Fiscal Estimate - 2021 Session

| ☑ Original ☐ Updated | Corrected | Supplemental | | | | |
|---|---------------------------------|-------------------|--|--|--|--|
| LRB Number 21-4736/1 | Introduction Number | r SB-596 | | | | |
| Description P.O.D. accounts and loan obligations to financial institutions; payments for public deposit losses in failed financial institutions; automated teller machines; prohibiting requiring access boxes on buildings owned by financial institutions; promissory notes of certain public bodies; and repealing rules promulgated by the Department of Financial Institutions | | | | | | |
| Fiscal Effect | | | | | | |
| Appropriations Rever Decrease Existing Decrease Appropriations Rever Create New Appropriations | ease Existing absorb with | | | | | |
| Local: No Local Government Costs Indeterminate 1. ☐ Increase Costs ☐ Permissive ☐ Mandatory 2. ☐ Decrease Costs ☐ Permissive ☐ Mandatory ☐ Permissive ☐ Mandatory ☐ Permissive ☐ Mandatory ☐ Permissive ☐ Mandatory ☐ Decrease Costs ☐ Permissive ☐ Mandatory ☐ Decrease Revenue ☐ School ☐ WTCS ☐ Districts ☐ Districts | | | | | | |
| Fund Sources Affected | Affected Ch. | 20 Appropriations | | | | |
| GPR FED PRO PRS SEG SEGS | | | | | | |
| Agency/Prepared By | Authorized Signature | Date | | | | |
| DEL/ Kortney Anderson (608) 261-9559 | Kortnev Anderson (608) 261-9559 | 10/15/2021 | | | | |

Fiscal Estimate Narratives DFI 10/15/2021

| LRB Number | 21-4736/1 | Introduction Number | SB-596 | Estimate Type | Original | |
|--|-----------|---------------------|--------|---------------|----------|--|
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Assumptions Used in Arriving at Fiscal Estimate

The Wisconsin Department of Financial Institutions, which regulates state-chartered banks, has reviewed Senate Bill 596 and identified one provision that may have a fiscal impact. Section 1 of the bill increases the maximum allowable payment to a public depositor that suffers a loss of money deposited in a public depository, from \$400,000 above the amount of federal deposit insurance to \$1,000,000 above that amount.

The DFI is unable to calculate the anticipated effect of this change, however, because loss claims are so infrequent. The DFI has not needed to make a payment under the applicable statutory section since 2003. Therefore, the fiscal effect of section 1 of the bill is indeterminate.

Long-Range Fiscal Implications