

**76<sup>th</sup> OREGON LEGISLATIVE ASSEMBLY – 2012 Session  
BUDGET REPORT AND MEASURE SUMMARY**

**MEASURE: SB 1547-B**

**JOINT COMMITTEE ON WAYS AND MEANS**

**Carrier – House: Rep. McLane  
Carrier – Senate: Sen. Starr**

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**Action:** Do Pass the A-Engrossed Measure as Amended and as Printed B-Engrossed

**Vote:** 23 – 0 – 2

House – Yeas: Beyer, Buckley, Cowan, Freeman, Garrard, Komp, McLane, Nathanson, Read, Richardson, G. Smith, Thatcher, Whisnant  
– Nays:  
– Exc: Nolan

Senate – Yeas: Bates, Devlin, Edwards, Girod, Johnson, Monroe, Thomsen, Verger, Whitsett, Winters  
– Nays:  
– Exc: Nelson

**Prepared By:** Kate Nass, Department of Administrative Services

**Reviewed By:** Robin LaMonte, Legislative Fiscal Office

**Meeting Date:** February 22, 2012

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**Agency**

Department of Consumer and Business Services

**Budget Page**

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**LFO Analysis Page**

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**Biennium**

2011-13

## **Budget Summary**

	2011-13 Legislatively Adopted Level	2012 Committee Recommendation	Committee Change from 2011-13 Leg. Adopted	
			\$\$ Change	% Change
Other Funds – Limited	\$ 200,775,789	\$ 100,326	\$ 100,326	0.05%
Other Funds – Non-limited	\$ 197,419,009	\$ 0	\$ 0	0.00%
Federal Funds	\$ 753,662	\$ 0	\$ 0	0.00%
Total	\$ 398,948,460	\$ 100,326	\$ 100,326	0.03%

## **Position Summary**

Authorized Positions	930	1	1	0.11%
Full-time Equivalent (FTE) positions	919.68	0.50	0.50	0.05%

## **Summary of Revenue Changes**

Senate Bill 1547 allows the Director of the Department of Consumer and Business Services (DCBS) to authorize captive insurers in Oregon and provides for the regulation of captive insurers. Captive insurers are entities that provide insurance coverage for their parent or affiliate companies. DCBS is supported by fees for the services it provides. DCBS estimates that there are approximately ten captive insurers in Oregon that would be charged an application and annual renewal fee, increasing Other Fund revenue by \$100,330.

## **Summary of Committee Action**

Senate Bill 1547 requires that DCBS oversee the financial condition of captive insurers. DCBS would establish one permanent full-time Insurance Examiner position (0.50 full time equivalent) for the remainder of the biennium to conduct this financial oversight, funded by the application and licensing fees paid by the captive insurers.

**DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION**

**SB 1547-B**

Department of Consumer and Business Services  
 Kate Nass -- (503) 378-3742

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
2011-13 LEGISLATIVELY ADOPTED BUDGET	\$0	\$0	\$200,775,789	\$197,419,009	\$753,662	\$0	\$398,948,460	930	919.68
<u>SUBCOMMITTEE ADJUSTMENTS (from LAB)</u>									
Captive Insurers Authorization									
Personal Services			86,624				86,624	1	0.50
Services and Supplies			13,702				13,702		
TOTAL ADJUSTMENTS	\$0	\$0	\$100,326	\$0	\$0	\$0	\$100,326	1	0.50
SUBCOMMITTEE RECOMMENDATION *	\$0	\$0	\$200,876,115	\$197,419,009	\$753,662	\$0	\$399,048,786	931	920.18
% Change from 2011-13 Leg Adopted Budget	0.00%	0.00%	0.05%	0.00%	0.00%	0.00%	0.03%	0.11%	0.05%

\* Excludes Capital Construction Expenditures