

EXECUTIVE AGENCY
FISCAL NOTE

AGENCY'S ESTIMATES

Date Prepared: March 28, 2023

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

Items of Revenue or Expense, or Both	Fiscal Year 2022-23	Fiscal Year 2023-24	Fiscal Year 2024-25	Effect on Future Biennia
RGL3718 Student Education Services (Revenue)		\$42,000	\$199,500	\$399,000
CAT 01 Personnel Services (Expense)		\$256,801	\$354,427	\$708,854
CAT 04 Operating (Expense)		\$12,635	\$16,689	\$33,378
CAT 05 Equipment (Expense)		\$18,423		
CAT 26 Information Services (Expense)		\$13,386	\$4,107	\$8,214
RGL 3717 Application Fees (Revenue)		\$33,600		
Total	0	(\$225,645)	(\$175,723)	(\$351,446)

Explanation

(Use Additional Sheets of Attachments, if required)

As currently drafted, BDR 55-162 (AB332) creates an entirely new statutory licensing and regulatory program for student loan servicing companies. BDR 55-162 (AB332), if passed, would add approximately 42 new licensees under the Financial Institutions Division's (FID) supervision. 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 four (4) FTEs will be required to properly and adequately establish and manage this new licensing program. The four (4) positions consist of: one (1) Financial Institutions Examiner V, Grade 38; one (1) Financial Institutions Examiner II, Grade 35; one (1) Financial Institutions Examiner I, Grade 33; and one (1) Administrative Assistant 3, Grade 27. The start date for these positions is 10/1/23 so that the agency has time to develop and adopt regulations for the new program before hiring new positions.

Name Dale Hansen

Title ASO IV

GOVERNOR'S OFFICE OF FINANCE COMMENTS

Date Tuesday, March 28, 2023

The agency's response appears reasonable.

Name Amy Stephenson

Title Director

Section A1: Line Item Detail by GL

Budget Account: 3805 B&I - FINANCIAL INSTITUTIONS INVESTIGATIONS

Item No	Description	Actual 2021-2022	Work Program 2022-2023	W02 Year 1 2023-2024	W02 Year 2 2024-2025
E225	EFFICIENCY & INNOVATION				
REVENUE					
3717	APPLICATION FEES	0	0	33,600	0
	TOTAL REVENUES FOR DECISION UNIT E225	0	0	33,600	0
	TOTAL REVENUES FOR BUDGET ACCOUNT 3805	0	0	33,600	0
	TOTAL EXPENDITURES FOR BUDGET ACCOUNT 3805	0	0	0	0

Section A1: Line Item Detail by GL

Budget Account: 3835 B&I - DIVISION OF FINANCIAL INSTITUTIONS

Item No	Description	Actual 2021-2022	Work Program 2022-2023	W05 Year 1 2023-2024	W05 Year 2 2024-2025
E225	EFFICIENCY & INNOVATION				
REVENUE					
3718	Student Education Services	0	0	42,000	199,500
	TOTAL REVENUES FOR DECISION UNIT E225	0	0	42,000	199,500
EXPENDITURE					
01	PERSONNEL SERVICES				
5100	SALARIES	0	0	184,215	256,264
5200	WORKERS COMPENSATION	0	0	4,445	3,904
5300	RETIREMENT	0	0	32,239	44,846
5400	PERSONNEL ASSESSMENT	0	0	948	948
5500	GROUP INSURANCE	0	0	26,284	36,412
5700	PAYROLL ASSESSMENT	0	0	188	188
5750	RETIRED EMPLOYEES GROUP INSURANCE	0	0	5,729	8,150
5800	UNEMPLOYMENT COMPENSATION	0	0	81	0
5840	MEDICARE	0	0	2,672	3,715
	TOTAL FOR CATEGORY 01	0	0	256,801	354,427
04	OPERATING				
7020	OPERATING SUPPLIES	0	0	239	319
7044	PRINTING AND COPYING - C	0	0	22	29
7045	STATE PRINTING CHARGES	0	0	41	54
7050	EMPLOYEE BOND INSURANCE	0	0	15	15
7054	AG TORT CLAIM ASSESSMENT	0	0	466	466
705A	NON B&G - PROP. & CONT. INSURANCE	0	0	133	177
7110	NON-STATE OWNED OFFICE RENT	0	0	10,125	13,500
7255	B & G LEASE ASSESSMENT	0	0	83	114
7285	POSTAGE - STATE MAILROOM	0	0	333	444
7289	EITS PHONE LINE AND VOICEMAIL	0	0	676	901
7291	CELL PHONE/PAGER CHARGES	0	0	459	612
7296	EITS LONG DISTANCE CHARGES	0	0	43	58
	TOTAL FOR CATEGORY 04	0	0	12,635	16,689
05	EQUIPMENT				
8241	NEW FURNISHINGS <\$5,000 - A	0	0	18,432	0
	TOTAL FOR CATEGORY 05	0	0	18,432	0
26	INFORMATION SERVICES				
7547	EITS BUSINESS PRODUCTIVITY SUITE	0	0	855	1,140
7554	EITS INFRASTRUCTURE ASSESSMENT	0	0	1,233	1,233

