



Colorado  
Legislative  
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Staff

SB17-046

## FISCAL NOTE

**FISCAL IMPACT:**  State  Local  Statutory Public Entity  Conditional  No Fiscal Impact

**Drafting Number:** LLS 17-0263

**Date:** January 17, 2017

**Prime Sponsor(s):** Sen. Tate

**Bill Status:** Senate Finance

Rep. Arndt

**Fiscal Analyst:** Greg Sobetski (303-866-4105)

**BILL TOPIC:** MODERNIZE PROCEDURES FOR UNPAID CHECKS & WARRANTS

### Summary of Legislation

**Recommended by the Statutory Revision Committee**, this bill codifies current practice with respect to the treatment of warrants and checks drawn on state funds that were not promptly presented for payment. It requires that the amounts held to pay warrants and checks be transferred to the Unclaimed Property Trust Fund if unpaid six months from the date of issuance.

The bill includes exemptions for warrants drawn on federal funds and the Wildlife Cash Fund. Warrants and checks representing money received by the federal government are required to be processed in accordance with federal guidelines. Warrants and checks drawn on the Wildlife Cash Fund, except those refunding a license fee submitted as part of an unsuccessful limited license application, are repaid to that fund under both current law and the bill.

The bill also eliminates the requirement that the Department of the Treasury and the Office of the State Controller each annually post lists in their offices of unpaid warrants and checks drawn and issued during the previous fiscal year.

### Assessment

The bill does not change the expenditures or revenue of any state or local government. For this reason, the bill is assessed as having no fiscal impact.

**Transfers of amounts held for unpaid warrants and checks.** On a monthly basis under current practice, the Office of the State Controller in the Department of Personnel and Administration marks as expired all uncashed warrants that are greater than six months old. The Department of the Treasury then completes transactions to transfer the amounts of the expired warrants to the Unclaimed Property Trust Fund. The bill codifies this current practice.

For FY 2015-16, amounts of expired warrants transferred to the Unclaimed Property Trust Fund totaled \$1.7 million. For FY 2014-15, this amount was \$2.3 million.

**Posting requirements.** The requirement to post lists of unpaid checks and warrants is not currently observed by the Department of the Treasury or the Office of the State Controller, though information on issued payments can be found online. Therefore, removal of the requirement is not expected to reduce workload for these agencies.

**Effective Date**

The bill takes effect August 9, 2017, if the General Assembly adjourns on May 10, 2017, as scheduled, and no referendum petition is filed.

**State and Local Government Contacts**

Information Technology

Personnel and Administration

Treasury