

BILL SUMMARY

1st Session of the 53rd Legislature

Bill No.:	SB 121
Version:	Engrossed
Request Number:	NA
Author:	Sen. Russell/Rep. Enns
Date:	3/18/2011
Impact:	\$5.8 Million

Research Analysis

Engrossed SB 121 requires the Department of Human Services to include a photograph of the program recipient on all benefit cards issued by the Department.

Prepared By: Marcia Goff

Fiscal Analysis

The Oklahoma Department of Human Services (OKDHS) has three independent systems for the two types of benefit cards described in the research analysis. In order to comply with SB 121, the expected cost to OKDHS would depend on who is responsible for the requirements and functions, Affiliated Computer Services (ACS) or OKDHS. Expected costs include the following:

- Modifications to the EPPIC system to allow for photo capture through both the OKDHS data interface and the local OKDHS office via digital camera;
- Re-design of all electronic benefit transfer (EBT) and debit cards to allow for photo printing and the cost for any bulk cards to support a mass reissuance;
- Replacement of all printers in the local OKDHS offices to support photo printing on cards;
- digital cameras for all OKDHS offices and the cost for integration into EPPIC and card printing; and
- Staff time to complete the new step in the process of issuing EBT cards and a new process to capture photographs so ACS can issue debit cards with a photograph.

The exact cost is unknown but OKDHS estimates these costs would be in the range of \$3.5 million for one of the three systems with ongoing costs of up to \$100,000 per month. Costs must be tripled because OKDHS uses three different products for these systems with different development costs that cannot be used across each platform. According to OKDHS, combining the three systems into one would not result in a cost savings and could increase overall costs significantly. Estimating costs for combining the systems would take considerable effort on behalf of OKDHS and ACS.

Prepared By: David Ligon

Other Considerations

According to OKDHS, it is standard practice throughout the retail community, whether grocery stores or child care facilities, that the EBT card does not leave the cardholder's possession. The cardholder maintains possession of the card and swipes it through the POS device. Cardholders

using debit cards for cash benefits can use an ATM machine to obtain cash where no one is available to look at a photo ID. Therefore, the inclusion of a picture on the EBT or debit card would not detect fraud.