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**August 5, 2022**

**House Legislative Oversight Committee Study of the Attorney General's Office**

**SNAP Fraud Prosecution Program**

Please allow this to serve as a response to the House Legislative Oversight Committee's communication dated July 11, 2022 as part of the committee's study of the South Carolina Attorney General's Office.

DSS would like to provide the following background information to assist with your questions about the SNAP Fraud prosecution program which was a collaboration between the Department of Social Services and the Attorney General's office, and also provide responses to specific questions below.

The project was initially managed by a former DSS team member who had applied for the grant funding from the U.S. Department of Agriculture's Food and Nutrition Service (FNS) for prosecution of trafficking cases. The grant provided limited funding for staff that included a prosecutor and an investigator. The prosecutor was employed by the AG's Office and the investigator was employed by DSS.

The collaboration of the two agencies continued for its planned duration of the grant and then also an extension period that was authorized by FNS. After the grant funding was exhausted, DSS agreed to fund the investigator for an additional period of time and to consider whether or not to continue the collaboration without grant funding.

About a year or so after the extension of the collaboration and after further discussions among the parties it was determined by a previous DSS State Director, in consultation with the agency's previous Inspector General, that the collaboration would not be continued. More details are included in the section labeled "pros" and "cons" below.

Responding to specific questions from the committee, please see below.

1. Please provide the following numbers, to the extent known, regarding Supplemental Nutrition Assistance Program (SNAP) fraud (See, [Attorney General's General Prosecution presentation to the House Legislative Oversight Committee](#), Slide 13)
  - a. Number of cases referred to the Attorney General's Office each year in fiscal years 2018 and 2019
  - b. Number of cases referred to Solicitor's offices each year in fiscal years 2020, 2021, and 2022

- i. Of the cases referred, percentage of cases targeting the SNAP recipient and percentage targeting the retailer.
- c. Number of cases prosecuted by Solicitor's offices each year in fiscal years 2020, 2021, and 2022.

From August 2018 till present day, DSS has sent 15 cases to solicitors for prosecution.

Solicitor's Office:

**2022 - 0**

**2021 - 2**

**2020 - 4**

**2019 - 6**

**2018 - 3**

From 2017 to 2019, DSS sent 10 cases to the SCAG's office for prosecution.

AG's Office:

**2019 - 0**

**2018 - 4**

**2017 - 6**

2. Please provide the potential pros and cons of referring cases in the future to the Solicitor's Offices.

**Pros of referring to Solicitor's offices:**

- Takes advantage of already funded positions, and county contribution towards crime occurring within that county;
- Spreading the cases out among a large number of offices across the state may help with continuity and consistency of statewide enforcement efforts.
- Possible mitigating disruption of program continuity based upon effects of attorney/prosecutor position turnover on program continuity if the program is pursued by different offices (segregation of the personnel turnover risk).

**Cons of referring to Solicitor's offices:**

- A greater administrative challenge and burden to communicate and provide information/evidence to various offices and staff members instead of one centralized office/channel;

- Local law enforcement in the past have shown varying levels of commitment to serve warrants and prosecute smaller public benefits crimes (de-prioritization);
  - Reduction of synergy and focus that centralized, authoritative teams would have in a strong collaboration.
3. Please provide the potential pros and cons of referring cases in the future to the Attorney General's Office.

**Pros of referring cases to the Attorney General Office:**

- High motivation and energy to address public benefits fraud;
- Increased synergy with authoritative, centralized leadership, results in more rapid response and agility in execution of the program;
- More efficient communication channel (e.g., to communicate needs, changes in federal requirements, or data/trends);
- Higher level of public awareness through collaborative press engagement at the State level on the problem of public benefits fraud, and interdisciplinary governmental collaboration efforts to prevent benefits fraud.

**Cons of referring cases to the AG's office:**

- Funding. The collaborative work and corresponding positions were funded through a federal grant that was limited in time, and has since expired;
- Higher value cases may not necessarily mature at a steady rate, which can pose work-flow challenges for dedicated positions if value thresholds are too high;
- In a similar vein, a high number of smaller value cases can overburden a small team – if the (logical) response is to set a higher financial threshold for cases, so that the smaller ones are screened out, the decision impacts the overall recoupment in these type of cases where you may have a high frequency of public benefits fraud cases that are mostly low financial values.
- Potential for program disruption as a result of position personnel turnover on small team—potential solution would be to fund at a level for experienced prosecutor rather than entry-level, or enlarge team.

The Department of Social Services hopes this information is helpful to the committee and remains available to continue this dialogue and further explore collaboration for the benefit of South Carolina and her citizens. If we can provide additional information, please do not hesitate to reach out to Connelly-Anne Ragley at 803-898-4357 or by email at [Connelly.Ragley@dss.sc.gov](mailto:Connelly.Ragley@dss.sc.gov).