

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1010 - Insurance Department - House Action

	Base Budget	House Changes	House Version
Salaries and wages	\$10,746,226	\$1,103,163	\$11,849,389
New and vacant FTE pool		266,964	266,964
Operating expenses	2,637,667	(29,479)	2,608,188
Capital assets		90,000	90,000
Grants	2,400,000		2,400,000
Total all funds	\$15,783,893	\$1,430,648	\$17,214,541
Less estimated income	15,783,893	1,430,648	17,214,541
General fund	\$0	\$0	\$0
FTE	47.00	0.00	47.00

Department 401 - Insurance Department - Detail of House Changes

	Adjust Funding for Base Payroll Changes ¹	Adds Funding for Salary and Benefit Increases ²	Adds Funding to Replace 2023-25 New and Vacant FTE Pool ³	Transfers Funding for 2025-27 New and Vacant FTE Pool ⁴	Transfers Funding from Operating Expenses to Salaries and Wages ⁵	Adds Funding for IT Rate Increases ⁶
Salaries and wages	\$36,700	\$719,597	\$644,746	(\$381,377)	\$83,497	
New and vacant FTE pool				266,964		
Operating expenses					(83,497)	\$54,018
Capital assets						
Grants						
Total all funds	\$36,700	\$719,597	\$644,746	(\$114,413)	\$0	\$54,018
Less estimated income	36,700	719,597	644,746	(114,413)	0	54,018
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Adds One-Time Funding ⁷	Total House Changes
Salaries and wages		\$1,103,163
New and vacant FTE pool		266,964
Operating expenses		(29,479)
Capital assets	\$90,000	90,000
Grants		
Total all funds	\$90,000	\$1,430,648
Less estimated income	90,000	1,430,648
General fund	\$0	\$0
FTE	0.00	0.00

¹ Funding is adjusted for base payroll changes.

² The following funding is added for 2025-27 biennium salary adjustments of 3 percent on July 1, 2025, and 3 percent on July 1, 2026, and increases in health insurance premiums from \$1,643 to \$1,893 per month:

	Other Funds
Salary increase	\$437,348
Health insurance increase	282,249
Total	\$719,597

³ Funding is added to replace 2023-25 biennium new and vacant FTE pool funding as follows:

	Other Funds
Vacant FTE positions	\$237,366
New FTE positions	<u>407,380</u>
Total	\$644,746

⁴ Funding of \$381,377 is removed for estimated savings from vacant 2025-27 FTE positions and \$266,964 is added for a new and vacant FTE pool line item resulting in net savings of \$114,413.

⁵ Funding of \$83,497 from other funds is transferred from the operating expenses line item to the salaries and wages line item.

⁶ Funding of \$54,018 from other funds, including \$2,161 from federal funds and \$51,857 from special funds, is added for IT rate increases.

⁷ One-time funding of \$90,000 from the insurance regulatory trust fund is added for radios and an x-ray machine.

This amendment also adds sections to:

- Appropriate any additional federal funds that become available to the Insurance Commissioner for the 2025-27 biennium.
- Increase the annual salary of the commissioner by 3 percent in the 1st year of the biennium and 3 percent in the 2nd year of the biennium.
- Require a report to the Legislative Management on the North Dakota Insurance Reserve Fund including claims, balances, and complaints.
- Provide for the use of funding in the new and vacant FTE pool line item.