FISCAL NOTE
HOUSE BILL NO. 1068
LC# 23.8088.01000
12/30/2022

1 - State Fiscal Effect

Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.

	2021-2023 Biennium		2023-2025 Biennium		2025-2027 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues		$476,000		$476,000		$476,000
Expenditures		$463,000		$463,000		$463,000
Appropriations		$463,000		$463,000		$463,000

2 - County, City, School District, and Township Fiscal Effect

Identify the fiscal effect on the appropriate political subdivision.

	2021-2023 Biennium	2023-2025 Biennium	2025-2027 Biennium
Counties			
Cities			
School Districts			
Townships			

3 - Bill and Fiscal Impact Summary

Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).

This bill establishes oversight of mortgage servicers. The provisions having fiscal impact are 13-13-06, 13-13-10, and 13-13-17, which covers application fees, license renewal fees, and the investigation and examination authority, respectively. Two FTEs are needed to fulfill these duties.

4 - Fiscal Impact Sections Detail

Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.

Section 13-13-17 establishes investigation and examination authority. Investigations will be conducted as needed and examinations will be conducted in accordance with industry standards, at least one examination per company every five years. Two FTEs are required to conduct these investigations and examinations. Estimated biennial salary, benefits, and operating costs associated with these FTEs is $463,000, comparable to costs incurred by the department for other examination staff.

5 - Revenues Detail

For information shown under state fiscal effect in 1 or 2, please explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.

The department is a special fund agency. The expected fiscal impact of this bill will be offset through licensing and examination revenue. Application fees are established in 13-13-06 and license renewal fees are established in 13-13-10. Application and license fees are expected to generate revenue of $368,000. This is based on the estimated licensing volume. Examination fees are paid by the licensee are established in section 13-13-17. Examination fees will reflect actual costs incurred and based upon historical billing rates, will generate an estimated $108,000, an amount sufficient to cover the remaining costs of this bill.

6 - Expenditures Detail

For information shown under state fiscal effect in 1 or 2, please explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.

Expenditures detail for two FTEs:
Salary - $275,000
Benefits - $125,000
Travel - $29,000
Data Processing - $10,000
Professional Development - $23,000
Communications - $1,000

Total Expenditures - $463,000

7 - Appropriations Detail

For information shown under state fiscal effect in 1 or 2, please explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.

Appropriations detail for two FTEs:
Salary - $275,000
Benefits - $125,000
Travel - $29,000
Data Processing - $10,000
Professional Development - $23,000
Communications - $1,000

Total Appropriations - $463,000

The above appropriations are not a part of the Executive Budget.

Contact Information

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