

Analysis  
Department of Consumer and Business Services  
Fee Ratification

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**Analyst:** Matt Stayner

**Request:** Ratify fees established administratively by the Department of Consumer and Business Services for the Debt Buyer, Mortgage Loan Servicer, and Pharmacy Benefit Manager regulatory programs.

**Analysis:** The 2017 Legislature passed two bill establishing new regulatory programs; House Bill 2356 related to Debt Buyers, and Senate Bill 98 related to Mortgage Loan servicers. Additionally, House Bill 2388 expanded the regulatory scheme for Pharmacy Benefit Managers. During the interim following the 2017 session, the Department of Consumer and Business Services established various fees for these programs by administrative rule to provide revenue commensurate with the cost of administering the individual programs or in parity with the other regulated entities within the general regulatory program in which the specific program is housed. All of these programs are administered by the agency's Division of Financial Regulation.

The fees adopted for the Debt Buyer and the Pharmacy Benefit Managers programs have an effective date of January 1, 2018. However, the effective date of the fees adopted for the Mortgage Loan Servicer program was October 23, 2017 to allow for subject entities to be apply for and be licensed by DCBS prior to the January 1, 2018 deadline required by the enabling legislation. The following table illustrates the anticipated fee revenue generated for each program during the current and upcoming biennium.

Program	2017-19 Revenue	2019-21 Revenue	Additional FTE Authorized
Debt Buyers	\$111,825	\$86,025	1.00
Mortgage Loan Servicers	\$320,190	\$261,210	1.00
Pharmacy Benefit Managers	\$52,500	\$110,250	

**Legislative Fiscal Office Recommendation:** Include the fees adopted by rule by the Department of Consumer and Business Services for the Debt Buyer, Mortgage Loan Servicer, and Pharmacy Benefit Manager regulatory programs in a fee ratification bill.