

PREPARED BY: Nikki Swope
 DATE PREPARED: January 19, 2021
 PHONE: 402-471-0042

LB 510

Revision: 00

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2021-22		FY 2022-23	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	See below	See below	See below	See below

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

The Department of Banking and Finance reports that there are 12 Installment Loan Company licenses issued, held collectively by 4 entities. The provisions of LB 510 would increase the annual license renewal fee from \$250 to \$500; however, \$350 of that amount would be submitted to the Financial Literacy Cash Fund and the remaining \$150 would be retained in the Financial Institution Assessment Cash Fund. See the following for the total fiscal impact on the Department of Banking and University of Nebraska:

	Installment Loan
	<u>License</u>
Financial Institutions Assessment Cash Fund (Banking & Finance)	(\$1,200)
Financial Literacy Cash Fund (University of Nebraska)	\$4,200

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 510	AM:	AGENCY/POLT. SUB: Department of Banking & Finance	
REVIEWED BY: Neil Sullivan	DATE: 1/25/2021	PHONE: (402) 471-4179	
COMMENTS: The Department of Banking & Finance assessment of fiscal impact from LB 510 appears reasonable.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 510	AM:	AGENCY/POLT. SUB: University of Nebraska	
REVIEWED BY: Neil Sullivan	DATE: 1/28/2021	PHONE: (402) 471-4179	
COMMENTS: The University of Nebraska assessment of fiscal impact from LB 510 appears reasonable.			

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

2021

LB⁽¹⁾ 510

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Department of Banking and Finance

Prepared by: ⁽³⁾ Margo Sawyer Date Prepared: ⁽⁴⁾ 1/25/21 Phone: ⁽⁵⁾ 402-471-4954

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2021-22</u>		<u>FY 2022-23</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	-1,200.00	_____	-1,200.00
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	<u>_____</u>	<u>-1,200.00</u>	<u>_____</u>	<u>-1,200.00</u>

Explanation of Estimate:

There are 12 Installment Loan Company licenses issued (held collectively by 4 entities). This bill would increase the annual license renewal fee from \$250 to \$500 but transfer \$350 of that amount to the Financial Literacy Cash Fund and only \$150 to the NDBF Financial Institution Assessment Cash Fund. The effect will reduce the annual license renewal fee paid to the Department from \$250.00 to \$150.00. This would result in a reduction in revenues of \$1,200.00 per fiscal year.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2021-22</u>	<u>2022-23</u>
	<u>21-22</u>	<u>22-23</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

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

2021

LB⁽¹⁾ LB 510

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ University of Nebraska

Prepared by: ⁽³⁾ Michael Justus Date Prepared: ⁽⁴⁾ January 26, 2021 Phone: ⁽⁵⁾ 402-472-7109

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2021-22</u>		<u>FY 2022-23</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS				
CASH FUNDS	\$4,200	\$4,200	\$4,200	\$4,200
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$4,200	\$4,200	\$4,200	\$4,200

Explanation of Estimate:

For the annual renewal of an original license under the Nebraska Installment Loan Act, the licensee shall increase from \$250 to \$500. For the fees collected, the State Treasurer shall credit \$350 of each annual renewal fee to the Financial Literacy Cash Fund.

Per discussion with the Nebraska Department of Banking and Finance, there are 12 Installment Loan Companies. This would result in an increase in annual revenues of \$4,200.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2021-22</u>	<u>2022-23</u>
	<u>21-22</u>	<u>22-23</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....				
Operating.....			\$4,200	\$4,200
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....			\$4,200	\$4,200