

**COMMONWEALTH OF KENTUCKY FISCAL NOTE STATEMENT  
LEGISLATIVE RESEARCH COMMISSION  
2024 REGULAR SESSION**

**MEASURE**

2024 BR NUMBER 1800

HOUSE BILL NUMBER 502

**TITLE** AN ACT relating to the Department of Financial Institutions.

**SPONSOR** Representative Matt Lockett

**FISCAL SUMMARY**

STATE FISCAL IMPACT:  YES  NO  UNCERTAIN

OTHER FISCAL STATEMENT(S) THAT MAY APPLY:  ACTUARIAL ANALYSIS  
 LOCAL MANDATE  CORRECTIONS IMPACT  HEALTH BENEFIT MANDATE

APPROPRIATION UNIT(S) IMPACTED: Department of Financial Institutions

FUND(S) IMPACTED:  GENERAL  ROAD  FEDERAL  RESTRICTED FI Securities Fund, FI Depository Institutions, FI Non-Depository Institutions

FISCAL ESTIMATES	2023-2024	2024-2025	2025-2026	ANNUAL IMPACT AT FULL IMPLEMENTATION
<b>REVENUES</b>				
<b>EXPENDITURES</b>		\$2.3 million - \$5.4 million	\$2.3 million - \$5.4 million	\$2.3 million - \$5.4 million
<b>NET EFFECT</b>		(\$2.3 million - \$5.4 million)	(\$2.3 million - \$5.4 million)	(\$2.3 million - \$5.4 million)

( ) indicates a decrease/negative

**PURPOSE OF MEASURE:** This bill requires the Commissioner of the Department of Financial Institutions to establish a salary schedule for examiners and assistant examiners that will be equivalent to the salaries paid by the Federal Deposit Insurance Corporation (FDIC), Securities and Exchange Commission, and other similar federal supervisory agencies.

**FISCAL EXPLANATION:** The Department of Financial Institutions would have an increase in salary and fringe benefits for the current 85 examiners and assistant examiners of approximately \$2.3 million if employee salaries were raised to the FDIC minimum pay or \$5.4 million if raised to the FDIC average pay.

**DATA SOURCE(S):** LRC Staff, Department of Financial Institutions, Federal Deposit Insurance Corporation

**PREPARER:** Sara Rome **NOTE NUMBER:** 72 **REVIEW:** JB **DATE:** 2/27/2024