

Fiscal Estimate - 2011 Session

Original Updated Corrected Supplemental

LRB Number **11-1987/2** Introduction Number **AB-0340**

Description
Credit cards issued to underage customers, higher education institutions and the marketing of credit cards, financial literacy requirements for higher education students, providing an exemption from emergency rule procedures, granting rule-making authority, and providing a penalty

Fiscal Effect

State:

- No State Fiscal Effect
- Indeterminate
 - Increase Existing Appropriations
 - Decrease Existing Appropriations
 - Create New Appropriations
 - Increase Existing Revenues
 - Decrease Existing Revenues
 - Increase Costs - May be possible to absorb within agency's budget
 - Yes
 - No
 - Decrease Costs

Local:

- No Local Government Costs
- Indeterminate
- 1. Increase Costs 3. Increase Revenue
- Permissive Mandatory Permissive Mandatory
- 2. Decrease Costs 4. Decrease Revenue
- Permissive Mandatory Permissive Mandatory
- 5. Types of Local Government Units Affected
 - Towns Village Cities
 - Counties Others
 - School Districts WTCS Districts

Fund Sources Affected **Affected Ch. 20 Appropriations**
 GPR FED PRO PRS SEG SEGS

Agency/Prepared By DFI/ Susan Dietzel (608) 267-0399	Authorized Signature Susan Dietzel (608) 267-0399	Date 11/2/2011
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Fiscal Estimate Narratives

DFI 11/2/2011

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Assumptions Used in Arriving at Fiscal Estimate

Generally, this bill will not have a fiscal effect on the Department of Financial Institutions. While it requires the Department to create rules, credit card issuers are generally national institutions that the Department does not regulate. Additionally, the credit card regulatory provisions in the bill have been included in the CARD Act of 2009 passed by Congress.

Included in the bill is a requirement for the department to promulgate rules that prohibit an institution of higher education from receiving any direct or indirect compensation for credit card marketing activity on a campus. There would be an undetermined cost associated with enforcing that language directed at educational institutions.

Long-Range Fiscal Implications