

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

| ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates) | | | | |
|---|---------------------|-----------------|---------------------|-----------------|
| | FY 2015-16 | | FY 2016-17 | |
| | EXPENDITURES | REVENUE | EXPENDITURES | REVENUE |
| GENERAL FUNDS | | | | |
| CASH FUNDS | | (47,285) | | (47,285) |
| FEDERAL FUNDS | | | | |
| OTHER FUNDS | | | | |
| TOTAL FUNDS | | (47,285) | | (47,285) |

Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.

Sec. 8-139 currently provides that no person is to act as an active executive officer of any bank until the bank applies for and obtains a license from the Department of Banking and Finance for the person to act as an executive officer. LB145 would eliminate this requirement. Under authority of Sec. 8-602 (4), the Department assesses \$50 for new executive officer licenses and \$15 annually each January 15 thereafter for executive officer license renewals. Related licensure revenue accrues to the Financial Institution Assessment Cash Fund. The Department estimates elimination of initial and renewal executive officer license fees would result in a reduction of cash fund revenue amounting to \$47,285 annually. The estimate is based on an assumption of 262 initial and 2,279 renewal licenses annually. The Department's estimate of the related cash fund revenue impact appears reasonable.

LB145 also authorizes the Department of Banking and Finance to suspend executive officer licenses and levy civil penalties against executive officers in amounts not to exceed \$10,000. The Department anticipates it will need to commit more staff resources to administrative proceedings related to executive officer license suspensions should LB145 become law. However, no definitive expenditure impact is estimated by the Department.

Please complete ALL (5) blanks in the first three lines.

2015

LB⁽¹⁾ 145

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾

Department of Banking & Finance

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Date Prepared: ⁽⁴⁾ 1/15/15

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ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

| | <u>FY 2015-16</u> | | <u>FY 2016-17</u> | |
|---------------|---------------------|----------------|---------------------|----------------|
| | <u>EXPENDITURES</u> | <u>REVENUE</u> | <u>EXPENDITURES</u> | <u>REVENUE</u> |
| GENERAL FUNDS | _____ | _____ | _____ | _____ |
| CASH FUNDS | _____ | (\$47,285) | _____ | (\$47,285) |
| FEDERAL FUNDS | _____ | _____ | _____ | _____ |
| OTHER FUNDS | _____ | _____ | _____ | _____ |
| TOTAL FUNDS | ===== | (\$47,285) | ===== | (\$47,285) |

Explanation of Estimate:

The Department charges \$50 for each initial license and a \$15 annual fee per license. The estimated loss of revenue is based on 262 initial licenses per year and annual fees on 2,279 licenses per year.

The Department expects that it will have to commit more staff resources as administrative proceedings related to suspensions increase.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

| <u>POSITION TITLE</u> | <u>NUMBER OF POSITIONS</u> | | <u>2015-16</u> | <u>2016-17</u> |
|---------------------------|----------------------------|--------------|---------------------|---------------------|
| | <u>15-16</u> | <u>16-17</u> | <u>EXPENDITURES</u> | <u>EXPENDITURES</u> |
| Benefits..... | _____ | _____ | _____ | _____ |
| Operating..... | _____ | _____ | _____ | _____ |
| Travel..... | _____ | _____ | _____ | _____ |
| Capital outlay..... | _____ | _____ | _____ | _____ |
| Aid..... | _____ | _____ | _____ | _____ |
| Capital improvements..... | _____ | _____ | _____ | _____ |
| TOTAL..... | _____ | _____ | _____ | _____ |