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LB 1028

Revision: 00

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2008-09		FY 2009-10	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS	See below	160,000	See below	160,000
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	See below	160,000	See below	160,000

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

Among its provisions, LB1028 would implement a registration fee of \$100 annually for branch offices at which broker-dealers or investment advisers register to conduct business (registration with the Department of Banking and Finance). The Department estimates 1,600 such branches serving Nebraska investors may be subject to the registration fees to be established by the bill. Related fee revenue, estimated at \$160,000 annually, would accrue to the Securities Act Cash Fund administered by the Department.

LB1028 includes no express provisions directing that examination of broker-dealer / investment adviser branch offices be regularly conducted by the Department of Banking and Finance. The Department would apparently have authority to conduct investigations of branch offices on a complaint basis. The extent of costs associated with such investigations would be dependent upon the volume and nature of complaints reported to the department. An estimate of related costs is indeterminate. While the bill does not expressly provide for regularly scheduled examinations of broker-dealer / investment adviser branch offices, the Department of Banking and Finance estimates it could initiate a regular examination process with two additional Securities Examiners and estimates associated costs at \$119,750 for 2008-09 and \$110,750 for 2009-10.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	Joe Wilcox	DATE	1/31/08	PHONE	471-2526
COMMENTS					
BANKING AND FINANCE – Since no expenditure impact is listed as expected, assumption is agency will absorb any consequent examinations under current budget. Agency fiscal note based on assumption that additional examinations would not be required, so no expenditure impact, even though they identify \$119,750 in FY 2009 and \$110,750 in FY 2020 for such examinations, if held.					
DEPT. OF INSURANCE – Concur with agency analysis.					