

Committee on Budget

SB 2132 — Department of Financial Services

by Budget Committee

The bill provides for the following:

- Requires that the Department of Financial Services (department) and all state agencies with more than 3,000 full-time employees that are provided insurance coverage from the Division of Risk Management, within the department, establish and maintain return-to-work programs for injured state workers. This provision is anticipated to result in an estimated annual cost savings of \$1 million to the state's self-insurance program.
- Requires the Division of Risk Management to utilize agency loss prevention results in addition to claims history as criteria for calculating state agency risk management premiums.
- Requires the Division of Risk Management to evaluate each agency's risk management programs at least once every five years and to produce reports recommending improvements. In addition, the bill outlines a process for each agency's response to the division's evaluation and recommendations.
- Eliminates the Chief Financial Officer's authority to operate a check cashing service at the state capitol, which will eliminate three full-time positions and provide a savings of \$129,022.
- Requires that unencumbered and undisbursed funds that are transferred from the Workers' Compensation Administration Trust Fund within the department revert back to the fund each year.
- Revises the responsibilities of the Division of Consumer Services within the department to reflect organizational changes related to the Office of Insurance Regulation and the Office of Financial Regulation.
- Authorizes the department to accept donations, grants of property or moneys from any governmental unit, public agency, institution, person, firm, or corporation for its anti-fraud efforts in the Division of Insurance Fraud within the department and provides for the vesting of certain rights in the Division of Insurance Fraud upon donation. The bill authorizes the department to request annual appropriations from these funds.
- Requires that all donations or grants of monies to the Division of Insurance Fraud be deposited immediately into the Insurance Regulatory Trust Fund within the department, to be separately accounted for. The bill authorizes the use of these funds by the Division of Insurance Fraud to carry out its duties and responsibilities or for the sub-granting of funds to the state attorneys for funding or defraying the cost of dedicated fraud prosecutors.

If approved by the Governor, these provisions take effect July 1, 2011.

Vote: Senate 35-4; House 93-24