

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2225-01
Bill No.: HB 965
Subject: Banks and Financial Institutions
Type: Original
Date: April 22, 2005

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 3 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Economic Development - Divisions of Finance and Credit Unions** and the **Office of Secretary of State - Business Services Division** state this proposal would have no fiscal impact on their respective agencies.

According to officials with the **Office of State Treasurer (STO)**, in order to meet the current reporting requirements entailed in Section 30.270, the State needs to contract with a consulting service that monitors foreign and domestic companies' compliance with the so-called MacBride principles in Northern Ireland. STO then coordinates a review of its investments and state retirement systems' investments and compares these investments against this list. The cost of the outside monitoring service is currently \$5,500 per year. The budget for the State Treasurer's Office was previously cut to delete funding for this service and therefore does not currently include an appropriation for this cost. For several years the office has used older reports from this service it previously obtained to complete the required report.

In the Governor's FY 2006 proposed budget, there is a \$5,500 decision item for the State Treasurer's budget for the cost of this monitoring service. Passage of SB 394 would eliminate the need for this report; therefore, the \$5,500 decision item could be deleted from the proposed budget.

<u>FISCAL IMPACT - State Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

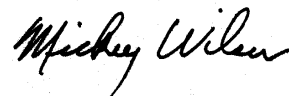
DESCRIPTION

This proposed legislation removes a provision of law requiring the State Treasurer to annually compile a report on financial institutions doing business in Northern Ireland in which the state invests funds.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of State Treasurer
Department of Economic Development
 Division of Finance
 Division of Credit Unions
Office of Secretary of State
 Business Services Division



Mickey Wilson, CPA
Director
April 22, 2005