

June 2007

TITLE 26.1

Insurance

Summary of Bills Enacted by 2007 Legislative Assembly

This memorandum summarizes 2007 legislation primarily affecting North Dakota Century Code (NDCC) Title 26.1. Bills primarily affecting other titles also affect this title, and relevant provisions of those bills are summarized in this memorandum.

The legislation relating to insurance may be classified in these subject areas: Insurance Commissioner; insurance premium tax; insurance companies; health; and miscellaneous.

INSURANCE COMMISSIONER

Senate Bill No. 2010 increases the Insurance Commissioner's salary to \$76,511 for the first year of the biennium and to \$79,571 thereafter and allows the commissioner to expand the coverage under the state fire and tornado fund to include personal property.

Senate Bill No. 2067 adds documents and information from international law enforcement officials to the types of documents that the Insurance Commissioner must maintain as confidential.

Senate Bill No. 2155 requires the Insurance Commissioner to regulate annuity transactions.

Senate Bill No. 2411 addresses the licensure and examination of hobby boilers, including special rules for hobby boilers used where the public is invited.

INSURANCE PREMIUM TAX

Senate Bill No. 2183 provides a continuing appropriation of a portion of the insurance premiums tax collections to fund a firefighter's death benefit fund.

House Bill No. 1296 requires the State Department of Health to distribute a portion of the insurance premiums tax collections to qualified emergency medical services operations.

INSURANCE COMPANIES

House Bill No. 1274 removes the prohibition of nonprofit mutual insurance companies paying dividends.

Senate Bill No. 2296 modifies insurance rate filing requirements for competitive market commercial rate filings, private passenger automobile rate filings in which the average rate change is less than 5 percent, and homeowner rate filings in which the average rate change is less than 5 percent.

Senate Bill No. 2171 provides the principal office of a county mutual insurance company must be located within the company's approved territory of operation.

HEALTH

House Bill No. 1155 provides several updates to the law relating to the Comprehensive Health Association of North Dakota.

Senate Bill No. 2154 decreases the loss ratio to 70 percent of premium for group and to 55 percent of premium for individual health insurance policies.

Senate Bill No. 2252 provides a health insurance mandate that policies include coverage for medical services related to suicide.

Senate Bill No. 2318 removes the health insurance policy provision regarding proportional-based coordination of benefits which was perceived to be in conflict with the order of payment-based coordination of benefits provision provided in the administrative rules adopted under NDCC Section 26.1-36-10.

MISCELLANEOUS

House Bill No. 1037 provides an automobile insurer that issues a policy must provide proof of insurance to the insured in the form of written evidence of the policy's terms.

Senate Bill No. 2065 removes the requirement that applicants for residential insurance producer licenses have completed an approved prelicensing course of study for the lines of authority for which the applicant is applying.

Senate Bill No. 2097 increases for the 2005-07 biennium the amount of fees the Attorney General collects for services provided by the State Fire Marshal program.

Senate Bill No. 2268 replaces the current chapter of law relating to viatical settlement contracts with a new chapter of law.