

State of Alaska
FY2014 Governor's Operating Budget

**Department of Commerce, Community, and Economic
Development**
Insurance Operations
RDU/Component Budget Summary

RDU/Component: Insurance Operations

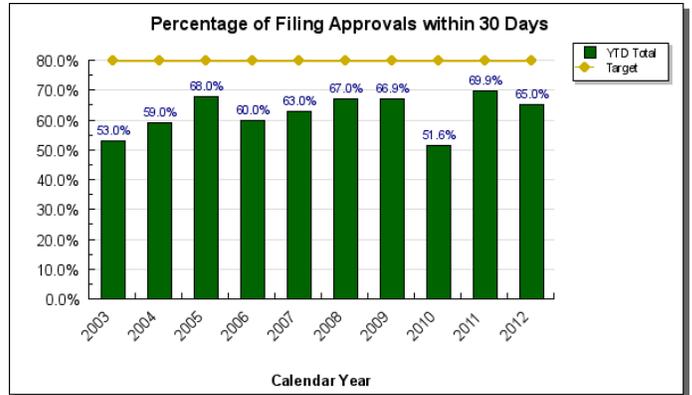
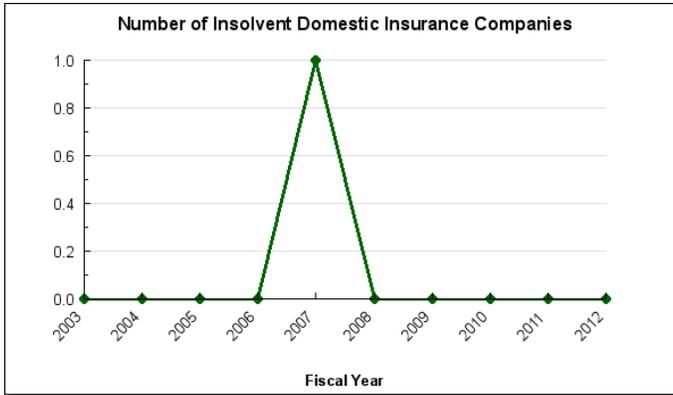
(There is only one component in this RDU. To reduce duplicate information, we did not print a separate RDU section.)

Contribution to Department's Mission

Regulate the insurance industry to protect Alaskan consumers.

Results

(Additional performance information is available on the web at <http://omb.alaska.gov/results>.)



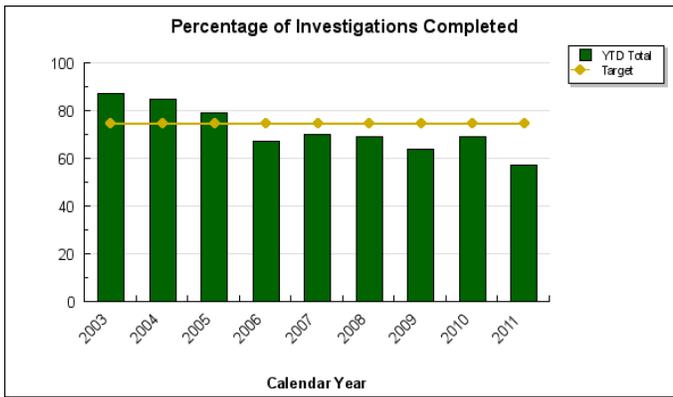
Core Services

- Investigations
- Licensing
- Compliance
- Filing Approval
- Public Information

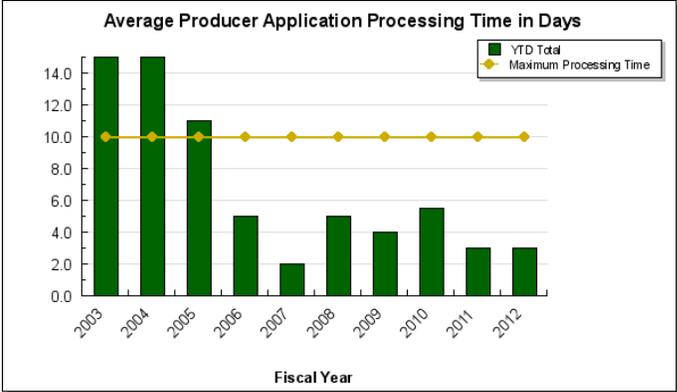
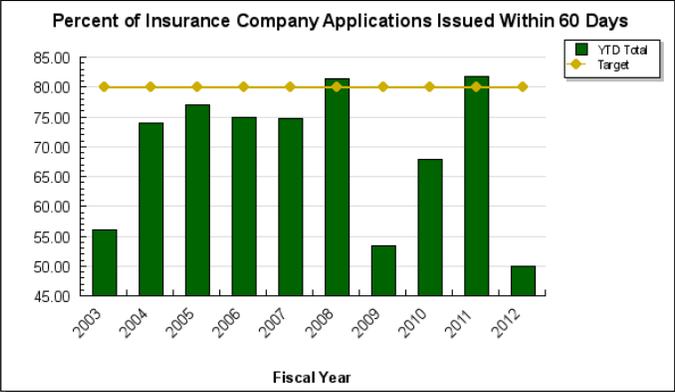
Measures by Core Service

(Additional performance information is available on the web at <http://omb.alaska.gov/results>.)

