



Florida Office of Insurance Regulation

Commissioner David Altmaier

**Florida House of Representatives
Government Operations & Technology
Appropriations Subcommittee**

**Fiscal Year 2020-2021
Legislative Budget Request and Schedule VIII-B Reductions**

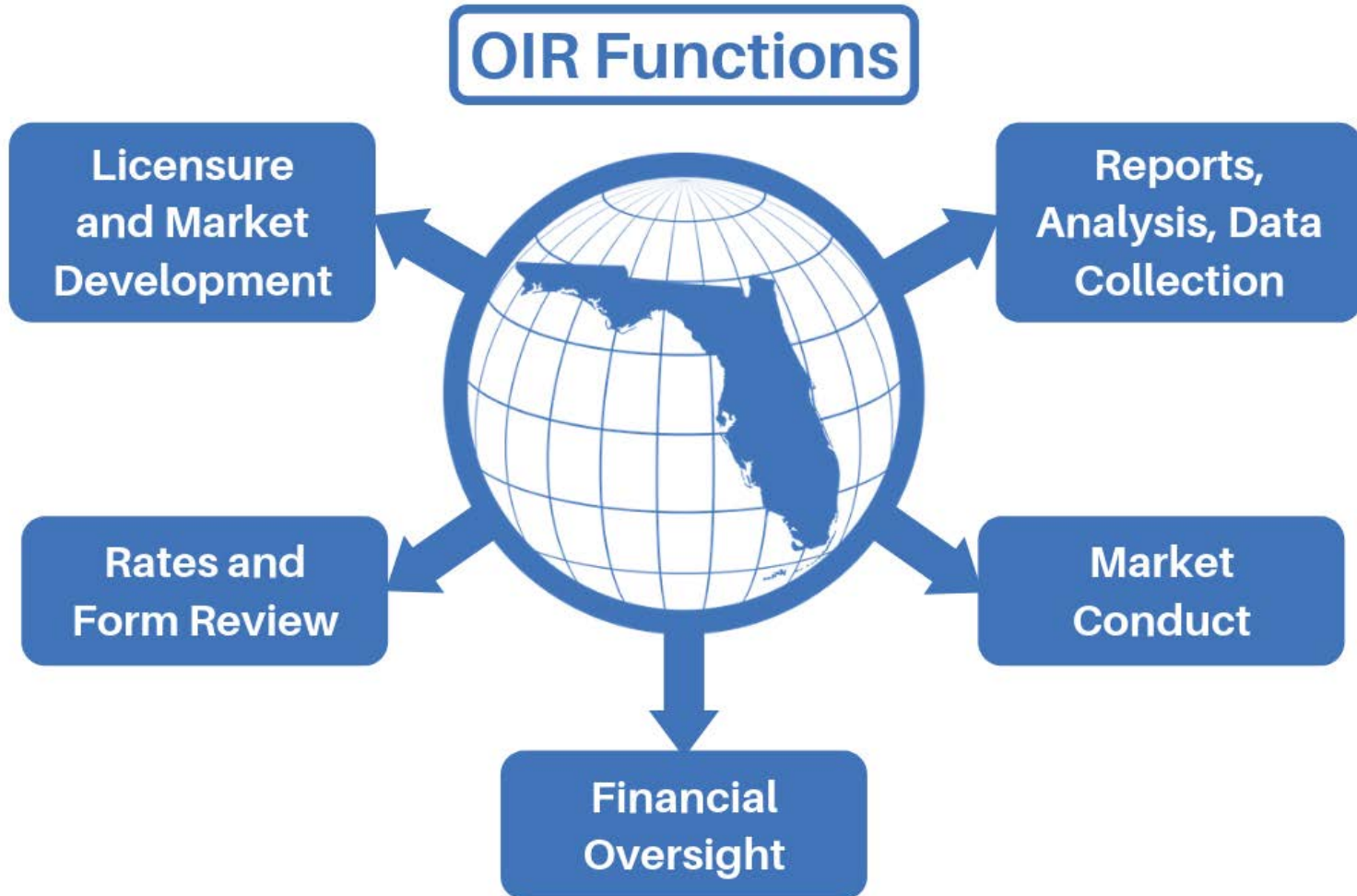
Mike Yaworsky, Chief of Staff
Office of Insurance Regulation

September 18, 2019



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OIR Operations and Responsibilities

