

Revised based on amendments adopted through 1-30-08

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2008-09		FY 2009-10	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS		1,300		1,300
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS		1,300		1,300

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

This bill allows the State Disbursement Unit (SDU) to require payments by money order, cashier's check or certified check after two payments resulting in returned checks or electronic payments that were not accepted. Currently the SDU can impose that requirement after three such payments. The SDU is authorized to collect a maximum fee of \$30 for cost of processing returned checks or electronic payments, For child support, these fees will be deposited into State Disbursement Unit Cash Fund. The bill also authorizes the collection of these fees for payments other than child support. These fees will be deposited into the Treasury Management Cash Fund. The money in the fund will be used to offset the cost incurred to collect bad debt. The SDU is required to use automated procedures, electronic processes and computer-driven technology to the maximum extent feasible, efficient and economical for the collection and disbursement of child support payments. Employers with more than 50 employees are required to remit child support payments electronically.

The provision that requires different payment methods after two instead of three checks likely will reduce the amount of bad debt that the state needs to attempt collection on. The fiscal impact of this provision cannot be determined.

The authority to collect up to \$30 to cover the cost of insufficient fund checks or electronic payments will generate approximately \$1,300 a year.