

STATEMENT OF PURPOSE OF AMENDMENT:**House Bill No. 1010 - Funding Summary**

	Executive Budget	Final Legislative Action	Comparison To Executive Budget
Insurance Department			
Salaries and wages	\$6,598,742	\$6,335,670	(\$263,072)
Operating expenses	2,102,264	2,063,264	(39,000)
Capital assets	170,000	170,000	
Grants	6,990,000	6,990,000	
Transfer to state bonding fund		500,000	500,000
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Total all funds	\$15,861,006	\$16,058,934	\$197,928
Less estimated income	<u>15,861,006</u>	<u>16,058,934</u>	<u>197,928</u>
General fund	\$0	\$0	\$0
FTE	46.50	45.50	(1.00)
Bill Total			
Total all funds	\$15,861,006	\$16,058,934	\$197,928
Less estimated income	<u>15,861,006</u>	<u>16,058,934</u>	<u>197,928</u>
General fund	\$0	\$0	\$0
FTE	46.50	45.50	(1.00)

House Bill No. 1010 - Insurance Department - House Action

	Executive Budget	House Changes	House Version
Salaries and wages	\$6,598,742	(\$392,257)	\$6,206,485
Operating expenses	2,102,264	(39,000)	2,063,264
Capital assets	170,000		170,000
Grants	6,990,000	(120,000)	6,870,000
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Total all funds	\$15,861,006	(\$551,257)	\$15,309,749
Less estimated income	<u>15,861,006</u>	<u>(551,257)</u>	<u>15,309,749</u>
General fund	\$0	\$0	\$0
FTE	46.50	(1.00)	45.50

Department 401 - Insurance Department - Detail of House Changes

	Removes Vacant FTE Position¹	Reduces Operating Expenses Funding²	Reduces Firefighter's Association Funding³	Reduces Funding for Anticipated Salary Savings⁴	Removes Salary Equity Funding⁵	Total House Changes
Salaries and wages	(123,562)			(129,185)	(139,510)	(392,257)
Operating expenses		(39,000)				(39,000)
Capital assets						
Grants			(120,000)			(120,000)
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Total all funds	(\$123,562)	(\$39,000)	(\$120,000)	(\$129,185)	(\$139,510)	(\$551,257)
Less estimated income	<u>(123,562)</u>	<u>(39,000)</u>	<u>(120,000)</u>	<u>(129,185)</u>	<u>(139,510)</u>	<u>(551,257)</u>
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	(1.00)	0.00	0.00	0.00	0.00	(1.00)

¹ Removes vacant fraud investigator position.² Reduces funding for operating expenses by \$39,000.

³ Reduces funding for the North Dakota Firefighter's Association by \$120,000 to provide a total of \$670,000. This amendment also changes the funding source of \$200,000 of the grant funding to the North Dakota Firefighter's Association from the insurance tax distribution fund to federal homeland security funds received by the Department of Emergency Services. Of the \$670,000 grant to the North Dakota Firefighter's Association, \$300,000 is from the insurance tax distribution fund, \$170,000 is from the fire and tornado fund, and \$200,000 is from federal homeland security funds. The amendment also adds a provision that funding provided to the North Dakota Firefighter's Association is to be used for training.

⁴ This amendment reduces salaries and wages funding to recognize anticipated savings from vacant positions and employee turnover.

⁵ This amendment removes funding added in the executive budget for state employee salary equity adjustments.

House Bill No. 1010 - Insurance Department - Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$6,598,742	\$6,206,485	\$268,695	\$6,475,180
Operating expenses	2,102,264	2,063,264	39,000	2,102,264
Capital assets	170,000	170,000		170,000
Grants	6,990,000	6,870,000	120,000	6,990,000
Transfer to state bonding fund			1,000,000	1,000,000
Total all funds	<u>\$15,861,006</u>	<u>\$15,309,749</u>	<u>\$1,427,695</u>	<u>\$16,737,444</u>
Less estimated income	<u>15,861,006</u>	<u>15,309,749</u>	<u>1,427,695</u>	<u>16,737,444</u>
General fund	\$0	\$0	\$0	\$0
FTE	46.50	45.50	0.00	45.50

