

FISCAL NOTE

STATE OF ALASKA
2009 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: CSHB 221L&C
 (H) Publish Date: 4/11/09

Identifier (file name): HB221-CED-BAS-04-08-09 Dept. Affected: DCCED
 Title Nationwide Mortgage Licensing System and Registry RDU Banking and Securities
 Component Banking and Securities
 Sponsor House Labor and Commerce Committee
 Requester House Labor and Commerce Committee Component Number 2808

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	Appropriation Required	Information						
		FY 2010	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
OPERATING EXPENDITURES								
Personal Services								
Travel	28.0		7.0	0.0	0.0	0.0	0.0	0.0
Contractual	70.0		0.0	0.0	0.0	0.0	0.0	0.0
Supplies								
Equipment								
Land & Structures								
Grants & Claims								
Miscellaneous								
TOTAL OPERATING	98.0	0.0	7.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES								
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CHANGE IN REVENUES ()								
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts								
1003 GF Match								
1004 GF								
1005 GF/Program Receipts								
1037 GF/Mental Health								
Other Rcpt Svcs (1156)	98.0		7.0					
TOTAL	98.0	0.0	7.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2009) cost:

POSITIONS

Full-time	0	0	0	0	0	0	0
Part-time							
Temporary							

ANALYSIS: *(Attach a separate page if necessary)*
 This bill will amend statute to allow the state to enroll in the National Mortgage Lending System (NMLS) database and national testing system prior to the federally mandated July 31, 2009 deadline.

 Alaska's state mortgage lending law (effect July 1, 2008) requires that mortgage lenders, brokers, and originators apply for and obtain a mortgage license to do business in Alaska. The federal S.A.F.E. Act (enacted July 30, 2008) requires, in part, that all states utilize a national database licensing system called the National Mortgage Lending System (NMLS) to license mortgage loan originators.

Prepared by: Lorie Hovanec, Director Phone 465-5448
 Division Banking and Securities Date/Time 04-08-09/ 5:00pm
 Approved by: Emil Notti, Commissioner Date 4/8/2009
Department of Commerce, Community and Economic Development

FISCAL NOTE #1

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BILL NO. CSHB 221(L&C)

ANALYSIS CONTINUATION

The contractual component in this fiscal note reflects and a one-time fee of \$50,000 to join the NMLS; and \$20,000 for system upgrades to interface with the NMLS.

The travel component in this fiscal note reflects necessary attendance by the licensing examiner and the regulatory examiners at training seminars held at the NMLS headquarters in Richmond, VA in FY10. Another training seminar will be held in FY 11 that would be attended by a regulatory examiner. Travel to Richmond, VA is necessary to provide hands-on training where the database is housed. It also allows two very distinct areas of training on the NMLS system. One area is to accept the application for licensure issued by each state and the second area is for the regulatory examiners to access information for enforcement actions.

At some time in the future the state is required to pass legislation that would bring the state into full compliance with the federal S.A.F.E. act. At that time approximately \$30,000 in legal fees would be needed for regulation drafting and review.

After FY11 this bill will have a zero fiscal impact for the Department. Any additional workload required to implement this legislation will be absorbed by existing staff.