

FISCAL NOTE

June 24, 2020

Bill No:	HB 2354	Printer's No:	4014	Sponsor:	Owlett (R)
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COST / (SAVINGS)

Fund (s)	2019-20	2020-21
General Fund	"see fiscal impact"	"see fiscal impact"

SUMMARY: This bill establishes a Do-Not-Pay initiative to monitor improper payments by agencies.

ANALYSIS: HB 2354 requires the Governor's Budget Office (GBO) to support the Treasury in operating the Do-Not-Pay initiative and provide a searchable database of ineligible recipients. The Treasury shall also join the United States Treasury Department's Do Not Pay Program.

Agencies shall utilize the database to determine eligibility for the awarding and disbursement of payments and may not award or issue payment to a recipient on the list unless determined as necessary. Agencies shall also review procedures regarding awarding and payment of money and utilize the eight databases set forth in the bill.

FISCAL IMPACT: There would be a fiscal impact of \$10 million to \$15 million for GBO and Treasury to create a database of recipients who shall not receive payment from the commonwealth. The creation of the infrastructure and interface would require the need for hiring a contractor to develop and assist in the implementation of the system.

The contractor would need to incorporate the cost for agencies to access the eight databases set forth in the bill for each award or payment, but this may be an additional cost.

There is currently no cost for the use of the United States Treasury Department's Do Not Pay Program, however this could change.