



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2025 Biennium

Bill information:	
HB0030 - Generally revise mortgage laws (Buckley, Alice)	
Status:	As Introduced

- Significant Local Gov Impact
 Needs to be included in HB 2
 Technical Concerns
 Included in the Executive Budget
 Significant Long-Term Impacts
 Dedicated Revenue Form Attached

FISCAL SUMMARY

	<u>FY 2024</u> <u>Difference</u>	<u>FY 2025</u> <u>Difference</u>	<u>FY 2026</u> <u>Difference</u>	<u>FY 2027</u> <u>Difference</u>
Expenditures:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$0	\$0	\$0	\$0
Revenue:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	(\$40,650)	(\$40,650)	(\$40,650)	(\$40,650)
Net Impact-General Fund Balance:	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of fiscal impact: This legislation eliminates the requirement for mortgage brokers and lenders to obtain branch licenses for their licensed mortgage loan originators if they are primarily working from their homes. The bill also eliminates the fee paid by mortgage companies for examinations conducted by the Department of Administration's Division of Banking and Financial Institutions. HB 30 is expected to have a minimal fiscal impact to the state special revenue fund.

FISCAL ANALYSIS

Assumptions:

Department of Administration

1. The Department of Administration's Division of Banking and Financial Institutions currently licenses 1,395 mortgage broker and lender branches. It is estimated that remote work by mortgage loan originators will result in the elimination of 100 branches. The mortgage broker or lender branch renewal license fee is \$62.50. The division anticipates this will result in a reduction in renewal fee revenue of \$6,250 per year (100 branch licenses x \$62.50 renewal fee).
2. The bill eliminates the fee paid by mortgage companies for examinations. The division proposes to eliminate this fee because the cost of the program is adequately covered by licensing fees paid by mortgage companies,

branches, and mortgage loan originators. During the previous biennium, the average revenue generated annually through by mortgage examinations was \$34,400. Therefore, the division estimates this will result in a reduction in revenue of \$34,400 per year.

	<u>Difference</u>	<u>Difference</u>	<u>Difference</u>	<u>Difference</u>
<u>Fiscal Impact:</u>				
FTE	0.00	0.00	0.00	0.00
<u>Expenditures:</u>				
Personal Services	\$0	\$0	\$0	\$0
Operating Expenses	\$0	\$0	\$0	\$0
TOTAL Expenditures	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Funding of Expenditures:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$0	\$0	\$0	\$0
TOTAL Funding of Exp.	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	(\$40,650)	(\$40,650)	(\$40,650)	(\$40,650)
TOTAL Revenues	<u>(\$40,650)</u>	<u>(\$40,650)</u>	<u>(\$40,650)</u>	<u>(\$40,650)</u>
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	(\$40,650)	(\$40,650)	(\$40,650)	(\$40,650)



 Sponsor's Initials

1-4-2023

 Date



 Budget Director's Initials

12-22-22

 Date