

Fiscal No. 1

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1008

Page 1, line 2, remove "and"

Page 1, line 2, after "exemption" insert "; and to provide for a legislative management study"

Page 1, replace lines 11 through 15 with:

| | | | |
|--------------------------------|---------------|-----------|---------------|
| "Salaries and wages | \$7,415,098 | \$312,742 | \$7,727,840 |
| Operating expenses | 1,671,409 | 481,453 | 2,152,862 |
| Contingency | <u>20,000</u> | <u>0</u> | <u>20,000</u> |
| Total special funds | \$9,106,507 | \$794,195 | \$9,900,702 |
| Full-time equivalent positions | 31.00 | 4.00 | 35.00" |

Page 1, after line 20, insert:

"SECTION 3. LEGISLATIVE MANAGEMENT STUDY - APPROPRIATION AND MANAGEMENT PROCEDURES. During the 2023-24 interim, the legislative management shall consider studying the appropriation procedures for the department of financial institutions. The study must include an analysis of the feasibility and desirability of alternative appropriation methods, management structures employed, oversight and reporting to the executive and legislative branches of government, staff classification structures tied to federal or market compensation indexes, and staffing structures which allow for adjustments to market conditions. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-ninth legislative assembly."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1008 - Department of Financial Institutions - Senate Action

| | Base Budget | House Version | Senate Changes | Senate Version |
|-----------------------|------------------|-------------------|------------------|------------------|
| Salaries and wages | \$7,415,098 | \$8,457,556 | (\$729,716) | \$7,727,840 |
| Operating expenses | 1,671,409 | 2,083,917 | 68,945 | 2,152,862 |
| Contingency | <u>20,000</u> | <u>20,000</u> | | <u>20,000</u> |
| Total all funds | \$9,106,507 | \$10,561,473 | (\$660,771) | \$9,900,702 |
| Less estimated income | <u>9,106,507</u> | <u>10,561,473</u> | <u>(660,771)</u> | <u>9,900,702</u> |
| General fund | \$0 | \$0 | \$0 | \$0 |
| FTE | 31.00 | 33.00 | 2.00 | 35.00 |

Department 413 - Department of Financial Institutions - Detail of Senate Changes

| | Adjusts Funding for Salary and Benefit Increases ¹ | Adjusts Funding for FTE Positions ² | Removes Salary Funding for Funding Pool ³ | Total Senate Changes |
|---------------------------------------|---|--|---|-------------------------|
| Salaries and wages | \$137,227 | \$399,820 | (\$1,266,763) | (\$729,716) |
| Operating expenses Contingency | | 68,945 | | 68,945 |
| Total all funds | \$137,227 | \$468,765 | (\$1,266,763) | (\$660,771) |
| Less estimated income General fund | 137,227 | 468,765 | (1,266,763) | (660,771) |
| | \$0 | \$0 | \$0 | \$0 |
| FTE | 0.00 | 2.00 | 0.00 | 2.00 |

¹ Salaries and wages funding is adjusted to provide for the 2023-25 biennium salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024, and for adjustments to health insurance premium rates as follows:

| | Other Funds |
|-----------------------------|----------------|
| Salary increase | \$140,519 |
| Health insurance adjustment | (3,292) |
| Total | \$137,227 |

The House provided salary adjustments of 4 percent on July 1, 2023, and July 1, 2024.

² Funding of \$468,765 from other funds is adjusted to the salaries and wages and operating expenses line items as follows:

| | FTE | Salaries and Wages | Operating Expenses | Total |
|--|--------|-----------------------|-----------------------|-----------|
| Adds 1 FTE licensing examiner position | 1.00 | \$199,820 | \$30,945 | \$230,765 |
| Adds 1 FTE non-depository examiner position | 1.00 | 199,820 | 30,945 | 230,765 |
| Adds 1 FTE mortgage servicer examiner position | 1.00 | 200,000 | 38,000 | 238,000 |
| Removes 1 FTE licensing or non-depository examiner position | (1.00) | (199,820) | (30,945) | (230,765) |
| Total | 2.00 | \$399,820 | \$68,945 | \$468,765 |

³ Funding for new FTE positions and estimated savings from vacant FTE positions is removed as shown below. These amounts are available to the agency if needed by submitting a request to the Office of Management and Budget for a transfer from the new and vacant FTE funding pool.

| | Other Funds |
|----------------------|----------------|
| New FTE positions | (\$1,026,562) |
| Vacant FTE positions | (240,201) |
| Total | (\$1,266,763) |

This amendment adds a section to provide for a Legislative Management study of the appropriation and management procedures for the Department of Financial Institutions.