

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 7493

BILL NUMBER: SB 429

NOTE PREPARED: Feb 16, 2009

BILL AMENDED:

SUBJECT: Bank Branches in or Near Retail Merchants.

FIRST AUTHOR: Sen. Holdman

FIRST SPONSOR: Rep. VanHaften

BILL STATUS: As Passed Senate

FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: The bill prohibits certain financial institutions from establishing a branch on or within 1.5 miles of the premises or property of an affiliate that is a retail merchant.

Effective Date: July 1, 2009.

Explanation of State Expenditures: The Department of Financial Institutions (DFI) could incur additional expense, if more investigations occur as a result of complaints of branches within 1.5 miles of an affiliated retail merchant.

Background- The Department of Financial Institutions is funded by bank examination fees placed into dedicated funds. The DFI received an appropriation from the General Assembly of \$8.5 M for FY 2009. The DFI generated approximately \$8 M in total revenue during FY 2008. Revenue is placed into the Department of Financial Institutions Fund.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: DFI

Local Agencies Affected:

Information Sources: State Budget Agency: Auditor's Data; *State of Indiana List of Appropriations Made by the 2007 Indiana General Assembly for the Biennium July 1, 2007, to June 30, 2009.*

Fiscal Analyst: Chris Baker, 317-232-9851.