Department 401 - Insurance Department - Detail of Senate Changes

	Restores Funding for Anticipated Salary Savings¹	Restores Salary Equity Funding²	Restores Funding for Operating Expenses³	Restores Funding for Firefighters Association⁴	Provides for a Transfer to the State Bonding Fund⁵	Total Senate Changes
Salaries and wages	129,185	139,510				268,695
Operating expenses			39,000			39,000
Capital assets						
Grants				120,000		120,000
Transfer to state bonding fund					1,000,000	1,000,000
Total all funds	<u>\$129,185</u>	<u>\$139,510</u>	<u>\$39,000</u>	<u>\$120,000</u>	<u>\$1,000,000</u>	<u>\$1,427,695</u>
Less estimated income	<u>129,185</u>	<u>139,510</u>	<u>39,000</u>	<u>120,000</u>	<u>1,000,000</u>	<u>1,427,695</u>
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

¹ This amendment restores funding for salaries and wages removed by the House to recognize anticipated savings from vacant positions and employee turnover.

² This amendment restores salary equity funding removed by the House.

³ This amendment restores funding for operating expenses removed by the House.

⁴ Funding for the North Dakota Firefighters Association is restored to the amount provided in the executive budget. Of the total funding of \$790,000, \$620,000 is from the insurance tax distribution fund and \$170,000 is from the fire and tornado fund. The amendment also removes the section added by the House providing that \$200,000 of the grant to the North Dakota Firefighters Association be from federal homeland security funds. The requirement that funding provided to the North Dakota Firefighters Association be used for training added by the House is also removed.

⁵ A transfer of \$1 million is provided from the insurance regulatory trust fund to the state bonding fund. This amendment also adds a section to provide for the transfer.

This amendment also:

- Adds a subsection to North Dakota Century Code Section 26.1-36-23 relating to the continuation of insurance after the termination of employment.
- Adds an emergency clause section.

House Bill No. 1010 - Insurance Department - Conference Committee Action

	Executive Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	\$6,598,742	\$6,206,485	\$129,185	\$6,335,670	\$6,475,180	(\$139,510)
Operating expenses	2,102,264	2,063,264		2,063,264	2,102,264	(39,000)
Capital assets	170,000	170,000		170,000	170,000	
Grants	6,990,000	6,870,000	120,000	6,990,000	6,990,000	
Transfer to state bonding fund			500,000	500,000	1,000,000	(500,000)
Total all funds	\$15,861,006	\$15,309,749	\$749,185	\$16,058,934	\$16,737,444	(\$678,510)
Less estimated income	15,861,006	15,309,749	749,185	16,058,934	16,737,444	(678,510)
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	46.50	45.50	0.00	45.50	45.50	0.00

Department 401 - Insurance Department - Detail of Conference Committee Changes

	Restores Funding for Anticipated Salary Savings¹	Restores Funding for Firefighters Association²	Provides for a Transfer to the State Bonding Fund³	Total Conference Committee Changes
Salaries and wages	129,185			129,185
Operating expenses				
Capital assets				
Grants		120,000		120,000
Transfer to state bonding fund			500,000	500,000
Total all funds	\$129,185	\$120,000	\$500,000	\$749,185
Less estimated income	129,185	120,000	500,000	749,185
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

¹ This amendment restores funding for salaries and wages removed by the House to recognize anticipated savings from vacant positions and employee turnover. This is the same amount that was restored by the Senate.

² Funding for the North Dakota Firefighters Association is restored to the amount provided in the executive budget. Of the total funding of \$790,000, \$620,000 is from the insurance tax distribution fund and \$170,000 is from the fire and tornado fund. The amendment also removes the section added by the House providing that \$200,000 of the grant to the North Dakota Firefighters Association be from federal homeland security funds. This is the same amount of funding as provided by the Senate.

³ A transfer of \$500,000 is provided from the insurance regulatory trust fund to the state bonding fund. This amendment also adds a section to provide for the transfer. The Senate version included a \$1 million transfer from the insurance regulatory trust fund to the state bonding fund.

This amendment also:

- Adds a subsection to North Dakota Century Code Section 26.1-36-23 relating to the continuation of insurance after the termination of employment. This was also added by the Senate.
- Adds an emergency clause section.