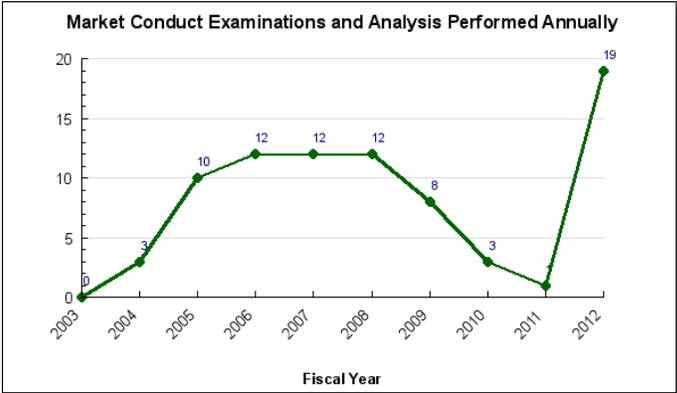
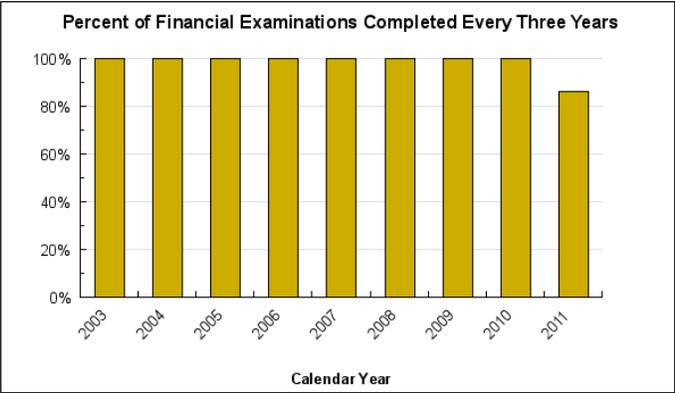
1. Investigations



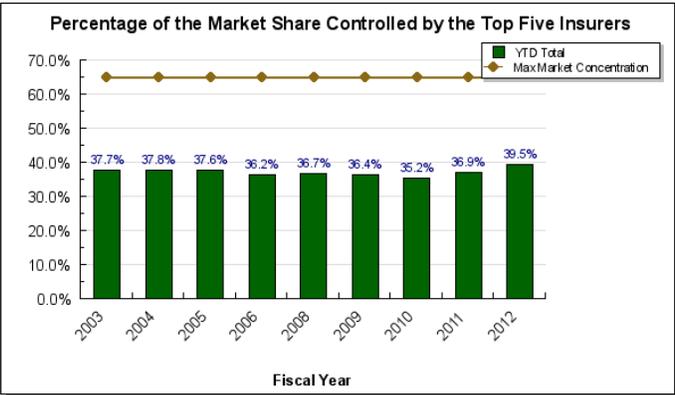
2. Licensing



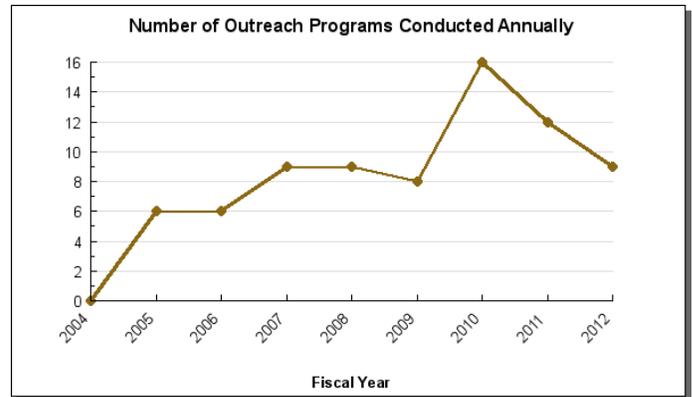
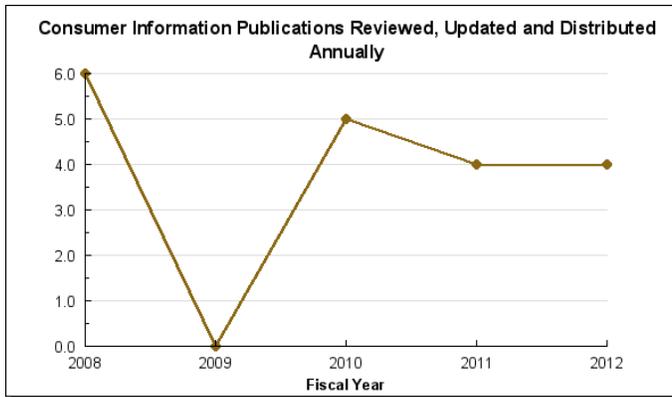
3. Compliance



4. Filing Approval



5. Public Information



Major Component Accomplishments in 2012

The division has continued successful management of the Insurance programs, as noted in the below accomplishments:

- Collected \$65,734,955 in premium taxes, penalties, and fees in FY2012.
- Registered 27 Purchasing Groups.
- Completed seven premium tax audits of surplus lines brokers.
- Admitted 19 new insurance companies, one new surplus lines insurers and two risk retention groups.
- Started one financial exam, continued two exams from FY2011, and completed one exam in FY2012.
- Opened and investigated 290 consumer complaints, closed 286 complaints, and took action that resulted in additional payments of \$145,888 to consumers in FY2012.
- Opened 57 criminal investigations and closed 35 in FY2012, a 26 percent decline from FY2011.
- Issued 14 bulletins, six regulatory orders, 12 disciplinary orders, nine suspension and revocation orders, and completed four regulatory projects.
- Approved 3,606 rate and form filings and disapproved 123. There were 700 filings rejected or withdrawn and 270 were still under review at the end of FY2012.
- There were over 41,753 licensees at the end of FY2012, an increase of almost 10 percent over FY2011.

Key Component Challenges

Investigations and Enforcement

Though the number of criminal investigations decreased 26 percent from 2011, the complexity of the crimes continues to increase. The investigation team has new challenges due to the nature of the crimes, and the new and creative ways that criminals commit them. The ability to close cases is impacted by this increase in complexity. Complex fraud investigations take longer to complete and require new technology and tools to develop evidence that will ensure convictions.

Insurance Products

The division continues to be challenged by the increase of insurance products that are available to consumers. Many of these new products require the promulgation of regulations to ensure the ability to develop and enforce standards. Complexity of the products requires more legal review as the division continues to regulate all aspects of the industry. This complexity, plus the widespread marketing of products, presents a challenge to our ability to not only regulate the products offered but also to deal with licensing issues arising from new methods of marketing.

