



	COL A12	COL A14	COL A15	COL A16	COL A14-A12	
	AGY FIN REQ	AGY AMD REQ	AGY AMD N/R	AGY AMD ANZ	AGY AMD REQ	
	FY 2016-17	FY 2016-17	FY 2016-17	FY 2016-17	FY 2016-17	
	POS	AMOUNT	POS	AMOUNT	POS	AMOUNT
						CODES
FINANCIAL SERVICES						43000000
PGM: FINANCIAL SVCS COMM						43900000
OFFICE OF INSURANCE REG						43900100
COMP & ENFORCE- INSURANCE						43900110
PUBLIC PROTECTION						12
REGULATION AND LICENSING						1204.00.00.00
ESTIMATED EXPENDITURES						1000000
ESTIMATED EXPENDITURES - OPERATIONS						1001000
SPECIAL CATEGORIES						100000
PROPERTY/CASUALTY EXAMS						100523
INSURANCE REG TF	-STATE	4,276,763	4,276,763			2393 1
LIFE AND HEALTH EXAMS						100524
INSURANCE REG TF	-STATE	650,000	650,000			2393 1
CONTRACTED SERVICES						100777
INSURANCE REG TF	-STATE	1,338,016	1,338,016			2393 1
RISK MANAGEMENT INSURANCE						103241
INSURANCE REG TF	-STATE	181,293	181,293			2393 1
LEASE/PURCHASE/EQUIPMENT						105281
INSURANCE REG TF	-STATE	18,989	18,989			2393 1
TR/DMS/HR SVCS/STW CONTRCT						107040
INSURANCE REG TF	-STATE	86,220	86,220			2393 1
TOTAL: ESTIMATED EXPENDITURES - OPERATIONS						1001000
TOTAL POSITIONS.....	254.00	254.00				
TOTAL ISSUE.....	28,702,626	28,702,626				
TOTAL SALARY RATE.....	12,758,234	12,758,234				

	COL A12	COL A14	COL A15	COL A16	COL A14-A12	
					AGY AMD REQ	
					FY 2016-17	
					OVER(UNDER)	
	AGY FIN REQ	AGY AMD REQ	AGY AMD N/R	AGY AMD ANZ	AGY FIN REQ	
	FY 2016-17	FY 2016-17	FY 2016-17	FY 2016-17	FY 2016-17	
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	CODES
FINANCIAL SERVICES						43000000
PGM: FINANCIAL SVCS COMM						43900000
OFFICE OF INSURANCE REG						43900100
COMP & ENFORCE- INSURANCE						43900110
PUBLIC PROTECTION						12
REGULATION AND LICENSING						1204.00.00.00
ESTIMATED EXPENDITURES						1000000
CASUALTY INSURANCE PREMIUM						
ADJUSTMENT						1001090
SPECIAL CATEGORIES						100000
RISK MANAGEMENT INSURANCE						103241
INSURANCE REG TF	-STATE	68,847-	68,847-			2393 1
=====						
FLORIDA RETIREMENT SYSTEM						
ADJUSTMENT FOR FISCAL YEAR 2015-16						
NORMAL COST AND UNFUNDED ACTUARIAL						
LIABILITY (UAL)						1001420
SALARIES AND BENEFITS						010000
INSURANCE REG TF	-STATE	58,684-	58,684-			2393 1
=====						
HEALTH INSURANCE SUBSIDY - RETIREES						
FOR FY 2015-16						1001430
SALARIES AND BENEFITS						010000
INSURANCE REG TF	-STATE	50,095	50,095			2393 1
=====						
REALLOCATION OF HUMAN RESOURCES						
OUTSOURCING						1005900
SPECIAL CATEGORIES						100000
TR/DMS/HR SVCS/STW CONTRCT						107040
INSURANCE REG TF	-STATE	13	13			2393 1
=====						

