

BILL ANALYSIS

Senate Research Center

S.B. 909
By: Zaffirini
Health & Human Services
3-17-97
As Filed

DIGEST

Currently, Texas utilizes a statewide electronic benefit transfer (EBT) program using the Lone Star card, an electronic debit card that allows recipients to access food stamps and welfare benefits via point-of-sale terminals at retail outlets, rather than through the food stamp coupon and state warrant system. Presently, the U.S. Department of Agriculture food stamp regulations for Texas' EBT program require DHS to purge food stamp accounts that have been inactive for 12 months and return the unused benefits. In the absence of federal EBT regulations for the Aid to Families with Dependent Children (AFDC) program, the Department of Human Services (DHS) purges these accounts two years after the close of the fiscal year in which the last payment was issued. This legislation would require DHS to close an account that has not been used during the preceding 12 months, making the two program regulations consistent. Eighty percent of AFDC recipients also collect food stamps.

PURPOSE

As proposed, S.B. 909 requires the closure of certain inactive electronic benefits transfer accounts.

RULEMAKING AUTHORITY

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 31B, Human Resources Code, by adding Section 31.043, as follows:

Sec. 31.043. INACTIVE ELECTRONIC BENEFITS TRANSFER ACCOUNT. Provides that this section applies only to an account to which financial assistance provided under this chapter has been transferred under the electronic benefits transfer system for access and use by a recipient of that assistance. Requires the Texas Department of Human Services to close an account that has not been used by the account holder during the preceding 12 months. Requires the comptroller to withdraw any unused benefits remaining in the account and disburse the benefits as authorized by federal and state law.

SECTION 2. Emergency clause.

Effective date: upon passage.