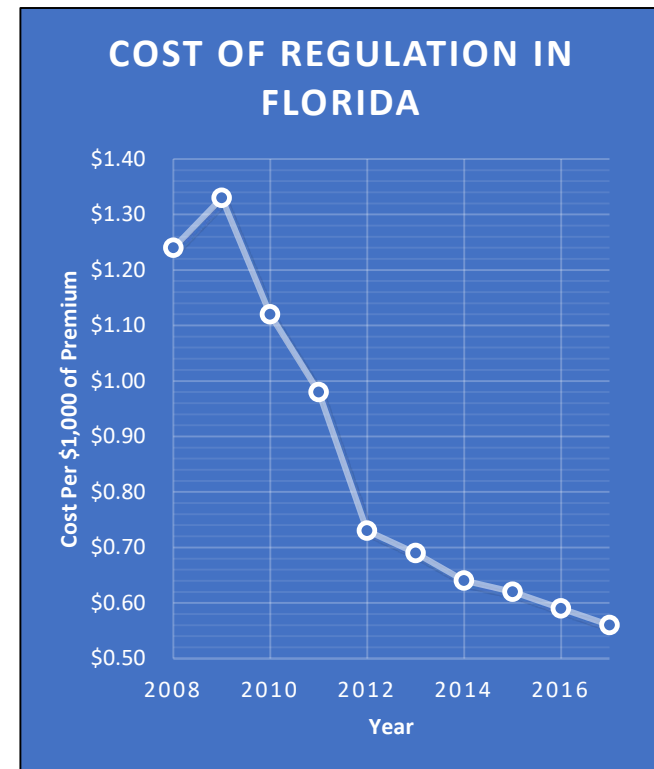




Florida Office of Insurance Regulation

Budget – Fiscal Year 2019-20

- **283 Authorized Positions** (10.2% decrease from 315 employees in FY 2007-08)
- **Total Budget of \$31,016,418***
** Includes non-recurring funding and special budget categories for budget authority associated with the outsourcing of financial examinations.*
- **Insurance Entities Regulated – 4,497**
** Includes Property and Casualty, Life, Annuity, Health, Fraternal, Title, Specialty Companies, and Surplus Lines*
- **OIR is exclusively funded by the Insurance Regulatory Trust Fund.** The main revenue sources for OIR are various industry fees and Surplus Lines Premium Tax. No General Revenue is utilized for the budget.
- **OIR is administratively housed within the Department of Financial Services** for some administrative and technology support services.





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Current OIR Budget – Fiscal Year 2019-20

Appropriation Category	Amount
Salaries and Benefits (283 FTE)	\$ 20,847,350
Other Personal Services (OPS)	\$ 290,169
Expenses (includes \$1.1 million for office building rent to DMS)	\$ 2,479,173
Operating Capital Outlay (OCO)	\$ 98,000
Contracted Services	\$ 1,430,726
Florida Public Hurricane Model - Maintenance and Support to FIU	\$ 939,689
Property and Casualty Examinations (Budget Authority only)	\$ 3,201,763
Life and Health Examinations (Budget Authority only)	\$ 1,425,000
Lease/Purchase/Equipment	\$ 27,403
Risk Management Insurance	\$ 156,143
Transfer to DMS (HR Contract)	\$ 91,002
TOTAL	\$ 31,016,418



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Legislative Budget Request – Fiscal Year 2020-21

	Amount Requested
1) Increase in Contracted Services	\$350,000.00
Issue - Hiring of two additional staff augmentation positions (business analyst and senior programmer)	
Justification - Due to the backlog of programming requests, these two additional contractors will support the completion of many projects that are currently in process. Additionally, several OIR systems require modernization and upgrades.	
2) Transfer of Appropriation	\$0.00
Issue - Technical Budget Amendment (transferring \$10,000 from Expenses Category to Lease/Purchase Category)	
Justification - Due to the increased expenditures in Leased Copying Equipment (BizHubs), \$10,000 will be transferred from the Expenses appropriation category to the Lease/Purchase appropriation category. This issue will have a fiscal impact of \$0.00 (Net Zero).	



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Schedule VIII-B Reductions

Reductions	Amount
<u>Minimal Impact</u>	
• Reduction in Operating Capitol Outlay	\$ 47,200
<u>Moderate Impact</u>	
• Reduction in Travel Expenses	\$ 121,000
• Eliminate Scanning Unit (1 FTE)	\$ 56,282
• Reduction in OPS	\$ 87,050
<u>Significant Impact</u>	
• Reduction in Vacant Positions (16 FTE)	\$ 899,353
• Contracted Services	\$ 300,050
• Reduction in Expenses	\$ 631,650
• Reduction in Florida Public Hurricane Model	\$ 484,845
TOTAL	\$ 2,627,430



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