

Senate Subcommittee Report

Agency: Office of the State Bank Commissioner

Bill No. SB 514 **Bill Sec.** 4

Analyst: Pratt

Budget Analysis Vol. --

GBR Vol. II, p. 120

Expenditure Summary	Agency Request FY 2025	Governor Recommendation FY 2025	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	\$ 0
Federal Funds	0	0	0
Other Funds	13,269,659	13,257,239	0
<i>Subtotal</i>	<u>\$ 13,269,659</u>	<u>\$ 13,257,239</u>	<u>\$ 0</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Federal Funds	0	0	0
Other Funds	0	0	0
<i>Subtotal</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 13,269,659</u></u>	<u><u>\$ 13,257,239</u></u>	<u><u>\$ 0</u></u>
FTE positions	114.0	114.0	0.0

Agency Request

The **agency** submits a revised estimate of \$13.3 million, all from special revenue funds, in expenditures and 114.0 FTE positions for FY 2025. This is an increase of \$399,501, or 3.1 percent, above the FY 2025 approved amount, and a decrease of \$42,676, or 0.3 percent, below the FY 2024 revised estimate. The increase above the approved amount for FY 2025 is due to four enhancement requests, though this is partially offset by a decrease in expenditures for out-of-state travel.

- The revised estimate includes **\$163,793, all from the Bank Commissioner Fee Fund, and an increase of 2.0 FTE positions to hire two additional Trust Examiners for FY 2025.** The agency anticipates an increase in the number of trust assets under its regulatory supervision and requests additional resources to ensure trust files, which are increasingly complex in nature, are adequately reviewed during examinations.
- The revised estimate also includes **\$68,262, all from the Bank Commissioner Fee Fund, for compensation increases for agency staff for FY 2025.** According to the agency, a competitive salary structure for their Financial Examiners and other staff will allow the agency to attract and retain high-quality employees rather than compete with the Federal Deposit Insurance Corporation and private financial institutions.

- Also included within the revised estimate is **\$12,420, all from the Bank Commissioner Fee Fund, to increase the per diem compensation for members of the State Banking Board from \$35 per meeting to approximately \$150 per meeting for FY 2025.** The current per diem rate has remained unchanged since 1974.
- Finally, the revised estimate includes **\$462,247, all from the Bank Commissioner Fee Fund, for FY 2025 to account for an increase in expenditure limitations** that was inadvertently left out of the Legislative Pay Plan in 2023 SB 25.

Governor's Recommendation

The **Governor** recommends expenditures of \$13.3 million, all from special revenue funds, and 114.0 FTE positions for FY 2025. This is a decrease of \$12,420, or 0.1 percent, below the agency's FY 2025 request. The decrease is due to the Governor not recommending the agency's supplemental request to increase the per diem compensation for members of the State Banking Board.

Senate Committee on Transparency and Ethics Recommendation

The **Committee** concurs with the Governor's recommendation for FY 2025.

Senate Committee on Ways and Means Recommendation

The **Committee** concurs with the Senate Committee's recommendation for FY 2025 with the following adjustment:

1. Add \$12,420, all from the Bank Commissioner Fee Fund, to recommend the agency's supplemental request to increase the per diem compensation for members of the State Banking Board for FY 2025.
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House Budget Committee Report

Agency: Office of the State Bank Commissioner

Bill No. HB 2802 **Bill Sec.** 4

Analyst: Pratt

Budget Analysis Vol. --

GBR Vol. II, p. 120

Expenditure Summary	Agency Request FY 2025	Governor Recommendation FY 2025	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	\$ 0
Federal Funds	0	0	0
Other Funds	13,269,659	13,257,239	12,420
<i>Subtotal</i>	<u>\$ 13,269,659</u>	<u>\$ 13,257,239</u>	<u>\$ 12,420</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Federal Funds	0	0	0
Other Funds	0	0	0
<i>Subtotal</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
TOTAL	<u>\$ 13,269,659</u>	<u>\$ 13,257,239</u>	<u>\$ 12,420</u>
 FTE positions	 114.0	 114.0	 0.0

Agency Request

The **agency** submits a revised estimate of \$13.3 million, all from special revenue funds, in expenditures and 114.0 FTE positions for FY 2025. This is an increase of \$399,501, or 3.1 percent, above the FY 2025 approved amount, and a decrease of \$42,676, or 0.3 percent, below the FY 2024 revised estimate. The increase above the approved amount for FY 2025 is due to four enhancement requests, though this is partially offset by a decrease in expenditures for out-of-state travel.

- The revised estimate includes **\$163,793, all from the Bank Commissioner Fee Fund, and an increase of 2.0 FTE positions to hire two additional Trust Examiners for FY 2025.** The agency anticipates an increase in the number of trust assets under its regulatory supervision and requests additional resources to ensure trust files, which are increasingly complex in nature, are adequately reviewed during examinations.
- The revised estimate also includes **\$68,262, all from the Bank Commissioner Fee Fund, for compensation increases for agency staff for FY 2025.** According to the agency, a competitive salary structure for their Financial Examiners and other staff will allow the agency to attract and retain high-quality employees rather than compete with the Federal Deposit Insurance Corporation and private financial institutions.

- Also included within the revised estimate is **\$12,420, all from the Bank Commissioner Fee Fund, to increase the per diem compensation for members of the State Banking Board from \$35 per meeting to approximately \$150 per meeting for FY 2025.** The current per diem rate has remained unchanged since 1974.
- Finally, the revised estimate includes **\$462,247, all from the Bank Commissioner Fee Fund, for FY 2025 to account for an increase in expenditure limitations** that was inadvertently left out of the Legislative Pay Plan in 2023 SB 25.

Governor's Recommendation

The **Governor** recommends expenditures of \$13.3 million, all from special revenue funds, and 114.0 FTE positions for FY 2025. This is a decrease of \$12,420, or 0.1 percent, below the agency's FY 2025 request. The decrease is due to the Governor not recommending the agency's supplemental request to increase the per diem compensation for members of the State Banking Board.

House Budget Committee Recommendation

The **Budget Committee** concurs with the Governor's recommendation for FY 2025 with the following adjustment:

1. Add \$12,420, all from the Bank Commissioner Fee Fund, to recommend the agency's supplemental request to increase the per diem compensation for members of the State Banking Board for FY 2025.

House Committee on Appropriations Recommendation

The **Committee** concurs with the Budget Committee's recommendation for FY 2025 with the following adjustment:

1. Delete \$12,420, all from the Bank Commissioner Fee Fund, to not recommend the agency's supplemental request to increase the per diem compensation for members of the State Banking Board for FY 2025.