

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 29, 2009

TO: Honorable Steve Ogden, Chair, Senate Committee on Finance

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: SB474 by Estes (Relating to the comptroller's use of electronic paycards to make certain payments.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would amend the Government Code to authorize the comptroller to issue state employee and annuitant payments in any amount on electronic paycards if the employee agrees to accept that method of payment.

The bill would also require the comptroller to contract, by competitive bid, with one or more qualified vendors of electronic paycard services.

The comptroller was unable to quantify the administrative savings related to a reduction in the number of warrants issued. The bill's provision that allows the use of pay cards only if agreed to by the employee could significantly reduce any administrative savings as the comptroller would have to maintain processes to issue warrants for some payees. Final cost savings cannot be determined until the terms of a contract with a vendor are established and full implementation is achieved.

This bill would take effect January 1, 2010.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies:

LBB Staff: JOB, MN, JI, YD