

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2010

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;
and to provide for a legislative management report"

Page 1, replace lines 12 through 17 with:

"Salaries and wages	\$8,076,281	\$2,578,635	\$10,654,916
Operating expenses	1,507,359	938,278	2,445,637
Capital assets	0	147,540	147,540
Grants	0	2,400,000	2,400,000
Total special funds	\$9,583,640	\$6,064,453	\$15,648,093
Full-time equivalent positions	38.00	8.00	46.00"

Page 1, after line 23, insert:

"State fire marshal equipment	0	72,540"
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Page 2, replace line 4 with:

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

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	\$8,076,281	\$11,452,759	(\$797,843)	\$10,654,916
Operating expenses	1,507,359	2,903,986	(458,349)	2,445,637
Capital assets		75,000	72,540	147,540
Grants		2,400,000		2,400,000
Insurance tax payments	20,728,540			
Total all funds	\$30,312,180	\$16,831,745	(\$1,183,652)	\$15,648,093
Less estimated income	30,312,180	16,831,745	(1,183,652)	15,648,093
General fund	\$0	\$0	\$0	\$0
FTE	38.00	49.00	(3.00)	46.00

Department 401 - Insurance Department - Detail of House Changes

	Adds Funding for Salary and Benefit Increases ¹	Adjusts Salary Equity Funding for Elected Officials ²	Removes FTE Positions for Fire Marshal ³	Removes Salary Funding for Funding Pool ⁴	Removes Funding for Travel Expenses ⁵	Adds One-Time Funding for State Fire Marshal Equipment ⁶
Salaries and wages	\$284,102	(\$5,600)	(\$635,289)	(\$441,056)		
Operating expenses			(276,091)		(\$182,258)	
Capital assets						\$72,540
Grants						
Insurance tax payments						
Total all funds	\$284,102	(\$5,600)	(\$911,380)	(\$441,056)	(\$182,258)	\$72,540
Less estimated income	284,102	(5,600)	(911,380)	(441,056)	(182,258)	72,540
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	(3.00)	0.00	0.00	0.00

	Total House Changes
Salaries and wages	(\$797,843)
Operating expenses	(458,349)
Capital assets	72,540
Grants	
Insurance tax payments	
Total all funds	(\$1,183,652)
Less estimated income	(1,183,652)
General fund	\$0
FTE	(3.00)

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:

	Other Funds
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.

² 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 as the House has approved 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.

³ Funding of \$911,380 from other funds is removed for 3 FTE deputy fire marshal positions, of which \$635,289 is salaries and wages and \$276,091 is related operating expenses.

⁴ 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 to the Office of Management and Budget for a transfer from the new and vacant FTE funding pool.

	Other Funds
New FTE positions	(\$203,690)
Vacant FTE positions	<u>(237,366)</u>
Total	(\$441,056)

⁵ Funding for travel is reduced by \$182,258 from other funds to provide a total of \$400,000.

⁶ One-time funding of \$72,540 is added from other funds for State Fire Marshal equipment.

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. Senate Bill No. 2295 has a section relating to the transfer of the balance in the unsatisfied judgment fund. The Senate had added these sections.
- Amends Sections 26.1-23.1-02 and 26.1-23.1-06 relating to government self-insurance pools.