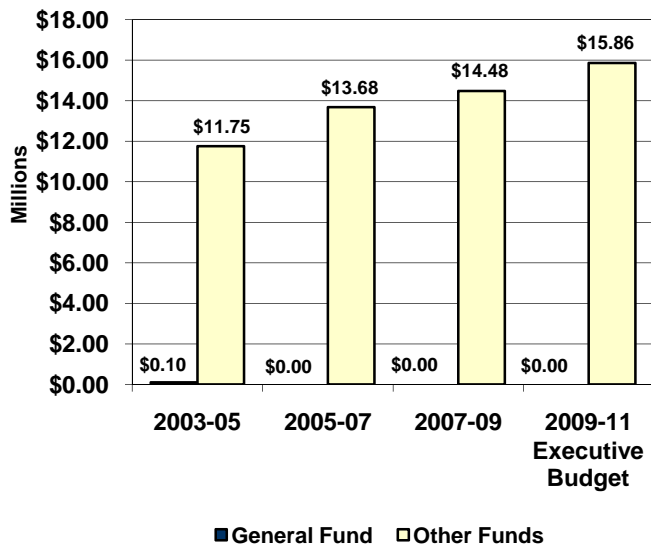


**Department 401 - Insurance Commissioner, Including Insurance Tax Payments to Fire Departments
 House Bill No. 1010**

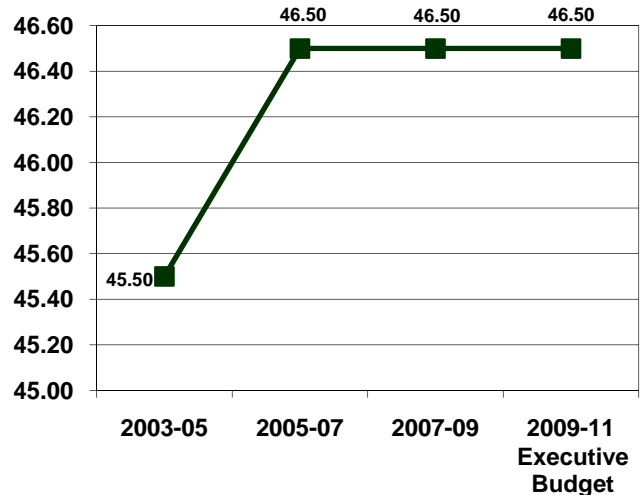
	FTE Positions	General Fund	Other Funds	Total
2009-11 Executive Budget	46.50	\$0	\$15,861,006	\$15,861,006
2007-09 Legislative Appropriations	46.50	0	14,482,107	14,482,107 ¹
Increase (Decrease)	0.00	\$0	\$1,378,899	\$1,378,899

¹The 2007-09 appropriation amounts include \$26,983 of other funds for the agency's share of the \$10 million funding pool appropriated to the Office of Management and Budget for special market equity adjustments for classified employees. The 2007-09 appropriation amounts do not include \$50,000 of additional special funds authority resulting from Emergency Commission action during the 2007-09 biennium.

Agency Funding



FTE Positions



First House Action

Attached is a summary of first house changes.

**Executive Budget Highlights
 (With First House Changes in Bold)**

	General Fund	Other Funds	Total
1. Provides funding of \$139,510 to address salary equity issues, including funding of \$6,644 for the related second-year salary increase. The House removed this funding.		\$139,510	\$139,510
2. Increases grant funding to the North Dakota Firefighters Association to provide total funding of \$790,000. Of the total amount, \$620,000 is from the insurance tax distribution fund and \$170,000 is from the state fire and tornado fund. The House reduced the increase in grant funding for the North Dakota Firefighters Association by \$120,000 to provide total funding of \$670,000. The funding source for the grant was also changed and funding is now provided from the insurance tax distribution fund (\$300,000), the fire and tornado fund (\$170,000), and from federal funding (\$200,000).		\$500,000	\$500,000
3. Includes \$6,200,000 from the insurance tax distribution fund for insurance tax payments to fire departments, the same amount as provided during the 2007-09 biennium			
4. Includes \$10,000 of special funds relating to the payment of cost-benefit analyses of legislative measures mandating health insurance coverage, \$45,000 less than the level of funding provided for the 2007-09 biennium			

Other Sections in Bill

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 following schedule provides information regarding the administrative costs allocated to each special fund. The increases from the 2007-09 biennium will result in a decrease of \$442,847 of Insurance Department administrative costs being provided from the insurance regulatory trust fund.

	2007-09 Biennium Legislative Appropriation	2009-11 Biennium Executive Recommendation	Increase (Decrease)
Bonding fund	\$44,131	\$41,518	(\$2,613)
State fire and tornado fund	\$1,003,804	\$1,454,159	\$450,355
Unsatisfied judgment fund	\$16,546	\$24,087	\$7,541
Petroleum tank release compensation fund	\$108,674	\$96,238	(\$12,436)

Section 7 provides \$150,000 from the anhydrous ammonia storage facility inspection fund to pay for anhydrous ammonia tank inspection costs, the same amount as provided during the 2007-09 biennium.

Section 8 provides that \$200,000 of federal funds received by the Department of Emergency Services is to be transferred to the Insurance Commissioner for the purpose of providing a grant to the North Dakota Firefighters Association.

Section 9 provides the statutory changes necessary to increase the commissioner's salary as follows:

Annual salary authorized by the 2007 Legislative Assembly:

July 1, 2007	\$76,511
July 1, 2008	\$79,571

Proposed annual salary recommended in the 2009-11 executive budget:

July 1, 2009	\$83,550
July 1, 2010	\$87,728

Continuing Appropriations

No continuing appropriations for this agency.

Major Related Legislation

House Bill No. 1136 - This bill amends North Dakota Century Code Sections 26.1-01-07 and 26.1-01-08.1 relating to fees chargeable by the Insurance Commissioner.

ATTACH:1