

IN THE SENATE

SENATE BILL NO. 1405

BY FINANCE COMMITTEE

AN ACT

APPROPRIATING MONEYS TO THE DEPARTMENT OF INSURANCE FOR FISCAL YEAR 2015;
LIMITING THE NUMBER OF AUTHORIZED FULL-TIME EQUIVALENT POSITIONS; AND
PROVIDING GUIDANCE FOR EMPLOYEE COMPENSATION.

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. There is hereby appropriated to the Department of Insurance, the following amounts to be expended according to the designated programs and expense classes, from the listed funds for the period July 1, 2014, through June 30, 2015:

	FOR PERSONNEL COSTS	FOR OPERATING EXPENDITURES	FOR CAPITAL OUTLAY	TOTAL
I. INSURANCE REGULATION:				
FROM:				
Insurance Administrative				
Fund	\$4,217,900	\$2,850,500	\$92,100	\$7,160,500
Federal Grant				
Fund	<u>252,500</u>	<u>398,100</u>	<u>0</u>	<u>650,600</u>
TOTAL	\$4,470,400	\$3,248,600	\$92,100	\$7,811,100
II. STATE FIRE MARSHAL:				
FROM:				
Arson, Fire and Fraud Prevention				
Fund	\$665,100	\$336,200	\$10,100	\$1,011,400
GRAND TOTAL	\$5,135,500	\$3,584,800	\$102,200	\$8,822,500

SECTION 2. FTP AUTHORIZATION. In accordance with Section 67-3519, Idaho Code, the Department of Insurance is authorized no more than seventy-three and five-tenths (73.5) full-time equivalent positions at any point during the period July 1, 2014, through June 30, 2015, unless specifically authorized by the Governor. The Joint Finance-Appropriations Committee will be notified promptly of any increased positions so authorized.

SECTION 3. EMPLOYEE COMPENSATION. It is the intent of the Legislature, working cooperatively with the Governor's Office, the Division of Human Resources, and the Division of Financial Management, to progress toward the goal of funding a competitive salary and benefit package that will attract

1 qualified applicants, retain employees committed to public service excel-
2 lence, motivate employees to maintain high standards of productivity, and
3 reward employees for outstanding performance by:

- 4 1) Adjusting the compensation schedule upwards by 1% to move the salary
5 structure toward market; and
- 6 2) Continuing the job classifications that are currently on payline
7 exception to address specific recruitment or retention issues; and
- 8 3) Funding an ongoing 1% salary increase for state employees, and funding
9 the equivalent of a one-time 1% bonus for state employees, based upon
10 employee merit, with flexibility in distribution as determined by
11 the agency directors.

12 The Legislature also finds that investing in state employee compensa-
13 tion should remain a high priority even in tough economic times, and there-
14 fore strongly encourages agency directors, institution executives and the
15 Division of Financial Management to approve the use of salary savings to pro-
16 vide either one-time or ongoing merit increases for deserving employees and
17 also to target employees who are below policy compensation. Such salary sav-
18 ings could result from turnover and attrition, or be the result of innova-
19 tion and reorganization efforts that create savings. Such savings should be
20 reinvested in employees. Agencies are cautioned to use one-time funding for
21 one-time payments and ongoing funding for permanent pay increases.