



**House  
Legislative  
Analysis  
Section**

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**DIRECT DEPOSIT STATE CHECKS**

**House Bill 4007**

**Sponsor: Rep. David Jaye**

**Committee: Corporations & Finance**

**Complete to 2-12-91**

**A SUMMARY OF HOUSE BILL 4007 AS INTRODUCED 1-31-91**

The bill would create a new act to require the Department of Treasury to establish a system to allow the direct deposit of state checks into financial institutions. The recipient of a check could request that part or all of the check be directly deposited. The department would have to promulgate rules to implement the bill's provisions that would have to include at least the following:

- \* A reimbursement schedule for the "reasonable" fees and actual costs of a financial institution participating in the program;
- \* The terms and conditions of any agreements between the participating financial institutions and the department; and
- \* The terms and conditions under which a third person could be designated by the recipient to receive the warrant payment and act as an intermediary to process the payment electronically or otherwise to a financial institution on the recipient's behalf.