State of Nevada - Budget Division
 Line Item Detail & Summary
 2023-2025 Biennium (FY24-25)

Item No	Description	Actual 2021-2022	Work Program 2022-2023	W05 Year 1 2023-2024	W05 Year 2 2024-2025
7556	EITS SECURITY ASSESSMENT	0	0	482	482
7771	COMPUTER SOFTWARE <\$5,000 - A	0	0	1,252	1,252
8371	COMPUTER HARDWARE <\$5,000 - A	0	0	9,564	0
TOTAL FOR CATEGORY 26		0	0	13,386	4,107
TOTAL EXPENDITURES FOR DECISION UNIT E225		0	0	301,254	375,223
TOTAL REVENUES FOR BUDGET ACCOUNT 3835		0	0	42,000	199,500
TOTAL EXPENDITURES FOR BUDGET ACCOUNT 3835		0	0	301,254	375,223

State of Nevada - Budget Division
Payroll/Position Detail

2023-2025 Biennium (FY24-25)
W05 BDR 55-162

Section A: Position Detail

Budget Account: 3835 B&I - DIVISION OF FINANCIAL INSTITUTIONS

Type	Description	PCN	Class	Gd Step	Add Gd	Anv Mo	St	End	Ret Cd	FTE Actual	FTE WP	FTE Y1	FTE Y2 MI	2023-2024		2024-2025		
														Salary	Benefits	Salary	Benefits	
E225 EFFICIENCY & INNOVATION																		
LV Las Vegas																		
4	FINANCIAL INSTITUTIONS EX 2	000000	07181	35-7	0	10	10-23	6-25	1	0.00	0.00	1.00	1.00	Y SUM	50,020	19,133	69,642	25,791
4	ADMIN ASSISTANT 3	000000	02211	27-4	0	10	10-23	6-25	1	0.00	0.00	1.00	1.00	Y SUM	31,209	14,517	43,327	19,950
4	FINANCIAL INSTITUTIONS EX 1	000000	07180	33-7	0	10	10-23	6-25	1	0.00	0.00	1.00	1.00	Y SUM	45,803	18,099	63,685	24,467
4	FINANCIAL INSTITUTIONS EX 5	000000	07184	38-7	0	10	10-23	6-25	1	0.00	0.00	1.00	1.00	Y SUM	57,183	20,837	79,610	27,955
TOTAL FOR LINE ITEM POSITION GROUP LV										0.00	0.00	4.00	4.00		184,215	72,586	256,264	98,163
TOTAL FOR DECISION UNIT E225										0.00	0.00	4.00	4.00		184,215	72,586	256,264	98,163
TOTAL FOR BUDGET ACCOUNT 3835										0.00	0.00	4.00	4.00		184,215	72,586	256,264	98,163

Financial Institutions BDR 55-162

	Year 1	Year 2	Biennia
Application (BA 3805)	\$ 33,600.00		
Initial License (BA 3835)	\$ 42,000.00		
Renewal License (BA 3835)		\$ 42,000.00	\$ 84,000.00
Examination (BA 3835)		\$ 157,500.00	\$ 315,000.00
	<u>\$ 75,600.00</u>	<u>\$ 199,500.00</u>	<u>\$ 399,000.00</u>

TOTALS	Fee	# of Licensees	Total
RGL 3717 Application	\$ 800.00	42	\$ 33,600.00
RGL 3718 Initial License	\$ 1,000.00	42	\$ 42,000.00
RGL 3718 Renewal License	\$ 1,000.00	42	\$ 42,000.00
RGL 3730 Examination per hour	\$ 75.00	42	\$ 157,500.00
approx time for examination 50 hours			
		<u>Total:</u>	<u>\$ 275,100.00</u>