Licensing

The number of licensees continues to increase, straining already limited resources. The number of licensees increased from 22,647 in FY2005 to 41,758 in FY2012, a percentage increase of approximately 84.4%. Addressing license violations, including noncompliance agreements, denials of licenses, suspensions or revocations, and other licensing matters consume an enormous amount of staff time and effort. Even matters that do not require litigation often require considerable time for an attorney to review and analyze, such as the legal analysis involving a license

applicant with felony convictions. There has been an increase in the number of licensing challenges in recent years, most of which result in administrative actions.

Legal

In addition to rising numbers of challenges to licensing actions and the complexity of insurance products, the division has increased need to combat criminal insurance fraud. Criminal investigations have increased as have costs for legal services in general. As these costs increase, the public has benefited by increased policing of licensees' conduct and the deterrent effect that enforcement action has on licensees. Enforcement of Alaska insurance statutes and regulations is critical to the regulatory oversight responsibility of the division.

Personnel

It continues to be difficult to recruit and retain individuals with sufficient experience or expertise to fill positions ranging from the clerk positions to the professional level positions that require the ability to complete challenging analyses and evaluation of the insurance marketplace. As several senior staff members are approaching retirement eligibility, we need to be able to replace this expertise and historical memory with no loss of the regulatory enforcement capacity of the division.

Public Outreach

The division continues to have the goal of informing the public about insurance products and insurance fraud through public outreach and publications. The division also strives to inform the public about the division as a whole and the types of assistance the division and staff can provide. These efforts will continue in the coming fiscal year. Insurance fraud is a felony and it is hoped that publicizing this will serve as a deterrent. Providing information to the public is one of our challenges, not just about the criminal aspects, but also for assistance, education, and support to consumers.

An ongoing survey shows extreme satisfaction with the consumer services section. While satisfaction is often dependent upon whether or not the consumers' issue was resolved favorably, the 290 consumer complaints resulting in payments of \$145,888 in FY2012 demonstrates that the public was well-served in this area. One particular advantage of having a consumer services section is that it can be a "trip wire" indicating that a company or companies may be violating the law. Often, clusters of complaints about particular practices indicate a pattern of ongoing activity that the division needs to investigate.

Competition

The State of Alaska lacks a competitive insurance marketplace. The worker's compensation market is dominated by relatively few carriers, which puts Alaska at risk of losing a viable option for employers to obtain statutorily mandated coverage. The homeowner's market is fast becoming noncompetitive with two carriers writing a majority of the business. This, in turn, creates pressure on the real estate industry as sales of property and re-financing depend on the availability of insurance coverage to satisfy the lenders. One key element to be developed will be regulatory modernization to keep Alaska consistent with national regulatory practices. There are a limited number of health insurance companies serving the Alaska marketplace which results in reduced choices for Alaskan consumers.

Technology

The Division of Insurance will continue its effort to implement the state-based system, a back-end IT system created by the National Association of Insurance Commissioners. This new system will improve internal workflow and allow the division to regulate the insurance industry more efficiently. It will also provide additional automated services to industry, allowing industry to manage its licensing needs electronically.

Significant Changes in Results to be Delivered in FY2014

No significant changes are expected.

Statutory and Regulatory Authority

AS 21	Insurance
3 AAC 21 to 31	Insurance

Contact Information

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**Insurance Operations
Component Financial Summary**

All dollars shown in thousands

	FY2012 Actuals	FY2013 Management Plan	FY2014 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	4,835.4	5,175.5	5,178.1
72000 Travel	121.8	175.5	175.5
73000 Services	2,044.3	2,093.2	2,093.2
74000 Commodities	187.2	59.2	59.2
75000 Capital Outlay	0.0	35.3	35.3
77000 Grants, Benefits	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	7,188.7	7,538.7	7,541.3
Funding Sources:			
1061 Capital Improvement Project Receipts	230.0	357.8	357.8
1156 Receipt Supported Services	6,958.7	7,180.9	7,183.5
Funding Totals	7,188.7	7,538.7	7,541.3

Estimated Revenue Collections

Description	Master Revenue Account	FY2012 Actuals	FY2013 Management Plan	FY2014 Governor
Unrestricted Revenues				
Receipt Supported Services	51073	3,449.0	0.0	0.0
Unrestricted Fund	68515	55,327.2	0.0	0.0
Unrestricted Total		58,776.2	0.0	0.0
Restricted Revenues				
Receipt Supported Services	51073	6,958.7	7,180.9	7,183.5
Capital Improvement Project Receipts	51200	230.0	357.8	357.8
Restricted Total		7,188.7	7,538.7	7,541.3
Total Estimated Revenues		65,964.9	7,538.7	7,541.3

**Summary of Component Budget Changes
From FY2013 Management Plan to FY2014 Governor**

All dollars shown in thousands

	<u>Unrestricted Gen (UGF)</u>	<u>Designated Gen (DGF)</u>	<u>Other Funds</u>	<u>Federal Funds</u>	<u>Total Funds</u>
FY2013 Management Plan	0.0	7,180.9	357.8	0.0	7,538.7
Adjustments which will continue current level of service:					
-FY2014 Salary and Health Insurance Increases	0.0	2.6	0.0	0.0	2.6
FY2014 Governor	0.0	7,183.5	357.8	0.0	7,541.3

**Insurance Operations
Personal Services Information**

Authorized Positions			Personal Services Costs	
	FY2013 Management Plan	FY2014 Governor		
Full-time	51	51	Annual Salaries	3,423,344
Part-time	0	0	Premium Pay	0
Nonpermanent	4	3	Annual Benefits	2,043,022
			<i>Less 5.27% Vacancy Factor</i>	<i>(288,266)</i>
			Lump Sum Premium Pay	0
Totals	55	54	Total Personal Services	5,178,100

