

Vermont Legislative Joint Fiscal Office

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FISCAL NOTE

Date: February 27, 2017
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H. 182 An Act Relating to Certain Businesses Regulated by DFR

Consumer Litigation Funding Company Registration Fee (Section 1)

This section changes the fee from \$600 every three years to \$200 every year. While it does not increase or decrease the fee, the revenue will be more evenly spread over the three year period.

Lead Generation License Fee (Section 18, 24)

This creates a subcategory of licenses for mortgage brokers with the same fee that is currently used for all mortgage brokers. This is not expected to have any revenue impact.

Loan Solicitation License (Sections 18, 19, 20, and 23)

This creates a new category of licenses for loan solicitors with a \$500 application and investigation fee and \$500 annual license fee. Approximately 12 licensed lenders (who pay a higher fee) may become licensed as loan solicitors resulting in approximately \$8,400 less revenue.

Some of this may be offset if more entities become licensed in Vermont due to other sections of the bill, which would generate some additional fee revenue to the Banking Division. While any excess fee revenue from the Insurance and Securities Divisions is transferred into the General Fund as a direct application, the Banking Division is funded differently. After fees, a proportional assessment is implemented among the regulated banks and credit unions for the remaining amount of funding required to administer the division ensuring that there is not an overage or a shortfall (8 V.S.A. § 19(d)).