

STATE SECURITIES DEPARTMENT (0410)

Fiscal Year 2017

As Enacted by Act 267 of 2016

I) AGENCY SUMMARY & REVENUE SOURCES

MISSION

The purpose of the State Securities Department is to enforce statutes against fraudulent and misleading sales of securities and monetary transactions by entities within its jurisdiction including credit unions, mortgage companies, and check cashing companies. The Department registers companies and individuals, performs examinations and audits, conducts investigations, and disseminates information to provide assistance and protection to the general public.

TOTAL APPROPRIATION

The total appropriation for FY2018 is \$3,879,142 and \$3,880,245 for FY2019.

FUNDING SOURCES

The State Securities Department collects fees and fines from securities dealers, credit unions, mortgage loan companies, and check and money order sellers. The Department then deposits the money in the State Treasury as Special Revenues.

II) CHANGE LEVEL REQUESTS

STATE OPERATIONS (027)

This appropriation is funded by filing fees, and is used to pay for the operations of the agency. The total appropriation is \$3,210,642 in FY2018, a decrease of \$14,104 from base level, and \$3,211,745 in FY2019, also a \$14,104 decrease from base level, which includes the following changes:

Regular Salaries - Decrease of \$35,909 by eliminating a Securities Examiner Position

Personal Services Matching - Decrease of \$13,195 by eliminating a Securities Examiner Position

Capital Outlay - Increase of \$35,000 to replace a state vehicle

Investor Education Fund (Appropriation 1MV)

This appropriation is funded by administrative fines, and is used to pay for economic and financial education outreach. The total appropriation is \$168,500, an increase of \$55,000 over base level that includes the following changes:

Grants and Aid - Increase of \$55,000 to fulfill additional qualified grant requests.

III) ADDITIONAL POSITIONS

Total positions for FY 2019: 38

Total positions for FY 2018: 38

Total Base Level Positions FY2017: 39

Increase/(Decrease): 1

Extra Help Positions FY2018 and FY2019: 2 (Total FY2017

Authorized Extra Help: 2)

IV) SPECIAL LANGUAGE

CONTINGENCY RESTRICTION: If it becomes necessary the Securities Commissioner is authorized to request the approval from the

Legislative Council or Joint Budget Committee, Governor and the Chief Fiscal Officer of the State to transfer appropriations in the Contingency line item to other line items within the same Section.

QUARTERLY REPORTS: The agency shall provide a quarterly report of all funds received or external fund transactions recognized or required through court orders or settlement agreements, to the Legislative Council or Joint Budget Committee. The report includes:

- a. Case or settlement name
- b. Amount of funds involved
- c. Disbursement plan for received funds
- d. Explanation regarding fund disposition
- e. Rationale for disbursement of funds to a specific entity
- f. Current balance of all unappropriated fund holdings received by court order or settlement

October 18, 2016