

February 1, 2024

The Honorable Nick Hoheisel, Chairperson
House Committee on Financial Institutions and Pensions
300 SW 10th Avenue, Room 582-N
Topeka, Kansas 66612

Dear Representative Hoheisel:

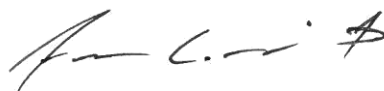
SUBJECT: Fiscal Note for HB 2560 by House Committee on Financial Institutions and Pensions

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2560 is respectfully submitted to your committee.

HB 2560 would amend the State Banking Code and provide when an application is considered abandoned or expired, the application fee would not be refunded. The bill would also allow an originating trustee to have its principal place of business outside of Kansas.

The Office of the State Bank Commissioner estimates HB 2560 would increase revenues in its Bank Commissioner Fees Fund by \$500 in FY 2025. Under the provisions of HB 2560, the agency would be authorized to charge an application fee when an applicant with a previously abandoned or expired application reapplies. The agency's Consumer and Mortgage Lending Division currently has authority to abandon its applications for consumer and mortgage lending. Approximately 2.5 percent of the Consumer and Mortgage Lending applications are considered abandoned. The Banking Division receives approximately 40 to 45 applications each year. Assuming the Banking Division would have 2.5 percent of its applications abandoned, the agency estimates at least one application will be abandoned each year beginning in FY 2025 and that one application would be reinstated with a fee of \$500. Any fiscal effect associated with HB 2560 is not reflected in *The FY 2025 Governor's Budget Report*.

Sincerely,



Adam C. Proffitt
Director of the Budget

cc: Barbara Albright, Office of the State Bank Commissioner