

**Department 401 - Insurance Commissioner, including Insurance Tax Payments to Fire Departments
House Bill No. 1010**

| | FTE Positions | General Fund | Other Funds | Total |
|--------------------------------------|----------------------|---------------------|--------------------|-------------------------|
| 2001-03 Schafer Executive Budget | 44.50 | | \$11,267,078 | \$11,267,078 |
| 1999-2001 Legislative Appropriations | 45.50 | | 11,024,989 | 11,024,989 ¹ |
| Increase (Decrease) | (1.00) | \$0 | \$242,089 | \$242,089 |

| | | | | |
|---------------------------------------|-------|-----|--------------|--------------|
| 2001-03 Hoeven Executive Budget | 44.50 | | \$11,267,078 | \$11,267,078 |
| Hoeven Increase (Decrease) to Schafer | 0.00 | \$0 | \$0 | \$0 |

¹ The 1999-2001 appropriation amounts include \$10,752 of other funds for the agency's share of the \$5.4 million funding pool appropriated to the Office of Management and Budget (OMB) for special market equity adjustments for classified employees and \$944 of other funds for the agency's share of the \$1.4 million funding pool appropriated to OMB for assisting agencies in providing the \$35 per month minimum salary increases in July 1999 and July 2000.

Major Schafer Recommendations Affecting Insurance Commissioner 2001-03 Budget

| | General Fund | Other Funds | Total |
|--|---------------------|--------------------|--------------|
| 1. Provides the commissioner a market equity salary increase of \$161.83 per month effective January 1, 2002 (the amount included in the executive budget is \$5,401 more than the required amount of \$3,401). (The House reduced funding for the commissioner's market equity salary increase by \$5,401.) | | \$8,802 | \$8,802 |
| 2. Removes funding for 1 FTE nonclassified professional position. (The House restored funding for this position.) | | (\$127,015) | (\$127,015) |
| 3. Increases funding for operating line for data processing (\$29,863), software (\$18,043), and insurance (\$14,001). | | \$61,907 | \$61,907 |
| 4. Includes \$5.2 million from the insurance tax distribution fund for payments to fire departments, the same level of funding provided for the 1999-2001 biennium. | | | |
| 5. Includes the statutory changes necessary to increase the commissioner's salary as follows: | | | |

Annual Salary Authorized by the 1999 Legislative Assembly

July 1999 - June 2000 \$58,262
July 2000 - December 2000 \$59,428
January 2001 - June 2001 \$62,855

Proposed Annual Salary Recommended in the 2001-03 Executive Budget

July 2001 - December 2001 \$64,742
January 2002 - June 2002 \$66,684
July 2002 - June 2003 \$68,018

**Major Hoeven Recommendations Affecting Insurance Commissioner 2001-03 Budget
Compared to the Bill as Introduced (Schafer Budget)**

The Hoeven executive budget did not change the Schafer executive budget recommendation.

Major Legislation Affecting the Insurance Commissioner

House Bill No. 1143 provides the commissioner with the authority to determine and adjust a fee schedule for boiler inspections. (This bill has passed the House.)

House Bill No. 1391 provides for changes relating to the membership of the petroleum tank board and the petroleum tank fund. (At the present time, the House has not yet acted upon this bill.)

House Bill No. 1419 provides an appropriation of \$150,000 from the workers' compensation fund to the Insurance Commissioner for conducting a study of workers' compensation insurance during the 2001-02 interim. (At the present time, the House has not yet acted upon this bill.)

Senate Bill No. 2288 requires the Insurance Commissioner to establish a personal injury protection examination program. (At the present time, the Senate has not yet acted upon this bill.)

Summary of Legislative Changes Resulting From First House Action

See Statement of Purpose of Amendment (attached).