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LB 618

Revision: 01

Revised to reflect updated agency response.

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2007-08		FY 2008-09	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS	30,500	63,000	21,000	63,000
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	30,500	63,000	21,000	63,000

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB 618 allows the State Treasurer to collect a fee electronically or by other means equal to the cost of processing any payments for returned check charges or charges for electronic payments not accepted. Section 1 (2) allows the Treasurer to maintain a database of individuals and businesses that have remitted payments to the state resulting in returned checks or returned electronic payments. After the payor has originated two bad debt payments in a period of one year, the state may refuse to accept future payments by check and may require a money order, cash or a cashier's check or a certified check for payment.

The State Treasurer estimates the need for a half-time position to address data entry and database monitoring. In addition, start-up costs of \$12,000 are estimated to purchase computer hardware and establish the database as required by the bill. These estimates appear to be reasonable.

The State Treasurer estimates the fees collected pursuant to section 1 (1) would result in Cash Fund revenue of \$63,000 per year. There is no basis to disagree with this estimate.