

BILL ANALYSIS

C.S.H.B. 4514

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Homeland Security, Public Safety & Veterans' Affairs
Committee Report (Substituted)

BACKGROUND AND PURPOSE

The bill author has informed the committee that, under current state law, there is no mechanism by which private individuals can request an identity verification using the Department of Public Safety's (DPS) image verification system, which can limit the options for certain individuals when trying to confirm identity for purposes of sensitive transactions and contribute to growing concerns over identity theft and fraud. C.S.H.B. 4514 seeks to enhance personal identity security, reduce fraud, and provide a secure way to confirm someone's identity for personal, legal, or business purposes while maintaining strict privacy protections by authorizing DPS to verify the identity of an individual using the DPS image verification system.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the Department of Public Safety in SECTION 3 of this bill.

ANALYSIS

C.S.H.B. 4514 amends the Transportation Code to authorize the Department of Public Safety (DPS), on entering into a memorandum of understanding with a person, to verify the identity of an individual by comparing a facial image of the individual to facial images contained in the DPS image verification system established under applicable state law. The bill conditions DPS's authority to comply with such a request on the request including the following:

- a facial image of the individual who is the subject of the identity verification request and any other information DPS requires to determine the individual's identity;
- the consent of that individual; and
- a fee established by DPS rule for the submission of an identity verification request.

The bill authorizes DPS to refuse to provide an identity verification under these provisions for any reason and requires DPS by rule to establish a fee for the submission of an identity verification request in an amount sufficient to cover the costs of DPS's compliance with these provisions, including the direct and indirect costs associated with DPS's use of the image verification system. The bill makes information submitted to DPS as part of an identity verification request under these provisions, including all images and personal identifying information, confidential and not subject to disclosure under state public information law. The bill requires DPS, after conducting an identity verification or refusing to conduct an identity verification under these provisions, to destroy all information submitted as part of the identity verification request and to adopt rules to implement this requirement. The bill authorizes DPS to contract with a private vendor to allow the vendor access to the DPS image verification system

for the purpose of processing identity verification requests. The bill requires DPS to adopt the rules necessary to implement these provisions not later than December 1, 2025.

C.S.H.B. 4514 requires the fee collected for the submission of an identity verification request under the bill's provisions to be deposited to the credit of a special account in the general revenue fund and restricts the use of money from the collected fees to the administration of the bill's provisions by DPS.

C.S.H.B. 4514 includes using the DPS image verification system to the extent allowed by the bill's provisions to verify an individual's identity among the limited purposes for which DPS is authorized to use the system.

EFFECTIVE DATE

September 1, 2025.

COMPARISON OF INTRODUCED AND SUBSTITUTE

While C.S.H.B. 4514 may differ from the introduced in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

Both the introduced and the substitute authorize DPS to verify the identity of an individual by comparing a facial image of the individual to facial images contained in the DPS image verification system. However, whereas the introduced conditioned that authorization on DPS receiving a request from any person, the substitute conditions that authorization on DPS entering into a memorandum of understanding with a person. Additionally, while both the introduced and the substitute condition DPS's authority to comply with such a request on the request including certain information, the versions differ in the following ways:

- the introduced required the request to include the name of the individual who is the subject of the identity verification request, whereas the substitute does not;
- while both the introduced and the substitute require the request to include a facial image of the individual who is the subject of the identity verification request, the substitute also requires the request to include any other information DPS requires to determine the individual's identity, whereas the introduced did not; and
- while both the introduced and the substitute require the request to include the consent of the individual who is the subject of the identity verification request, the substitute removes the introduced version's specification that the consent is written.

The substitute omits the provision from the introduced that established that the bill's provisions expressly do not authorize the disclosure of an image contained in the DPS image verification system to any person.

While both the introduced and the substitute require DPS, after conducting or refusing to conduct an identity verification, to destroy all information submitted as part of the identity verification request, the substitute removes the introduced version's specification that DPS is required to destroy the information promptly after conducting or refusing to conduct an identity verification. Additionally, the substitute includes a requirement absent from the introduced for DPS to adopt rules to implement the requirement to destroy this information.

The substitute includes an authorization absent from the introduced for DPS to contract with a private vendor to allow the vendor access to the DPS image verification system for the purpose of processing identity verification requests.

The substitute includes provisions absent from the introduced requiring the fee collected for the submission of an identity verification request to be deposited to the credit of a special account

in the general revenue fund and restricting the use of money from the collected fees to the administration of the bill's provisions by DPS.