

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION
SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

2010

2007 SENATE APPROPRIATIONS

SB 2010

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2010

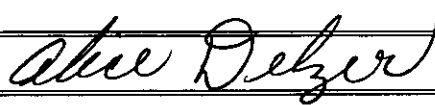
Senate Appropriations

Check here for Conference Committee

Hearing Date: 01-15-07

Recorder Job Number 1132

Committee Clerk Signature



Minutes:

Chairman Holmberg opened the hearing on SB 2010 on January 15, 2007 at 2:00 p.m. regarding the North Dakota Insurance Commissioner's budget presentation for the 2007-2009 biennium.

Jim Poolman, Insurance Commissioner presented written testimony (1) and shared an overview of the duties of the Insurance Department which include Administration, Monitoring the Insurance Industry, Regulation and Consumer Protection, Senior Health Insurance Counseling (SHIC) Program, Prescription Connection Program, Special Funds Division which includes the State Bonding Fund, Fire and Tornado Fund, Petroleum Tank Release Compensation Fund, Unsatisfied Judgment Fund, Boiler and Pressure Vessel Inspection Program and Anhydrous Ammonia facility Inspection Program. Information was also provided regarding Fire District Payments, Position Vacancies and Salary Goals Package. He also provided the following five major goals and objectives of the Insurance Department which are as follows: Implementation of Electronic (paperless) System in Insurance Regulation, Implement Consumer Protection Enhancements Resulting from 2005 Legislation, Enhance Consumer Education, Enhance Outreach Programs and Timely Response to Inquiries and

Requests. Charts were also included with his presentation. Commissioner Poolman introduced members of his staff.

Senator Lindaas asked if any reserve levels have been adjusted for inflation. There is a concern for the Fire and Tornado Fund.

Discussion followed concerning the Fire and Tornado Fund and information was provided concerning the addition of 3 more counties (for a total of 5) enrolled in the Lock-Up Tanks Program regarding Anhydrous Ammonia Tanks. It has been very successful in deterring the theft of Anhydrous Ammonia for the manufacturing of Methamphetamine.

Discussion followed regarding additional funds provided for the travel expenditures for legislators who attend the National Conference of Insurance Legislators(NCOIL) events.

Commissioner Poolman stated that it is very difficult to find Boiler Inspectors due to the salary offered and the availability of trained personnel. He also made reference to the vacant FTE's and information on contracting out, which is only done in the area of financial examinations. Our Department is very much into goals, objectives, merits, increases on salary and quantifying and examining the performance of our employees. We do give merit salary increases where appropriate and utilize the bonus system within the guidelines of state law to try to reward those peak performers in our department and we thank the legislators for the support of this program.

Chairman Holmberg I'm assuming that the fact that the money for NCOIL went to a line item rather than out of your operating budget and that your operating budget indicates that there is spendable money and you will no longer be taking that out. What was roughly the amount of draw on that during the last biennium and will the dues in the future come out of your operating

budget? Is it correct to say you are one of 6 agencies that because of the equity issue you have a separate line item in your budget in addition to the equity money?

Senator Grindberg had questions concerning drug usage and the Lock-Up Program.

Commissioner Poolman shared that when the programs were initially set up in Williams and McKenzie County there was controversy, but in working with the farmers and locking up the tanks they now realize the enormous impact they have had in reducing the theft of Anhydrous Ammonia that was used previously to make Methamphetamine.

Senator Tallickson stated that he has been informed by law officials in his home district that locking up the tanks has greatly decreased the amount of homemade Methamphetamine.

Senator Fischer In the news I've heard that there is development of something to add to Anhydrous to basically nullify the effects of Anhydrous Ammonia for making of Methamphetamine.

Lois Hartman, Executive Director of the North Dakota Firefighters Association stated many departments are short funds as this last year was especially difficult because of dry conditions around the state. She also requested funding for the staff of the Association.

Norbert Mayer of North Dakota Insurance and Financial Advisors stating the needs of a well staffed insurance department not only to regulate the insurance industry but to protect our consumers and also to educate consumers, therefore, we support the request for appropriations for State Insurance Department.

