



Fiscal Note

H.B. 177

2016 General Session
Mortgage Lending Amendments
by Stanard, J.



General, Education, and Uniform School Funds

JR4-5-101

	Ongoing	One-time	Total
Net GF/EF/USF (rev.-exp.)	\$ (57,000)	\$ 0	\$ (57,000)

State Government

UCA 36-12-13(2)(b)

Enactment of this bill could reduce revenue to the Commerce Service Fund by \$76,000 annually resulting from reduced licenses. This revenue loss combined with the Commerce Service Fund savings, below, could decrease annual transfers to the General Fund by \$57,000 ongoing beginning in FY 2017. This bill could also reduce revenue to the Residential Mortgage Loan, Education, Research and Recovery Fund by \$19,000 annually. Enactment of this bill could increase revenue to the Financial Institutions Restricted Fund by \$106,000 ongoing beginning in FY 2017 and by \$42,000 one-time in FY 2017 resulting from increased licenses and examination fees.

Revenues	FY 2016	FY 2017	FY 2018
General Fund	\$ 0	\$ (57,000)	\$ (57,000)
General Fund Restricted	\$ 0	\$ 148,000	\$ 106,000
Restricted Funds	\$ 0	\$ (19,000)	\$ (19,000)
Total Revenues	\$ 0	\$ 72,000	\$ 30,000

Enactment of this bill could reduce Department of Commerce costs by \$19,000 annually from the Commerce Service Fund beginning in FY 2017 due to savings in licensing costs. The Department of Financial Institutions could experience increased licensing and examinations costs of approximately \$114,000 annually beginning in FY 2017 from the Financial Department Restricted Fund. There are one-time savings to the Department of Financial Institutions of \$28,500 estimated in FY 2017.

Expenditures	FY 2016	FY 2017	FY 2018
General Fund Restricted	\$ 0	\$ 85,500	\$ 114,000
Commerce Service Fund	\$ 0	\$ (19,000)	\$ (19,000)
Total Expenditures	\$ 0	\$ 66,500	\$ 95,000

Net All Funds	\$ 0	\$ 5,500	\$ (65,000)
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Local Government

UCA 36-12-13(2)(c)

Enactment of this legislation likely will not result in direct, measurable costs for local governments.

Enactment of this bill could result in 380 licensees becoming exemption from licensure under the Division of Real Estate. The exemption could result in \$200 in savings from the annual renewal fee and \$50 in savings from annual mortgage education fee. For a total aggregate savings of \$95,000. However these same individuals would be subject to licensure by the Department of Financial Institutions which could cost them \$300 one-time for an initial filing fee and \$100 thereafter, for renewal fees. Aggregate costs for licensing would be \$38,000 ongoing and \$76,000 one-time. Additionally, approximately 4 of the licensees will need to pay for examination costs annually resulting in \$17,000 in additional costs for the licensees in the year they are examined.

Performance Note

JR4-2-404

No performance note required for this bill

Notes on Notes

Fiscal notes estimate the direct costs or revenues of enacting a bill. The Legislature uses them to balance the budget. They do not measure a bill's benefits or non-fiscal impacts like opportunity costs, wait times, or inconvenience. A fiscal note is not an appropriation. The Legislature decides appropriations separately.