

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2010

That the House recede from its amendments as printed on pages 1524-1527 of the Senate Journal and pages 1732-1734 of the House Journal and that Engrossed Senate Bill No. 2010 be amended as follows:

Page 1, line 2, replace "section" with "sections"

Page 1, line 2, after "26.1-01-09" insert ", 26.1-23.1-02, and 26.1-23.1-06"

Page 1, line 3, replace "; and to provide a transfer" with "and government self-insurance pools"

Page 1, replace lines 12 through 17 with:

"Salaries and wages	\$8,076,281	\$2,591,891	\$10,668,172
Operating expenses	1,507,359	1,130,308	2,637,667
Capital assets	0	147,540	147,540
Grants	0	<u>2,400,000</u>	<u>2,400,000</u>
Total special funds	\$9,583,640	\$6,269,739	\$15,853,379
Full-time equivalent positions	38.00	9.00	47.00"

Page 1, after line 23, insert:

"State fire marshal equipment 0 72,540"

Page 2, replace line 4 with:

"Total special funds \$1,162,000 \$245,840"

Page 2, replace lines 20 through 25 with:

**"SECTION 5. AMENDMENT.** Section 26.1-23.1-02 of the North Dakota Century Code is amended and reenacted as follows:

**26.1-23.1-02. Government self-insurance pools not insurers.**

Any government self-insurance pool organized under chapter 32-12.1 is not an insurance company or insurer. The coverages provided by ~~such~~the pools and the administration of ~~such~~the pools do not constitute the transaction of insurance business. Participation in a government self-insurance pool under this chapter does not constitute a waiver of any existing immunities otherwise provided by the constitution or laws of this state. In all respects not specifically provided for under this chapter, a government self-insurance pool is subject to chapters 26.1-01, 26.1-02, 26.1-04, 26.1-25, and 26.1-26 with the exception of sections 26.1-26-06, 26.1-26-07, and 26.1-26-13.1 relating to insurance companies generally.

**SECTION 6. AMENDMENT.** Section 26.1-23.1-06 of the North Dakota Century Code is amended and reenacted as follows:

**26.1-23.1-06. Pool reserve records confidential - Open records.**

1. Information regarding that portion of the funds or liability reserves of a government self-insured ~~government~~ pool established for purposes of

satisfying a specific claim or cause of action is confidential. A person is not entitled to discover that portion of the funds or liability reserves established for purposes of satisfying a claim or cause of action, except that the reserve is discoverable in any supplementary or ancillary proceeding to enforce a judgment against the pool or a governmental entity participating in the pool.

2. Unless otherwise provided by law, a government self-insurance pool record, as defined under section 44-04-17.1, is subject to chapter 44-04."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2010 - Insurance Department - Conference Committee Action**

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Salaries and wages	\$8,076,281	\$11,452,759	(\$784,587)	\$10,668,172	\$10,654,916	\$13,256
Operating expenses	1,507,359	2,903,986	(266,319)	2,637,667	2,445,637	192,030
Capital assets		75,000	72,540	147,540	147,540	
Grants		2,400,000		2,400,000	2,400,000	
Insurance tax payments	20,728,540					
Total all funds	\$30,312,180	\$16,831,745	(\$978,366)	\$15,853,379	\$15,648,093	\$205,286
Less estimated income	30,312,180	16,831,745	(978,366)	15,853,379	15,648,093	205,286
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	38.00	49.00	(2.00)	47.00	46.00	1.00

**Department 401 - Insurance Department - Detail of Conference Committee Changes**

	Adds Funding for Salary and Benefit Increases <sup>1</sup>	Adjusts Salary Equity Funding for Elected Officials <sup>2</sup>	Removes FTE Positions for Fire Marshal <sup>3</sup>	Add Funding for Retirement Changes for Peace Officers <sup>4</sup>	Removes Salary Funding for Funding Pool <sup>5</sup>	Removes Funding for Travel Expenses <sup>6</sup>
Salaries and wages	\$284,102	(\$5,600)	(\$431,599)	\$13,256	(\$644,746)	
Operating expenses			(184,061)			(\$82,258)
Capital assets						
Grants						
Insurance tax payments						
Total all funds	\$284,102	(\$5,600)	(\$615,660)	\$13,256	(\$644,746)	(\$82,258)
Less estimated income	284,102	(5,600)	(615,660)	13,256	(644,746)	(82,258)
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	(2.00)	0.00	0.00	0.00

	Adds One-Time Funding for State Fire Marshal Equipment <sup>7</sup>	Total Conference Committee Changes
Salaries and wages		(\$784,587)
Operating expenses		(266,319)
Capital assets	\$72,540	72,540
Grants		
Insurance tax payments		
Total all funds	\$72,540	(\$978,366)
Less estimated income	72,540	(978,366)
General fund	\$0	\$0
FTE	0.00	(2.00)

<sup>1</sup> 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, the same as the House, as follows:

	<b>Other Funds</b>
Salary increase	\$246,975
Health insurance adjustment	<u>37,127</u>
Total	\$284,102

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

<sup>2</sup> Funding is adjusted from special funds for a salary equity increase for the Insurance Commissioner. The salary equity increase is adjusted from \$26,748 to \$21,148, the same as the House version due to salary adjustments of 6 percent on July 1, 2023, and 4 percent on July 1, 2024. The Senate had approved salary adjustments of 4 percent on July 1, 2023, and 4 percent on July 1, 2024.

<sup>3</sup> Funding of \$615,660 from other funds is removed for 2 FTE deputy fire marshal positions, of which \$431,599 is salaries and wages and \$184,061 is related operating expenses. The House had removed 3 FTE positions for a total of \$911,380. The Senate had added 4 FTE positions for the State Fire Marshal.

<sup>4</sup> Funding is added from other funds for an employer retirement contribution increase due to approval of House Bill No. 1183. The Senate and House did not include this funding.

<sup>5</sup> Funding for the new FTE positions and estimated savings from vacant FTE positions is removed as shown below. These amounts are available to the agency by submitting a request to the Office of Management and Budget for a transfer from the new and vacant FTE funding pool.

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

The House also removed funding for the new and vacant FTE pool.

<sup>6</sup> Funding for travel is reduced by \$82,258 from other funds to provide a total of \$500,000. The House had removed \$182,258.

<sup>7</sup> One-time funding of \$72,540 is added from other funds for State Fire Marshal equipment, the same as the House version.

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This amendment also:

- Removes sections transferring any remaining balance from the unsatisfied judgment fund to the insurance regulatory trust fund and providing a contingent effective date for the transfer, the same as the House version. Senate Bill No. 2295 has a section relating to the transfer of the balance in the unsatisfied judgment fund.
- The House added sections amending Sections 26.1-23.1-02 and 26.1-23.1-06 relating to government self-insurance pools. The Conference Committee included the sections but included exceptions to Sections 26.1-26-06, 26.1-26-07, and 26.1-26-13.1 from the amendment to Section 26.1-23.1-02.