

# Fiscal Note

H.B. 113

Short Title: Deferred Deposit Lending Amendments

Sponsor: Daw, B.

2011 General Session, State of Utah

## State Government (UCA 36-12-13(2)(b))

Enactment of this bill will cost the Department of Financial Institutions \$91,000 one-time in FY 2011 and FY 2012 from the General Fund Restricted--Financial Institutions account. Ongoing costs for database maintenance would be \$52,000 per fiscal year as provided through fees charged to Deferred Deposit Lenders in accessing the database for each new loan. Additionally, expanded examination costs, estimated at 2,000 hours of exam time for all Deferred Deposit Lenders, would be \$99,000 per fiscal year for 1.0 FTE. These costs would be covered partially through additional fees charged to Deferred Deposit Lenders due to increased exam times, as well current charges already in place for these lenders.

## State Budget Detail Table

	FY 2011	FY 2012	FY 2013
Revenue:			
General Fund Restricted	\$0	\$55,000	\$55,000
Dedicated Credits	\$0	\$52,000	\$52,000
Total Revenue	\$0	\$107,000	\$107,000
Expenditure:			
General Fund Restricted	\$91,000	\$143,000	\$99,000
Dedicated Credits	\$0	\$26,000	\$52,000
Total Expenditure	\$91,000	\$169,000	\$151,000
Net Impact, All Funds (Rev.-Exp.)	(\$91,000)	(\$62,000)	(\$44,000)
Net Impact, General/Education Funds	\$0	\$0	\$0

## Local Governments (UCA 36-12-13(2)(c))

Enactment of this bill likely will not result in direct, measurable costs and/or benefits for local governments.

## Direct Expenditures by Utah Residents and Businesses (UCA 36-12-13(2)(d))

Enactment of this bill will result in increased fees to deferred deposit lenders through fees charged for each query to the Deferred Deposit Lending Database. With approximately 1,285,000 loans extended in FY 2010, fees would need to be set at a rate of at least \$0.0405 per loan in the database.