

**0425 – DEPARTMENT OF COMMERCE - STATE INSURANCE DEPARTMENT
FISCAL YEAR 2021
AS ENACTED BY ACT 171 OF 2020**

Insurance Department, according to Arkansas Code § 23-61-101(c)(1)(A) and (B),

"(A) The purpose of the department is to serve and protect the public interest by the equitable enforcement of the state's laws and regulations affecting the insurance industry.

(B) The primary mission of the department shall be consumer protection through insurer solvency and market conduct regulation, and fraud prosecution and deterrence."

The Department is funded with existing fund balances, trust funds (interest income, earnings, adjustments, grants, refunds, gifts), employer workers' compensation benefits contributions (revolving funds), special revenue (fees, premiums collected), federal funds, and cash.

Per Act 107 of 2019, the Arkansas Health Insurance Marketplace was abolished and their powers and duties have been transferred by a Type 3 transfer to the State Insurance Department.

TOTAL APPROPRIATION

Appropriation	2019-2020	2020-2021
	Authorized	Legislative
New Firefighter Cancer Relief	\$0	\$250,000
22 Total Appropriations	\$94,779,741	\$95,002,447

FUNDING SOURCES

Funding Sources		%
Fund Balance	4000005	51.6
Federal Revenue	4000020	0.8
Special Revenue	4000030	3.2
Cash Fund	4000045	0.2
Trust Fund	4000050	24.5
Miscellaneous Revolving	4000350	8.4
Workers' Comp Revolving	4000735	11.3
Other		8.4
		100.0

CHANGE LEVEL REQUESTS

Insurance-State Operations (Appropriation 2SW)

Commitment Item		2019-2020	2020-2021	
		Authorized	Legislative	Change Level
5010000	Regular Salaries	\$7,496,872	\$7,500,172	\$3,300
5010003	Personal Services Matching	\$2,447,369	\$2,448,800	\$1,431
5120011	Capital Outlay	\$102,000	\$86,000	(\$16,000)
Total		\$14,270,015	\$14,258,746	(\$11,269)

- Increase in Regular Salaries and Personal Services Matching due to Career Service, Merit, etc. adjustments.
- Decrease in Capital Outlay reflects reduced expenses for prior year replacement of aging technology related equipment and hardware.

Fraud Investigation Unit (Appropriation 2SX)

Commitment Item		2019-2020	2020-2021	
		Authorized	Legislative	Change Level
5010000	Regular Salaries	\$626,324	\$626,424	\$100
5010003	Personal Services Matching	\$202,062	\$202,085	\$23
Total		\$828,386	\$828,509	\$123

- Increase in Regular Salaries and Personal Services Matching due to Career Service, Merit, etc. adjustments

Insurance Fraud Investigation Division (Appropriation 2SY)

Commitment Item		2019-2020	2020-2021	
		Authorized	Legislative	Change Level
5020002	Operating Expenses	\$218,635	\$220,635	\$2,000
Total		\$507,295	\$509,295	\$2,000

- Operating Expenses increased for maintenance operations and investigation expenses.

Prepaid Funeral Benefits Division (Appropriation 2SZ)

Commitment Item		2019-2020	2020-2021	
		Authorized	Legislative	Change Level
5010000	Regular Salaries	\$250,158	\$250,258	\$100
5010003	Personal Services Matching	\$83,761	\$83,786	\$25
Total		\$374,619	\$374,744	\$125

- Increase in Regular Salaries and Personal Services Matching due to Career Service, Merit, etc. adjustments

Public Employees Claims Section (Appropriation 2TD)

Commitment Item		2019-2020	2020-2021	
		Authorized	Legislative	Change Level
5010000	Regular Salaries	\$1,039,642	\$1,040,942	\$1,300
5010003	Personal Services Matching	\$359,301	\$359,605	\$304
Total		\$1,921,874	\$1,923,478	\$1,604

- Increase in Regular Salaries and Personal Services Matching due to Career Service, Merit, etc. adjustments

Consumer Info System - Cash (Appropriation 2TK)

Commitment Item		2019-2020	2020-2021	
		Authorized	Legislative	Change Level
5020002	Operating Expenses	\$48,005	\$28,005	(\$20,000)
Total		\$48,005	\$28,005	(\$20,000)

- Decrease due to decreased consumer outreach activities being paid out of this cash account.

Funeral Services (Appropriation V98)

Commitment Item		2019-2020	2020-2021	
		Authorized	Legislative	Change Level
5010000	Regular Salaries	\$245,895	\$245,995	\$100
5010003	Personal Services Matching	\$87,805	\$87,828	\$23
Total		\$564,356	\$564,479	\$123

- Increase in Regular Salaries and Personal Services Matching due to Career Service, Merit, etc. adjustments

POSITIONS

Total Authorized Positions FY2021: 189

Total Authorized Positions FY2020: 189

Increase / (Decrease): 0

Extra Help Positions FY2021: 19

SPECIAL LANGUAGE REVISIONS

None.