.
2. **Sees only amounts.** A real $87.43 basket and a trafficked $87.43 swipe look the same.
3. **Targets stores, largely misses recipients.** EBT data alone is generally not enough to disqualify a recipient.
4. **Does not scale with investigators.** GAO: all stores reauthorized on a five-year cycle, regardless of risk.
5. **The card was weak.** Magnetic stripes made skimming cheap.