	COL A12	COL A14	COL A15	COL A16	COL A14-A12	
					AGY AMD REQ	
					FY 2016-17	
					OVER(UNDER)	
	AGY FIN REQ	AGY AMD REQ	AGY AMD N/R	AGY AMD ANZ	AGY FIN REQ	
	FY 2016-17	FY 2016-17	FY 2016-17	FY 2016-17	FY 2016-17	
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	CODES
FINANCIAL SERVICES						43000000
PGM: FINANCIAL SVCS COMM						43900000
OFFICE OF INSURANCE REG						43900100
COMP & ENFORCE- INSURANCE						43900110
PUBLIC PROTECTION						12
REGULATION AND LICENSING						<u>1204.00.00.00</u>
NONRECURRING EXPENDITURES						2100000
TRANSFER TO FLORIDA INTERNATIONAL						
UNIVERSITY - ENHANCEMENTS TO THE						
FLORIDA PUBLIC HURRICANE LOSS MODEL						2103120
SPECIAL CATEGORIES						100000
TR/FIU-ENH/FL PUBLIC/MODEL						100516
INSURANCE REG TF	-STATE	1,700,000-	1,700,000-			2393 1
=====						
TITLE INSURANCE - STAFFING						
RESOURCES						2103145
EXPENSES						040000
INSURANCE REG TF	-STATE	3,773-	3,773-			2393 1
=====						
LIFE AND HEALTH - STAFFING						
RESOURCES						2103148
EXPENSES						040000
INSURANCE REG TF	-STATE	11,319-	11,319-			2393 1
=====						
TOTAL: REGULATION AND LICENSING						<u>1204.00.00.00</u>
BY FUND TYPE						
TRUST FUNDS.....	254.00	254.00				
SALARY RATE.....	26,910,111	26,910,111				2000
SALARY RATE.....	12,758,234	12,758,234				
=====						

	COL A12		COL A14		COL A15		COL A16		COL A14-A12		
	AGY FIN REQ		AGY AMD REQ		AGY AMD N/R		AGY AMD ANZ		AGY AMD REQ		
	FY 2016-17		FY 2016-17		FY 2016-17		FY 2016-17		FY 2016-17		
	POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	CODES
FINANCIAL SERVICES											43000000
PGM: FINANCIAL SVCS COMM											43900000
OFFICE OF INSURANCE REG											43900100
EXEC DIR & SUPORT SERVICES											43900120
PUBLIC PROTECTION											12
REGULATION AND LICENSING											1204.00.00.00
ESTIMATED EXPENDITURES											1000000
ESTIMATED EXPENDITURES - OPERATIONS											1001000
SALARY RATE											000000
SALARY RATE.....		2,171,451		2,171,451							
SALARIES AND BENEFITS											010000
INSURANCE REG TF	-STATE	38.00		38.00							2393 1
		2,915,201		2,915,201							
EXPENSES											040000
INSURANCE REG TF	-STATE	118,543		118,543							2393 1
SPECIAL CATEGORIES											100000
CONTRACTED SERVICES											100777
INSURANCE REG TF	-STATE	92,710		92,710							2393 1
LEASE/PURCHASE/EQUIPMENT											105281
INSURANCE REG TF	-STATE	8,414		8,414							2393 1
TR/DMS/HR SVCS/STW CONTRCT											107040
INSURANCE REG TF	-STATE	11,621		11,621							2393 1
TOTAL: ESTIMATED EXPENDITURES - OPERATIONS											1001000
TOTAL POSITIONS.....		38.00		38.00							
TOTAL ISSUE.....		3,146,489		3,146,489							
TOTAL SALARY RATE.....		2,171,451		2,171,451							

