



**The Texas Department of Insurance**

# **House Bill 12 Requirements**

**From the 83<sup>rd</sup> Texas Legislature, 2013**

**David Mattax, Commissioner of Insurance**

## Introduction

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Pursuant to House Bill (HB) 12, 83<sup>rd</sup> Texas Legislature, Regular Session, Government Code Section 659.026 (b) was amended. Effective immediately, a state agency shall make available to the public by posting on the agency's Internet website:

- (1) the number of full-time equivalent employees employed by the agency;
- (2) the amount of legislative appropriations to the agency for each fiscal year of the current state biennium;
- (3) the agency's methodology, including any employment market analysis, for determining the compensation of executive staff employed by the agency, along with the name and position of the person who selected the methodology;
- (4) whether executive staff is eligible for salary supplements;
- (5) the market average for compensation of similar executive staff in the private and public sectors;
- (6) the average compensation paid to employees employed by the agency who are not executive staff; and
- (7) the percentage increase in compensation of executive staff for each fiscal year of the five preceding fiscal years and the percentage increase in legislative appropriations to the agency each fiscal year of the five preceding fiscal years.

This document fulfills the Texas Department of Insurance's requirement to comply with HB12.

- (1) the number of full-time equivalent employees employed by the agency;**

Fiscal Year (FY)	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Number of FTEs	1446.0	1399.7	1377.9	1367.1	1337.9

Source: State Auditor's Office FTE report

- (2) the amount of legislative appropriations to the agency for each fiscal year of the current state fiscal biennium**

**Legislative Appropriations for the FY 2016/2017 Biennium**

Fiscal Years (FY)	FY 2016	FY 2017
Legislative Appropriations	\$112,895,702 <sup>1</sup>	\$111,003,127 <sup>2</sup>

Source: General Appropriations Act for the 2016-2017 Biennium

- (3) the agency's methodology, including any employment market analysis, for determining the compensation of executive staff employed by the agency, along with the name and position of the person who selected the methodology**

With the exception of the Commissioner of Insurance and the Commissioner of Worker's Compensation, executive positions at the Texas Department of Insurance (TDI) are classified positions. TDI uses the State Auditor's Office's Electronic Classification (E-class) System to benchmark comparable salaries in other state agencies. Cynthia Olivier, Director of Human Resources, selected this methodology.

<sup>1</sup> SOAH/MQRP Rider Appropriated in 2016

<sup>2</sup> No SOAH/MQRP Rider in Appropriation

**(4) whether the executive staff (Commissioners and their direct reports) are eligible for salary supplements;**

TDI executive staff is not eligible for salary supplements.

**(5) the market average for compensation of similar positions in the private and public sectors;**

The State Classification Team at the State Auditor’s Office routinely “conducts market analyses to determine the ‘going rate’ for positions in the market. The State Classification Team compares the midpoints of state salary ranges for job classifications with the average market pay for corresponding benchmark or comparable positions to determine whether salary ranges for state positions are competitive with the market.”<sup>3</sup> Therefore, the State Classification Plan provides TDI with comparable market data when determining salaries for comparable positions in both the private and public sector.

**(6) the average compensation paid to employees who are not executive staff, and;**

Fiscal Year (FY)	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Average Annual Salaries for Non-Executive Staff	\$47,906	\$50,144	\$52,282	\$53,660	\$57,247

<sup>3</sup> State Auditor’s Office, The State’s Position Classification Plan, SAO Report No. 10-708, August 2010

**(7) the percentage increase in executive staff's compensation for each FY of the five preceding fiscal years**

Fiscal Year (FY)	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Percentage Increase in Executive Staff's Compensation	-30.2% <sup>4</sup>	1.9%	3.3%	1.5%	7.1% <sup>5</sup>

**and the percentage increase in legislative appropriations to the agency each fiscal year of the five preceding fiscal years;**

Fiscal Year (FY)	Appropriated Amount	Percentage Change
FY 2010	120,836,843	23.37% <sup>6</sup>
FY 2011	120,190,696	-0.53%
FY 2012	114,737,337	-4.54%
FY 2013	105,853,640	-7.74% <sup>7</sup>
FY 2014	121,285,495	14.58% <sup>8</sup>
FY 2015	105,137,789	-13.31% <sup>9</sup>
FY 2016	112,895,702	7.38% <sup>10</sup>
FY 2017	111,003,127	-1.68% <sup>11</sup>

<sup>4</sup> TDI reorganized September 1, 2011, decreasing the number of executive staff

<sup>5</sup> TDI reorganized December 1, 2015, increasing the number of executive staff

<sup>6</sup> Introduced Healthy Texas Program (\$17M funding per year)

<sup>7</sup> SB 1291 moved part of Financial Regulation to Self-Directed

<sup>8</sup> Healthy Texas & SOAH Rider appropriated in 2014

<sup>9</sup> No Health Texas or SOAH Rider in appropriation for 2015

<sup>10</sup> SOAH/MQRP Rider appropriated in 2016

<sup>11</sup> No SOAH/MQRP Rider appropriated in 2017