

HOUSE BILL NO. 1123

Introduced by

Industry, Business and Labor Committee

(At the request of the Insurance Commissioner)

1 A BILL for an Act to amend and reenact sections 26.1-01-07 and 26.1-26-13.4, subsection 4 of
2 section 26.1-26.8-04, subdivision b of subsection 1 of section 26.1-26.8-05, subdivision a of
3 subsection 1 of section 26.1-26.8-06, subdivision b of subsection 1 of section 26.1-26.8-09,
4 subdivision b of subsection 2 of section 26.1-26.8-09, and subsections 2 and 4 of section
5 26.1-27-03 of the North Dakota Century Code, relating to fees charged by the insurance
6 commissioner.

7 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

8 **SECTION 1. AMENDMENT.** Section 26.1-01-07 of the North Dakota Century Code is
9 amended and reenacted as follows:

10 **26.1-01-07. Fees chargeable by commissioner.**

- 11 1. The commissioner shall charge and collect the following fees:
- 12 a. For filing articles of incorporation, or copies, or amendments thereof,
13 ~~twenty-five~~fifty dollars.
- 14 b. For each original certificate of authority issued upon admittance and for each
15 annual renewal thereof, ~~one hundred~~seven hundred fifty dollars and for
16 amendment to certificate of authority, or certified copy thereof, ~~fifty~~one hundred
17 dollars. For each annual renewal for county mutuals, one hundred fifty dollars.
- 18 c. For issuing an annual reciprocal exchange license, the same fees as those
19 applicable to the issuance of a certificate of authority in subsection 2.
- 20 d. For filing an annual report of a fraternal benefit society, and issuing a license or
21 permit to the society, and for each renewal thereof, one hundred dollars.
- 22 e. For filing of articles of merger, or copies thereof, ~~thirty~~fifty dollars.

- 1 f. For filing an annual statement for a county mutual, fifty dollars. For filing an
2 annual statement for a life settlement provider, one hundred dollars. For filing an
3 annual statement, ~~twenty-five~~two hundred dollars.
- 4 g. For filing the abstract of the annual statement of ~~an~~any insurance company for
5 publication, ~~thirty~~fifty dollars.
- 6 h. For an official examination, the expenses of the examination at the rate adopted
7 by the department. The rates must be reasonably related to the direct and
8 indirect costs of the examination, including actual travel expenses, including hotel
9 and other living expenses, compensation of the examiner and other persons
10 making the examination, and necessary attendant administrative costs of the
11 department directly related to the examination and must be paid by the examined
12 insurer together with compensation upon presentation by the department to the
13 insurer of a detailed account of the charges and expenses after a detailed
14 statement has been filed by the examiner and approved by the department.
- 15 i. For issuing a certificate to a domestic insurance company showing a compliance
16 with the compulsory reserve provisions of this title and the maintenance of proper
17 security deposits and for any renewal of the certificate, twenty-five dollars.
- 18 j. For a written licensee's examination not administered by the office of the
19 commissioner under a contract with a testing service, the actual cost of the
20 examination, subject to approval of the commissioner, which must be paid to the
21 testing service.
- 22 k. For issuing a surplus lines insurance producer's or insurance consultant's
23 license, one hundred dollars. For each annual renewal of a surplus lines
24 insurance producer's or insurance consultant's license, twenty-five dollars.
- 25 l. For issuing an insurance producer's license, one hundred dollars.
- 26 m. For issuing a duplicate of any license or registration issued under this title, ten
27 dollars.
- 28 n. For each insurance company appointment and renewal of an appointment of an
29 insurance producer, ~~ten~~twenty-five dollars.

- 1 o. For each company application for admission, five hundred dollars, except
- 2 applications for admission for county mutual, fraternal benefit, and surplus lines
- 3 companies must be one hundred dollars.
- 4 p. For issuing a license and each annual renewal of a license to an insurance
- 5 premium finance company, one hundred dollars.
- 6 q. For examining or investigating an insurance premium finance company, the
- 7 actual expense and per diem incurred; but the per diem charge may not exceed
- 8 fifty dollars.
- 9 r. For issuing and each annual renewal of a license to an advisory organization, fifty
- 10 dollars.
- 11 s. For filing an individual insurance producer licensing continuation, twenty-five
- 12 dollars.
- 13 t. For services provided by the state fire marshal.
- 14 u. For an initial application for multiple employer welfare arrangements, five
- 15 hundred dollars. For each annual renewal, one hundred dollars.
- 16 v. For an initial application for a life settlement provider, one hundred dollars. For
- 17 each annual renewal, twenty-five dollars.
- 18 w. For a life settlement broker application, an initial broker license fee of
- 19 one hundred dollars. For each annual renewal, twenty-five dollars.
- 20 x. For issuing an individual resident or nonresident public adjuster license,
- 21 one hundred dollars. For each biennial renewal, twenty-five dollars.
- 22 y. For issuing a business entity public adjuster license, one hundred dollars. For
- 23 each biennial renewal, twenty-five dollars.
- 24 z. For issuing a license or certificate for a life or health insurance administrator, two
- 25 hundred fifty dollars. For each annual renewal, one hundred dollars.
- 26 2. Nonprofit health service corporations and health maintenance organizations are
- 27 subject to the same fees as any other insurance company. County mutual insurance
- 28 companies and benevolent societies are liable only for the fees mentioned in
- 29 subdivisions b, f, g, ~~and h,~~ and n of subsection 1.
- 30 3. ~~However, the commissioner may, after public notice and hearing, increase the fees~~
- 31 ~~authorized by this section for any year if it is determined necessary to generate the~~

