

BILL ANALYSIS

Senate Research Center
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S.B. 1183
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AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Texas Electronic Benefit Transfer (EBT) system uses the Lone Star Card to provide access to SNAP (Supplemental Nutrition Assistance Program) food benefits and TANF (Temporary Assistance for Needy Families) cash benefits. The Lone Star Card is used in the same way any other debit card is used. When recipients pay for approved food or TANF items, they swipe their Lone Star Card through the store's machine, enter their personal identification number (PIN), and the amount of the purchase is taken out of their Lone Star Card account.

Current law does not require Lone Star Cards to feature photo identification of benefit recipients. Adding photo identification to these cards would prevent fraudulent use of the cards by individuals who are not eligible to receive TANF or SNAP benefits. S.B. 1183 addresses this issue by requiring Lone Star Cards to display a photograph of recipients or other authorized persons. This will help to ensure benefits go to intended recipients and taxpayer resources are used for their intended purpose.

As proposed, S.B. 1183 amends current law relating to electronic benefits transfer cards used by or for recipients of benefits under certain assistance programs.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the executive commissioner of the Health and Human Services Commission in SECTION 1 (Section 545.0058, Government Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subchapter B, Chapter 545, Government Code, as effective April 1, 2025, by adding Sections 545.0058 and 545.0059, as follows:

Sec. 545.0058. PHOTOGRAPH AND OTHER INFORMATION ON CERTAIN ELECTRONIC BENEFITS TRANSFER CARDS. (a) Defines "financial assistance program," "recipient," and "supplemental nutrition assistance program."

(b) Requires the Health and Human Services Commission (HHSC), subject to Subsection (d), to ensure that the front side of each electronic benefits transfer card used by a recipient or other person authorized on the recipient's account for purposes of receiving benefits under the financial assistance program or the supplemental nutrition assistance program displays certain information.

(c) Requires the Department of Public Safety of the State of Texas (DPS) to provide to HHSC the photographs of a recipient and each person authorized on the recipient's account that DPS has in its records. Requires HHSC to use the photographs for purposes of complying with Subsection (b)(1) (relating to requiring HHSC to ensure that the front side of each electronic benefits transfer card display the name and photograph of the recipient or other authorized person, as appropriate). Authorizes HHSC and DPS to enter into a memorandum of understanding for purposes of this subsection.

(d) Provides that a recipient or other person authorized on the recipient's account is exempt from the photograph requirement imposed by Subsection (b) if the recipient or other authorized person meets certain criteria or DPS does not provide a photograph of the recipient or other authorized person to HHSC under Subsection (c).

(e) Authorizes the executive commissioner of HHSC to adopt rules necessary to implement this section.

Sec. 545.0059. MONITORING AND REPORTING OF ELECTRONIC BENEFITS TRANSFER CARD REPLACEMENT REQUESTS. (a) Defines "financial assistance program," "recipient," and "supplemental nutrition assistance program."

(b) Requires HHSC to monitor the frequency with which recipients request replacements of their electronic benefits transfer cards used for purposes of receiving benefits under the financial assistance program or the supplemental nutrition assistance program. Requires HHSC, not later than December 1 of each year, to submit a report regarding that frequency to the standing committees of the house of representatives and the senate with jurisdiction over the financial assistance and supplemental nutrition assistance programs.

SECTION 2. Amends Section 730.007(c), Transportation Code, as follows:

(c) Provides that Section 730.007 (Permitted Disclosures of Certain Personal Information) does not prohibit the disclosure of a person's photographic image to certain agencies, including HHSC for use on an electronic benefits transfer card as required by Section 545.0058, Government Code, or prevent a court from compelling by subpoena the production of a person's photographic image. Makes nonsubstantive changes.

SECTION 3. Provides that HHSC, notwithstanding Section 545.0058, Government Code, as added by this Act, is not required to issue electronic benefits transfer cards that comply with that section until September 1, 2026, but is required to begin issuing cards that comply with that section beginning on that date, and is required to ensure that on or before August 31, 2028, each electronic benefits transfer card used to deliver benefits to recipients under the financial assistance program under Chapter 31 (Financial Assistance and Service Programs), Human Resources Code, or the supplemental nutrition assistance program under Chapter 33 (Nutritional Assistance Programs), Human Resources Code, conforms to Section 545.0058, Government Code, as added by this Act.

SECTION 4. Requires HHSC, notwithstanding Section 545.0059, Government Code, as added by this Act, to submit the first report required by that section not later than December 1, 2026.

SECTION 5. Requires a state agency, if necessary for implementation of a provision of this Act, to request a waiver or authorization from a federal agency, and authorizes delay of implementation until such a waiver or authorization is granted.

SECTION 6. Effective date: September 1, 2025.