Chairman Holmberg asked if there was a need for a subcommittee on this bill. It was the consensus of the committee that it was not necessary at this time. Meeting was closed.

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2010

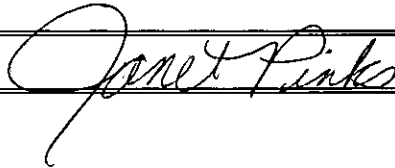
Senate Appropriations Committee

Check here for Conference Committee

Hearing Date: 01/23/07

Recorder Job Number: 1668

Committee Clerk Signature



Minutes:

Chairman Holmberg opened the discussion on SB 2010 on 1/23/07. He indicated this bill is to reimburse money from the insurance department for NCOIL legislators, with no change in the FTE's. There was discussion on the quality of the printer, and there was no one-time expenditure. It removes the funding for NCOIL for legislative travel and move that funding out of this budget, the source would be the same, not general fund money.

Money was moved out of operating for NCOIL travel but did not reduce the operating fund.

Considerable discussion took place regarding NCOIL, its purpose, costs, retention and recruitment of employees, how the committee can approach the equity situation, and the equity issues arising in different agencies.

Senator Grindberg moved the amendment as a DO PASS, Senator Fischer seconded.

An oral vote was taken and the motion to approve the amendment was a DO PASS.

Senator Grindberg moved a DO PASS on SB 2010, Senator Fischer seconded.

Discussion took place. A roll call vote was taken resulting in 12 yes, 0 no, and 2 absent.

The motion passed and Senator Tallackson will carry the bill.

Senator Holmberg closed the hearing on SB 2010.

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2010

Senate Appropriations Committee

Check here for Conference Committee

Hearing Date: 01-25-07

Recorder Job Number: 1954

Committee Clerk Signature

Alice Pelzer

Minutes:

Chairman Holmberg opened hearing on SB 2010 on 01-25-07 regarding the Insurance Commission. (meter 08.09) We have some information before us. The topic of discussion was the International Peace Garden and we've already applied the amendment regarding ENCOIL, that is already on the bill and then what we did we passed the bill and then because of the questions that came after that So the first thing we need is a motion to reconsider our action **Senator Robinson made the motion. Seconded by Senator Christmann. All in agreement say aye. Motion carried.** Now the bill is before us. Let us have that discussion Senator Krebsbach and then Roxanne. Please set the stage for this discussion.

Senator Krebsbach stated the request came from Senator Krauter that we research in the Peace Garden Bill the fact that last year on their tour they had visited there and saw there was buildings that were in need of repair and so on and evidently there may have been some damage caused by some natural elements, I don't know if it's wind or hail, however, the discussion was made with the Fire and Tornado Fund. The people there did go and visit the area and found it to be strictly that type of repair from renovation and natural upkeep of the building. They found that there was no cause, no claims had been filed, and therefore they didn't have any information to base a claim on, is my understanding of the entire process.

Therefore, it was denied. Now if there is something that should have been filed I think we have to inform them to do so and they would revisit the facility and look at it again.

Roxanne Woeste, Legislative Council spoke with representatives of the Fire and Tornado Fund and they provided me with the information that they did have an adjuster go out to the Peace Gardens and they determined that the damage that they were shown was not related to a specific weather event, which would be necessary for a claim to be accepted.

Chairman Holmberg asked if there is any other discussion on the bill. Seeing none, we have a motion for a DO PASS.

Senator Christmann moved a DO PASS, Senator Wardner seconded. No discussion followed. **A roll call vote was taken on a DO PASS AS AMENDED resulting in 12 yeas, 0 nays, 2 absent. Senator Tallackson will carry the bill.**

The hearing on SB 2010 was closed. (meter 13.05)

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2010

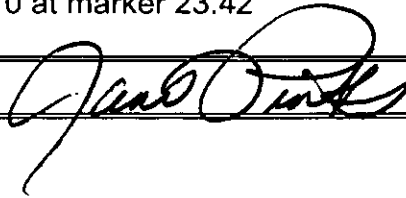
Senate Appropriations Committee

Check here for Conference Committee

Hearing Date: 01/29/07

Recorder Job Number: 2170 at marker 23.42

Committee Clerk Signature



Minutes:

Chairman Holmberg indicated SB 2010 was sent back.