1 revenue appropriated by the legislative assembly from the insurance regulatory trust
2 fund to fund budgeted operations for the insurance department. The insurance
3 commissioner may not implement a fee increase pursuant to this section to enhance
4 or in any manner add funds to the legislative appropriation for the insurance
5 department. If an amount of a fee, penalty, or interest has been paid which was not due
6 under this section, a refund may be issued to the individual who made the erroneous
7 payment. The refund is allowed as a cash refund, at the discretion of the
8 commissioner. The individual who made the erroneous payment shall present a claim
9 for refund to the commissioner not later than two years after the due date of the fee for
10 the period for which the erroneous payment was made.

11 **SECTION 2. AMENDMENT.** Section 26.1-26-13.4 of the North Dakota Century Code is
12 amended and reenacted as follows:

13 **26.1-26-13.4. Biennial license continuation.**

14 A licensed individual insurance producer shall file a biennial license continuation in the form
15 and manner prescribed by the commissioner and pay a fee of ~~twenty-five dollars~~ as prescribed
16 in section 26.1-01-07. The commissioner shall give a licensee not less than sixty days' notice of
17 the biennial license continuation filing deadline.

18 **SECTION 3. AMENDMENT.** Subsection 4 of section 26.1-26.8-04 of the North Dakota
19 Century Code is amended and reenacted as follows:

- 20 4. Has paid the resident licensing fee, ~~not to exceed one hundred dollars,~~ prescribed by
21 ~~the commissioner~~ prescribed in section 26.1-01-07;

22 **SECTION 4. AMENDMENT.** Subdivision b of subsection 1 of section 26.1-26.8-05 of the
23 North Dakota Century Code is amended and reenacted as follows:

- 24 b. Has paid the nonresident licensing fee, ~~not to exceed one hundred dollars,~~
25 ~~prescribed by the commissioner~~ prescribed in section 26.1-01-07.

26 **SECTION 5. AMENDMENT.** Subdivision a of subsection 1 of section 26.1-26.8-06 of the
27 North Dakota Century Code is amended and reenacted as follows:

- 28 a. Has paid the business entity licensing fee, ~~not to exceed fifty dollars,~~ prescribed
29 ~~by the commissioner~~ prescribed in section 26.1-01-07; and

30 **SECTION 6. AMENDMENT.** Subdivision b of subsection 1 of section 26.1-26.8-09 of the
31 North Dakota Century Code is amended and reenacted as follows:

1 b. To renew a license, a licensed resident public adjuster and a licensed
2 nonresident public adjuster shall file a biennial license continuation in the form
3 and manner prescribed by the commissioner and pay a fee ~~of twenty-five-~~
4 ~~dollars~~ as prescribed in section 26.1-01-07. The commissioner shall give a
5 licensee at least sixty days' notice of the biennial license continuation filing
6 deadline. A resident public adjuster or a nonresident public adjuster who allows
7 the license to lapse may, within the twelve-month period immediately following
8 the expiration date, reinstate the same license without the necessity of passing a
9 written examination, upon payment of a reinstatement fee, ~~not to exceed one-~~
10 ~~hundred twenty-five dollars,~~ prescribed by the commissioner in addition to the-
11 renewal fee.

12 **SECTION 7. AMENDMENT.** Subdivision b of subsection 2 of section 26.1-26.8-09 of the
13 North Dakota Century Code is amended and reenacted as follows:

14 b. To renew a license, a licensed business entity public adjuster shall file a biennial
15 license continuation in the form and manner prescribed by the commissioner and
16 pay a fee as prescribed in section 26.1-01-07.

17 **SECTION 8. AMENDMENT.** Subsections 2 and 4 of section 26.1-27-03 of the North Dakota
18 Century Code are amended and reenacted as follows:

19 2. All applications must be accompanied by a filing fee ~~of one hundred dollars~~ as
20 prescribed in section 26.1-01-07.

21 4. The administrator shall pay an annual renewal fee ~~of fifty dollars~~ as prescribed in
22 section 26.1-01-07 to maintain the certificate.