	COL A12	COL A14	COL A15	COL A16	COL A14-A12	
	AGY FIN REQ	AGY AMD REQ	AGY AMD N/R	AGY AMD ANZ	AGY AMD REQ	
	FY 2016-17	FY 2016-17	FY 2016-17	FY 2016-17	FY 2016-17	
	POS	AMOUNT	POS	AMOUNT	POS	AMOUNT
						CODES
FINANCIAL SERVICES						43000000
PGM: FINANCIAL SVCS COMM						43900000
OFFICE OF INSURANCE REG						43900100
EXEC DIR & SUPORT SERVICES						43900120
PUBLIC PROTECTION						12
REGULATION AND LICENSING						1204.00.00.00
ESTIMATED EXPENDITURES						1000000
FLORIDA RETIREMENT SYSTEM						
ADJUSTMENT FOR FISCAL YEAR 2015-16						
NORMAL COST AND UNFUNDED ACTUARIAL						
LIABILITY (UAL)						1001420
SALARIES AND BENEFITS						010000
INSURANCE REG TF -STATE	8,846-	8,846-				2393 1
HEALTH INSURANCE SUBSIDY - RETIREES						
FOR FY 2015-16						1001430
SALARIES AND BENEFITS						010000
INSURANCE REG TF -STATE	9,085	9,085				2393 1
REALLOCATION OF HUMAN RESOURCES						
OUTSOURCING						1005900
SPECIAL CATEGORIES						100000
TR/DMS/HR SVCS/STW CONTRCT						107040
INSURANCE REG TF -STATE	2	2				2393 1
WORKLOAD						3000000
OFFICE OF INSURANCE REGULATION -						
INCREASE SALARY RATE						3002A80
SALARY RATE						000000
SALARY RATE.....	65,842			65,842		
SALARIES AND BENEFITS						010000
INSURANCE REG TF -STATE		75,659			75,659	2393 1

	COL A12	COL A14	COL A15	COL A16	COL A14-A12	
					AGY AMD REQ	
					FY 2016-17	
					OVER(UNDER)	
	AGY FIN REQ	AGY AMD REQ	AGY AMD N/R	AGY AMD ANZ	AGY FIN REQ	
	FY 2016-17	FY 2016-17	FY 2016-17	FY 2016-17	FY 2016-17	
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	CODES
FINANCIAL SERVICES						43000000
PGM: FINANCIAL SVCS COMM						43900000
OFFICE OF INSURANCE REG						43900100
EXEC DIR & SUPORT SERVICES						43900120
PUBLIC PROTECTION						12
REGULATION AND LICENSING						1204.00.00.00
WORKLOAD						3000000
OFFICE OF INSURANCE REGULATION -						
INCREASE SALARY RATE						3002A80
TOTAL: OFFICE OF INSURANCE REGULATION -						3002A80
INCREASE SALARY RATE						
TOTAL ISSUE.....			75,659		75,659	
TOTAL SALARY RATE.....		65,842			65,842	

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AGENCY ISSUE NARRATIVE:

2016-2017 BUDGET YEAR NARRATIVE: IT COMPONENT? NO  
 Budget Entity: Office of Insurance Regulation - Executive Direction

Issue Title: Office of Insurance Regulation - Increase Salary Rate

Reference to Long-Range Program Plan:

- Goal 1: Promote insurance markets that offer products to meet the needs of Floridians with fair, understandable coverage that is priced in a manner that is adequate, but not excessive or unfairly discriminatory.
- Goal 2: Protect the public from illegal, unethical insurance products and practices.
- Goal 3: Monitor the financial condition of licensed insurance companies and take action to address financial issues as early as reasonably possible to prevent unnecessary harm to consumers.
- Goal 4: Operate in an efficient, effective and transparent manner.

AMENDED 2016-17 NARRATIVE AFTER DECEMBER 4, 2015

In Section 20.121(3)(a)1, Florida Statutes, it states "The Office of Insurance Regulation, which shall be responsible for all activities concerning insurers and other risk bearing entities, including licensing, rates, policy forms, market conduct, claims, issuance of certificates of authority, solvency, viatical settlements, premium financing, and administrative supervision, as provided under the insurance code or chapter 636. The head of the Office of Insurance Regulation is the Director of the Office of Insurance Regulation, who may also be known as the Commissioner of Insurance Regulation."

