

# MICROFILM DIVIDER

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SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

3059

2005 HOUSE INDUSTRY, BUSINESS AND LABOR

HCR 3059

2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HCR 3059

House Industry, Business and Labor Committee

Conference Committee

Hearing Date 3-31-05

Tape Number	Side A	Side B	Meter #
1	x		23.9-37.
Committee Clerk Signature <i>Joseph Burke</i>			

Minutes:

**Vice-Chairman N. Johnson:** Opened the hearing on HCR 3059

**Representative Keiser:** Appeared in support of the bill and apologizes for the delayed bill, we have been working on a National level, in strong opposition for the Smart Act. About 6 months ago I was in an airport with Congressmen Pomeroy who served as Insurance Commissioner, and we got to talking about it, and at that point NCOIL, The National Conference of Insurance Legislators, had just taken a position moving toward opposition of the Smart Act. If you look on lines 12 through 16 it says that state legislators, another organization such as UNCOIL, the conference of state legislatures and have written to congress, but the NAIC, the National Association of Insurance Commissioners were really walking the fence, their argument was its better to have a seat at the table and participate in the development of the Smart Act, but it is just last week, that the NAIC through their president have sent a letter to Congressman Aukley and Baker in strong opposition to the Smart Act, because the Smart Act takes away the regulation

oversights and consumer protection from the state and also takes legislators out of the position determining the public policy on insurance issues for residence of their state. We believe that the state legislators are far more responsive to the needs of their constituents and are more knowledgeable regarding the market conditions that may exist in individual states. It would mandate federal insurance standards preempting state law it would challenge to sovereignty of state government, federalize insurance regulation. I mentioned to you that I had met with Congressman Pomeroy in the airport, and he said to me what is NCOILS position? I said NCOIL is moving towards opposing the Smart Act, he said, they are? that is not what we are hearing, at that point NCOIL was taking a seat at the table approach, we understand that NCOIL is working cooperatively, the purpose of this resolution, and we have held it until now, because we wanted the NAIC to be on board and they are but we need to send a message to the Congress and I recognize that resolutions like this probably don't have an impact but we will assure that this resolution is sent to our Congressional delegates and I think our delegation does look at what our legislation does and it will communicate that the state of North Dakota has reservations about the Smart Act and we are not interested in them pursuing it further.

**Representative Kasper:** Beginning on line 12 you named three organizations, I see some that are missing that could be named and I would like to know if they could be consider it would be organization like ALEC, National Association of Insurance and Financial advisors, CSG.

**Representative Keiser:** I don't know if they have taken a position to my knowledge they haven't but they may have.

**Representative Thorpe:** I would Move a **DO PASS** on **HCR 3059**

**Representative Dietrich:** I would **SECOND** the **DO PASS** motion.

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House Industry, Business and Labor Committee

Bill/Resolution Number HCR 3059

Hearing Date 3-31-05

Motion carried **VOTE: 13-YES 0-NO 1-Absent (BOE)**

**Representative Kasper will carry the bill on the floor.**

**Hearing closed**

Date: 3-31-05  
Roll Call Vote #: 1

2005 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. HCR 3059

House INDUSTRY, BUSINESS AND LABOR Committee

Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken Do Pass And place on the consent calendar

Motion Made By Rep. Thorpe Seconded By Rep. Dietrich

Representatives	Yes	No	Representatives	Yes	No
G. Keiser-Chairman	X		Rep. B. Amerman	X	
N. Johnson-Vice Chairman	X		Rep. T. Boe	A	A
Rep. D. Clark	X		Rep. M. Ekstrom	X	
Rep. D. Dietrich	X		Rep. E. Thorpe	X	
Rep. M. Dosch	X				
Rep. G. Froseth	X				
Rep. J. Kasper	X				
Rep. D. Nottestad	X				
Rep. D. Ruby	X				
Rep. D. Vigesaa	X				

Total (Yes) 13 No 0

Absent (1) Rep. Boe

Floor Assignment Rep. Kasper

If the vote is on an amendment, briefly indicate intent:

**REPORT OF STANDING COMMITTEE (410)**  
March 31, 2005 11:09 a.m.

Module No: HR-59-6801  
Carrier: Kasper  
Insert LC: . Title: .

**REPORT OF STANDING COMMITTEE**

**HCR 3059: Industry, Business and Labor Committee (Rep. Keiser, Chairman)**  
recommends **DO PASS** and **BE PLACED ON THE CONSENT CALENDAR** (13 YEAS,  
0 NAYS, 1 ABSENT AND NOT VOTING). HCR 3059 was placed on the Tenth order  
on the calendar.

2005 SENATE INDUSTRY, BUSINESS AND LABOR

HCR 3059

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HCR 3059

Senate Industry, Business and Labor Committee

Conference Committee

Hearing Date 4-07-05

Tape Number	Side A	Side B	Meter #
1	xxx		4275-4900
Committee Clerk Signature <i>Rosalind Berkow</i>			

Minutes: **Chairman Mutch** opened the hearing on HCR 3059. All Senators were present.

**HCR is a resolution urging Congress to oppose federal legislation that would impair, erode, and limit the ability of state governments to regulate the business of insurance.**

**Rep. Keiser** introduced the resolution.

**Rep. Keiser:** There are two congressman, who chair and vice-chair the House Financial Services Committee, they have been moving quickly in terms of drafting legislation which would create a Graham-Leach-Bliley scenario for the insurance industry. It would move regulation of the insurance industry to a federal standard. Premium taxes are at risk.

**Senator Espegard:** What would make the insurance company different than the banking industry as it relates to uniformity etc?

**Rep. Keiser:** Really, insurance is more of a local issue. Florida has more tornadoes. There are regional differences.

**Senator Espegard:** Isn't insurance annuities and financial products?

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Senate Industry, Business and Labor Committee

Bill/Resolution Number HCR 3059

Hearing Date 4-07-05

**Rep. Keiser:** Each state has defined whether they are or not.

**Sen. Tallackson:** We just got an email that ENCOIL approves this. If you believe in state's rights, than you can believe in this.

**Senator Nething:** It seems to me that we started out with a National Banking Assoc., we started out with a state insurance structure. This resolution is trying to avoid having a national structure.

**Senator Heitkamp moved a DO PASS. Senator Klein seconded.**

**Roll Call Vote: 7 yes. 0 no. 0 absent.**

**Carrier: Senator Klein**

Date: 4-7-05  
Roll Call Vote #: 1

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. HCR 3059

Senate Industry, Business and Labor Committee

Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken Do Pass

Motion Made By Heitkamp Seconded By Klein

Senators	Yes	No	Senators	Yes	No
Senator Mutch, Chairman	X		Senator Fairfield	X	
Senator Klein, Vice Chairman	X		Senator Heitkamp	X	
Senator Krebsbach	X				
Senator Nething	X				
Senator Espegard	X				

Total (Yes) 7 No 0

Absent 0

Floor Assignment Klein

If the vote is on an amendment, briefly indicate intent:

**REPORT OF STANDING COMMITTEE (410)**  
April 8, 2005 8:35 a.m.

**Module No: SR-65-7706**  
**Carrier: Klein**  
**Insert LC: . Title: .**

**REPORT OF STANDING COMMITTEE**

**HCR 3059: Industry, Business and Labor Committee (Sen. Mutch, Chairman)**  
recommends **DO PASS** (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING).  
HCR 3059 was placed on the Fourteenth order on the calendar.