

# FIRES

## CHAPTER 261

SENATE BILL NO. 2436  
(Senator Wogsland)  
(Representative Laughlin)

### INSURANCE TAX DISTRIBUTION TO FIRE DISTRICTS

AN ACT to create and enact a new section to chapter 18-04 of the North Dakota Century Code, relating to creation of a special fund in the state treasury for distribution of insurance tax proceeds to fire departments; to amend and reenact section 18-04-05 and subsection 1 of section 26.1-03-17 of the North Dakota Century Code, relating to the distribution of insurance tax to cities, rural fire protection districts, and rural fire departments, and the allocation of a portion of the insurance premium tax to the insurance tax distribution fund; and to provide an effective date.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 18-04-05 of the 1987 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

18-04-05. Amount due cities, rural fire protection districts, or rural fire departments - Certificate of commissioner of insurance to office of management and budget. The commissioner of insurance shall compute the amounts due to the several cities, townships, certified rural fire departments, or fire protection districts entitled to benefits under this chapter, and shall certify such amounts for payment to the office of management and budget on or before ~~June~~ September first of each year, in the following manner:

1. To cities not within the boundaries of a fire protection district, a sum equal to two and one-fourth percent of the premiums received by insurance companies issuing policies for fire, allied lines, homeowner's multiple peril, farmowner's multiple peril, and commercial multiple peril insurance on property in such cities.
2. To each city fire department performing service outside of its incorporated limits, the sum of one hundred dollars.
3. To each rural fire department not certified by the state fire marshal, the sum of two hundred dollars per year.
4. To each rural fire protection district organized within the provisions of this title or rural fire department certified by the state fire marshal, two hundred dollars plus a sum equal to two and one-fourth percent of the premiums received by insurance companies issuing policies for fire, allied lines, homeowner's multiple peril, farmowner's multiple peril, and commercial multiple peril insurance on property within the boundaries of such rural fire

protection districts or property served by certified rural fire departments.

The amount distributed by the commissioner of insurance pursuant to this section may not exceed the amount of the biennial appropriation made by the legislative assembly. ~~Payments by the commissioner of insurance in any fiscal year may not exceed one half of the biennial appropriation made by the legislative assembly must be distributed in September of each year beginning in September 1990.~~ If the appropriation is less than the amount determined by applying the formula pursuant to this section, the commissioner of insurance by proration shall provide each eligible recipient the same proportion of the appropriation as the percent of the total funds it would have received pursuant to such formula.

SECTION 2. A new section to chapter 18-04 of the North Dakota Century Code is hereby created and enacted to read as follows:

Insurance tax distribution fund. The insurance tax distribution fund is a special fund in the state treasury. The portion of revenue provided in section 26.1-03-17 shall be deposited in the fund for disbursement as provided in this chapter, subject to legislative appropriation.

\* SECTION 3. AMENDMENT. Subsection 1 of section 26.1-03-17 of the 1987 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

1. Before issuing the annual certificate required by law, the commissioner shall collect from every stock and mutual insurance company, nonprofit health service corporation, health maintenance organization, and prepaid legal service organization, except a fraternal benefit society, doing business in this state, a tax on the gross amount of premiums, assessments, membership fees, subscriber fees, policy fees, service fees collected by any third party administrator providing administrative services to a group that is self-insured for health care benefits, and finance and service charges received in this state during the preceding calendar year, at the rate of two percent with respect to life insurance, one and one-fourth percent with respect to accident and health insurance, and one and one-fourth percent with respect to all other lines of insurance. This tax does not apply to considerations for annuities. The total tax is payable on or before March first following the year for which the tax is assessable and must be deposited in the insurance tax distribution fund under section 2 of this Act but not in an amount exceeding two million six hundred thousand dollars in any fiscal year, and any amounts exceeding that amount must be deposited in the general fund in the state treasury.

SECTION 4. EFFECTIVE DATE. Sections 2 and 3 of this Act become effective on July 1, 1990.

Approved March 28, 1989  
Filed March 28, 1989

- \* NOTE: Subsection 1 of section 26.1-03-17 was also amended by section 1 of House Bill No. 1029, chapter 346, and section 1 of House Bill No. 1448, chapter 345.

## CHAPTER 262

SENATE BILL NO. 2380  
(Senators Wogsland, Ingstad, Maxson)  
(Representatives V. Olson, Howard, Flaagan)

### RURAL FIRE PROTECTION DISTRICT SECRETARY-TREASURER

AN ACT to amend and reenact section 18-10-04 of the North Dakota Century Code, relating to appointment of, and payment of salary to, a secretary-treasurer of a rural fire protection district.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 18-10-04 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

18-10-04. Organization - Board of directors.

1. At the time and place fixed by the county auditor for the public meeting as provided in section 18-10-03, the electors who are owners of any interest in real or personal property assessed for taxation in the district and who are residing within the boundaries of the district shall have the opportunity to decide by majority vote of those present whether the organization of the district shall be completed. Permanent organization shall be effected by the election of a board of directors consisting of not less than five residents of the district, at least one of whom shall reside in and represent each township if the district includes more than one township. If the district is composed of more than seven townships, the board may elect to have only seven members, but no more than one member may be from any township.
2. The board of directors shall meet as soon after the organizational meeting as possible to elect a president, a vice president, and a secretary-treasurer. At ~~At~~ Except as otherwise provided in this subsection, all directors and officers shall be elected for two years and hold office until their successors have been elected and qualified, except that at the first election the vice president shall be elected as provided in this section for a one-year term, and one-half, or as close to one-half as possible depending upon the total number of directors, of the directors elected at the first election following July 1, 1969, shall be selected by lot in the presence of a majority of such directors to serve one-year terms. Upon approval of a resolution by the board of directors, the office of secretary-treasurer may be filled by appointment rather than by election under this subsection. All officers shall serve without pay except the secretary-treasurer, who may be paid a salary determined by the board of directors.

Approved March 22, 1989  
Filed March 23, 1989

## CHAPTER 263

HOUSE BILL NO. 1332  
(Representatives Tollefson, Skjerven)  
(Senators Mutch, Krebsbach)

### LPG APPLIANCES UNDER STATE BUILDING CODE

AN ACT to amend and reenact subsection 3 of section 18-12-25 and subsection 1 of section 54-21.3-03 of the North Dakota Century Code, relating to the state building code.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Subsection 3 of section 18-12-25 of the 1987 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

3. Uniform Mechanical Code - international conference of building officials except that section 504(f) of the Uniform Mechanical Code is amended as provided in subsection 1 of section 54-21.3-03.

SECTION 2. AMENDMENT. Subsection 1 of section 54-21.3-03 of the 1987 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

1. The state building code consists of the 1985 Uniform Building Code with any existing supplements including the Uniform Mechanical Code with any existing supplements as referenced by the Uniform Building Code except that section 504(f) of the Uniform Mechanical Code is amended to read as follows:

Section 504(f). LPG Appliances.

Liquefied petroleum gas burning appliances, both automatically and manually controlled, may be installed in basements or similar locations only if (a) the appliances are of an American gas association-approved type and installed in accordance with national fire protection association pamphlets 54 and 58, (b) automatically controlled appliances are equipped with safety shutoff devices of the complete shutoff type, and (c) gas piping has been pressure tested and proven to be gas tight.

This code must be implemented by and may be amended by rules adopted by the director of the office of management and budget under chapter 28-32.

Approved March 21, 1989  
Filed March 23, 1989