Senator Tallackson made the motion to reconsider the action by which SB 2010 was passed, Senator Christmann seconded. An oral vote was taken with a unanimous vote in favor of passing the motion.

Chairman Holmberg distributed amendments

Chairman Holmberg also distributed salary comparisons in the equity distribution in the various agencies and the compa-ratios. Mr. Jim Poolman was asked to come down and explain the differences and Ken Purdy is all here to clear up the questions rather than on the floor.

Jim Poolman, Commissioner, ND Insurance Department, indicated Ken Purdy would need to discuss the compa-ratios and he would discuss some of the needs. He indicated there are several positions open because people retired or are retiring and the positions cannot be filled at the current level of pay creating a reason for additional dollars to offer pay at market pay. He discussed some of the positions that specifically need higher pay to meet the market.

Senator Krauter how many years before retirement. The response was there are several during this next biennium such as general counsel, chief examiner, senior examiner is vacant, staff attorney, financial analyst, agent licensing director, and chief boiler inspector.

Senator Robinson asked if there was something already prepared that captures the rest of the agencies if this list is just a sampling. The response was deferred to the Council and OMB

Senator Fischer asked about qualifications of boiler inspectors. The response was there is a national designation and there are very few certified boiler inspectors.

Senator Krauter asked if the amount in the Governor's equity allotted to the Insurance Department includes these positions. The response was the Governor's includes these specific positions as well as the two classified positions not on the list and apparently one other that did not make the list.

Senator Tallackson asked the Commissioner to explain the amendment made on the floor today. The response was the wishes of the committee were to move the funding for the National Conference for Insurance Legislators to the Legislative Council and the funding source was removed but not moved. The intent was to move the funding to the Legislative Council to cover the funding.

Senator Tallackson indicated the old amendment moved Ncoil out of the Insurance Department and that was it. The new one with language that it go to Legislative Council plus it is funded with special funds from the Insurance Department.

Senator Robinson indicated this process has been difficult to understand, we have a salary built in from the Governor's Budget of 4 and 4 in SB 2189, \$10 million in equity in that bill earmarked for salaries and now we are hearing from other elected officials and agencies that we need help, we can't retain, we can't recruit. One agency indicated positions unfilled for two years. Parts of the puzzle are hear, but there appears to be some missing pieces. We need to be fair and equitable across the board. If we train people and as soon as they are trained they leave, we are wasting a lot of money. The response was that as generous as the legislature has been, it is the market issues that are the concern.

Senator Tallackson asked about the reduction of the money from the tornado fund. The response was there was a clerical error in the drafting of the budget, in that two lines were compacted and counted twice. The revenue in that fund was overstated.

Roxanne walked through the amendment to explain it.

Senator Robinson moved to reconsider actions when DO PASS as amended SB 2010,

Senator Fischer seconded. An oral vote was taken, the motion passed.

Senator Bowman moved to adopt the new amendment .0102, **Senator Tallackson** seconded. No discussion, An oral vote was taken, the motion passed.

Senator Tallackson moved a DO PASS SB 2010 as amended with .0102, **Senator Bowman** seconded. No discussion. A roll call vote was taken resulting in a DO PASS with 13 yes, 0 no and 1 absent. The motion carried.

The hearing on SB 2010 was closed.

FISCAL NOTE

Requested by Legislative Council

01/02/2007

Bill/Resolution No.: SB 2010

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2005-2007 Biennium		2007-2009 Biennium		2009-2011 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures			\$11,775		\$11,775	
Appropriations			\$11,775		\$11,775	

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

2005-2007 Biennium			2007-2009 Biennium			2009-2011 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

Section 10 of this bill increases the Insurance Commissioner's salary over the 2007-2009 biennium by \$11,775 over his salary for the 2005-2007 biennium. This will increase both salary expenses and appropriations by \$11,775 over the amounts shown in Section 1 of this bill.

B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

See explanation above.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

See explanation above.

B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

See explanation above.

C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

See explanation above.

Name:	Charles E. Johnson	Agency:	Insurance Department
Phone Number:	328-2440	Date Prepared:	01/10/2007

oral Do Pass
amend .0101

Date: 1/23
Roll Call Vote #: 1

2007 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2010

Senate Appropriations Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass w amend

Motion Made By Grindberg Seconded By Fischer

Senators	Yes	No	Senators	Yes	No
Senator Ray Holmberg, Chrm	✓		Senator Aaron Krauter		
Senator Bill Bowman, V Chrm			Senator Elroy N. Lindaas	✓	
Senator Tony Grindberg, V Chrm	✓		Senator Tim Mathern	✓	
Senator Randel Christmann	✓		Senator Larry J. Robinson	✓	
Senator Tom Fischer	✓		Senator Tom Seymour	✓	
Senator Ralph L. Kilzer	✓		Senator Harvey Tallackson	✓	
Senator Karen K. Krebsbach	✓				
Senator Rich Wardner	✓				

Total (Yes) 12 No 0

Absent 2

Floor Assignment Tallackson

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

SB 2010: Appropriations Committee (Sen. Holmberg, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (12 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). SB 2010 was placed on the Sixth order on the calendar.

Page 1, line 19, replace "(100,000)" with "(100,000)"

Page 1, remove line 20

Page 1, line 21, replace "671,324" with "611,324"

Page 1, line 23, remove "out of any moneys in the general fund in the state"

Page 1, line 24, remove "treasury, not otherwise appropriated, and"

Page 2, line 5, replace "6,320,000" with "6,320,000"

Page 2, remove line 6

Page 2, line 7, replace "14,350,979" with "14,290,979"

Page 2, line 18, replace "\$1,153,804" with "\$1,003,804"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2010 - Insurance Department - Senate Action

	EXECUTIVE BUDGET	SENATE CHANGES	SENATE VERSION
Salaries and wages	\$5,792,602		\$5,792,602
Operating expenses	2,178,377		2,178,377
Grants	6,320,000		6,320,000
National Conference of State Insurance Legislators	60,000	(\$60,000)	
Total all funds	\$14,350,979	(\$60,000)	\$14,290,979
Less estimated income	<u>14,350,979</u>	<u>(60,000)</u>	<u>14,290,979</u>
General fund	\$0	\$0	\$0
FTE	46.50	0.00	46.50

Dept. 401 - Insurance Department - Detail of Senate Changes

	REMOVES FUNDING FOR THE NATIONAL CONFERENCE OF STATE INSURANCE LEGISLATORS 1	TOTAL SENATE CHANGES
Salaries and wages		
Operating expenses		
Grants		
National Conference of State Insurance Legislators	(\$60,000)	(\$60,000)
Total all funds	(\$60,000)	(\$60,000)

Less estimated income	<u>(60,000)</u>	<u>(60,000)</u>
General fund	\$0	\$0
FTE	0.00	0.00

¹ This amendment removes funding of \$60,000 from special funds for operating expenses associated with legislative members' functions of the National Conference of State Insurance Legislators.

This amendment also amends Section 6 of the bill to decrease the administrative costs allocated to the fire and tornado fund by \$150,000 from \$1,153,804 to \$1,003,804.

Date: 1-25-07
Roll Call Vote #: 2

2007 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2010

Senate Appropriations Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken do pass as amend

Motion Made By Christmann Seconded By Wardner

Senators	Yes	No	Senators	Yes	No
Senator Ray Holmberg, Chrm	✓		Senator Aaron Krauter	✓	
Senator Bill Bowman, V Chrm	✓		Senator Elroy N. Lindaas	✓	
Senator Tony Grindberg, V Chrm	✓		Senator Tim Mathern	✓	
Senator Randel Christmann	✓		Senator Larry J. Robinson	✓	
Senator Tom Fischer	✓		Senator Tom Seymour	✓	
Senator Ralph L. Kilzer	✓		Senator Harvey Tallackson		
Senator Karen K. Krebsbach	✓				
Senator Rich Wardner	✓				

Total (Yes) 12 No 0

Absent 2

Floor Assignment Tallackson

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

SB 2010: Appropriations Committee (Sen. Holmberg, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (12 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING). SB 2010 was placed on the Sixth order on the calendar.

Page 1, line 19, replace "(100,000)" with "(100,000)"

Page 1, remove line 20

Page 1, line 21, replace "671,324" with "611,324"

Page 1, line 23, remove "out of any moneys in the general fund in the state"

Page 1, line 24, remove "treasury, not otherwise appropriated, and"

Page 2, line 5, replace "6,320,000" with "6,320,000"

Page 2, remove line 6

Page 2, line 7, replace "14,350,979" with "14,290,979"

Page 2, line 18, replace "\$1,153,804" with "\$1,003,804"

ReNUMBER accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2010 - Insurance Department - Senate Action

	EXECUTIVE BUDGET	SENATE CHANGES	SENATE VERSION
Salaries and wages	\$5,792,602		\$5,792,602
Operating expenses	2,178,377		2,178,377
Grants	6,320,000		6,320,000
National Conference of State Insurance Legislators	60,000	(\$60,000)	
Total all funds	\$14,350,979	(\$60,000)	\$14,290,979
Less estimated income	<u>14,350,979</u>	<u>(60,000)</u>	<u>14,290,979</u>
General fund	\$0	\$0	\$0
FTE	46.50	0.00	46.50

Dept. 401 - Insurance Department - Detail of Senate Changes

	REMOVES FUNDING FOR THE NATIONAL CONFERENCE OF STATE INSURANCE LEGISLATORS ¹	TOTAL SENATE CHANGES
Salaries and wages		
Operating expenses		
Grants		
National Conference of State Insurance Legislators	(\$60,000)	(\$60,000)
Total all funds	<u>(\$60,000)</u>	<u>(\$60,000)</u>

REPORT OF STANDING COMMITTEE (410)
January 26, 2007 2:59 p.m.

Module No: SR-17-1388
Carrier: Tallackson
Insert LC: 78034.0101 Title: .0200

Less estimated income	<u>(60,000)</u>	<u>(60,000)</u>
General fund	\$0	\$0
FTE	0.00	0.00

¹ This amendment removes funding of \$60,000 from special funds for operating expenses associated with legislative members' functions of the National Conference of State Insurance Legislators.

This amendment also amends Section 6 of the bill to decrease the administrative costs allocated to the fire and tornado fund by \$150,000 from \$1,153,804 to \$1,003,804.

Date: 1/30/2007
Roll Call Vote #: 1

2007 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2010

Senate Appropriations Committee

Check here for Conference Committee

Legislative Council Amendment Number 10102

Action Taken Do Pass as amended

Motion Made By Tallackson Seconded By Bowman

Senators	Yes	No	Senators	Yes	No
Senator Ray Holmberg, Chrm			Senator Aaron Krauter	✓	
Senator Bill Bowman, V Chrm	✓		Senator Elroy N. Lindaas	✓	
Senator Tony Grindberg, V Chrm	✓		Senator Tim Mathern	✓	
Senator Randel Christmann	✓		Senator Larry J. Robinson	✓	
Senator Tom Fischer	✓		Senator Tom Seymour	✓	
Senator Ralph L. Kilzer	✓		Senator Harvey Tallackson	✓	
Senator Karen K. Krebsbach	✓				
Senator Rich Wardner	✓				

Total (Yes) 13 No 0

Absent 1

Floor Assignment Tallackson

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

SB 2010: Appropriations Committee (Sen. Holmberg, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (13 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). SB 2010 was placed on the Sixth order on the calendar.

In lieu of the proposed amendments to Senate Bill No. 2010, as printed on pages 207 and 208 of the Senate Journal, Senate Bill No. 2010 is amended as follows:

Page 1, line 2, after the first semicolon insert "to provide an appropriation to the legislative council;"

Page 1, line 19, replace "(100,000)" with "(100,000)"

Page 1, remove line 20

Page 1, line 21, replace "671,324" with "611,324"

Page 1, line 23, remove "out of any moneys in the general fund in the state"

Page 1, line 24, remove "treasury, not otherwise appropriated, and"

Page 2, line 5, replace "6,320,000" with "6,320,000"

Page 2, remove line 6

Page 2, line 7, replace "14,350,979" with "14,290,979"

Page 2, after line 7, insert:

"SECTION 4. APPROPRIATION - LEGISLATIVE COUNCIL. There is appropriated out of any moneys in the insurance regulatory trust fund in the state treasury, not otherwise appropriated, the sum of \$60,000, or so much of the sum as may be necessary, to the legislative council for the purpose of defraying expenses of legislative members attending functions of the national conference of insurance legislators, for the biennium beginning July 1, 2007, and ending June 30, 2009."

Page 2, line 18, replace "\$1,153,804" with "\$1,003,804"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2010 - Summary of Senate Action

	EXECUTIVE BUDGET	SENATE CHANGES	SENATE VERSION
Legislative Council			
Total all funds	\$0	\$60,000	\$60,000
Less estimated income		<u>60,000</u>	<u>60,000</u>
General fund	\$0	\$0	\$0
Insurance Department			
Total all funds	\$14,350,979	(\$60,000)	\$14,290,979
Less estimated income	<u>14,350,979</u>	<u>(60,000)</u>	<u>14,290,979</u>
General fund	\$0	\$0	\$0
Bill Total			
Total all funds	\$14,350,979	\$0	\$14,350,979
Less estimated income	<u>14,350,979</u>		<u>14,350,979</u>

General fund \$0 \$0 \$0

Senate Bill No. 2010 - Legislative Council - Senate Action

	EXECUTIVE BUDGET	SENATE CHANGES	SENATE VERSION
Operating expenses		<u>\$60,000</u>	<u>\$60,000</u>
Total all funds	\$0	\$60,000	\$60,000
Less estimated income		<u>60,000</u>	<u>60,000</u>
General fund	\$0	\$0	\$0
FTE	0.00	0.00	0.00

Dept. 160 - Legislative Council - Detail of Senate Changes

	PROVIDES FUNDING FOR NATIONAL CONFERENCE OF INSURANCE LEGISLATORS ¹	TOTAL SENATE CHANGES
Operating expenses	<u>\$60,000</u>	<u>\$60,000</u>
Total all funds	\$60,000	\$60,000
Less estimated income	<u>60,000</u>	<u>60,000</u>
General fund	\$0	\$0
FTE	0.00	0.00

¹ This amendment appropriates \$60,000 of special funds from the insurance regulatory trust fund to the Legislative Council for defraying expenses of legislative members attending functions of the National Conference of Insurance Legislators during the 2007-09 biennium.

Senate Bill No. 2010 - Insurance Department - Senate Action

	EXECUTIVE BUDGET	SENATE CHANGES	SENATE VERSION
Salaries and wages	\$5,792,602		\$5,792,602
Operating expenses	2,178,377		2,178,377
Grants	6,320,000		6,320,000
National Conference of Insurance Legislators	60,000	(\$60,000)	
Total all funds	\$14,350,979	(\$60,000)	\$14,290,979
Less estimated income	<u>14,350,979</u>	<u>(60,000)</u>	<u>14,290,979</u>
General fund	\$0	\$0	\$0
FTE	46.50	0.00	46.50

Dept. 401 - Insurance Department - Detail of Senate Changes

	REMOVES FUNDING FOR NATIONAL CONFERENCE OF INSURANCE LEGISLATORS ¹	TOTAL SENATE CHANGES
Salaries and wages		
Operating expenses		
Grants		
National Conference of Insurance Legislators	<u>(\$60,000)</u>	<u>(\$60,000)</u>
Total all funds	(\$60,000)	(\$60,000)
Less estimated income	<u>(60,000)</u>	<u>(60,000)</u>

REPORT OF STANDING COMMITTEE (410)
January 31, 2007 8:55 a.m.