The Florida Insurance Commissioner provides senior-level executive regulatory and policy leadership. He executes and enforces all regulatory responsibilities in furtherance of the public interest. In addition, he oversees the review of company rate and form filings across regulated lines of insurance and takes appropriate action. The Insurance Commissioner position also advises the Governor, Financial Services Commission, and Legislature on matters affecting the insurance marketplace, and implements applicable statutory and regulatory policies. Finally, the Commissioner represents

	COL A12	COL A14	COL A15	COL A16	COL A14-A12	
					AGY AMD REQ	
					FY 2016-17	
					OVER(UNDER)	
	AGY FIN REQ	AGY AMD REQ	AGY AMD N/R	AGY AMD ANZ	AGY FIN REQ	
	FY 2016-17	FY 2016-17	FY 2016-17	FY 2016-17	FY 2016-17	
	POS	AMOUNT	POS	AMOUNT	POS	AMOUNT
FINANCIAL SERVICES						43000000
PGM: FINANCIAL SVCS COMM						43900000
OFFICE OF INSURANCE REG						43900100
EXEC DIR & SUPORT SERVICES						43900120
PUBLIC PROTECTION						12
REGULATION AND LICENSING						1204.00.00.00
WORKLOAD						3000000
OFFICE OF INSURANCE REGULATION -						
INCREASE SALARY RATE						3002A80

the Office before relevant constituencies, both within and outside of the insurance industry and institutions, both nationally and internationally, in a way that benefits Florida consumers and companies.

On January 5, 2016, Insurance Commissioner Kevin McCarty notified the Governor and the members of the Financial Services Commission that he was resigning from his position, effective May 2, 2016. Commissioner McCarty had served in this position for 12 years as its first appointed Insurance Commissioner. On January 21, 2016 at the meeting of the Governor and Cabinet, there was public discussion of the appointment for the next Insurance Commissioner. During the discussion, Chief Financial Officer Atwater brought up the topic regarding the salary of the next Commissioner and that he believed that it needs to be higher than the current salary of \$134,157.84. The discussion centered on a salary range between \$175,000 and \$200,000, an amount sufficient to attract a quality pool of candidates for the Insurance Commissioner position. After some discussion and input by all of the members of the Cabinet, it was then voted and approved unanimously to advertise the Insurance Commissioner position with a salary range of the current salary of \$134,157.84 to a maximum salary \$200,000.

At this time and due to obligated rate set aside for two actuary positions, the Office does not have sufficient rate to cover the increase in difference between the current salary of \$134,157.84 and the maximum salary of \$200,000. Therefore, the Office is requesting \$65,842 in additional rate and \$75,659 in Salaries and Benefits to cover the increase in salary for the next Insurance Commissioner.

SUMMARY: This is a new issue.

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POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A14 - AGY AMD REQ FY 2016-17							
NEW POSITIONS							
RA01 RATE & SALARY ADJ - BENEFITS NO FTE							
C7500 001	0.00	65,842		9,817	75,659	0.00	75,659



COL A12		COL A14		COL A15		COL A16		COL A14-A12		CODES
AGY FIN REQ FY 2016-17	POS AMOUNT	AGY AMD REQ FY 2016-17	POS AMOUNT	AGY AMD N/R FY 2016-17	POS AMOUNT	AGY AMD ANZ FY 2016-17	POS AMOUNT	AGY AMD REQ FY 2016-17 OVER(UNDER)	AGY FIN REQ FY 2016-17	

FINANCIAL SERVICES 43000000  
 PGM: FINANCIAL SVCS COMM 43900000  
 OFFICE OF INSURANCE REG 43900100  
 EXEC DIR & SUPORT SERVICES 43900120  
PUBLIC PROTECTION 12  
REGULATION AND LICENSING 1204.00.00.00  
 WORKLOAD 3000000  
 OFFICE OF INSURANCE REGULATION -  
 INCREASE SALARY RATE 3002A80

POSITION DETAIL OF SALARIES AND BENEFITS:

FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A14 - AGY AMD REQ FY 2016-17						
NEW POSITIONS						
TOTALS FOR ISSUE BY FUND						75,659
2393 INSURANCE REG TF						75,659
0.00	65,842		9,817	75,659		75,659

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TOTAL: REGULATION AND LICENSING						1204.00.00.00
BY FUND TYPE	38.00	38.00				
TRUST FUNDS.....	3,146,730	3,222,389			75,659	2000
SALARY RATE.....	2,171,451	2,237,293		65,842		
TOTAL: FINANCIAL SERVICES						43000000
BY FUND AND FUND TYPE	292.00	292.00				
INSURANCE REG TF.....	30,056,841	30,132,500			75,659	2393

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