

# Fiscal Note

State of Alaska  
2024 Legislative Session

Bill Version:	CSHB 145(FIN)
Fiscal Note Number:	2
(H) Publish Date:	5/1/2024

Identifier: HB145CS(L&C)-DCCED-DBS-02-19-24  
 Title: LOANS UNDER \$25,000; PAYDAY LOANS  
 Sponsor: WRIGHT  
 Requester: (H) Finance

Department: Department of Commerce, Community and  
 Economic Development  
 Appropriation: Banking and Securities  
 Allocation: Banking and Securities  
 OMB Component Number: 2808

**Expenditures/Revenues**

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2025	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2025 Request	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<b>OPERATING EXPENDITURES</b>	<b>FY 2025</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>	<b>FY 2029</b>	<b>FY 2030</b>
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
<b>Total Operating</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Fund Source (Operating Only)**

None							
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Positions**

Full-time							
Part-time							
Temporary							

**Change in Revenues**

1005 GF/Prgm (DGF)	(28.5)		(28.5)	(28.5)	(28.5)	(28.5)	(28.5)
<b>Total</b>	<b>(28.5)</b>	<b>0.0</b>	<b>(28.5)</b>	<b>(28.5)</b>	<b>(28.5)</b>	<b>(28.5)</b>	<b>(28.5)</b>

**Estimated SUPPLEMENTAL (FY2024) cost:** 0.0 *(separate supplemental appropriation required)*

**Estimated CAPITAL (FY2025) cost:** 0.0 *(separate capital appropriation required)*

**Does the bill create or modify a new fund or account?** No  
*(Supplemental/Capital/New Fund - discuss reasons and fund source(s) in analysis section)*

**ASSOCIATED REGULATIONS**

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? Yes  
 If yes, by what date are the regulations to be adopted, amended or repealed? 06/30/25

**Why this fiscal note differs from previous version/comments:**

Updated from SLA 2023 to SLA 2024 fiscal note template and updated information about the projected change in revenue. Corrected fund source for change in revenue.

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 Agency: Commerce, Community, and Economic Development

Phone: (907)269-5469  
 Date: 02/19/2024  
 Date: 02/19/24

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## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2024 LEGISLATIVE SESSION**Analysis**

This bill amends and eliminates some statutes related to Deferred Deposit Advance (DDA) loans, known as "payday loans", and moves those loans to be a loan type under AS 06.20, the Alaska Small Loans Act. The legislation change significantly reduces the interest rate that can be charged on DDA loans.

The Division of Banking and Securities currently licenses 19 DDA licenses; these licenses have a biannual renewal fee of \$3,000. If this legislation is adopted, the division anticipates a reduction in revenue of \$57,000 biannually or \$28,500 annually. If this legislation is adopted, some DDA licensees may choose to apply for licensure under the Alaska Small Loans Act, which has an annual renewal fee of \$1,000; those potential revenues are not included in this fiscal note as they cannot be determined at this time.

The division anticipates the need for a minor regulations package should this legislation pass. These costs will be absorbed in the division's existing authority, which includes planned Department of Law costs.