

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: 6
 Bill Version: CSHB 494(FIN)
 (H) Publish Date: 3/24/04

Revision Date/Time (Note if correction): _____ Dept. Affected: Revenue
 Title Electronic Payments for State RDU Revenue Programs & Services
Business Component Treasury Division
 Sponsor Representative Kott
 Requester House Finance Component No. 121

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2004) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

Actual costs to the Treasury Division could vary significantly. If the division continues its current efforts to maximize payments made electronically, few or no additional costs may be incurred. If, however, we ensure that all payments are made electronically by 2006, an additional staff member, acting as project manager and ACH payments coordinator will be required by the division. This position would require a full time, temporary addition to the Cash Management staff, costing the division approximately \$45.0 in FY05, \$60.0 in FY06, FY07, and FY08, and \$30.0 in FY09 in additional personal services costs. Further, contractual costs for additional programming enhancements of the state's electronic fund origination system, BEACHES, would likely also be incurred. These costs are estimated to be \$25.0 in FY05, \$60.0 in FY06, and \$15.0 in each FY07, FY08, and FY09. We are assuming Treasury will cover the costs of making BEACHES ready to accept agency interfaces. The cost estimates above reflect those start-up costs. Each agency will have costs associated with modifications to their specific applications so that those applications will interface with BEACHES. We assume that the cost savings from not issuing warrants will exceed the cost of implementation of this legislation.

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 Agency: Department of Revenue

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