

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7965

BILL NUMBER: HB 1618

DATE PREPARED: Jan 18, 1999

BILL AMENDED:

SUBJECT: Unpaid checks and warrants drawn on public funds.

FISCAL ANALYST: Beverly Holloway

PHONE NUMBER: 232-9851

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: This bill provides that warrants or checks drawn upon public funds are void, rather than canceled, if outstanding and unpaid for two years or more.

Effective Date: July 1, 1999.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: Currently, a warrant or check drawn on public funds is considered canceled if the warrant or check is outstanding and unpaid for two years or more. The warrant or check is considered void and no recovery is possible if the warrant or check remains outstanding and unpaid for seven years. This bill would void an outstanding and unpaid warrant of two years or more. This provision would reduce (by five years) the length of time a warrant or check can be paid. The fiscal impact of this provision is indeterminable but there could be a reduction in the expenditures of a political subdivision.

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected: Political subdivisions.

Information Sources: