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## ***Detailed Fiscal Analysis***

### **Background**

Current law permits a board of county commissioners to adopt a resolution authorizing the acceptance of payments by Financial Transaction Devices (FTDs), which includes credit cards, debit cards, charge cards, and prepaid or stored value cards, to pay expenses owed to a county office that is under a county elected official's authority. The bill changes current law in two ways. First, the bill expands the definition of FTD to include automated clearinghouse network credit, debit, or e-check entry that includes, but is not limited to, accounts receivable and Internet-initiated, point of purchase, and telephone-initiated applications. Second, the bill adds county commissioners, county parks officials, and clerks of probate, juvenile, and common pleas courts to the definition of "county officials." This would mean that these political subdivisions would then be eligible to use FTDs. County offices under commissioner control include Animal Control, Economic Development, Aging, Job and Family Services, Public Facilities, Fleet Management, and Human Resources, which would then be able to use FTD processes for everyday vendor and customer transactions. Under certain conditions, general or combined health districts would also be able to accept payment for various fees they charge through these devices.

### **Fiscal effect**

Current law might seemingly exclude all departments under the direction of a board of county commissioners, and any county park districts, from using FTD payment options. Expanding the list of county offices that are permitted to use FTD payment options could result in some decreases in financial transaction costs for counties. Expanding the definition of FTD could allow a county to have greater flexibility in selecting the FTD method it uses, which could ultimately lead to greater cost decreases for not only county departments that would receive authority under the bill, but also for county departments that are currently utilizing FTD payment methods under current law.

The cost reductions for each county will depend upon the types of FTDs employed, and the number of transactions processed by each county department that would be eligible to use these devices. Presumably, this option would only be utilized by counties where cost effective. If used, it would eliminate paper check processing costs for county offices.

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