### **BILL ANALYSIS**

H.B. 712 By: Rodriguez Human Services Committee Report (Unamended)

# BACKGROUND AND PURPOSE

Current law allows for the use of an electronic fingerprint-imaging or photo-imaging program of adult and teen parent applicants for and recipients of financial assistance and services from the Texas Department of Human Services (DHS). In 1996, DHS piloted a finger-imaging system called the Lone Star Image System (LSIS). It reached statewide implementation in 1999. According to DHS, the current contract costs for the LSIS is \$5 million for FY 2003-2004, with approximately 47%, or \$2,350,000 coming from state general revenue. Since it's inception in 1996, \$24,542,421 has been expended on the Lone Star Image program, \$11,358,153 in state general revenue, with only \$59,642 in confirmed fraud detected as a result of LSIS direct matches. Finger imaging is only capable of detecting and preventing the duplicate receipt of benefits, a type of fraud that historically has amounted to less than 1% of total dollar fraud in the food stamp and Temporary Assistance to Needy Families programs. The Department of Human Services currently utilizes seven other fraud prevention activities. House Bill 712 repeals the Electronic Imaging Program.

## **RULEMAKING AUTHORITY**

It is the opinion of the author that the bill does not expressly delegate any additional rulemaking authority to a state officer, department, agency, or institution.

## ANALYSIS

House Bill 712 amends the Human Resources Code by abolishing the electronic imaging program of the Texas Department of Human Services.

## EFFECTIVE DATE

On passage, or if the Act does not receive the necessary vote, the Act takes effect September 1, 2003.