

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	\$5,080,549	\$5,053,657	(\$26,892)
Operating expenses	2,113,377	2,163,377	50,000
Grants	5,304,000	6,420,000	1,116,000
Total all funds	<u>\$12,497,926</u>	<u>\$13,637,034</u>	<u>\$1,139,108</u>
Less estimated income	<u>12,497,926</u>	<u>13,637,034</u>	<u>1,139,108</u>
General fund	\$0	\$0	\$0
FTE	46.50	46.50	0.00
Bill Total			
Total all funds	\$12,497,926	\$13,637,034	\$1,139,108
Less estimated income	<u>12,497,926</u>	<u>13,637,034</u>	<u>1,139,108</u>
General fund	\$0	\$0	\$0
FTE	46.50	46.50	0.00

House Bill No. 1010 - Insurance Department - House Action

	Executive Budget	House Changes	House Version
Salaries and wages	\$5,080,549	(\$20,902)	\$5,059,647
Operating expenses	2,113,377		2,113,377
Grants	5,304,000	2,116,000	7,420,000
Total all funds	<u>\$12,497,926</u>	<u>\$2,095,098</u>	<u>\$14,593,024</u>
Less estimated income	<u>12,497,926</u>	<u>2,095,098</u>	<u>14,593,024</u>
General fund	\$0	\$0	\$0
FTE	46.50	0.00	46.50

Department No. 401 - Insurance Department - Detail of House Changes

	Reduces Compensation Package to 3/4	Increases Funding for Payments to Fire Departments¹	Adds Funding for a Grant to the ND Association of Oil and Gas Producing Counties²	Total House Changes
Salaries and wages	(\$20,902)			(\$20,902)
Operating expenses				
Grants		2,016,000	100,000	2,116,000
Total all funds	(\$20,902)	\$2,016,000	\$100,000	\$2,095,098
Less estimated income	<u>(20,902)</u>	<u>2,016,000</u>	<u>100,000</u>	<u>2,095,098</u>
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

¹ This amendment adds funding of \$2,016,000 from insurance premium tax collections for increasing funding for making payments to fire departments by \$2 million from \$5.2 million to \$7.2 million and for making two equal payments to the North Dakota Firefighter's

Association by \$16,000 from \$104,000 to \$120,000. This change would reduce the amount of general fund revenues available for the 2005-07 biennium by \$2,016,000.

² This amendment adds funding of \$100,000 from insurance premium tax collections for providing a grant to the North Dakota Association of Oil and Gas Producing Counties for the establishment of a Williston Basin oilfield fire training facility at Dickinson. This change would reduce the amount of general fund revenues available for the 2005-07 biennium by \$100,000.

House Bill No. 1010 - Insurance Department - Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$5,080,549	\$5,059,647	(\$5,990)	\$5,053,657
Operating expenses	2,113,377	2,113,377	50,000	2,163,377
Grants	5,304,000	7,420,000	(1,025,000)	6,395,000
Total all funds	\$12,497,926	\$14,593,024	(\$980,990)	\$13,612,034
Less estimated income	12,497,926	14,593,024	(980,990)	13,612,034
General fund	\$0	\$0	\$0	\$0
FTE	46.50	46.50	0.00	46.50

Department No. 401 - Insurance Department - Detail of Senate Changes

	Reduces Recommended Funding for Health Insurance ¹	Provides Funding for Implementing Methamphetamine Security Measures ²	Reduces Funding for Payments to Fire Departments ³	Reduces Funding for a Grant to the ND Assoc. of Oil and Gas Producing Counties ⁴	Total Senate Changes
Salaries and wages	(\$5,990)				(\$5,990)
Operating expenses		50,000			50,000
Grants			(1,000,000)	(25,000)	(1,025,000)
Total all funds	(\$5,990)	\$50,000	(\$1,000,000)	(\$25,000)	(\$980,990)
Less estimated income	(5,990)	50,000	(1,000,000)	(25,000)	(980,990)
General fund	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00

¹ This amendment reduces funding for state employee health insurance premiums from \$559.15 to \$553.95 per month.

² This amendment provides a \$50,000 special funds appropriation from the insurance regulatory trust fund for implementing methamphetamine security measures, including the purchase and distribution of locking devices. The amendment also adds a new section to the bill allowing the commissioner to designate the counties of Walsh, Cavalier, and Pembina as a critical methamphetamine-use zone.

³ This amendment reduces funding provided from the insurance premium tax collections for payments to fire departments by \$1 million, from \$7.2 million as provided by the House to \$6.2 million. Funding of \$6.2 million represents an increase in funding of \$1 million from the \$5.2 million provided in the 2003-05 biennium.

⁴ This amendment reduces funding provided from the insurance premium tax collections for a grant to the North Dakota Association of Oil and Gas Producing Counties by \$25,000, from \$100,000 as provided by the House to \$75,000.

This amendment also provides for a Legislative Council study of accident and health insurance loss ratios.

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

	Executive Budget	House Version	Conf. Com. Changes	Conf. Com. Version	Senate Version	Comparison to Senate
Salaries and wages	\$5,080,549	\$5,059,647	(\$5,990)	\$5,053,657	\$5,053,657	
Operating expenses	2,113,377	2,113,377	50,000	2,163,377	2,163,377	
Grants	5,304,000	7,420,000	(1,000,000)	6,420,000	6,395,000	25,000
Total all funds	\$12,497,926	\$14,593,024	(\$955,990)	\$13,637,034	\$13,612,034	\$25,000
Less estimated income	12,497,926	14,593,024	(955,990)	13,637,034	13,612,034	25,000
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	46.50	46.50	0.00	46.50	46.50	0.00

Department No. 401 - Insurance Department - Detail of Conference Committee Changes

	Reduces Recommended Funding for Health Insurance¹	Provides Funding for Implementing Methamphetamine Security Measures²	Reduces Funding for Payments to Fire Departments³	Total Conference Committee Changes
Salaries and wages	(\$5,990)			(\$5,990)
Operating expenses		50,000		50,000
Grants			(1,000,000)	(1,000,000)
Total all funds	(\$5,990)	\$50,000	(\$1,000,000)	(\$955,990)
Less estimated income	(5,990)	50,000	(1,000,000)	(955,990)
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

¹ This amendment reduces funding for state employee health insurance premiums from \$559.15 to \$553.95 per month.

² The conference committee agreed with the Senate amendment to provide a \$50,000 special funds appropriation from the insurance regulatory trust fund for implementing methamphetamine security measures, including the purchase and distribution of locking devices. The conference committee also agreed with the Senate amendment to add a new section to the bill allowing the commissioner to designate the counties of Walsh, Cavalier, and Pembina as a critical methamphetamine-use zone.

³ The conference committee agreed with the Senate amendment to reduce funding provided from the insurance premium tax collections for payments to fire departments by \$1 million, from \$7.2 million as provided by the House to \$6.2 million. Funding of \$6.2 million represents an increase in funding of \$1 million from the \$5.2 million provided in the 2003-05 biennium.

The conference committee agreed to provide funding of \$100,000 from insurance premium tax collections for a grant to the North Dakota Association of Oil and Gas Producing Counties, the same level as provided by the House. The Senate had reduced funding for the grant by \$25,000, from \$100,000 to \$75,000.

The conference committee agreed with the Senate amendment to add a section to the bill to provide for a Legislative Council study of accident and health insurance loss ratios.

The conference committee also agreed to add a section to the bill to provide for a Legislative Council study of health care and health insurance. This study was not included in either the House or Senate version of the bill.