



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 108

PRINTERS NO. 124

PRIME SPONSOR: Owlett

COST / (SAVINGS)

FUND	FY 2020/21	FY 2021/22
General Fund	See fiscal impact	See fiscal impact

SUMMARY: House Bill 108, printer's number 124, amends Title 71 (State Government) to establish the Do-Not-Pay Initiative. Upon enactment, the bill shall take effect in 90 days.

ANALYSIS: This bill requires Commonwealth agencies that make payments by expending federal funds to enter into an agreement with the United States Treasury Department to participate in the Do-Not-Pay Initiative. Participation by an agency shall include the use of the initiative's online interface to verify the accuracy and integrity of payments issued, and an analytical review of the agency's data through the initiative to improve collected data and the integrity of payments made by the agency. The Secretary of the Budget shall establish a schedule to ensure that each Commonwealth agency that is required to participate in the Do-Not-Pay Initiative enters into an agreement to do so within two years of the effective date of the legislation.

An agency that participates shall provide an annual report to the Secretary of the Budget, the Office of the State Inspector General, the Auditor General, the General Assembly, and the Legislative Budget and Finance Committee. The report shall include analytical data obtained by an agency as a result of participating in the initiative including all of the following:

- The total number of improper payments identified by an agency
- The total number of improper payments prevented as a result of initiative participation
- The total amount of improper payments identified and prevented by an agency
- The savings realized by the Commonwealth as a result of initiative participation
- Any weakness in internal financial controls of an agency identified
- Any changes made to programs to improve payment accuracy and integrity
- Recommendations to improve the agency's payment accuracy and integrity, including legislative or regulatory changes required to prevent improper payments

FISCAL IMPACT: The enactment of this legislation may result in increased administrative costs for Commonwealth agencies that participate in the Do-Not-Pay Initiative. To the extent the initiative reduces improper payments, the Commonwealth may realize savings.

PREPARED BY: Casey Martin
House Appropriations Committee (R)

DATE: January 26, 2021

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.