

# House Budget Committee Report

**Agency:** Office of the State Bank Commissioner

**Bill No.** HB 2397

**Bill Sec.** 4

**Analyst:** Moore

**Analysis Pg. No.** Vol. 3, pg. 1540

**Budget Page No.** 116

Expenditure Summary	Agency Request FY 2023	Governor Recommendation FY 2023	House Budget Committee Adjustments
<b>Operating Expenditures:</b>			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	11,956,497	11,944,077	0
<i>Subtotal</i>	<u>\$ 11,956,497</u>	<u>\$ 11,944,077</u>	<u>\$ 0</u>
<b>Capital Improvements:</b>			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
<i>Subtotal</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<b>TOTAL</b>	<u><u>\$ 11,956,497</u></u>	<u><u>\$ 11,944,077</u></u>	<u><u>\$ 0</u></u>
 FTE positions	 107.0	 107.0	 0.0

## Agency Request

The **agency** requests \$12.0 million, all from special revenue funds, for FY 2023. This is an increase of \$236,519, or 2.0 percent, above the FY 2022 request. The increase is primarily due to the agency budgeting for merit-based salary increases as well as the agency anticipating expenditures for in-person events, primarily staff training and education opportunities returning to pre-COVID-19 pandemic levels. As with the FY 2022 request, the agency budgeted for yearly salary increases following its yearly performance review process. Additionally, the agency anticipates increased travel due to an expansion of in-person activities, however it is reevaluating spacing and in-person needs as it continues to focus in-person examinations on problem banks. The revised estimate also includes 107.0 FTE positions, which is the same as the FY 2022 request.

## Governor's Recommendation

The **Governor** recommends expenditures of \$11.9 million, all from special revenue funds, for FY 2023. This is an all funds decrease of \$12,420, or 0.1 percent, below the agency's request. The decrease is due to the Governor not recommending the agency's enhancement request to raise the board member per diem compensation rate.

### House Budget Committee Recommendation

The **Budget Committee** concurs with the Governor's recommendation for FY 2023 with the following notation:

1. The Legislature should review the board member per diem compensation rates and the related governing statutes.

### House Committee Recommendation

The **Committee** concurs with the Budget Committee's recommendation for FY 2023.

### House Committee of the Whole Recommendation (Sub. for HB 2397)

The **Committee of the Whole** concurs with the Committee's recommendation for FY 2023.

### Senate Subcommittee Report

**Agency:** Office of the State Bank Commissioner                      **Bill No.** SB 267                      **Bill Sec.** 4

**Analyst:** Moore                      **Analysis Pg. No.** Vol. 3, pg. 1540                      **Budget Page No.** 116

Expenditure Summary	Agency Request FY 2023	Governor Recommendation FY 2023	Senate Subcommittee Adjustments
<b>Operating Expenditures:</b>			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	11,956,497	11,944,077	0
<i>Subtotal</i>	<u>\$ 11,956,497</u>	<u>\$ 11,944,077</u>	<u>\$ 0</u>
<b>Capital Improvements:</b>			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
<i>Subtotal</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<b>TOTAL</b>	<u><u>\$ 11,956,497</u></u>	<u><u>\$ 11,944,077</u></u>	<u><u>\$ 0</u></u>

FTE positions	107.0	107.0	0.0
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## **Agency Request**

The **agency** requests \$12.0 million, all from special revenue funds, for FY 2023. This is an increase of \$236,519, or 2.0 percent, above the FY 2022 request. The increase is primarily due to the agency budgeting for merit-based salary increases as well as the agency anticipating expenditures for in-person events, primarily staff training and education opportunities returning to pre-COVID-19 pandemic levels. As with the FY 2022 request, the agency budgeted for yearly salary increases following its yearly performance review process. Additionally, the agency anticipates increased travel due to an expansion of in-person activities, however it is reevaluating spacing and in-person needs as it continues to focus in-person examinations on problem banks. The revised estimate also includes 107.0 FTE positions, which is the same as the FY 2022 request.

## **Governor's Recommendation**

The **Governor** recommends expenditures of \$11.9 million, all from special revenue funds, for FY 2023. This is an all funds decrease of \$12,420, or 0.1 percent, below the agency's request. The decrease is due to the Governor not recommending the agency's enhancement request to raise the board member per diem compensation rate.

## **Senate Committee on Transparency and Ethics Recommendation**

The **Committee** on Transparency and Ethics concurs with the Governor's recommendation for FY 2023 with the following notation:

1. The Senate Committee on Ways and Means intends to review salaries and wages increases for all agencies at Omnibus.

## **Senate Committee Recommendation**

The **Committee** concurs with the Committee on Transparency and Ethics' recommendation for FY 2023 with the following adjustment:

1. Delete \$194,888, all from special revenue funds, to eliminate proposed salary adjustments for review at Omnibus. For this agency, that includes moneys budgeted for merit-based increases for FY 2023. The Committee also recommends eliminating the 2.5 percent statewide salary adjustment recommended by the Governor for implementation by the State Finance Council and not included in this budget for review at Omnibus.

## **Senate Committee of the Whole Recommendation (Sub. for SB 267)**

The **Committee of the Whole** concurs with the Committee's recommendation for FY 2023.

## **Conference Committee Recommendation (HB 2007)**

The **Conference Committee** concurs with the Governor's recommendation for FY 2023 with the following adjustments:

1. Delete \$194,888, all from special revenue funds, to eliminate proposed salary adjustments for review at Omnibus. For this agency, that includes moneys budgeted for merit-based increases for FY 2023.

**Omnibus Activity (SB 159)**

1. Add \$1.0 million, all from special revenue funds, and add 3.0 FTE positions for FY 2022 for expenses associated with establishing and assessing technology-enabled fiduciary financial institutions as required by Senate Sub. for HB 2074.

	Governor's Recommendation FY 2023	Legislative Action	Legislative Approved FY 2023	Governor's Vetoed FY 2023	Final Legislative Approved FY 2023
<b>All Funds</b>					
State Operations	\$ 11,844,077	\$ 805,112	\$ 12,649,189	\$ 0	\$ 12,649,189
Aid to Local Units	0	0	0	0	0
Other Assistance	100,000	0	100,000	0	100,000
<i>Subtotal - Operations</i>	<i>\$ 11,944,077</i>	<i>\$ 805,112</i>	<i>\$ 12,749,189</i>	<i>\$ 0</i>	<i>\$ 12,749,189</i>
Capital Improvements	0	0	0	0	0
<b>TOTAL</b>	<b>\$ 11,944,077</b>	<b>\$ 805,112</b>	<b>\$ 12,749,189</b>	<b>\$ 0</b>	<b>\$ 12,749,189</b>

**State General Fund**

State Operations	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
<i>Subtotal - Operating</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>
Capital Improvements	0	0	0	0	0
<b>TOTAL</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>

FTE Positions	107.0	3.0	110.0	0.0	110.0
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