

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **HB 316** HLS 15RS 1073

Bill Text Version: **ENROLLED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

<b>Date:</b> June 9, 2015 3:33 PM	<b>Author:</b> PONTI
<b>Dept./Agy.:</b> Financial Institutions	<b>Analyst:</b> Travis McIlwain
<b>Subject:</b> Money Transmitters	

FINANCIAL INSTITUTIONS EN +\$58,900 SG RV See Note  
Provides relative to licensing fees for money transmitters

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Proposed bill eliminates the imposition of the applications for renewal of licenses to transmit money or sell checks. Proposed bill increases the investigation fee for money transmission agents from \$300 to \$800 and increases maximum fee limit from \$3,000 to \$6,000. Proposed bill increases the annual renewal fee for money transmitters from \$300 to \$600 and increases maximum fee limit from \$3,000 to \$6,000.

<b>EXPENDITURES</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b>\$0</b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

  

<b>REVENUES</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$58,900	\$60,400	\$61,900	\$63,400	\$64,900	<b>\$309,500</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b>\$0</b>
<b>Annual Total</b>	<b>\$58,900</b>	<b>\$60,400</b>	<b>\$61,900</b>	<b>\$63,400</b>	<b>\$64,900</b>	<b>\$309,500</b>

**EXPENDITURE EXPLANATION**

There is no anticipated direct material effect on governmental expenditures as a result of this measure.

**REVENUE EXPLANATION**

The proposed bill is anticipated to result in a projected revenue increase of approximately \$60,000 in FY 16 increasing in subsequent fiscal years up to approximately \$65,000 in FY 20. This legislation impacts money transmitters by increasing the renewal fee by \$300, increasing the maximum fee limit by \$3,000 and increasing the investigation fee (associated with application) by \$500. The revenue projection is based upon the number of current licensees (58), estimated number of licensees subject to the new higher maximum (13), the average number of new applications per year (5), and a renewal rate of license holders of 100%. See calculations below.

- FY 16: (58 x \$300) + (13 x \$3,000) + (5 x \$500) = \$58,900
- FY 17: (63 x \$300) + (13 x \$3,000) + (5 x \$500) = \$60,400
- FY 18: (68 x \$300) + (13 x \$3,000) + (5 x \$500) = \$61,900
- FY 19: (73 x \$300) + (13 x \$3,000) + (5 x \$500) = \$63,400
- FY 20: (78 x \$300) + (13 x \$3,000) + (5 x \$500) = \$64,900

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|---|----------------------------|--------------|--|
| <u>Senate</u>   | <u>Dual Referral Rules</u> | <u>House</u> | <input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}                    |
| <input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}       |                            |              | <input type="checkbox"/> 6.8(F)(2) >= \$500,000 Rev. Red. to State {H & S}                 |
| <input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H} |                            |              | <input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S} |

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