

**Summary: Executive Budget Recommendation
for Fiscal Year 2017-18
INSURANCE AND FINANCIAL SERVICES**



Analyst: Marcus Coffin

	FY 2016-17 Year-to-Date as of 2/8/17	FY 2017-18 Executive	Difference: FY 2017-18 Vs. FY 2016-17	
			Amount	%
IDG/IDT	\$707,600	\$707,600	\$0	0.0
Federal	2,000,000	2,014,700	14,700	0.7
Local	0	0	0	0.0
Private	0	0	0	0.0
Restricted	63,399,600	63,869,100	469,500	0.7
GF/GP	150,000	150,000	0	0.0
Gross	\$66,257,200	\$66,741,400	\$484,200	0.7
FTEs	342.5	342.5	0	0.0

Notes: (1) FY 2016-17 year-to-date figures include mid-year budget adjustments through February 8, 2017. (2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time."

Overview

The Department of Insurance and Financial Services (DIFS) is responsible for regulating, licensing, examining, evaluating, and promoting the insurance and financial services industries operating within the state. The department also provides consumer protection by managing consumer information and inquiries and investigating consumer complaints. DIFS administers and enforces state statutes pertaining to state-chartered banks and credit unions; mortgage brokers, lenders, and servicers; consumer finance entities; insurance companies, agents, and products; and health maintenance organizations.

Major Budget Changes From FY 2016-17 Year-to-Date (YTD) Appropriations	FY 2016-17 YTD (as of 2/8/17)	Executive Change from YTD
1. Technical Adjustments	Gross	N/A
Reflects internal adjustments which have no overall Gross or GF/GP impact. Technical adjustments include consolidation of line items in order to promote administrative efficiency and line item fund shifts.	GF/GP	N/A
		\$0
2. Economic Adjustments	Gross	N/A
Reflects increased costs for negotiated salary and wage increases (3.0% ongoing after removing the FY 2016-17 one-time 1.5% lump sum), actuarially required retirement contributions, worker's compensation, building occupancy charges, and other economic adjustments.	Federal	N/A
	Restricted	N/A
	GF/GP	N/A
		\$484,200
		\$14,700
		\$469,500
		\$0

Major Boilerplate Changes From FY 2016-17

Sec. 221. Appropriation for Healthy Michigan Plan Statutory Reporting Requirement – DELETED

Stipulates that appropriation from the General Fund shall only be expended on DIFS' reporting requirements pursuant to Subsection 105d(9) of The Social Welfare Act of 1939.

Sec. 301. Health Insurance Rate Filings Report – DELETED

Requires DIFS to submit a report based on the annual rate filings from health insurers and delineates the information to be included.