

February 3, 2026

REVISED

The Honorable Brenda Dietrich, Chairperson  
Senate Committee on Financial Institutions and Insurance  
300 SW 10th Avenue, Room 546-S  
Topeka, Kansas 66612

Dear Senator Dietrich:

**SUBJECT:** Revised Fiscal Note for SB 316 by Senate Committee on Financial Institutions and Insurance

In accordance with KSA 75-3715a, the following revised fiscal note concerning SB 316 is respectfully submitted to your committee.

SB 316 would authorize the State Bank Commissioner to establish a nonprofit organization incorporated under the laws of Kansas to provide charitable consumer financial education initiatives. The bill would list the types of activities deemed necessary to further the organization's charitable consumer financial education initiatives. The bill would allow any person under an enforcement action or examination that is ordered to pay a fine designated for consumer financial education to contribute a donation to the nonprofit organization in lieu of paying a fine, with approval of the Commissioner. The Commissioner would authorize initial and subsequent transfers for funding of the nonprofit organization from the Consumer Education Settlement Fund, which the Office of the State Bank Commissioner currently administers. The nonprofit organization would be managed and controlled by a board of directors as described in the bill. The nonprofit organization would not be considered a state agency.

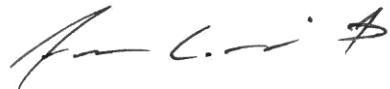
Since the original fiscal effect statement was issued, the State Treasurer has provided information on the fiscal effect of this bill. The Treasurer states that because under SB 316, funds in the Consumer Education Settlement Fund (CESF), which is in the state treasury, would be transferred to the nonprofit organization, there would be a corresponding reduction in investment earnings through the Pooled Money Investment Board's (PMIB) investment of idle funds in the state treasury. The most recent annualized interest rate for PMIB investments (for December 2025) was 3.48 percent. However, given the uncertainty of future earnings rates and the timing of future

transfers from the CESF, the Treasurer is unable to estimate the bill's potential reduction in investment revenue.

The Office of State Bank Commissioner administers the Consumer Education Settlement Fund (CESF), which is funded from fines assessed against non-depository institutions in legal actions and financial examinations. The funds are used to finance consumer financial education initiatives. Between FY 2021 and FY 2024, the fund averaged \$158,898 in revenue each year. As of January 15, 2026, the CESF had a balance of approximately \$1.8 million. The fund received a \$1.6 million multistate settlement in FY 2025. SB 316 would allow the Commissioner to fund the nonprofit organization from the CESF for initial and subsequent transfers. The agency assumes the entire fund balance would be transferred to the nonprofit organization in FY 2026. In addition, since the bill would allow fined entities to choose to fund the foundation in lieu of paying an equal fine amount, the agency expects revenues to go to the nonprofit organization each year. Any fiscal effect associated with SB 316 is not reflected in *The FY 2027 Governor's Budget Report*.

The Kansas Association of Counties and the League of Kansas Municipalities both indicate the bill would not have a fiscal effect.

Sincerely,



Adam C. Proffitt  
Director of the Budget

cc: Jesse Becker, Office of the State Bank Commissioner  
Wendi Stark, League of Kansas Municipalities  
Jay Hall, Kansas Association of Counties