

FY 2025-26 INSURANCE AND FINANCIAL SERVICES BUDGET

S.B. 178 (S-3): SENATE APPROPRIATIONS REC.

(as reported)

Committee: Appropriations



Throughout this document Senate means Committee Recommendation

| FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE | FY 2024-25 YEAR-TO-DATE* | FY 2025-26 SENATE APPROPRIATIONS REC. | CHANGES FROM FY 2024-25 YEAR-TO-DATE | |
|--|-----------------------------|---|---|--------------|
| | | | AMOUNT | PERCENT |
| FTE Positions | 398.5 | 401.0 | 2.5 | 0.6 |
| GROSS | 78,621,400 | 78,051,600 | (569,800) | (0.7) |
| Less: | | | | |
| Interdepartmental Grants Received | 753,500 | 763,800 | 10,300 | 1.4 |
| ADJUSTED GROSS | 77,867,900 | 77,287,800 | (580,100) | (0.7) |
| Less: | | | | |
| Federal Funds | 700,000 | 250,000 | (450,000) | (64.3) |
| Local and Private | 0 | 0 | 0 | 0.0 |
| TOTAL STATE SPENDING | 77,167,900 | 77,037,800 | (130,100) | (0.2) |
| Less: | | | | |
| Other State Restricted Funds | 77,167,900 | 77,037,800 | (130,100) | (0.2) |
| GENERAL FUND/GENERAL PURPOSE | 0 | 0 | 0 | 0.0 |
| PAYMENTS TO LOCALS | 0 | 0 | 0 | 0.0 |

*As of February 5, 2025.

Major Boilerplate Changes from FY 2024-25 Year-to-Date:

- 1. Deleted Sections.** The Chair deleted multiple sections, including: **305** (Marijuana Manuals), **401** (One-Time Auto Insurance Study), **402** (One-Time Health Insurance Appeals Outreach).
- 2. Consumer services for automobile insurance reporting.** The Chair included a requirement that the department transmit a report detailing financial and insurance issues.

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| FY 2024-25 Year-to-Date Appropriation | \$78,621,400 | \$0 | | |
|---|---------------------------------|------------|---|-------|
| | CHANGE FROM FY 2024-25 Y-T-D | | FY 2025-26 RECOMMENDED APPROPRIATION | |
| | Gross | GF/GP | Gross | GF/GP |
| <u>Baseline Adjustments</u> | | | | |
| 1. Attorney General services. The Chair included \$330,000 to increase Attorney General services tied to growth of civil and criminal cases referrals by the Department. | 330,000 | 0 | 63,593,000 | 0 |
| 2. Economic Adjustments. Includes \$955,000 Gross and \$0 GF/GP for total economic adjustments. | 955,000 | 0 | | |
| <u>New Programs/Program Increases</u> | | | | |
| 3. Expanding DIFS capacity. The Chair added \$849,200 and 5.0 FTEs to increase the size of the department. | 849,200 | 0 | N/A | N/A |
| <u>Eliminations/Reductions - NONE</u> | | | | |
| <u>One-Time Appropriations</u> | | | | |
| 4. FY 2024-25 One-Time Appropriations Removal. The Chair removed FY 2024-25 One-Time Appropriations which included \$250,000 in State restricted funding to contract with a university or research institute to conduct a study of the effects of the 2019 auto insurance reform and \$250,000 in State restricted funding to conduct an outreach campaign to raise awareness on the complaint and appeal process. | (500,000) | 0 | N/A | N/A |
| <u>Other</u> | | | | |
| 5. Expenditure alignment fund shift. The Chair included a -\$2.0 million fund shift to align to estimated expenditures. | (2,004,000) | | | |
| 6. Organizational structure fund shift. The Chair included a -\$2.0 million fund shift to align to the current organizational structure. | (200,000) | | | |
| Total Changes | (\$569,800) | \$0 | | |
| FY 2025-26 SENATE APPROPRIATIONS REC. | \$78,051,600 | \$0 | | |

Date Completed: 5-6-25

Fiscal Analyst: Nathan Leaman

This Analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberation.

2025-

| | | | | Gov Changes to FY 2024-25 | | | |
|--|-------------------------------------|-----|-----------|------------------------------|-----|-----------|-------|
| | | | | Senate Changes to FY 2024-25 | | | |
| Item # | Budget Area/Line Items | FTE | GROSS | GF/GP | FTE | GROSS | GF/GP |
| | | | | | | | |
| DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES | | | | | | | |
| Ongoing Changes | | | | | | | |
| 1 | Expanding DIFS capacity | 5.0 | 849,200 | 0 | 5.0 | 849,200 | 0 |
| 2 | Attorney General services | 0.0 | 330,000 | 0 | 0.0 | 330,000 | 0 |
| 3 | | | | | | | |
| 4 | Unclassified salaries | | 28,600 | 0 | | 28,600 | 0 |
| 5 | Economic adjustments | | 926,400 | 0 | | 926,400 | 0 |
| Subtotal - Ongoing | | 5.0 | 2,134,200 | 0 | 5.0 | 2,134,200 | 0 |
| One-Time Changes | | | | | | | |
| 1 | Remove FY25 one-time appropriations | | (500,000) | 0 | | (500,000) | 0 |
| 2 | | | | | | | |
| 3 | | | | | | | |
| 4 | | | | | | | |
| 5 | | | | | | | |
| 6 | | | | | | | |
| Subtotal - One-Time | | 0.0 | (500,000) | 0 | 0.0 | (500,000) | 0 |
| TOTAL INSURANCE AND FINANCIAL SERVICES | | 5.0 | 1,634,200 | 0 | 5.0 | 1,634,200 | 0 |