

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		68,945		68,945
Contingency				
Total all funds	\$137,227	\$468,765	(\$1,266,763)	(\$660,771)
Less estimated income	137,227	468,765	(1,266,763)	(660,771)
General fund	\$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:

	<u>Other Funds</u>
Salary increase	\$140,519
Health insurance adjustment	<u>(3,292)</u>
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:

	<u>FTE</u>	<u>Salaries and Wages</u>	<u>Operating Expenses</u>	<u>Total</u>
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	<u>(1.00)</u>	<u>(199,820)</u>	<u>(30,945)</u>	<u>(230,765)</u>
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.

	<u>Other Funds</u>
New FTE positions	(\$1,026,562)
Vacant FTE positions	<u>(240,201)</u>
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.