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accounting Clerk	0	0	1	0	1
Accounting Tech I	0	0	1	0	1
Actuary	0	0	2	0	2
Administrative Assistant II	0	0	1	0	1
Administrative Officer II	0	0	1	0	1
Consmr Service Spec(Insurance)	3	0	0	0	3
Consmr Service Supr(Insurance)	1	0	0	0	1
Deputy Director, Insurance	0	0	1	0	1
Division Director	1	0	0	0	1
Information System Coordinator	0	0	1	0	1
Ins Financial Exam I	1	0	0	0	1
Ins Financial Exam II	3	0	0	0	3
Ins Financial Exam III	1	0	0	0	1
Insurance Licensing Exam I	0	0	2	0	2
Insurance Licensing Exam II	0	0	1	0	1
Insurance Specialist I	1	0	5	0	6
Insurance Specialist II	1	0	3	0	4
Insurance Specialist III	1	0	0	0	1
Investigator III	3	0	0	0	3
Investigator IV	1	0	0	0	1
Office Assistant I	3	0	8	0	11
Paralegal II	1	0	0	0	1
Program Coordinator II	0	0	1	0	1
Publications Tech I	0	0	1	0	1
Records & Licensing Spvr	0	0	1	0	1
Regulations Spec II	0	0	1	0	1
Secretary	1	0	0	0	1
Tax Auditor III	0	0	1	0	1
Totals	22	0	32	0	54

Component Detail All Funds
Department of Commerce, Community, and Economic Development

Component: Insurance Operations (AR29620) (354)
RDU: Insurance (116)

	FY2012 Actuals	FY2013 Conference Committee	FY2013 Authorized	FY2013 Management Plan	FY2014 Governor	FY2013 Management Plan vs FY2014 Governor	
71000 Personal Services	4,835.4	5,212.8	5,212.8	5,175.5	5,178.1	2.6	0.1%
72000 Travel	121.8	175.5	175.5	175.5	175.5	0.0	0.0%
73000 Services	2,044.3	2,055.9	2,055.9	2,093.2	2,093.2	0.0	0.0%
74000 Commodities	187.2	59.2	59.2	59.2	59.2	0.0	0.0%
75000 Capital Outlay	0.0	35.3	35.3	35.3	35.3	0.0	0.0%
77000 Grants, Benefits	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
78000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Totals	7,188.7	7,538.7	7,538.7	7,538.7	7,541.3	2.6	0.0%
Fund Sources:							
1061 CIP Rcpts (Other)	230.0	357.8	357.8	357.8	357.8	0.0	0.0%
1156 Rcpt Svcs (DGF)	6,958.7	7,180.9	7,180.9	7,180.9	7,183.5	2.6	0.0%
Unrestricted General (UGF)	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Designated General (DGF)	6,958.7	7,180.9	7,180.9	7,180.9	7,183.5	2.6	0.0%
Other Funds	230.0	357.8	357.8	357.8	357.8	0.0	0.0%
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Positions:							
Permanent Full Time	52	51	51	51	51	0	0.0%
Permanent Part Time	0	0	0	0	0	0	0.0%
Non Permanent	6	6	6	4	3	-1	-25.0%

Change Record Detail - Multiple Scenarios With Descriptions
Department of Commerce, Community, and Economic Development

Component: Insurance Operations (354)

RDU: Insurance (116)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2013 Conference Committee To FY2013 Authorized *****												
FY2013 Conference Committee												
ConfCom		7,538.7	5,212.8	175.5	2,055.9	59.2	35.3	0.0	0.0	51	0	6
1061 CIP Rcpts		357.8										
1156 Rcpt Svcs		7,180.9										
Subtotal		7,538.7	5,212.8	175.5	2,055.9	59.2	35.3	0.0	0.0	51	0	6
***** Changes From FY2013 Authorized To FY2013 Management Plan *****												
Delete Office Assistant I (08-N08021) and (08-N10005)												
PosAdj		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	-2
Delete two expired non-permanent Office Assistant I (08-N08021 and 08-N10005). The two positions were assigned to the Electronic Document Imaging, Storage and Retrieval Capital Improvement Project. The majority of licensing files have now been scanned and the two positions are no longer needed.												
Align Authority with Budgeted Expenditures												
LIT		0.0	-37.3	0.0	37.3	0.0	0.0	0.0	0.0	0	0	0
Transfer will align FY2013 authorization with the anticipated budget needs.												
Subtotal		7,538.7	5,175.5	175.5	2,093.2	59.2	35.3	0.0	0.0	51	0	4
***** Changes From FY2013 Management Plan To FY2014 Governor *****												
FY2014 Salary and Health Insurance Increases												
SalAdj		2.6	2.6	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1156 Rcpt Svcs		2.6										
FY2014 Salary and Health Insurance increase : \$2.6												
FY2014 Health Insurance increase of \$59.00 per month per employee - from \$1,330 to \$1,389 per month Non-covered: \$2.6												
Delete Program Coordinator (08-N10007)												
PosAdj		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	-1
Program Coordinator (08-N10007) was established to plan, direct, coordinate and manage information technology projects. This position will expire on 6/15/2013.												
Program Coordinator II, 08-N10007, Range 20, Juneau												
Totals		7,541.3	5,178.1	175.5	2,093.2	59.2	35.3	0.0	0.0	51	0	3

Personal Services Expenditure Detail
Department of Commerce, Community, and Economic Development

Scenario: FY2014 Governor (10289)
Component: Insurance Operations (354)
RDU: Insurance (116)

