

House Budget Committee Report

Agency: Office of the State Bank Commissioner **Bill No.** HB 2396 **Bill Sec.** 2
Analyst: Moore **Analysis Pg. No.** Vol. 3, Pg. 1540 **Budget Page No.** 116

Expenditure Summary	Agency Estimate FY 2021	Governor Recommendation FY 2021	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	11,187,875	11,175,455	0
<i>Subtotal</i>	<u>\$ 11,187,875</u>	<u>\$ 11,175,455</u>	<u>\$ 0</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
<i>Subtotal</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 11,187,875</u></u>	<u><u>\$ 11,175,455</u></u>	<u><u>\$ 0</u></u>
FTE positions	107.0	107.0	0.0

Agency Estimate

The **agency** estimates expenditures of \$11.2 million, all from special revenue funds, in FY 2021. This is a decrease of \$744,311, or 6.2 percent, below the FY 2021 approved amount. The decrease is primarily due to staff turnover in the agency as well as decreased travel-related expenditures as the agency shifts from in-person examinations and trainings to virtual activities. The agency experienced staff retirements and subsequently filled those positions with new employees working at a lower pay rate. Additionally, due to the COVID-19 pandemic, the agency sought to allow its employees to work from home. As a result, the agency expects decreased expenditures for travel, which is anticipated to continue into the future. The revised estimate also includes 107.0 FTE positions, which is the same as the FY 2021 approved number.

Governor's Recommendation

The **Governor** recommends expenditures of \$11.2 million, all from special revenue funds, in FY 2021. This is an all funds decrease of \$12,420, or 0.1 percent, below the agency's revised estimate. The decrease is due to the Governor not recommending the agency's supplemental request to raise the board member per diem compensation rate.

House Budget Committee Recommendation

The **Budget Committee** concurs with the Governor's recommendation in FY 2021 with the following notation:

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

House Committee Recommendation

The **Committee** concurs with the Budget Committee's recommendation in FY 2021.

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

The **Committee of the Whole** concurs with the Committee's recommendation in FY 2021.

Senate Subcommittee Report

Agency: Office of the State Bank Commissioner **Bill No.** SB 268 **Bill Sec.** 2

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

Expenditure Summary	Agency Estimate FY 2021	Governor Recommendation FY 2021	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	11,187,875	11,175,455	7,020
<i>Subtotal</i>	<u>\$ 11,187,875</u>	<u>\$ 11,175,455</u>	<u>\$ 7,020</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
<i>Subtotal</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 11,187,875</u></u>	<u><u>\$ 11,175,455</u></u>	<u><u>\$ 7,020</u></u>

FTE positions	107.0	107.0	0.0
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Agency Estimate

The **agency** estimates expenditures of \$11.2 million, all from special revenue funds, in FY 2021. This is a decrease of \$744,311, or 6.2 percent, below the FY 2021 approved amount. The decrease is primarily due to staff turnover in the agency as well as decreased travel-related expenditures as the agency shifts from in-person examinations and trainings to virtual activities. The agency experienced staff retirements and subsequently filled those positions with new employees working at a lower pay rate. Additionally, due to the COVID-19 pandemic, the agency sought to allow its employees to work from home. As a result, the agency expects decreased expenditures for travel, which is anticipated to continue into the future. The revised estimate also includes 107.0 FTE positions, which is the same as the FY 2021 approved number.

Governor's Recommendation

The **Governor** recommends expenditures of \$11.2 million, all from special revenue funds, in FY 2021. This is an all funds decrease of \$12,420, or 0.1 percent, below the agency's revised estimate. The decrease is due to the Governor not recommending the agency's supplemental 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 in FY 2021 with the following adjustments and notations:

1. Add \$7,020, all from special revenue funds, to increase the per diem compensation rate for board members from \$35 to \$100 and add language allowing the Office of the State Bank Commissioner (OSBC) to raise per diem compensation rates in FY 2021.
2. The Committee recommends the agency request introduction of a bill in the 2021 Session permanently increasing the per diem compensation rate for board members and report to the Senate Committee on Ways and Means at Omnibus regarding the agency's progress in recruiting board members and the status of the bill.
3. 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 in FY 2021 with the following adjustment:

1. Delete \$141,227, 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 in FY 2021. 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 in FY 2021.

Conference Committee Recommendation (HB 2007)

The **Conference Committee** concurs with the Governor's recommendation in FY 2021 with the following adjustments:

1. Add \$7,020, all from special revenue funds, to increase the per diem compensation rate for board members from \$35 to \$100 and add language allowing the agency to raise per diem compensation rates in FY 2021.
2. Delete \$141,227, 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 in FY 2021.

Governor's Veto (HB 2007)

The Governor vetoes the following:

1. The provision allowing the agency to raise per diem compensation rates in FY 2021.

Omnibus Activity (SB 159)

No action taken in FY 2021.

	Governor's Recommendation FY 2021	Legislative Action	Legislative Approved FY 2021	Governor's Vetoed FY 2021	Final Legislative Approved FY 2021
All Funds					
State Operations	\$ 11,100,455	\$ (134,207)	\$ 10,966,248	\$ 0	\$ 10,966,248
Aid to Local Units	0	0	0	0	0
Other Assistance	75,000	0	75,000	0	75,000
<i>Subtotal - Operations</i>	<i>\$ 11,175,455</i>	<i>\$ (134,207)</i>	<i>\$ 11,041,248</i>	<i>\$ 0</i>	<i>\$ 11,041,248</i>
Capital Improvements	0	0	0	0	0
TOTAL	\$ 11,175,455	\$ (134,207)	\$ 11,041,248	\$ 0	\$ 11,041,248

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
TOTAL	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

FTE Positions	107.0	0.0	107.0	0.0	107.0
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