LEGISLATIVE FISCAL OFFICE
Fiscal Note

ACT 559

Fiscal Note On: **HB 5** HLS 10RS 306
Bill Text Version: **ENROLLED**
Opp. Chamb. Action:
Proposed Amd.:
Sub. Bill For.:

Date: July 16, 2010 2:40 PM
Author: LEGER
Dept./Agy.: Corrections
Subject: Payment by Credit Card
Analyst: Matthew LaBruyere

PUBLIC SFTY/CORRECT DEPT EN SEE FISC NOTE SG RV See Note

Authorizes the Dept. of Public Safety and Corrections to accept credit cards or debit cards from offenders paying fees

The present law allows the Department of Revenue, Department of Transportation and Development, and the Department of Environmental Quality to use a third party processor to collect a convenience charge to cover transaction fees. The proposed legislation allows the Department of Public Safety and Corrections and the Department of Wildlife and Fisheries the same authority, to collect payment of obligations owed to the state by credit and debit cards through the use of a third-party processor who will also collect a convenience fee to cover transaction costs.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	$0	$0	$0	$0	$0	**$0**
Agy. Self-Gen.	$0	$0	$0	$0	$0	**$0**
Ded./Other	$0	$0	$0	$0	$0	**$0**
Federal Funds	$0	$0	$0	$0	$0	**$0**
Local Funds	$0	$0	$0	$0	$0	**$0**
Annual Total	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	$0	$0	$0	$0	$0	**$0**
Agy. Self-Gen.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Ded./Other	$0	$0	$0	$0	$0	**$0**
Federal Funds	$0	$0	$0	$0	$0	**$0**
Local Funds	$0	$0	$0	$0	$0	**$0**
Annual Total	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure.

Using a third party processor would allow probationers and parolees another method to pay fees owed as part of probation/parole obligations. The current method is through money order. The Department of Public Safety and Corrections - Probation and Parole division will receive payment and will not see an increase in expenditures, or a loss of revenue by paying a convenience fee to a third party processor. The convenience fee will be paid to the third party processor by the probationer/parolee in addition to the fee he is paying the department.

The proposed legislation is not anticipated to decrease expenditures, but could allow Probation and Parole agents to dedicate more time to supervising cases rather than collecting fees. The current caseload is one agent per 125 probationer/parolees, which is the second highest caseload in the South.

The Department of Wildlife and Fisheries indicated there would be no fiscal impact as a result of this legislation.

REVENUE EXPLANATION

The proposed legislation may result in an increase in self-generated revenue. To the extent more probationers or parolees find it more convenient to pay fees by credit or debit card, the fees collected may increase. Probationers/parolees may find it easier to use credit or debit cards to pay these fees rather than using money orders. However, the potential increase in collections is indeterminable, but not anticipated to be significant.

On average, Probation and Parole collects $16,000,000 annually in parole and probation fees.

Probation and Parole has currently been operating a pilot program with Western Union for over a year that allows probationers/parolees to pay their fees in cash along with a $3.50 fee and Western Union pays Probation and Parole the collections. Since its inception, the program has not seen a decrease or increase in collections in the 4 districts. The collections rate has remained the same and there are no expenditures by the state associated with the program.

For the Department of Wildlife and Fisheries, the legislation would allow the use of credit cards for license transactions at the headquarters location. There would be no increase in revenue as this would offer another option along with cash, check, and cashier's check as the current option of payment.

Senate — Dual Referral Rules
- ☐ 13.5.1 >= $100,000 Annual Fiscal Cost
- ☐ 13.5.2 >= $500,000 Annual Tax or Fee Change

House
- ☐ 6.8(F) >= $100,000 Annual SGF Cost
- ☐ 6.8(G) >= $500,000 Tax or Fee Increase or a Net Fee Decrease

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