PCN	Job Class Title	Time Status	Retire Code	Barg Unit	Location	Salary Sched	Range / Step	Comp Months	Split / Count	Annual Salaries	COLA	Premium Pay	Annual Benefits	Total Costs	GF Amount
08-4001	Division Director	FT	A	XE	Anchorage	NAA	27D / E	12.0		109,756	0	0	54,259	164,015	164,015
08-4002	Office Assistant I	FT	A	GP	Juneau	205	8C / D	12.0		32,466	0	0	27,730	60,196	60,196
08-4003	Deputy Director, Insurance	FT	A	XE	Juneau	NAA	24A / B	12.0		87,372	0	0	46,593	133,965	133,965
08-4004	Insurance Specialist I	FT	A	GP	Juneau	205	17C / D	12.0		57,650	0	0	36,355	94,005	94,005
08-4005	Insurance Specialist II	FT	A	GG	Anchorage	200	19P	12.0		93,168	0	0	48,520	141,688	141,688
08-4007	Insurance Licensing Exam II	FT	A	GP	Juneau	205	14C / D	12.0		47,096	0	0	32,741	79,837	79,837
08-4008	Program Coordinator II	FT	A	SS	Juneau	205	20L	12.0		90,852	0	0	47,221	138,073	138,073
08-4009	Publications Tech I	FT	A	GP	Juneau	205	11B	12.0		37,176	0	0	29,343	66,519	66,519
08-4021	Secretary	FT	A	GP	Anchorage	200	11F / G	12.0		41,378	0	0	30,782	72,160	72,160
08-4022	Insurance Licensing Exam I	FT	A	GP	Juneau	205	12B / C	12.0		40,281	0	0	30,407	70,688	70,688
08-4023	Administrative Officer II	FT	A	SS	Juneau	205	19J / K	12.0		81,234	0	0	43,927	125,161	125,161
08-4024	Administrative Assistant II	FT	A	SS	Juneau	605	14E / F	12.0		52,899	0	0	34,222	87,121	87,121
08-4025	Ins Financial Exam II	FT	A	GP	Anchorage	200	21B / C	12.0		71,546	0	0	41,115	112,661	112,661
08-4026	Investigator IV	FT	A	SS	Anchorage	200	20N / O	12.0		93,569	0	0	48,151	141,720	141,720
08-4027	Consmr Service Spec(Insurance)	FT	A	GP	Anchorage	200	16A	12.0		47,604	0	0	32,915	80,519	80,519
08-4028	Insurance Specialist I	FT	A	GP	Anchorage	200	17C / D	12.0		54,991	0	0	35,445	90,436	90,436
08-4029	Accounting Tech I	FT	A	GP	Juneau	205	12J	12.0		48,480	0	0	33,215	81,695	81,695
08-4030	Consmr Service Spec(Insurance)	FT	A	GP	Anchorage	200	16N	12.0		70,872	0	0	40,884	111,756	111,756
08-4031	Insurance Specialist I	FT	A	GP	Juneau	205	17A / B	12.0		55,524	0	0	35,627	91,151	91,151
08-4032	Office Assistant I	FT	A	GP	Juneau	205	8B	12.0		31,020	0	0	27,235	58,255	14,564
08-4033	Insurance Specialist II	FT	A	GP	Juneau	205	19D / E	12.0		69,963	0	0	40,573	110,536	110,536
08-4034	Ins Financial Exam I	FT	A	GP	Anchorage	200	19L	12.0		80,412	0	0	44,151	124,563	124,563
08-4035	Ins Financial Exam III	FT	A	SS	Anchorage	200	23M	12.0		109,860	0	0	53,731	163,591	163,591
08-4036	Insurance Licensing Exam I	FT	A	GP	Juneau	205	12B	12.0		39,456	0	0	30,124	69,580	69,580
08-4037	Office Assistant I	FT	A	GP	Anchorage	200	8F / G	12.0		34,111	0	0	28,293	62,404	62,404
08-4038	Office Assistant I	FT	A	GP	Anchorage	200	8F / G	12.0		34,111	0	0	28,293	62,404	62,404
08-4040	Paralegal II	FT	A	GG	Anchorage	200	16O / P	12.0		73,869	0	0	41,910	115,779	115,779
08-4041	Tax Auditor III	FT	A	SS	Juneau	205	20M	12.0		94,248	0	0	48,384	142,632	142,632
08-4042	Information System Coordinator	FT	A	SS	Juneau	205	18C / D	12.0		65,342	0	0	38,484	103,826	103,826
08-4043	Records & Licensing Spvr	FT	A	SS	Juneau	205	16J / K	12.0		66,277	0	0	38,804	105,081	105,081
08-4044	Actuary	FT	A	XE	Juneau	NAA	25M	12.0		126,792	0	0	59,292	186,084	186,084
08-4045	Insurance Specialist I	FT	A	GP	Juneau	205	17D / E	12.0		60,740	0	0	37,414	98,154	98,154
08-4046	Insurance Specialist I	FT	A	GP	Juneau	205	17A / B	12.0		55,190	0	0	35,513	90,703	90,703
08-4048	Insurance Specialist I	FT	A	GP	Juneau	205	17E / F	12.0		63,255	0	0	38,275	101,530	101,530
08-4050	Office Assistant I	FT	A	GP	Juneau	205	8B / C	12.0		31,635	0	0	27,445	59,080	59,080
08-4051	Insurance Specialist III	FT	A	GP	Anchorage	200	21G	12.0		82,104	0	0	44,731	126,835	126,835

Note: If a position is split, an asterisk (*) will appear in the Split/Count column. If the split position is also counted in the component, two asterisks (**) will appear in this column. [No valid job title] appearing in the Job Class Title indicates that the PCN has an invalid class code or invalid range for the class code effective date of this scenario.

