

Proposed 2009 Session Legislation

Agency Name & No: Department of Administration 6101

Priority Number: 010 Filename: \6101\14-010

Short Title: Revise Examination Fees for Title Lenders and Deferred Deposit Lenders

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1. Purpose:

Revise the Title Loan Act, 31-1-810, MCA, and the Deferred Deposit Loan Act, 31-1-711, MCA, to allow Banking and Financial Institutions Division (BFID) to charge actual cost for examinations of title and deferred deposit lenders. Current law sets the examination fee at \$300 per day per examiner.

2. Background:

31-1-810, MCA, and 31-1-711, MCA, require a licensee to pay to BFID a fee of \$300 a day for each examiner conducting an examination. The current statutory rate does not cover the cost of employee salaries, benefits, travel time, travel expenses, and lodging. BFID estimates that it loses from \$200 to \$250 per examination. The department is self-funded through examination and licensing fees. BFID cannot meet its expenses unless the law is changed.

3. Fiscal Impact by Fund Type: This impact should be as specific as possible.

The licensee examined will pay the actual cost of examinations, including travel time, and expenses, actual cost of lodging, and examiner salaries, and benefits for the time spent on examinations. The estimated increase will be \$200 to \$250 per examination.

4. Summary Checklist [Check & complete all that apply]--

- Housekeeping Only, Federal Requirement, Audit Recommendation (Audit No.), Major Legislation, Anticipated to be Controversial Legislation, Bill Draft has been included in Legislation Submittal (if available), Supports Submitted EPP Item Number, Local Government Fiscal Impact, Increases FTE, or Decreases FTE by, List FTE amount and program, Increases Existing Revenue, Decreases Existing Revenue, Establishes New Revenue, Leg. has been Submitted in Previous Legislative Sessions (list priority no, LC no, or bill no):, Legislation would affect other state agencies (list):, Special Interest Groups Affected (list): Montana Financial Services Association, Other: