

MICROFILM DIVIDER

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



ROLL NUMBER

DESCRIPTION

2002 /

2007 SENATE APPROPRIATIONS

SB 2021

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2021

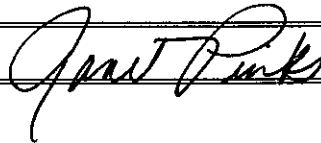
Senate Appropriations

Check here for Conference Committee

Hearing Date: 01/12/07

Recorder Job Number

Committee Clerk Signature



Minutes:

Chairman Holmberg opened the hearing on SB 2021 announcing the subcommittee consists of Senators Krebsbach, Wardner, and Tallackson.

Bob Invig, Chairman, WSI's Board of Directors, testified in support of the SB 2021 budget and indicated he looks forward to working the Appropriations Committee to make sure everything is in line for the upcoming biennium.

Sandy Blunt, Executive Director and CEO, Workforce Safety & Insurance (WSI), presented written testimony (1) in support of SB 2021. He provided information about the agency, the legislative and operational reforms and requested the budget be increased to the originally approved appropriation request. He also discussed the proposed amendment to SB 2015 which will exempt the agency from state employee general compensation increases. Several questions were raised; if the request for exemption was honored, would there be sufficient dollars to meet the 4/4 increase, what will the shortfall be in terms of dollars, clarification about the original request of 3.5/3.5 increase, question on the scheduled investigations, if additional information could be provided on the contracted employees, why the contracts are listed by biennium and are the investigations for providers or employees,

what the interest in the building is and how it is financed, what percentage of the building is leased and on the claims and hearing processes.

Allen Knudsen was asked to clarify the salary increases for WSI.

Chairman Holmberg asked if Mr. Blunt would be present at Mondays hearing on the pay portion and asked what the reason was to be exempt, was it because of the 4/4 or because it is relating to the pay per performance. He also indicated that last interm there was confusion about whether the 4/4 applied to WSI, did they get more of an increase then other agencies.

Chairman Holmberg closed the hearing on SB 2021.

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2021

Senate Appropriations Committee

Check here for Conference Committee

Hearing Date: 01-17-07

Recorder Job Number: 1307

Committee Clerk Signature

Alice Ruber

Minutes:

Senator Krebsbach, Chair for the Subcommittee on SB 2021 opened the hearing on 01-17-07 on SB 2021 relating to Workforce Safety and Insurance (WSI). Senators Wardner and Tallackson were present and are members of the Subcommittee on SB 2021. Senator Krebsbach did request from the Bureau their information on their performance appraisal stating she has received that document. The other members of the subcommittee are welcome to it and she will try to analyze what she can from it for the Senator's benefit. The purpose of this Subcommittee is to look at the original request and what was presented in the Governor's budget. She also stated there may be an executive summary that will give her a lot of information.

Written Testimony (1) was presented by WSI which is a 2007-2009 Biennium Budget Proposal.

Jim Lang, CHR stated that what she has in that document is the explanation of the HAY group, the performance system, our policies, some of the forms we use depending on our director level, self appraisals, but if the Subcommittee is looking for something specific Mr. Lang will assist the Senators in locating that item.

Written testimony (1) – 2007-2009 Biennium Budget Proposal was presented. He also shared concerns concerning FTE's. There is a need for 5 Claims Adjusters. Their office is short 9.2

Adjusters. He presented Written Testimony (2) Claims Load and stated their office did not have enough Adjusters to manage the amount of claims coming in.

Written Testimony (3) Claims' Adjuster Payback Based upon Ability to Adjudicate 90% of Claims Within 14 Days compared with FY06 Adjudication Levels (Annual Impact) was explained to the subcommittee. The question was raised why their office only asked for 5 FTE's when they really need 9.2. He explained that with the addition of nine new people their office might not be able to fully train them and because of their proactive safety issues we anticipate our claims will go down. In regards to our Safety personnel we are asking for 4 additional Loss Prevention FTE's to proactively help prevent injuries. Written testimony (4) Safety FTE Return on Investment (ROI) which reflects the investment for the safety people.

He explained the average cost of time loss claim. You don't want anyone to get hurt, so if you can prevent injuries, you should. We have a Safety Outreach Program, written testimony (5) – Impact of Proactive Safety Programs chart which shows reduction of injuries of those enrolled in the program. The people in the Safety Outreach Program focus on employers.

There is also a need for an IT FTE because of the new software platform.

At this time Senator Krebsbach asked the members of the committee to introduce themselves and they are as follows: Sandy Paulson, OMB, a Budget Analyst; Jim Long, Chief of Support Systems for WSI; Cindy Ternes, Director of Finances of WSI; Brandi Fagerland, IQ Manager of WSI; Mark Armstrong, WSI Communications Executive; Sheila Peterson, OMB.

Senator Wardner asked when claims come in is the expense greater to the Bureau the longer it takes to get resolved.

Jim Long When people are hurt they may submit a claim but keep on working anyway. As he/she continues to work because he has not heard back from the bureau regarding his injuries the situation could get worse over time and it probably could have been fixed with

simple bed rest or similar minor treatment if treated immediately. The injured party also may have concerns about lost wages. This office would prefer that the injured party would have his injuries checked out as soon as possible.

Mark Armstrong stated that an injury report should be filed as quickly as possible to get the medical plan and medicine required as soon as possible so we can get them into the system quickly as that will offer some peace of mind to the injured party. It's a dollar and cents thing but it is also compassion so that they don't just languish out there and keep wondering what is going to happen to me, are they going to pay my claim, is it accepted. We get the best medicine and the best experts particularly on the more serious claims on as quickly as possible so that they have some peace of mind as well.

Senator Tallackson The average person would think your policy would have an awful lot to do with the settlement of claims. If you are tough on the claims this would drag out, you'd have hearings and rehearings so it seems to me the policy you establish with your board would have a lot to do with it.

Jim Long stated they want people back to work as soon as possible.

Senator Krebsbach commented that Sandy Blunt, CEO of WSI is out of town today but will be back next time we meet and will attend our meeting. She also asked how many new FTE's the Bureau is requesting.

Jim Long gave this information: 15 new FTE's; 5 Claims Adjusters, 2 Loss Control; 4 Loss Prevention; 1 IT; 1 Underwriter (Policy Holder Supervisor); 1 Return to Work Specialist, and 1 Facilities Maintenance transferring from temporary to FTE position.

Senator Krebsbach asked if there was any area of compromise on any of these positions. She also requested information regarding FTE count over past 5 years, Income, and Claims Payments in the last 5 years. Also would like the break structure from their Bureau for the

employer community for the past 5 years. She asked if both of the other Senators were ok with this request or wanted any other information from this Bureau.

Senator Wardner asked for an explanation of the HAY group market adjustments.

Senator Tallackson requested an audit report and if there is a difference between their report and the State Auditor's report.

Jim Long requested to be specifically excluded from SB 2015 and SB2189 in reference to the form for the marketing increase because our Bureau wants to do that on our own.

Sheila Peterson asked for the total costs of the 15 FTE's. She was informed that the 2007-2009 Biennium Budget Proposal (1) does give that information.

Senator Tallackson asked Mr. Long to explain why his Department does not want to be under the Governor's pay plan and where his employees stand in the insurance plan proposed.

Jim Long stated for one thing it won't allow for pay performance. Secondly we have asked for less money than what the governor is providing because our employees received a raise when the other state employees did not. He stated that his office would gladly fall under whatever the state's insurance program is. His concern regarding falling under the governor's increase is directed toward the market increase which their office has already done.

Senator Krebsbach asked if their office wants to do, rather than the 4 and 4, a 3 .5 for each year. And then the difference between what the Governor put into his budget of the 4% and 3.5%, how would that reconcile.

Senator Wardner looking at the charts and records provided, it looks like the Governor gives you more than you asked for.

Sheila Peterson stated that the chart shows the health insurance that they added in.

Senator Krebsbach requested a breakdown on that alone.

Senator Wardner asked how that will affect their employees and if there will be a problem there. They'll say they are not treated the same as the rest of the state employees.

Mark Armstrong I would hope that their employees recognize that they have been rewarded with the market adjustments and the raises last year and the 4 and 4 last year that all employees got double adjustments over the last two years. The HAY group came in, we had an all-employee meeting where this was all explained. Every one got market adjustments, which we call XYZ adjustments based on length of services. Subsequent of that we were told because of the Attorney General's opinion we were going to get an additional increase on top of that. He stated he hopes the employees will see this is a fare compromise. We are a pay-per-performance system, so some people will get a 2% increase, some people may get a 5% increase based on their performance and level of work

Jim Long stated the HAY group did look at our pay per performance structure and made some changes. They looked at other agencies that could compare to the work his agency does and came up with insurance agencies in 6 states. Looking at these records we can see we are losing our employees because of salaries and work load. It is very expensive because we have trained them and don't want to loose them. It is a good investment because you don't want people who work as hard as a claims adjuster look at other markets and leave because the pay level is higher in the private sector or even in another type of business. It is also a direct impact on the moral of the staff.

Senator Krebsbach asked if in the last session they did a market increase and asked if there was an average or a dollar amount that went along with that. She also asked what the total cost was of that market adjustment.

The following is a list of Exhibits submitted to the Subcommittee at their first meeting.

1. 2007-2009 Biennium Budget Proposal Chart.

2. Claims Load Chart.
3. Claims' Adjuster Payback Chart
4. Safety FTE Return on Investment (ROI) Chart
5. Impact of Proactive Safety Programs Chart
6. WSI Payroll by Month Chart
7. .Workforce Safety and Insurance 2005-06 Quick Facts Chart.

Senator Krebsbach closed the subcommittee hearing on SB 2021.

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2021

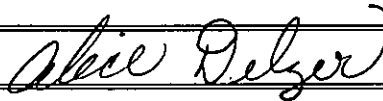
Senate Appropriations Committee

Check here for Conference Committee

Hearing Date: 01-23-07

Recorder Job Number: 1699

Committee Clerk Signature



Minutes:

Senator Krebsbach opened the subcommittee hearing on SB 2021 at 2:30 pm on January 23, 2007 in reference to Workforce Safety and Insurance (WSI). Those present were: Senators Wardner and Tallackson, from WSI – Jim Long, Tim Schenfisch, Brandi Fagerland, Sandy Blunt, and Cindy Ternes; from OMB – Sandy Paulson and Sheila Peterson.

Written Testimony (1) Service Contract Supervisor Development Workshops was distributed to the committee.

Discussion followed regarding the requests for an additional 15 FTE's . Senator Krebsbach stated this subcommittee would like to have a little more justification regarding the additional FTE's asked for by WSI.

Sandy Blunt, CEO of WSI shared the reasons the department needs more FTE's; Claims are going up, more detailed work is required of the adjusters, and the need to provide better service overall to the employer and employee in getting prompt medical attention, getting into the medical plan and the industry's finding is that the cost is not the reason but rather not being able to manage the claims that come into the office.

Senator Krebsbach asked why there is a need for an increase in employees if safety training has reduced the amount of claims filed with their office. The question was also asked if there is a shift in injury types.

Sandy Blunt responded by stating there is a trend that there is fewer severe claims filed than less severe claims. But in the Industry as a whole they anticipate claims going up.

Discussion followed regarding time loss claims, wages lost, and medical only claims.

Senator Tallackson had questions concerning serious disability claims.

Discussion followed about Safety Workshops. The need for FTE's in this program is crucial as proper training for the Employer-employee will hopefully eliminate many serious claims.

Questions were asked about Contract employees. Comments were that it would be a savings for the Department to have a FTE instead of contract employees.

Senator Wardner asked questions regarding what is included in the governor's budget. He was informed that the three items are: 15 FTE's, Market Adjustment, and Professional Development and Operations.

Senator Krebsbach asked where the dollars came from for the pay-per-performance that you gave last time.

Senator Wardner requested explanation of columns on charts and asked about travel and operating expenses.

Discussion followed regarding increase in wages, contract services, reduction in budget request in operating expenses, increase in traveling staff and the expenses involved with travel.

Senator Krebsbach asked if the biggest part of the budget request that the governor's budget did not include was the 15 FTE's requested.

Sandy Paulson explained the budget and the salary increase.

Jim Long emphasized again the importance of the market competition and their office being able to attract employees with the expertise they need to do the work required of them.

Senator Wardner stated this subcommittee needs to zero in on the 15 FTE issues.

Senator Tallackson requested a recap on the positions of the new 15 FTE's and if the Bureau can absorb the expense without raising premiums. He also asked how do they establish the rates for each business and if it is an industry standard. He also asked how many bills they have in this session.

Sandy Blunt stated that they do an industry review and stated they have 5 bills and they are supporting some of the other bills in this session.

Senator Tallackson stated the committee is kind of caught in the middle of the debate with the governor and your committee and asked for comments regarding that.

Sandy Blunt said the Board supported remaining as we are, It is free from political influence and we are a better managed system then we were 10 years ago. Statements were made concerning the contract employees, costs of storing files, need to increase imaging and scanning.

Again the importance of the 15 FTE's was questioned and stressed by the Department that they have done all they can to see if they could operate without the 15 FTE's and with the advise from HAY Group and Opticon, they need these employees to handle the work load properly and efficiently. The claims do not settled soon enough, the moral of the employees because of overload, the safety people over worked, the fact that their jobs are very time consuming and stressful all are instrumental in our request for the additional 15 FTE's.

Senator Tallackson asked how many people are on the Board and how often do they meet. There are 11 members, all appointed by the Governor and they meet quarterly.

Senator Wardner had questions regarding the budget process. The comment was made if the budget requests are not granted they have two options: 1. Lay people off 2. Take back the raises that were given. Further discussion followed stating you cannot take the raises back, and that we have to dig a little deeper to find the funding. Questions were raised again about

the pay per performance plan the department uses, and making sure the language is submitted into the budget proposals.

Comments were made by the Senators regarding SB 2189 and SB 2015, the fact they are on the way to the House. All three Senators feel better about the requests made by the WSI Department and will study the requests more. The staff at WSI stated they would be available anytime for more deliberation if needed.

Senator Krebsbach stated if there needed to be another meeting by the Subcommittee with WSI they will be contacted. Senator Krebsbach closed the subcommittee meeting on SB2021.

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2021

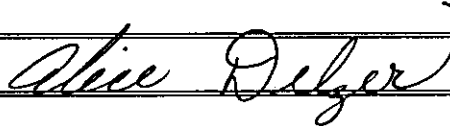
Senate Appropriations Committee

Check here for Conference Committee

Hearing Date: 02-06-07

Recorder Job Number: 2960

Committee Clerk Signature



Minutes:

Chairman Krebsbach opened the Subcommittee hearing on SB 2021 on February 6, 2007.

Senators Wardner and Tallackson are on this subcommittee and were present at this meeting. Others present at this meeting were Jim Long, Cindy Ternes and Sandy Blunt from WSI, Roxanne Woeste from Legislative Council, and Sheila Peterson from OMB.

Discussion followed regarding Performance and Merit Records, whether the final audit was taken to emergency, questions regarding the Safety fund, the Professional Development Program, if everyone understands and is comfortable in their department regarding performance and merit pay raises, discussion about the 4 and 4 plan, the reserve fund, questions regarding increasing the amount of money that is invested and if there is an amendment on reserve fund. A chart that had been introduced in a prior meeting was explained to the Subcommittee by Sandy Blunt. Questions were asked regarding safety training, premium rates, administrative costs, death claims, and other information was requested regarding firemen's death benefits that might be covered in another bill. Questions were raised regarding the need for all of the FTE's the Department is requesting. The Subcommittee was assured by WSI that they felt very strongly that they need all of the positions that they are seeking to provide the people of North Dakota the best service the Department can offer. They are very concerned about injuries, lost time from work, and getting

Page 2

Senate Appropriations Committee

Bill/Resolution No. 2021

Hearing Date: 02-06-07

people in for medical care as soon as possible. The fact they have to meet legal requirements was discussed. The development of new energy and impact on claims, questions regarding the oil industry and a detailed report concerning claims filed will be provided to the Subcommittee.

The Subcommittee hearing on SB 2021 closed.

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2021

Senate Appropriations Committee

Check here for Conference Committee

Hearing Date: 02-09-07

Recorder Job Number: 3333

Committee Clerk Signature

Alice Dehner

Minutes:

Senator Holmberg opened the hearing on SB 2021 on February 9, 2007. He passed the amendments out to the committee members.

Senator Krebsbach made comment that Senator Tallackson, who was on the Subcommittee is not here today, but she is confident that he would approve of all the amendments that have been prepared. She then asked Senator Wardner to explain the amendments. He asked for a do pass on the amendment and the bill.

Senator Wardner moved a DO PASS THE AMENDMENT AS CHANGED, Seconded by Senator Krebsbach. The motion carried with 1 nay vote.

Discussion followed.

Senator Christman had questions regarding the 4 and 4 plan.

Senator Mathern questioned the word periodically in section 5 concerning the report. He felt WSI needed further direction concerning how often a report needed to be submitted. It was discussed by both **Senators Wardner and Krebsbach** and they both stated the wording needed to be changed to have a quarterly report.

Chairman Holmberg stated the amendment will be changed by Legislative Council concerning this matter.

Senator Robinson expressed concern over many issues concerning WSI, the Pay Per Performance issue, the calls from injured workers, the governor's budget and the Agency's response to it were some of the issues that need to be solved. He commended the Subcommittee for their hard work concerning this bill and the WSI Agency.

Chairman Holmberg shared what had happened last session and also commended the subcommittee for their dedicated work concerning the Workforce and Safety Department.

Senator Bowman stated he served on the Audit and Fiscal Review Committee and heard the audit on it and there were some things that were disturbing but it wasn't anything so alarming that it scared me.

Senator Krebsbach stated the WSI Agency was extremely cooperative and provided the information the committee had requested. She also thanked Senator Wardner for the work he has done in researching the issues regarding this agency and this bill. She stated that there's a lot of good going on over in that agency that has gotten totally clouded by the Audit report and we need to concentrate on the good things too.

Chairman Holmberg stated we have a motion on the floor which is for the amendments as we have changed them by adding "Quarterly", all in favor of the amendment say aye.

Senator Krebsbach moved a DO PASS AS AMENDED, Seconded by Senator Wardner. A roll call vote was taken resulting in 9 yeas, 3 nays, 2 absent. The motion carried.

Senator Wardner will carry the bill.

Senator Krebsbach stated that Senator Tallackson would be in agreement with the decisions of the subcommittee. The only thing he hasn't seen and she was sure he would not object to the last amendment we added regarding adding the word "Quarterly" as well as reporting to the budget committee. I request that Senator Wardner carry the bill if he so desires.

The hearing on SB 2021 closed.

Sub 2
2-6-07
SB2021

PROPOSED AMENDMENTS TO SENATE BILL NO. 2015

Page 5, line 16, after the period insert:

Any general salary increases provided for in this Act do not apply to Workforce Safety and Insurance. It is the intent of the Sixtieth Legislative Assembly that Workforce Safety and Insurance provide salary increases throughout the 2007-09 biennium based on Workforce Safety and Insurance's separate merit and performance system.

Renumber Accordingly

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2021

Page 1, line 2, after "insurance" insert "; to provide an appropriation for the labor commissioner"

Page 1, after line 17, insert:

"SECTION 4. APPROPRIATION. There is appropriated out of any moneys from special funds derived from the workforce safety and insurance fund, not otherwise appropriated, to the labor commissioner for the purpose of implementing the provisions of Senate Bill No. 2292, for the biennium beginning July 1, 2007, and ending June 30, 2009, as follows:

Salaries and wages	\$966,399
Operating expenses	<u>105,920</u>
Total special funds appropriation	\$1,072,319"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment provides an appropriation to the Labor Commissioner of \$1,072,319 from the workforce safety and insurance fund for implementing the provisions of Senate Bill No. 2292. This amendment also authorizes 5 new FTE for the Labor Commissioner, 4 FTE transferred from Workforce Safety and Insurance and 1 new FTE position.

PROPOSED AMENDMENTS TO SENATE BILL NO. 2021

Page 1, line 2, after "insurance" insert "; to provide legislative intent; and to provide for a report"

Page 1, line 12, replace "16,497,988" with "19,750,731"

Page 1, line 17, replace "50,020,989" with "53,273,732"

Page 1, after line 17, insert:

"SECTION 4. INTENT - STATE EMPLOYEE COMPENSATION ADJUSTMENTS - GUIDELINES. It is the intent of the sixtieth legislative assembly that the general salary increases provided for in Senate Bill No. 2189 do not apply to workforce safety and insurance. Workforce safety and insurance may provide salary increases during the 2007-09 biennium based on the agency's merit and performance system.

SECTION 5. PERFORMANCE AUDIT RECOMMENDATIONS - REPORT TO THE BUDGET SECTION. Workforce safety and insurance shall report periodically to the budget section on the agency's status of implementing the performance audit recommendations of the state auditor."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2021 - Workforce Safety and Insurance - Senate Action

	EXECUTIVE BUDGET	SENATE CHANGES	SENATE VERSION
Workforce Safety and Insurance	<u>\$50,020,989</u>	<u>\$3,252,743</u>	<u>\$53,273,732</u>
Total all funds	\$50,020,989	\$3,252,743	\$53,273,732
Less estimated income	<u>50,020,989</u>	<u>3,252,743</u>	<u>53,273,732</u>
General fund	\$0	\$0	\$0
FTE	223.14	14.00	237.14

Dept. 485 - Workforce Safety and Insurance - Detail of Senate Changes

	PROVIDES FUNDING FOR 14 NEW FTE POSITIONS ¹	PROVIDES FUNDING FOR SALARY INCREASES AND OPERATING EXPENSES ADJUSTMENTS ²	TOTAL SENATE CHANGES
Workforce Safety and Insurance	<u>\$1,821,456</u>	<u>\$1,431,287</u>	<u>\$3,252,743</u>
Total all funds	\$1,821,456	\$1,431,287	\$3,252,743
Less estimated income	<u>1,821,456</u>	<u>1,431,287</u>	<u>3,252,743</u>
General fund	\$0	\$0	\$0
FTE	14.00	0.00	14.00

¹ This amendment provides funding (salaries and wages and related operating expenses) for the following 14 new FTE positions:

	FTE	AMOUNT
Information services position	1.00	\$131,238
School monitoring specialist	1.00	113,986
Underwriter	1.00	130,726
Loss prevention representatives	4.00	723,656

Loss control representatives	2.00	270,800
Claims adjusters	<u>5.00</u>	<u>451,050</u>
Total	14.00	\$1,821,456

² This amendment provides funding of \$1,176,690 for pay for performance increases and market salary increases and funding of \$254,597 for other operating expenses.

This amendment also:

- Adds a section providing that the general salary increases provided for in Senate Bill No. 2189 do not apply to Workforce Safety and Insurance and Workforce Safety and Insurance may provide salary increases during the 2007-09 biennium based on the agency's merit and performance system.
- Adds a section providing the Workforce Safety and Insurance report to the Budget Section regarding the agency's status of implementing the performance audit recommendations of the State Auditor.

Date: 2/9/07
Roll Call Vote #:

2007 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2021

Senate Appropriations Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken do pass as amend.

Motion Made By Krebsbach 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) 9 No 3

Absent 2

Floor Assignment Sen B Wardner

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

REPORT OF STANDING COMMITTEE

SB 2021: Appropriations Committee (Sen. Holmberg, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (9 YEAS, 3 NAYS, 2 ABSENT AND NOT VOTING). SB 2021 was placed on the Sixth order on the calendar.

Page 1, line 2, after "insurance" insert "; to provide legislative intent; and to provide for a report"

Page 1, line 12, replace "16,497,988" with "19,750,731"

Page 1, line 17, replace "50,020,989" with "53,273,732"

Page 1, after line 17, insert:

"SECTION 4. INTENT - STATE EMPLOYEE COMPENSATION ADJUSTMENTS - GUIDELINES. It is the intent of the sixtieth legislative assembly that the general salary increases provided for in Senate Bill No. 2189 do not apply to workforce safety and insurance. Workforce safety and insurance may provide salary increases during the 2007-09 biennium based on the agency's merit and performance system.

SECTION 5. PERFORMANCE AUDIT RECOMMENDATIONS - REPORT TO THE BUDGET SECTION. Workforce safety and insurance shall report quarterly to the budget section on the agency's status of implementing the performance audit recommendations of the state auditor."

Re-number accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2021 - Workforce Safety and Insurance - Senate Action

	EXECUTIVE BUDGET	SENATE CHANGES	SENATE VERSION
Workforce Safety and Insurance	<u>\$50,020,989</u>	<u>\$3,252,743</u>	<u>\$53,273,732</u>
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Less estimated income	<u>50,020,989</u>	<u>3,252,743</u>	<u>53,273,732</u>
General fund	\$0	\$0	\$0
FTE	223.14	14.00	237.14

Dept. 485 - Workforce Safety and Insurance - Detail of Senate Changes

	PROVIDES FUNDING FOR 14 NEW FTE POSITIONS ¹	PROVIDES FUNDING FOR SALARY INCREASES AND OPERATING EXPENSES ADJUSTMENTS ²	TOTAL SENATE CHANGES
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Total all funds	\$1,821,456	\$1,431,287	\$3,252,743
Less estimated income	<u>1,821,456</u>	<u>1,431,287</u>	<u>3,252,743</u>
General fund	\$0	\$0	\$0

FTE 14.00 0.00 14.00

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	FTE	AMOUNT
Information services position	1.00	\$131,238
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Total	14.00	\$1,821,456

² This amendment provides funding of \$1,176,690 for pay for performance increases and market salary increases and funding of \$254,597 for other operating expenses.

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- Adds a section providing the Workforce Safety and Insurance report to the Budget Section regarding the agency's status of implementing the performance audit recommendations of the State Auditor.

2007 HOUSE APPROPRIATIONS

SB 2021