Personal Services Expenditure Detail
Department of Commerce, Community, and Economic Development

Scenario: FY2014 Governor (10289)
Component: Insurance Operations (354)
RDU: Insurance (116)

PCN	Job Class Title	Time Status	Retire Code	Barg Unit	Location	Salary Sched	Range / Step	Comp Months	Split / Count	Annual Salaries	COLA	Premium Pay	Annual Benefits	Total Costs	GF Amount
08-4052	Actuary	FT	A	XE	Juneau	NAA	25O	12.0		136,476	0	0	62,015	198,491	198,491
08-4053	Office Assistant I	FT	A	GP	Anchorage	200	8M	12.0		40,056	0	0	30,329	70,385	70,385
08-4054	Office Assistant I	FT	A	GP	Juneau	205	8C / D	12.0		32,802	0	0	27,845	60,647	60,647
08-4055	Office Assistant I	FT	A	GP	Juneau	205	8A	12.0		30,156	0	0	26,939	57,095	57,095
08-4056	Investigator III	FT	A	GP	Anchorage	200	18E / F	12.0		64,418	0	0	38,673	103,091	103,091
08-4057	Ins Financial Exam II	FT	A	GG	Anchorage	200	21L	12.0		92,064	0	0	48,142	140,206	140,206
08-4058	Ins Financial Exam II	FT	A	GP	Anchorage	200	21E / F	12.0		79,348	0	0	43,787	123,135	123,135
08-4059	Accounting Clerk	FT	A	GP	Juneau	205	10C / D	12.0		37,134	0	0	29,329	66,463	66,463
08-4060	Consmr Service Supr(Insurance)	FT	A	SS	Anchorage	200	18K	12.0		73,032	0	0	41,117	114,149	114,149
08-4062	Insurance Specialist II	FT	A	GP	Juneau	205	19M	12.0		87,600	0	0	46,613	134,213	134,213
08-4063	Investigator III	FT	A	GP	Anchorage	200	18K	12.0		72,516	0	0	41,447	113,963	113,963
08-4064	Investigator III	FT	A	GP	Anchorage	200	18E / F	12.0		64,515	0	0	38,707	103,222	103,222
08-4068	Consmr Service Spec(Insurance)	FT	A	GP	Anchorage	200	16F / G	12.0		58,496	0	0	36,645	95,141	95,141
08-4069	Insurance Specialist II	FT	A	GP	Juneau	205	19J	12.0		78,444	0	0	43,477	121,921	121,921
08-9072	Regulations Spec II	FT	A	GP	Juneau	205	16B / C	12.0		53,520	0	0	34,941	88,461	88,461
08-N09002	Office Assistant I	NP	N	GP	Juneau	205	8A	12.0		30,156	0	0	20,304	50,460	0
08-N10007	Program Coordinator II	NP	N	GP	Juneau	205	20A	12.0		0	0	0	0	0	0
08-N11001	Office Assistant I	NP	N	GP	Juneau	205	8A	12.0		30,156	0	0	20,304	50,460	0
08-N11002	Office Assistant I	NP	N	GP	Juneau	205	8A	12.0		30,156	0	0	20,304	50,460	0
Total Positions													Total Salary Costs:	3,423,344	
Full Time Positions:													Total COLA:	0	
Part Time Positions:													Total Premium Pay::	0	
Non Permanent Positions:													Total Benefits:	2,043,022	
Positions in Component:													Total Pre-Vacancy:	5,466,366	
													Minus Vacancy Adjustment of 5.27%:	(288,266)	
Total Component Months: 648.0													Total Post-Vacancy:	5,178,100	
													Plus Lump Sum Premium Pay:	0	
													Personal Services Line 100:	5,178,100	
PCN Funding Sources:						Pre-Vacancy	Post-Vacancy	Percent							
1061 Capital Improvement Project Receipts						195,071	184,784	3.57%							
1156 Receipt Supported Services						5,271,295	4,993,316	96.43%							
Total PCN Funding:						5,466,366	5,178,100	100.00%							

Note: If a position is split, an asterisk (*) will appear in the Split/Count column. If the split position is also counted in the component, two asterisks (**) will appear in this column. [No valid job title] appearing in the Job Class Title indicates that the PCN has an invalid class code or invalid range for the class code effective date of this scenario.

Line Item Detail
Department of Commerce, Community, and Economic Development
Travel

Component: Insurance Operations (354)
RDU: Insurance (116)

Line Number	Line Name		FY2012 Actuals	FY2013 Management Plan	FY2014 Governor
72000	Travel		121.8	175.5	175.5
Expenditure Account	Servicing Agency	Explanation	FY2012 Actuals	FY2013 Management Plan	FY2014 Governor
72000 Travel Detail Totals			121.8	175.5	175.5
72100	Instate Travel	In-State transportation costs for travel relating to field work, administration, and conventions and meetings.	45.5	62.7	62.7
72400	Out Of State Travel	Out of StateTransportation - Transportation costs for travel relating to field work, administration, and conventions and meetings.	76.3	112.8	112.8
72900	Other Travel Costs		0.0	0.0	0.0

Line Item Detail
Department of Commerce, Community, and Economic Development
Services

Component: Insurance Operations (354)
RDU: Insurance (116)

Line Number	Line Name		FY2012 Actuals	FY2013 Management Plan	FY2014 Governor	
73000	Services		2,044.3	2,093.2	2,093.2	
Expenditure Account	Servicing Agency	Explanation	FY2012 Actuals	FY2013 Management Plan	FY2014 Governor	
73000 Services Detail Totals			2,044.3	2,093.2	2,093.2	
73025	Education Services	Training, educational conferences, agency memberships, tuition, books and fees for work-related courses.	32.8	28.3	28.3	
73150	Information Technlgy	Communication expenditures for telephones, fax, and modems.	11.2	49.0	49.0	
73156	Telecommunication	Local, long-distance, and cellular telephone charges, television, data/network, telecommunication equipment, and other wireless charges from outside vendors.	9.2	7.8	7.8	
73225	Delivery Services	Freight, courier service and postage.	10.3	6.5	6.5	
73450	Advertising & Promos	Advertising, promotions and legal notices.	13.1	49.3	49.3	
73650	Struc/Infstruct/Land	Structure, infrastructure and land repairs, maintenance, rentals and leases.	103.5	21.4	21.4	
73675	Equipment/Machinery	Machinery, furniture and equipment purchase, repair, maintenance, rental, and leases.	4.6	108.7	108.7	
73750	Other Services (Non IA Svcs)	Program management/consulting, economic/development, safety-related services, printing, copying, and other services.	55.7	32.7	32.7	
73805	IT-Non-Telecommunication	Admin	Enterprise Technology Services - Multiple computer services - including mainframe applications, Alaska Budget System (ABS), antivirus and MICS.	28.6	31.4	31.4
73806	IT-Telecommunication	Admin	Enterprise Technology Services - Non-telephone telecommunication services, including dedicated circuits, space and power, radio circuits, videoconferencing, etc. (EPR).	56.5	53.7	53.7
73806	IT-Telecommunication	Admin	Enterprise Technology Services - Phone services, including line rental, voice mail, equipment and fax equipment on State network (PBX).	0.0	10.0	10.0

Line Item Detail
Department of Commerce, Community, and Economic Development
Services

Component: Insurance Operations (354)

RDU: Insurance (116)

Expenditure Account	Servicing Agency	Explanation	FY2012 Actuals	FY2013 Management Plan	FY2014 Governor
73000 Services Detail Totals			2,044.3	2,093.2	2,093.2
73808	Building Maintenance	Building maintenance costs	4.7	0.5	0.5
73809	Mail	Admin Division of General Services - Pro-rated share of expenses relating to central mailroom support and services.	126.8	131.6	131.6
73810	Human Resources	Admin Division of Personnel - Human resource and personnel services	38.6	37.4	37.4
73811	Building Leases	Admin Rental of state-owned building - Juneau State Office Building and Atwood Building	260.3	227.3	227.3
73812	Legal	Law Legal services and fees.	421.2	447.2	447.2
73814	Insurance	Admin Division of Risk Management - Risk management insurance charges for leased buildings, repossessed properties, aviation, public official bonds, and overhead.	0.6	0.8	0.8
73815	Financial	Admin Div. of Finance – Computer services for state accounting (AKSAS) and payroll (AKPAY) systems	2.9	2.6	2.6
73816	ADA Compliance	Labor Division of Vocational Rehabilitation - Pro-rated share of expenses relating to Americans with Disabilities Act (ADA) enforcement.	0.6	0.6	0.6
73818	Training (Services-IA Svcs)	Admin Division of Finance - Miscellaneous training, including Alaska State Accounting System (AKSAS) and reporting classes.	0.0	0.2	0.2
73819	Commission Sales (IA Svcs)	State Travel Office US Travel LLC, STO Advance Only, for all US Travel payments.	1.1	1.8	1.8
73821	Hearing/Mediation (IA Svcs)	Admin Office of Administrative Hearings - Hearing Officers.	5.7	7.0	7.0
73827	Safety (IA Svcs)	PubSaf Background history checks for insurance agency, brokers, producers, etc., conducted prior to licensing per AS 21.27.040(e).	19.1	32.5	32.5
73848	State Equip Fleet	Trans State Equipment Fleet Services.	3.5	5.0	5.0
73979	Mgmt/Consulting (IA Svcs)	Commissioner's Office Commissioner's office - Management support services.	126.1	101.7	101.7
73979	Mgmt/Consulting (IA Svcs)	Administrative Services Division of Administrative Services - Management support services.	707.6	698.2	698.2

Line Item Detail
Department of Commerce, Community, and Economic Development
Commodities

Component: Insurance Operations (354)
RDU: Insurance (116)

Line Number	Line Name		FY2012 Actuals	FY2013 Management Plan	FY2014 Governor
74000	Commodities		187.2	59.2	59.2
Expenditure Account	Servicing Agency	Explanation	FY2012 Actuals	FY2013 Management Plan	FY2014 Governor
74000 Commodities Detail Totals			187.2	59.2	59.2
74200	Business	Standard office supplies and replacement furniture.	178.0	57.7	57.7
74480	Household & Instit.	Cleaning, food and other household supplies.	1.3	1.4	1.4
74650	Repair/Maintenance (Commodities)	Repair and maintenance costs	7.9	0.1	0.1

Line Item Detail
Department of Commerce, Community, and Economic Development
Capital Outlay

Component: Insurance Operations (354)
RDU: Insurance (116)

Line Number	Line Name		FY2012 Actuals	FY2013 Management Plan	FY2014 Governor
75000	Capital Outlay		0.0	35.3	35.3
Expenditure Account	Servicing Agency	Explanation	FY2012 Actuals	FY2013 Management Plan	FY2014 Governor
75000 Capital Outlay Detail Totals			0.0	35.3	35.3
75300	Structs & Infrastr		0.0	0.0	0.0
75700	Equipment	Data processing equipment replacement and upgrades; trade show booth and other promotional equipment replacement and upgrades	0.0	35.3	35.3

Unrestricted Revenue Detail
Department of Commerce, Community, and Economic Development

Component: Insurance Operations (354)
RDU: Insurance (116)

Master Account	Revenue Description				FY2012 Actuals	FY2013 Management Plan	FY2014 Governor
51073	Receipt Supported Services				3,449.0	0.0	0.0
Detail Information							
Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2012 Actuals	FY2013 Management Plan	FY2014 Governor
51073	Receipt Supported Services				3,449.0	0.0	0.0
51136	DCED Insurance Fees Insurance license and service fees.				0.0	0.0	0.0

Unrestricted Revenue Detail
Department of Commerce, Community, and Economic Development

Component: Insurance Operations (354)
RDU: Insurance (116)

Master Account	Revenue Description				FY2012 Actuals	FY2013 Management Plan	FY2014 Governor
68515	Unrestricted Fund				55,327.2	0.0	0.0
Detail Information							
Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2012 Actuals	FY2013 Management Plan	FY2014 Governor
60190	Insurance Prem Tax				54,829.0	0.0	0.0
64040	Misc Gen Govt Charge				7.8	0.0	0.0
65004	Misc Fines & Forfeit				490.2	0.0	0.0
66160	Jury & Work Comp Rc				0.2	0.0	0.0

Restricted Revenue Detail
Department of Commerce, Community, and Economic Development

