

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION**

**April 28, 2011**

**TO:** Honorable Harvey Hilderbran, Chair, House Committee on Ways & Means

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

**IN RE: HB1152** by Guillen (Relating to payments by the comptroller of public accounts to employees, vendors, annuitants, and other recipients of state-issued payments through the electronic funds transfer system or by electronic pay card.), **As Introduced**

<b>No significant fiscal implication to the State is anticipated.</b>
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The bill would implement recommendations in the report, "Eliminate Paper Warrants by Using Direct Deposit or E-Pay Card," in the Legislative Budget Board's Government Effectiveness and Efficiency Report submitted to the Eighty-Second Texas Legislature, 2011. The bill would amend the Texas Government Code, Section 403.016, to allow state employees and annuitants to choose either direct deposit or an electronic pay card to receive payment of state funds. This provision would eliminate the paper warrant option currently available to state employees and annuitants, repealing any current exemptions.

The extent to which the provisions contained in the bill would reduce the Comptroller of Public Accounts' administrative costs cannot be determined until full implementation is achieved in fiscal year 2013. This analysis assumes that any administrative costs incurred from transitioning to electronic pay cards would be offset from savings that would be generated from requiring fewer resources to process paper warrants. Additionally, state agencies would also be expected to see savings as evidenced by other agencies that currently disburse benefits and payments via electronic pay card.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:**

**LBB Staff:** JOB, KK, JI, YD