

**Insurance Commissioner, including Insurance Tax Payments to Fire Departments
Budget No. 401
Senate Bill No. 2010**

	FTE Positions	General Fund	Other Funds	Total
2015-17 legislative appropriations	49.50	\$0	\$28,246,346	\$28,246,346
2015-17 base budget	49.50	0	26,377,090	26,377,090
Legislative increase (decrease) to base budget	0.00	\$0	\$1,869,256	\$1,869,256

SUMMARY OF LEGISLATIVE CHANGES TO THE BASE 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 Senate Bill No. 2015.

	Changes to Base Budget			
	FTE Positions	General Fund	Other Funds	Total
The legislative action:				
Added funding for base payroll changes for cost-to-continue 2013-15 biennium salaries and benefit increases and for other base payroll changes.			\$255,966	\$255,966
Added funding for 2015-17 biennium performance salary adjustments of 2 to 4 percent per year.			326,187	326,187
Added funding for employee health insurance premiums to reflect a premium estimate of \$1,130.22 per month.			178,248	178,248
Adjusted funding for operating expenses relating primarily to actuarial services, travel, and office rental.			(345,966)	(345,966)
Increased the grant to the North Dakota Firefighter's Association to provide total ongoing funding of \$890,000 from the insurance tax distribution fund.			90,000	90,000
Increased grants to fire departments to provide total ongoing funding of \$15,681,207 from the insurance tax distribution fund. Pursuant to Section 7 of Senate Bill No. 2016, \$500,000 of this amount is to be made available for stipends for firefighters participating in approved training.			1,144,821	1,144,821
Added one-time funding from the state fire and tornado fund to purchase a new boiler inspection software program.			90,000	90,000
Added one-time funding from the insurance tax distribution fund for a grant to the North Dakota Firefighter's Association to create a computerized database for all data pertaining to firefighters.			130,000	130,000
Total	0.00	\$0	\$1,869,256	\$1,869,256

FTE Changes

The Legislative Assembly approved 49.50 FTE positions for the Insurance Department for the 2015-17 biennium, the same as the 2013-15 biennium.

Administrative Costs of Special Funds

Sections 3, 4, 5, and 6 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:

	2013-15 Biennium Legislative Appropriation	2015-17 Biennium Legislative Appropriation	Increase (Decrease)
Bonding fund	\$45,199	\$50,813	\$5,614
State fire and tornado fund	\$1,552,929	\$1,660,748	\$107,819
Unsatisfied judgment fund	\$28,690	\$29,062	\$372
Petroleum release compensation fund	\$107,598	\$116,881	\$9,283

Other Sections in Bill

Insurance tax distribution fund - Section 2 provides an appropriation of \$16,701,207 from the insurance tax distribution fund and designates \$15,681,207 for payments to fire departments and \$1,020,000 for payments to the North Dakota Firefighter's Association.

Insurance Commissioner's salary - Section 7 provides the statutory changes necessary to increase the Insurance Commissioner's salary by 3 percent for each year of the 2015-17 biennium as follows:

Annual salary authorized by the Legislative Assembly in 2013:

July 1, 2013	\$96,794
July 1, 2014	\$99,698

Annual salary authorized by the Legislative Assembly in 2015:

July 1, 2015	\$102,689
July 1, 2016	\$105,770

Bail bond agents - Sections 8 through 10 amend North Dakota Century Code Sections 26.1-26.6-01, 26.1-26.6-04, and 26.1-26.6-05 relating to bail bond agents.

Surplus lines insurance filings - Section 11 amends subsection 4 of Section 26.1-44-03.1 relating to surplus lines insurance filings.

Related Legislation

Fire department payments - Section 7 of Senate Bill No. 2016 identifies of the amount appropriated from the insurance tax distribution fund for fire department payments in Section 2 of Senate Bill No. 2010, \$500,000 shall be provided to the Department of Emergency Services for stipends to firefighters participating in approved training.

Travel insurance - Senate Bill No. 2283 relates to lines of insurance and procedures for travel insurance.

Cancer treatment - House Bill No. 1072 expands health insurance coverage of cancer treatment medications.

Portable electronics insurance - House Bill No. 1384 creates law relating to portable electronics insurance.