Component: Insurance Operations (354)
RDU: Insurance (116)

Master Account	Revenue Description				FY2012 Actuals	FY2013 Management Plan	FY2014 Governor
51073	Receipt Supported Services				6,958.7	7,180.9	7,183.5
Detail Information							
Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2012 Actuals	FY2013 Management Plan	FY2014 Governor
51136	DCED Insurance Fees Insurance license and service fees.				6,958.7	7,180.9	7,183.5

Restricted Revenue Detail
Department of Commerce, Community, and Economic Development

Component: Insurance Operations (354)
RDU: Insurance (116)

Master Account	Revenue Description				FY2012 Actuals	FY2013 Management Plan	FY2014 Governor
51200	Capital Improvement Project Receipts				230.0	357.8	357.8
Detail Information							
Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2012 Actuals	FY2013 Management Plan	FY2014 Governor
51200	Cap Improv Proj Rec For administration of capital projects.				230.0	357.8	357.8

Inter-Agency Services
Department of Commerce, Community, and Economic Development

Component: Insurance Operations (354)
RDU: Insurance (116)

Expenditure Account	Service Description	Service Type	Servicing Agency	FY2012 Actuals	FY2013		FY2014 Governor
					Management Plan		
73805	IT-Non-Telecommunication	Enterprise Technology Services - Multiple computer services - including mainframe applications, Alaska Budget System (ABS), antivirus and MICS.	Inter-dept	Admin	28.6	31.4	31.4
73805 IT-Non-Telecommunication subtotal:					28.6	31.4	31.4
73806	IT-Telecommunication	Enterprise Technology Services - Non-telephone telecommunication services, including dedicated circuits, space and power, radio circuits, videoconferencing, etc. (EPR).	Inter-dept	Admin	56.5	53.7	53.7
73806	IT-Telecommunication	Enterprise Technology Services - Phone services, including line rental, voice mail, equipment and fax equipment on State network (PBX).	Inter-dept	Admin	0.0	10.0	10.0
73806 IT-Telecommunication subtotal:					56.5	63.7	63.7
73808	Building Maintenance	Building maintenance costs	Inter-dept	Admin	4.7	0.5	0.5
73808 Building Maintenance subtotal:					4.7	0.5	0.5
73809	Mail	Division of General Services - Pro-rated share of expenses relating to central mailroom support and services.	Inter-dept	Admin	126.8	131.6	131.6
73809 Mail subtotal:					126.8	131.6	131.6
73810	Human Resources	Division of Personnel - Human resource and personnel services	Inter-dept	Admin	38.6	37.4	37.4
73810 Human Resources subtotal:					38.6	37.4	37.4
73811	Building Leases	Rental of state-owned building - Juneau State Office Building and Atwood Building	Inter-dept	Admin	260.3	227.3	227.3
73811 Building Leases subtotal:					260.3	227.3	227.3
73812	Legal	Legal services and fees.	Inter-dept	Law	421.2	447.2	447.2
73812 Legal subtotal:					421.2	447.2	447.2
73814	Insurance	Division of Risk Management - Risk management insurance charges for leased buildings, repossessed properties, aviation, public official bonds, and overhead.	Inter-dept	Admin	0.6	0.8	0.8
73814 Insurance subtotal:					0.6	0.8	0.8
73815	Financial	Div. of Finance – Computer services for state accounting (AKSAS) and payroll (AKPAY) systems	Inter-dept	Admin	2.9	2.6	2.6
73815 Financial subtotal:					2.9	2.6	2.6
73816	ADA Compliance	Division of Vocational Rehabilitation - Pro-rated share of expenses relating to Americans with Disabilities Act (ADA) enforcement.	Inter-dept	Labor	0.6	0.6	0.6
73816 ADA Compliance subtotal:					0.6	0.6	0.6
73818	Training (Services-IA Svcs)	Division of Finance - Miscellaneous training, including Alaska State Accounting System (AKSAS) and reporting classes.	Inter-dept	Admin	0.0	0.2	0.2
73818 Training (Services-IA Svcs) subtotal:					0.0	0.2	0.2

Inter-Agency Services
Department of Commerce, Community, and Economic Development

Component: Insurance Operations (354)
RDU: Insurance (116)

Expenditure Account	Service Description	Service Type	Servicing Agency	FY2012 Actuals	FY2013		FY2014 Governor
					Management Plan		
73819	Commission Sales (IA Svcs)	US Travel LLC, STO Advance Only, for all US Travel payments.	Inter-dept	State Travel Office	1.1	1.8	1.8
73819 Commission Sales (IA Svcs) subtotal:					1.1	1.8	1.8
73821	Hearing/Mediation (IA Svcs)	Office of Administrative Hearings - Hearing Officers.	Inter-dept	Admin	5.7	7.0	7.0
73821 Hearing/Mediation (IA Svcs) subtotal:					5.7	7.0	7.0
73827	Safety (IA Svcs)	Background history checks for insurance agency, brokers, producers, etc., conducted prior to licensing per AS 21.27.040(e).	Inter-dept	PubSaf	19.1	32.5	32.5
73827 Safety (IA Svcs) subtotal:					19.1	32.5	32.5
73848	State Equip Fleet	State Equipment Fleet Services.	Inter-dept	Trans	3.5	5.0	5.0
73848 State Equip Fleet subtotal:					3.5	5.0	5.0
73979	Mgmt/Consulting (IA Svcs)	Commissioner's office - Management support services.	Intra-dept	Commissioner's Office	126.1	101.7	101.7
73979	Mgmt/Consulting (IA Svcs)	Division of Administrative Services - Management support services.	Intra-dept	Administrative Services	707.6	698.2	698.2
73979 Mgmt/Consulting (IA Svcs) subtotal:					833.7	799.9	799.9
Insurance Operations total:					1,803.9	1,789.5	1,789.5
Grand Total:					1,803.9	1,789.5	1,789.5