

FISCAL NOTE

(Return original and 10 copies)

Bill/Resolution No.: SB 2497 Amendment to:

Requested by Legislative Council Date of Request: 1-25-95

- 1. Please estimate the fiscal impact (in dollar amounts) of the above measure for state general or special funds, counties, and cities.

Narrative:

(See attached)

- 2. State fiscal effect in dollar amounts:

Table with 6 columns: 1993-95 Biennium (General Fund, Special Funds), 1995-97 Biennium (General Fund, Special Funds), 1997-99 Biennium (General Fund, Special Funds). Rows for Revenues and Expenditures.

- 3. What, if any, is the effect of this measure on the appropriation for your agency or department:

- a. For rest of 1993-95 biennium:
b. For the 1995-97 biennium:
c. For the 1997-99 biennium:

- 4. County and City fiscal effect in dollar amounts:

Table with 6 columns: 1993-95 Biennium (Counties, Cities), 1995-97 Biennium (Counties, Cities), 1997-99 Biennium (Counties, Cities).

If additional space is needed, attach a supplemental sheet.

Signed Pam Sharp

Typed Name Pam Sharp

Date Prepared: 2-1-95

Department OMB

Phone Number 328-4606

SB2497 transfers the functions and duties of the securities commissioner to the commissioner of insurance and establishes a division of consumer protection in the Insurance Department.

This fiscal note also recognizes the amendment to SB2497 that requires securities revenues to continue to be deposited into the general fund.

This fiscal note of zero is based on the following assumptions:

1. The establishment of a division of consumer protection would require a division director. This position would be filled with the position of the securities commissioner and salary would remain approximately the same as it is now.
2. There would be no savings of FTE because each employee in the Securities Commission has a specific duty that would remain and could not be combined with another position in the Insurance Department.
3. There would be no savings in legal costs. The deputy of the Securities Commission performs legal work as well as conducts investigations. In addition, the Securities Commissioner has eliminated an investigator position in their 1995-97 budget request leaving only one position to perform legal and investigative duties. Combining these duties with another position in the Insurance Department would not be reasonable.
4. Section 22 of SB2497 states that any funds appropriated to the securities commissioner by the fifty-fourth legislative assemble are transferred to the commissioner of insurance. The securities commissioner is funded with general funds and the assumption is made that the division of consumer protection would be funded the same way. Therefore, there would be no additional costs for rent or audit fees.