



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2023 Biennium

Bill # HB0066

Title: Reauthorize securities restitution fund

Primary Sponsor: Moore, Terry

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 2022</u> <u>Difference</u> | <u>FY 2023</u> <u>Difference</u> | <u>FY 2024</u> <u>Difference</u> | <u>FY 2025</u> <u>Difference</u> |
|---|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| Expenditures: | | | | |
| General Fund | \$0 | \$0 | \$0 | \$0 |
| State Special Revenue | \$0 | \$0 | \$0 | \$0 |
| Federal Special Revenue | \$0 | \$0 | \$0 | \$0 |
| Other | \$0 | \$0 | \$0 | \$0 |
| Revenue: | | | | |
| General Fund | (\$328,379) | (\$302,109) | (\$277,940) | (\$264,043) |
| State Special Revenue | \$328,379 | \$302,109 | \$277,940 | \$264,043 |
| Federal Special Revenue | \$0 | \$0 | \$0 | \$0 |
| Other | \$0 | \$0 | \$0 | \$0 |
| Net Impact-General Fund Balance: | <u>(\$328,379)</u> | <u>(\$302,109)</u> | <u>(\$277,940)</u> | <u>(\$264,043)</u> |

Description of fiscal impact: The transfer of 4.5% of securities portfolio fees to the Securities Restitution Assistance Fund (SRAF) sunsets June 30, 2021. HB 66 extends the transfer to June 30, 2027.



FISCAL ANALYSIS

Assumptions:

- Since 2013, 4.5% of securities portfolio fees collected by the State Auditor's Office (SAO) have been transferred to the SRAF except in fiscal year 2018 and fiscal year 2019, when the transfers were halted by the legislature. The remaining securities portfolio fees, less expenses incurred in discharging its administrative and regulatory duties in relation to operations, are transferred to the general fund.
- The 4.5% transfer to the SRAF is scheduled to end June 30, 2021.

3. Using historical data and projections on securities portfolio fee collections, transfers to the SRAF are projected to be \$328,379 in fiscal year 2022, \$302,109 in fiscal year 2023, \$277,940 in fiscal year 2024, and \$264,043 in fiscal year 2025.
4. The Securities Restitution Assistance Fund is expended as claims occur and is not reflected in this fiscal note.

| | <u>FY 2022 Difference</u> | <u>FY 2023 Difference</u> | <u>FY 2024 Difference</u> | <u>FY 2025 Difference</u> |
|---|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| <u>Fiscal Impact:</u> | | | | |
| <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) | (\$328,379) | (\$302,109) | (\$277,940) | (\$264,043) |
| State Special Revenue (02) | \$328,379 | \$302,109 | \$277,940 | \$264,043 |
| TOTAL Revenues | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| <u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u> | | | | |
| General Fund (01) | (\$328,379) | (\$302,109) | (\$277,940) | (\$264,043) |
| State Special Revenue (02) | \$328,379 | \$302,109 | \$277,940 | \$264,043 |

| | | | |
|---|---------------------------------------|--|---------------------------------------|
|  _____ <i>Sponsor's Initials</i> | <i>1/7/21</i> _____ <i>Date</i> |  _____ <i>Budget Director's Initials</i> | <i>1/5/21</i> _____ <i>Date</i> |
|---|---------------------------------------|--|---------------------------------------|