

BDR 55-999 AB 500(R1)

UNSOLICITED EXECUTIVE AGENCY FISCAL NOTE

AGENCY'S ESTIMATES

Date Prepared: May 30, 2025

Agency Submitting: Department of Business and Industry, Financial Institutions Division

Items of Revenue or Expense, or Both	Fiscal Year 2024-25	Fiscal Year 2025-26	Fiscal Year 2026-27	Effect on Future Biennia
CAT 01 Personnel Services (Expense)		\$1,645,986	\$2,211,496	\$4,422,992
CAT 04 Operating (Expense)		\$269,006	\$294,356	\$588,712
CAT 05 Equipment (Expense)		\$53,520		
CAT 26 Information (Expense)		\$1,851,860	\$1,281,993	\$2,563,986
CAT 30 Training (Expense)		\$33,355	\$44,475	\$88,950
Total	0	\$3,853,727	\$3,832,320	\$7,664,640

Explanation

(Use Additional Sheets of Attachments, if required)

As amended, BDR-999 (AB500), creates an entirely new statutory regulatory program for payments banks. If passed, the Financial Institutions Division's (FID) will be responsible for regulatory development, implementation, examinations, complaint investigations, and all other regulatory matters pertaining thereto. This new license type will require the addition of dedicated staff to implement and manage the regulation of this industry. As such, the FID has determined sixteen (16) FTEs will be required to properly and adequately establish and manage this new licensing program. The sixteen (16) positions consist of: One (1) Senior Attorney-unclassified; one (1) IT Professional 3, grade 40; one (1) Management Analysis 4, grade 39; One (1) Accountant 3, grade 38; three (3) Accountant 2, grade 36; one (1) Financial Institutions Examiner IV, grade 37; four (4) Financial Institutions Examiner III, grade 36, one (1) Investment Analyst III, one (1) Investment Analyst and two (2) Financial Institutions Examiner II, grade 35. The start date for these positions is requested for 07/1/25 so that the agency can begin to develop the new program and adopt regulations. A governance, risk and compliance system is required for FID to regulate and monitor this license type for safety and soundness and real time monitoring.

Name Sandy O'Laughlin

Title Administrator