

Bill/Resolution No.: _____ Amendment to: HB 1196

Requested by: Legislative Council Date of Receipt: _____

Please estimate the fiscal impact of the above measure for:

State general or special funds Counties Cities

In the following space note the fiscal effect in dollars of this measure:

Narrative:

HB 1196 changes the method in which the Department of Banking and Financial Institutions is funded from General Fund to Special Fund.

House Bill 1196, if enacted as originally submitted, would provide that the Department would be 100% self-funded. The proposed amendment would not provide for 100% self-funding. Further, the amendment does not clearly identify the source to provide for revenue to fund the Department's budget that is being reduced by this amendment.

The annual assessments to be paid by banks are to be determined by the State Banking Board in an amount necessary to fund that portion of the budget or 100%.

The annual assessments to be paid by credit unions are to be determined by the State Credit Union Board proportioned as follows:

Credit unions shall pay 80% the first year and 90% the second year of the biennium of the credit unions portion of the budget or 85% of the amount necessary to fund that portion of the budget attributable to credit unions.

This represents a \$39,099 cost that would not be paid by credit unions during the next biennium.

State Fiscal Effect:

<u>1989-90</u>		<u>1990-91</u>		<u>Biennium Total</u>	
<u>General Fund</u>	<u>Special Funds</u>	<u>General Fund</u>	<u>Special Funds</u>	<u>General Fund</u>	<u>Special Funds</u>
(636,394)	966,154	(656,395)	1,198,060	Rev. Loss (1,292,789)	Rev. Inc. 2,164,214
815,524	1,060,465)	848,810	(1,103,749)	Exp. Reduc 1,664,334	Exp. (2,164,214)
179,130	(94,311)	192,415	94,311	Gain to G.F. 371,545	-0-

County and City Fiscal Effect:

<u>1989-90</u>		<u>1990-91</u>		<u>Biennium Total</u>	
<u>Counties</u>	<u>Cities</u>	<u>Counties</u>	<u>Cities</u>	<u>Counties</u>	<u>Cities</u>

If additional space is needed, attach a supplemental sheet.

Signed Betty Brostrom

Typed Name Betty Brostrom

Date Prepared: 1-25-89

Department Banking & Financial Institutions