

NIC INC
Reported by
FRASER JEFFERY S

FORM 4
(Statement of Changes in Beneficial Ownership)

Filed 09/08/09 for the Period Ending 09/04/09

Address	25501 W. VALLEY PARKWAY SUITE 300 OLATHE, KS 66061
Telephone	(913) 498-3468
CIK	0001065332
Symbol	EGOV
SIC Code	8742 - Management Consulting Services
Industry	Computer Services
Sector	Technology
Fiscal Year	12/31

FORM 4

[X] Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**UNITED STATES SECURITIES AND EXCHANGE
COMMISSION
Washington, D.C. 20549**

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**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP
OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,
Section 17(a) of the Public
Utility Holding Company Act of 1935 or Section 30(f) of the
Investment Company Act of 1940

1. Name and Address of Reporting Person * FRASER JEFFERY S <small>(Last) (First) (Middle)</small> C/O NIC INC., 25501 WEST VALLEY PARKWAY, SUITE 300 <small>(Street)</small> OLATHE, KS 66061 <small>(City) (State) (Zip)</small>	2. Issuer Name and Ticker or Trading Symbol NIC INC [EGOV] 3. Date of Earliest Transaction (MM/DD/YYYY) <p align="center">9/4/2009</p>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director _____ 10% Owner _____ Officer (give title below) _____ Other (specify below) 6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person _____ Form filed by More than One Reporting Person
4. If Amendment, Date Original Filed (MM/DD/YYYY)		

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Trans. Date	2A. Deemed Execution Date, if any	3. Trans. Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	9/4/2009		M		6250	A	\$4.15	114622	D	
Common Stock	9/4/2009		F (1)		3246	D	\$7.99	111376	D	
Common Stock	9/4/2009		M		2500	A	\$6.16	113876	D	
Common Stock	9/4/2009		F (1)		1927	D	\$7.99	111949	D	
Common Stock	9/4/2009		D (2)		21520	D	\$0	90429	D	
Common Stock								3010637	I	By Jeffrey S. Fraser Revocable Trust
Common Stock								779031	I	By Kidco Management LLC (3)

Table II - Derivative Securities Beneficially Owned (e.g. , puts, calls, warrants, options, convertible securities)

1. Title of Derivate Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Trans. Date	3A. Deemed Execution Date, if any	4. Trans. Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		6. Date Exercisable and Expiration Date		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction (s) (Instr. 4)	10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Stock Option (right to buy)	\$4.15	9/4/2009		M		6250		11/5/2005	11/5/2014	Common Stock	6250	\$0	0	D	
Stock Option (right to buy)	\$6.16	9/4/2009		M		2500		11/8/2006	11/8/2015	Common Stock	2500	\$0	2500	D	
Stock Option (right to buy)	\$6.16	9/4/2009		D (4)	V	2500		11/8/2006	11/8/2015	Common Stock	2500	\$0	0	D	

Explanation of Responses:

- (1) Represents shares withheld by NIC Inc. at the election of the Reporting Person to pay the exercise price for option shares exercised.
- (2) Represents restricted shares forfeited by the Reporting Person upon his resignation as a director.
- (3) The Reporting Person is the manager of this limited liability company owned by other members of his family. He disclaims beneficial ownership of these shares.
- (4) Represents option shares forfeited by the Reporting Person upon his resignation as a director.

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
FRASER JEFFERY S C/O NIC INC. 25501 WEST VALLEY PARKWAY, SUITE 300 OLATHE, KS 66061	X			

Signatures

Stephen M. Kovzan, Attorney in fact for Jeffery S. Fraser

9/8/2009

** Signature of Reporting Person

Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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