

**DEPARTMENT OF REGULATORY AGENCIES
FY 2009-10 JOINT BUDGET COMMITTEE HEARING AGENDA**

**Tuesday, December 16, 2008
1:30 pm – 3:00 pm**

1:30-1:45 INTRODUCTIONS AND OPENING COMMENTS

1:45-2:05 QUESTIONS COMMON TO ALL DEPARTMENTS

1. What are your department's three top goals for the current year? How will they be achieved?
2. How do your requested decision items tie to your goals?
3. Could your department shift to a four day work week that begins on Wednesday and ends on Saturday? If not, why not? If only a portion of the department can go to a four day week, what portion can and what portion cannot and why?
4. Has your department been able to fill new or vacant positions? Can your department quantify the benefits it has seen as a result of adding additional FTE or filling vacant positions?
5. What is the status of your department's implementation of S.B.08-155, Centralize IT Management in OIT? Is your department experiencing any difficulties?
6. If you have submitted a General Fund decision item, justify why it must be funded in FY 2009-10 and why it cannot be postponed until FY 2010-11.
7. How many employees, especially among upper management, are assigned a state vehicle for them to use to travel between home and work? How many state vehicles does your department use to transport staff? Would it be more cost effective to reimburse employees for using their personal vehicles for these purposes?

2:05-2:15 SUBPRIME AND PREDATORY MORTGAGE LENDING

8. Are any of the subprime lenders listed on page 13 of the briefing packet, especially Option One Mortgage Corp., Long Beach Mortgage Co., or Decision One Mortgage, in insolvency right now? Are these mortgage lenders sound?
9. Of all loans, subprime and prime, done since 2006 nationwide, ninety-five percent of loan owners are still paying on the loan. Does this figure hold for Colorado? If not, what is the percent of loan holders are still paying on their loan?
10. Would demographics influence the result of the survey because of the areas of the state that were looked at? If so, how and which demographics? If not, why not? For example are the

figures for Hispanics higher because there were more Hispanics in one community than another?

11. Have complaints been filed with the Civil Rights Division over these types of practices? If so, how many and from what areas of the state?
12. This question is directed towards the Divisions of Real Estate, Civil Rights and Insurance. Would a statutory definition of predatory lending be beneficial to the Department as a whole and to individual Divisions? Why or why not? Which Division(s) should be responsible for developing a definition and why?

2:15-2:30 INSURANCE OMBUDSMAN FOR THE UNINSURED

13. What does the Division of Insurance think would be the best funding source for the Office of Ombudsman for the Uninsured and why? Which would be the least favorable funding source and why?
14. What are the IT costs and associated staff hours required to collect the fee? What type of IT modifications would be required and who would do the modifications?
15. Please provide job descriptions for each position within the Office of Ombudsman for the Uninsured.
16. Why is it that the Division of Insurance misreported the number of FTE that was needed in the fiscal note for HB 08-1216? What were the Department's assumptions in the fiscal note? What are the Department's assumptions for calculating expenditures in the Division's report? Why did the estimates of the FTE need change? What is different now that was not known when the fiscal note was prepared?
17. What is the correlation between Connecticut's low number of uninsured and the highest number of FTE and expenditures in their Ombudsman Office? How does placing the Ombudsman outside of the Division of Insurance improve the Ombudsman's ability to decrease the number of uninsured? Is it just a coincidence that Connecticut has the largest Ombudsman Office and the lowest number of uninsured? What is the job description of the Connecticut Ombudsman and the mission/goals of the Ombudsman? How do these goals differ from the Ombudsman being recommended for Colorado?
18. Does the Division of Insurance website list how many health insurance policies are issued in Colorado? Does the Division of Insurance collect a premium tax on individual policies or in the aggregate?

2:30-2:45 Expedited Settlement Process

19. Why does ESP not show any cost savings for the Division of Registrations, or the whole Department? Does the Department use ESP to save money? If not, what is the purpose of ESP?

20. Is ESP resulting in savings in the courts? Does the Department know whether the courts are saving money because of ESP? If so, how much? Who would the JBC need to discuss this with to find out if courts are saving money?
21. Are all Boards and Commissions required to send all cases to ESP prior to sending cases to the OAG? Why does the Department have this requirement?
22. What is the advantage of ESP right now? Are there other advantages besides cost? Can people still do their jobs while cases against them are pending? What do people who have gone through the process think about the process? Should the Department invest in the resources to determine what people think of the process?

2:45-2:55 DEPARTMENT OF LAW'S DECISION ITEM #1 – APPENDIX F OF DORA BRIEFING DOCUMENT

23. The Department of Law's first decision item is to consolidate the Special Prosecutions Unit by combining the four units into a single appropriation. The Department of Law is requesting that funds currently appropriate to the Divisions of Insurance and Securities in the Department of Regulatory Agencies then reappropriated to the Department of Law be directly appropriated to the Department of Law. Staff is requesting the Department of Regulatory Agencies answer the following questions:
 - a. What is the Department of Regulatory Agencies' position on the Department of Law's request to consolidate the Securities and Insurance Fraud Units with the Special Prosecutions Unit?
 - b. What is the Department of Regulatory Agencies' position on the Department of Law's request for a direct appropriation to the Securities Fraud and Insurance Fraud Units from the Division of Securities Cash Fund and from the Division of Insurance Cash Fund?

2:55-3:00 DIVISION OF REAL ESTATE FEES

24. Is the Department projecting an increase of fees for the Division of Real Estate? Are applications for licenses going down? If so, by how much?
25. In the Division of Real Estate, how much have fees increased because of the decrease in applications? Why does the Department not reduce costs rather than increase fees? What is the process for establishing the level of fee in the Division of Real Estate?