

# OFFICE OF FISCAL ANALYSIS

Legislative Office Building, Room 5200  
Hartford, CT 06106 ◊ (860) 240-0200  
<http://www.cga.ct.gov/ofa>

SB-1032

## AN ACT REQUIRING CERTAIN FINANCING DISCLOSURES. AMENDMENT

LCO No.: 7458

File Copy No.: 196

Senate Calendar No.: 136

---

### ***OFA Fiscal Note***

#### ***State Impact:***

Agency Affected	Fund-Effect	FY 24 \$	FY 25 \$
Banking Dept.	BF - Cost	None	440,655
Banking Dept.	BF - Potential Revenue Gain	None	See Below

Note: BF=Banking Fund

***Municipal Impact:*** None

#### ***Explanation***

The amendment strikes the underlying bill and its associated fiscal impact resulting in the following impact.

The bill (1) requires certain lenders to disclose information on commercial financing transactions, (2) requires the Department of Banking (DOB) to enforce the bill's provisions and maintain a registry of providers and commercial financing brokers, and (3) allows DOB to adopt implementing regulations, resulting in a cost of \$440,655 and a potential revenue gain to the Banking Fund in FY 25.

#### ***Cost:***

To maintain the registry and enforce the provisions of the bill, DOB will need to hire one Staff Attorney 2 and one and a half Financial

Primary Analyst: RP  
Contributing Analyst(s):

5/11/23  
()

Examiners. The estimated starting salaries of these positions are \$97,140 and \$76,385 respectively, with an additional cost of \$100,453 and \$78,990 for associated fringe benefits.<sup>1</sup> There is also a one-time cost of \$10,000 for training and equipment in FY 25.

**Potential Revenue Gain:**

Any provider or commercial financing broker that registers with DOB is subject to an initial registration fee of \$1,000 and an annual renewal fee of \$500, resulting in a potential revenue gain depending on the number of entities that register. Violations of the bill's provisions are subject to a civil penalty of up to \$2,000, resulting in a potential revenue gain depending on the number of penalties and the fines imposed.

The remaining provisions of the bill are not anticipated to result in a fiscal impact to the state.

*The preceding Fiscal Impact statement is prepared for the benefit of the members of the General Assembly, solely for the purposes of information, summarization and explanation and does not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.*

Sources: Department of Administrative Services website

---

<sup>1</sup> The fringe benefit costs for employees funded out of other appropriated funds, such as the Banking Fund, are budgeted within the fringe benefit account of those funds, as opposed to the fringe benefit accounts within the Office of the State Comptroller. The estimated active employee fringe benefit cost associated with most personnel changes for other appropriated fund employees is 103.41% of payroll in FY 24.