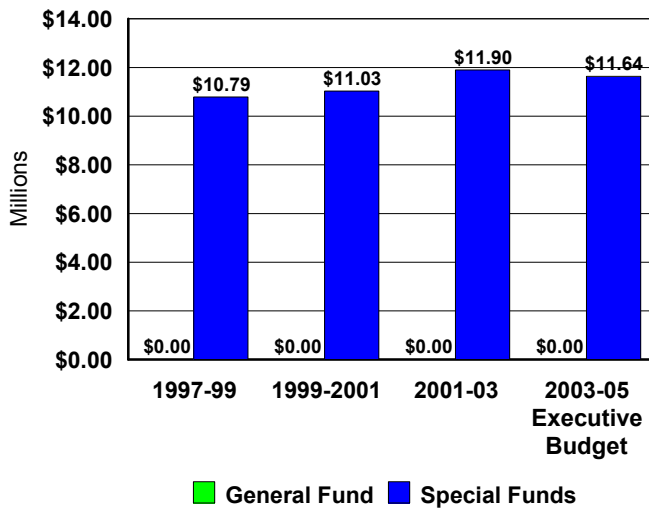


**Department 401 - Insurance Commissioner, Including Insurance Tax Payments to Fire Departments
 Senate Bill No. 2010**

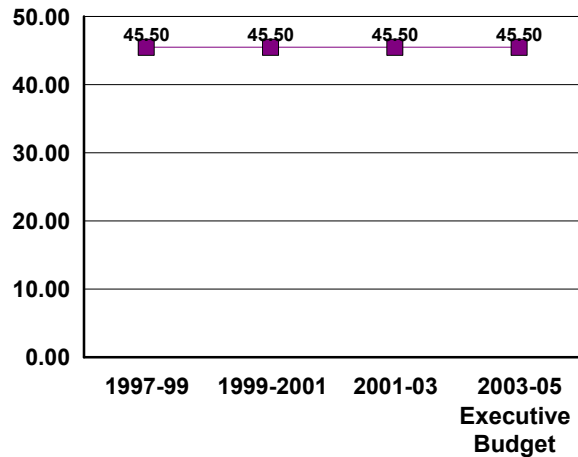
	FTE Positions	General Fund	Other Funds	Total
2003-05 Executive Budget	45.50	\$0	\$11,642,337	\$11,642,337
2001-03 Legislative Appropriations	45.50	0	11,898,773	11,898,773 ¹
Increase (Decrease)	0.00	\$0	(\$256,436)	(\$256,436)

¹ The 2001-03 appropriation amounts include \$19,375 of other funds for the agency's share of the \$5 million funding pool appropriated to the Office of Management and Budget for special market equity adjustments for classified employees.

Agency Funding



FTE Positions



Executive Budget Highlights

	General Fund	Other Funds	Total
1. Removes one-time funding provided in the 2001-03 biennium relating to the study of evaluating health insurance coverage mandates		(\$250,000)	(\$250,000)
2. Removes funding relating to the payment for cost-benefit analyses of 2005 Legislative Assembly measures mandating health insurance coverage (North Dakota Century Code Section 54-03-28 requires these analyses)		(\$55,000)	(\$55,000)
3. Removes one-time funding provided in the 2001-03 biennium for remodeling (\$67,000) and adjusts funding for operating expenses, including a:		(\$235,672)	(\$235,672)
a. Decrease for professional services - \$83,000			
b. Decrease for office equipment under \$5,000 - \$80,051			
c. Increase for information technology equipment under \$5,000 - \$59,365			
d. Decrease for lease or rent of buildings and land - \$43,000			
e. Decrease for information technology software and supplies - \$27,024			
f. Decrease for information technology processing - \$23,399			
4. Provides funding for the development of an information technology imaging system		\$62,522	\$62,522

5. Includes \$5,304,000 from the insurance tax distribution fund of which \$5.2 million is for insurance tax payments to fire departments and \$104,000 is for two equal payments to the North Dakota Firefighter's Association, the same level of funding provided for the 2001-03 biennium
6. Includes the statutory changes necessary to increase the commissioner's salary as follows:

Annual Salary Authorized by the 2001 Legislative Assembly

July 2001-December 2001 - \$64,742

January 2002-June 2002 - \$66,684

July 2002-June 2003 - \$68,018

Proposed Annual Salary Recommended in the
2003-05 Executive Budget

July 2003-December 2003 - \$68,018

January 2004-December 2004 - \$68,696

January 2005-June 2005 - \$70,070

Major Related Legislation

Senate Bill No. 2010 - Administrative costs of special funds - Senate Bill No. 2010 provides for administrative costs allocated to the bonding fund, fire and tornado fund, unsatisfied judgment fund, and the petroleum tank release compensation fund. The following schedule provides information regarding the administrative costs allocated to each special fund. The decreases from the 2001-03 biennium will result in an increase of \$75,000 of Insurance Department administrative costs being provided from the insurance regulatory trust fund.

	2001-03 Biennium Legislative Appropriation	2003-05 Biennium Executive Recommendation	Increase (Decrease)
Bonding fund	\$67,431	\$35,000	(\$32,431)
Fire and tornado fund	\$831,145	\$813,576	(\$17,569)
Unsatisfied judgment fund	\$60,000	\$35,000	(\$25,000)
Petroleum tank release compensation fund	\$80,000	\$80,000	\$0

Other

Section 1 of Senate Bill No. 2010 should be amended as it appropriates \$5,304,000 from the insurance regulatory trust fund for making payments of insurance premiums to fire departments (\$5,200,000) and to the North Dakota Firefighter's Association (\$104,000) as the funding is also appropriated from the insurance tax distribution fund in Section 2 of the bill.