Module No: SR-20-1606
Carrier: Tallackson
Insert LC: 78034.0103 Title: .0300

General fund	\$0	\$0
FTE	0.00	0.00

¹ This amendment removes funding of \$60,000 from special funds for operating expenses associated with legislative members' functions of the National Conference of Insurance Legislators.

This amendment also amends Section 6 of the bill as introduced to decrease the administrative costs allocated to the fire and tornado fund by \$150,000 from \$1,153,804 to \$1,003,804.

2007 HOUSE APPROPRIATIONS

SB 2010

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2010

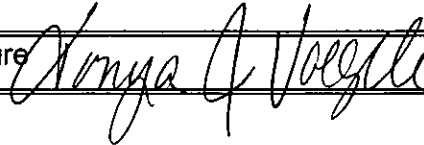
House Appropriations Committee
Government Operations Division

Check here for Conference Committee

Hearing Date: 2/23/07

Recorder Job Number: 3756

Committee Clerk Signature



Minutes:

Vice Chairman Carlisle opened the hearing on Senate Bill 2010.

Jim Poolman, Insurance Commissioner, spoke in support of the bill. See testimony
2010.2.23.07 A

Vice Chairman Carlisle: Sandy, are they part of the equity pool?

Sandy Paulson: Yes, they get \$36,747 total.

Vice Chairman Carlisle: Is that in addition to the \$172,236 they are asking for in the bill?

Sandy Paulson: Yes. It is incase they have other inequities after the \$172,236.

Representative Williams: In going over your budget the Senate didn't make many changes but it appears to me that they took \$60,000 out of the operating line and put it in a separate line item for the Legislative Council. I am curious is this a unique situation where you are funding Legislative Council for people that travel for the insurance conference?

Jim Poolman: Let me give you some history regarding that it may help the committee in their deliberations on the budget. Several sessions ago it might even be before I was on this committee. There was a change to state law that required the ND Insurance Department to provide for the travel expenses for four legislators to attend the National Conference for Insurance Legislators. There were really no restrictions put on that at all. What we did when we

submitted our budget in working with OMB, was to provide \$60,000 specifically a separate line item in our budget for that travel. What the Senate did when they made their change to our budget is that they took that \$60,000 line that was still in our budget and transferred those dollars out of our budget to the Legislative Council so all of the travel for NCOIL will come out the Legislative Council budget.

Vice Chairman Carlisle: So it's in 1001?

Roxanne Woeste: It is still in this bill but the money will be appropriated to Legislative Council.

Representative Williams: What other changes to your budget did the senate make?

Jim Poolman: there was a verbal change for special funds and a drafting error change.

Representative Williams: So other than the line item change and some clean up language, this is the Governor's Budget?

Jim Poolman: Yes.

Representative Skarphol: Why should we tell you how many you have to hire when we could just say how much you have to spend?

Jim Poolman: I would probably agree with what you just said. You would give us a blanket appropriation and allow us to spend that appropriation to provide the services for the people of ND no matter how many people it takes. I think sometimes legislators and me being a former legislator got hung up on specifically how many people you hired. I think that is somewhat misguided.

Representative Skarphol: If we were to give you \$5 million, would things change?

Jim Poolman: Knowing how more people causes more HR problems no. We don't hire people just to have bodies to have fun with around our office. We hire people to get things done.

Representative Skarphol: My point is would you hire less people and pay them higher salaries?

Jim Poolman: Potentially.

Vice Chairman Carlisle: Will you have any turn back this biennium?

Jim Poolman: We are expecting to turn back 16% of our budget. A large percent of our turn back is salaries.

Representative Kroeber: What other bills are floating around out there?

Jim Poolman: 2154 and 1222.

Representative Kroeber: Isn't there another bill about premium increases?

Jim Poolman: That is Senate Bill 2296.

Lois Hartman, Executive Director of the ND Firefighters Association, spoke in support of the bill. See testimony 2010.2-23.07 B and 2010.2.23.07C.

Vice Chairman Carlisle requested a report on what happened last session.

Vice Chairman Carlisle closed the hearing.

