



HOUSE POLITICAL SUBDIVISIONS COMMITTEE
January 7, 2021

Chairman Dockter and members of the Committee--for the record Blake Crosby, Executive Director of the North Dakota League of Cities, and a member of the North Dakota Insurance Reserve Fund (NDIRF) Board of Directors.

A brief history just to refresh memories— When the private insurance market for government entities collapsed in the 80's or became unsustainably costly, it was the cities, counties, and other public entities that came together and created the North Dakota Insurance Reserve Fund (NDIRF). Political subdivisions needed to protect taxpayers by providing reasonable and prudent coverage and at the same time not overburdening the cost to those taxpayers. In 2015, liability caps were appropriately adjusted and the North Dakota Supreme Court agreed to that appropriateness in their 2018 decision.

We are aware that increasing the liability limits will increase premium cost but our initial review and projections appear to be in the 5%-8% range at least for the next coverage period. While the limits proposed in HB 1057 increase by 50%, that does not equate to a 50% increase in premium costs. Premium costs going forward will be determined, as per standard course of business, by an actuarial analysis.

On behalf of the North Dakota League of Cities we request a DO-PASS on HB 1057.

Thank you for your time and consideration. I will do my best to answer any questions.