

Joint Interim Committee on Ways and Means Subcommittee on Transportation and Economic Development

January 11, 2024

Presenter: Andrew Stolfi
Department of Consumer and Business Services



Item 67: Division of Financial Regulation positions

- Total request:
 - \$1,213,647 increase in Other Funds expenditure limitation
 - Establish 8 positions
- Responds to new/increased workload and high supervisory ratios across four areas:
 - Insurance licensing and retaliatory taxes
 - Insurance rate/form and compliance/market conduct
 - Insurance company financial examination and analysis
 - State-chartered bank examination

Item 67: DFR positions (cont.)

Insurance Licensing & Retaliatory Tax

- Request \$396,275 Other Funds for three permanent positions
 - Notable increase in tax and assessment revenue – more than \$670M sent to General Fund since FY 2018
 - Auditors check for over- and under-payments; invoice insurers accordingly
 - 2 limited-duration positions being used

Item 67: DFR positions (cont.)

Insurance rate/form and compliance/market conduct

1. Request \$151,112 Other Funds for 1 permanent staff position
 - Support additional requirements from HB 2725
2. Request \$343,432 Other Funds for 2 permanent management positions
 - Increase in market conduct regulation
 - Currently two sections with staff-to-manager ratios of 18:1 and 16:1
 - Approval would allow creation of 4 teams with average ratio of 9:1

Item 67: DFR positions (cont.)

Insurance company financial examination and analysis

- Request \$171,716 Other Funds for 1 permanent position
 - Staff-to-manager ratio of 17:1
 - Approval would allow split of examination and analysis work between 2 managers, help agency meet quality and timeliness standards

State-chartered bank examination

- Request \$151,112 Other Funds for 1 permanent position
 - Increased regulatory responsibilities due to recent merger between Umpqua and Columbia banks

Item 68: Positions, salary selectives, reclasses

Total request:

- \$452,361 Other Funds to establish 3 positions
- \$305,170 Other Funds and \$10,482 Federal Funds for Salary Selectives
- \$136,287 Other Funds and \$15,575 Federal Funds to Reclass 6 positions

Item 68 (cont.)

- Three new positions
 - Human Resources Analyst: Improve recruitment process and meet governor's agency expectations
 - Application Development Manager: Reduce staff-to-manager ratio, aid in succession planning, and create a management career path opportunity
 - Information System Specialist 5: Support agency software development and testing
- Salary selectives
 - Align 17 positions affected by collective bargaining related to changes in position salary range
- Reclasses
 - Reclass 6 existing positions to align work with the DAS-approved position classification

Questions?

