

**Insurance Commissioner, including Insurance Tax Payments to Fire Departments
Budget No. 401
House Bill Nos. 1010 and 1145**

	FTE Positions	General Fund	Other Funds	Total
2013-15 executive budget (bills as introduced)	49.50	\$0	\$18,958,734	\$18,958,734
2013-15 legislative appropriations	49.50	0	26,377,090	26,377,090
Legislative increase (decrease) to executive budget	0.00	\$0	\$7,418,356	\$7,418,356
Legislative increase (decrease) to 2011-13 appropriations	0.00	\$0	\$7,333,010	\$7,333,010

SUMMARY OF LEGISLATIVE CHANGES TO THE EXECUTIVE BUDGET AND MAJOR FUNDING ITEMS

Salaries and Wages

The legislative action affecting the recommended appropriation for the Insurance Commissioner is in accordance with legislative salary and fringe benefits guidelines as contained in House Bill No. 1015. Consistent with the guidelines, a portion of salaries and wages funding from other funds (\$163,182) for permanent employees' compensation and benefits is reallocated to an accrued leave payments line item for paying accrued annual leave and sick leave for eligible employees.

	Major Items			
	FTE Positions	General Fund	Other Funds	Total
The legislative action:				
Adjusted funding for state employee salaries and benefits consistent with the legislative compensation package guidelines included in House Bill No. 1015.			(\$78,030)	(\$78,030)
Removed funding for payments to North Dakota fire departments (\$7,000,000) and the North Dakota Firefighter's Association (\$840,000).			(7,840,000)	(7,840,000)
Provided funding for payments to North Dakota fire departments (\$14,536,386) and the North Dakota Firefighter's Association (\$800,000) (House Bill No. 1145).			15,336,386	15,336,386
Total	0.00	\$0	\$7,418,356	\$7,418,356

FTE Changes

The Legislative Assembly did not change the executive recommendation which included funding for 49.5 FTE positions, the same as the 2011-13 biennium.

Administrative Costs of Special Funds

Sections 2, 3, 4, and 5 provide for administrative costs allocated to the bonding fund, state fire and tornado fund, unsatisfied judgment fund, and the petroleum tank release compensation fund. The schedule below provides information regarding the administrative costs allocated to each special fund.

	2011-13 Biennium Legislative Appropriation	2013-15 Biennium Legislative Appropriation	Increase (Decrease)
Bonding fund	\$46,769	\$45,199	(\$1,570)
State fire and tornado fund	\$1,441,575	\$1,552,929	\$111,354
Unsatisfied judgment fund	\$27,349	\$28,690	\$1,341
Petroleum release compensation fund	\$46,769	\$107,598	\$60,829

Other Sections in Bill

Commissioner's salary - Section 6 provides the statutory changes relating to the Insurance Commissioner's annual salary. The Legislative Assembly authorized a 2013-15 biennium salary increase of 4 percent effective July 1, 2013, and 3 percent effective July 1, 2014, for elected officials. The Commissioner's salary is to increase from \$93,071 to \$96,794 on July 1, 2013, and \$99,698 on July 1, 2014.

Related Legislation

Legislative Management study - Health care reform - House Bill No. 1034 provides for a Legislative Management study of health care reform during the 2013-14 interim.

House Bill No. 1145 appropriates \$15,336,386 from the insurance tax distribution fund to the Insurance Department for insurance tax payments to fire departments and grants to the North Dakota Firefighter's Association.