

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1021

That the Senate recede from its amendments as printed on pages 1544-1546 of the House Journal and pages 1371-1373 of the Senate Journal and that Engrossed House Bill No. 1021 be amended as follows:

Page 1, line 2, after "insurance" insert "; to provide for litigation contingency and settlement funds; and to provide for information technology projects and business process analysis"

Page 1, replace lines 10 through 13 with:

"Workforce safety and insurance operations	\$58,413,293	\$2,496,164	\$60,909,457
Accrued leave payments	0	1,662,965	1,662,965
Litigation contingency	0	<u>750,000</u>	<u>750,000</u>
Total special funds	\$58,413,293	\$4,909,129	\$63,322,422"

Page 1, remove lines 15 through 24

Page 2, replace lines 1 through 7 with:

"SECTION 2. LITIGATION CONTINGENCY - SETTLEMENT FUNDS - USE OF FUNDS. Funding included in the litigation contingency line item in section 1 of this Act may be spent by workforce safety and insurance only for fees and other costs associated with workforce safety and insurance pursuing a civil action for damages relating to the unsuccessful advanced information management computer system project. Any remaining unused litigation funds may be used by workforce safety and insurance for the development or operation of information technology projects. Any moneys received by workforce safety and insurance resulting from a settlement or court awards relating to this project must be retained in the workforce safety and insurance fund and reported to the sixty-fourth legislative assembly.

SECTION 3. INFORMATION TECHNOLOGY PROJECTS FUNDING - BUSINESS PROCESS ANALYSIS. The workforce safety and insurance operations line item in section 1 of this Act includes the sum of \$4,725,000, which may only be spent for costs of conducting a business process analysis of up to \$500,000, as provided in section 4 of this Act and for appropriate information technology equipment, development, and operational costs of information technology projects as approved by workforce safety and insurance's executive steering board and the state information technology advisory committee.

SECTION 4. BUSINESS PROCESS ANALYSIS. During the 2013-14 interim, workforce safety and insurance shall contract with the information technology department and a private consultant to conduct a business process analysis of workforce safety and insurance. The analysis must include a review of the workforce safety and insurance business process and its use of information technology to support the business process and related information technology services."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1021 - Workforce Safety and Insurance - Conference Committee Action

	Executive Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Workforce Safety and Insurance	\$63,131,407					
Workforce Safety and Insurance operation		56,014,723	4,894,734	60,909,457	63,968,518	(3,059,061)
Accrued leave payments		1,662,965		1,662,965		1,662,965
Litigation Contingency			750,000	750,000	750,000	
Total all funds	\$63,131,407	\$57,677,688	\$5,644,734	\$63,322,422	\$64,718,518	(\$1,396,096)
Less estimated income	63,131,407	57,677,688	5,644,734	63,322,422	64,718,518	(1,396,096)
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	250.14	250.14	0.00	250.14	254.14	(4.00)

Department No. 485 - Workforce Safety and Insurance - Detail of Conference Committee Changes

	Removes House Changes to Executive Compensation Package ¹	Adjusts State Employee Compensation and Benefits Package ²	Adds Funding for Contingent Litigation Fees and Costs ³	Adds Funding for Information Technology Projects and Business Process Analysis ⁴	Removes Funding for Business Process Analysis ⁵	Removes Funding for Information Technology Staffing Analysis ⁶
Workforce Safety and Insurance						
Workforce Safety and Insurance operation	1,397,598	(627,864)		4,725,000	(500,000)	(100,000)
Accrued leave payments						
Litigation Contingency			750,000			
Total all funds	\$1,397,598	(\$627,864)	\$750,000	\$4,725,000	(\$500,000)	(\$100,000)
Less estimated income	1,397,598	(627,864)	750,000	4,725,000	(500,000)	(100,000)
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Total Conference Committee Changes
Workforce Safety and Insurance	
Workforce Safety and Insurance operation	4,894,734
Accrued leave payments	
Litigation Contingency	750,000
Total all funds	\$5,644,734
Less estimated income	5,644,734
General fund	\$0
FTE	0.00

¹ Changes made by the House to the executive compensation package are removed.

² This amendment adjusts the state employee compensation and benefits package as follows:

- Reduces the performance component from 3 to 5 percent per year to 3 to 5 percent for the first year of the biennium and 2 to 4 percent for the second year of the biennium.
- Reduces the market component from 2 to 4 percent per year to 1 to 2 percent per year for employees below the midpoint of their salary range.
- Reduces funding for retirement contribution increases to provide for a 1 percent state and 1 percent employee increase beginning in January 2014 and no increase in January 2015.

³ This amendment provides contingent funding for litigation costs that may be necessary in order to recover expenses paid to Aon eSolutions, the same as the Senate version. The Conference Committee made available any remaining unused funds to be spent by Workforce Safety and Insurance on the development or operation of information technology projects. In the event of a successful civil action, the moneys from settlement or court awards are to be retained in the Workforce Safety and Insurance fund and reported to the 64th Legislative Assembly.

⁴ This amendment adds funding for information technology projects, the same as the Senate version. The agency may determine which projects are developed. The Conference Committee made available \$500,000 included of this funding to be used for a business process analysis to be conducted by Workforce Safety and Insurance, the Information Technology Department, and a private consultant.

⁵ This amendment removes the funding added by the House for the business process analysis. The Senate also removed this funding.

⁶ This amendment removes the funding added by the House for an information technology staffing analysis. The Senate also removed this funding.