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FISCAL IMPACT REPORT

SPONSOR: Lopez DATE TYPED: 02/20/03 HB _____

SHORT TITLE: Unlawful Electronic Benefit Transfer Card Use SB 729

ANALYST: Weber

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
			Minimal		

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

Responses Received From
Human Services Department

Synopsis of Bill

Senate Bill 729 seeks to amend §30-16-7 NMSA 1978 – Unlawful Dealing in Federal Food Coupons or WIC checks. SB 729 makes several technical changes to the law, such as changing “health and environment department” to “department of health”. It adds a new subsection including electronic benefit transfer (EBT) cards or other methods through which food stamp or WIC benefits may be obtained to federal food coupons and WIC checks.

Significant Issues

The vast majority of food stamp benefits are now delivered via electronic benefit transfer. Less than one percent of these benefits are delivered through paper food stamps. The Human Services Department (HSD) is also collaborating with the Department of Health to include WIC benefits on a “hybrid” EBT card.

The current law specifically refers to coupons and checks. However, most fraud occurs in the illegal use of EBT cards. SB 729 would make it easier to prosecute those individuals who deal unlawfully in food stamp or WIC benefits. Specifically, the additional language added to Section 30-16-7 NMSA 1978 in paragraph G allows the HSD’s Office of Inspector General (OIG) to now refer investigations of EBT trafficking by clients and vendors in New Mexico to the appropriate prosecutorial authorities for criminal prosecution of felony crimes.

Implementation and use of certain software programs will require assistance from the United States Department of Agriculture's (USDA) OIG and the State of Texas Department of Human Services OIG.

FISCAL IMPLICATIONS

Minimal. Most of the computer hardware and software is already in place. Some out-of-state travel will be necessary for training purposes.

MW/sb/njw