

**2013 HOUSE INDUSTRY, BUSINESS, AND LABOR**

**HB 1145**

# 2013 HOUSE STANDING COMMITTEE MINUTES

House Industry, Business and Labor Committee  
Peace Garden Room, State Capitol

HB 1145  
January 16, 2013  
Job 17286

☐ Conference Committee

Committee Clerk Signature

## Explanation or reason for introduction of bill/resolution:

Relating to use of insurance premium tax collections for firefighting; provide continuing appropriation

## Minutes:

Attached Testimony, 1-8

Committee meeting called to order.

HB 1145 opened hearing

1:30 **Representative Dennis Johnson, District 15, Devils Lake:** Introduced bill with amendments for consideration. Provided history of money from insurance premiums being redistributed to fire departments throughout the state. Distributed amendment which would address the time gap should this bill be passed. (attachment 7)

3:19 **Senator Dave Oehlke, District 15:** A small portion of a person's insurance premium goes to fire protection. It was intended that 100% of that portion go to local fire districts. The important part of lifesaving efforts is that you have the proper gear so that when you're putting yourself at risk, you are able to come out safely and perhaps to save a life in the meantime. In the early 1990's, the state had a difficult economic time, and the legislature made a deal and cut back on some of the money that had been going to the fire departments. Now that the state is doing well financially, there are some situations where the money can now go back to the people and areas that could use it the best and provide that safety and harmony for your volunteers and fire departments across the state.

7:54 **Representative Ron Guggisberg, District 11:** Walked through Attachment 1 to provide an overview of the bill. (9:52) These funds haven't been increasing over the years. After 9-11, there was a lot more federal grant funding, but that is starting to fall apart. If you go back to your communities and you see new equipment, new training facilities, and newly hired fire fighters, ask them where that money came from. Chances are, it was from the federal fire grant. What we are talking about today is a better way to fund fire departments. Hopefully, if they improve their fire departments, the ISO ratings go down.

10:45 **Representative Ruby:** How much has this state been appropriating for fire fighter training?

**Rep. Guggisberg:** I do not have those numbers.

Support:

11:50 **C. J. Craven, fire chief of the city of Minot and President of the North Dakota Fire Chiefs Association:** Distributed written testimony 2. My understanding is that the legislature set this at a dollar amount in order to stabilize the disbursements to the fire departments. It was never intended to act as a cap to the fund. Because of the explosive growth in our state, the growth in the amount that is insured, and the growth in what is taxed on those premiums, the fund has grown to where at this time, fire departments are going to be receiving less than half the tax collected. For most of the existence of the fund, it was anywhere from 84% to 100% of the tax collected. The other side of that is, those buildings are built in our communities for which the insurance is paying the tax. We are obligated to provide them fire protection. In Minot, we have a lot more buildings for which we are providing fire protection than in the past. Our share of the fund over the last four or five years has actually dipped and then stabilized, so we have actually gotten less money because we are sharing it across a much broader portion of the state with explosive growth. It has become an issue for all fire departments that while their call rates are increasing and costs of equipment of rising, this source of funding has decreased. It has gotten very expensive to run a fire department. This helps everyone, and it helps based on the size of a community, by the size and amount of property insured within that community. It helps fire departments across the state. The other side of this bill and the Training Agency of North Dakota Firefighters Association does a lot of good. They are the main training agency for our state. We need volunteers, good equipment, and training. We need all three legs of the stool in order to protect the citizens of North Dakota.

16:14 **Representative Vigesaa:** You mentioned that there are other funding sources. Could you briefly outline those?

**Chief Craven:** That is dependent upon the fire department. In the city of Minot, we are a general fund fire department and are run mostly by property tax. Many fire departments use up to 5 mills of property tax within their fire district or city. Many use federal grants, although federal grants are disappearing. It has become more difficult for us to get federal grants. Many departments rely on fundraising. Just the cost of fuel alone is putting a strain on many departments.

18:17 **Representative Kreun:** When funds go to local districts, what are those funds used for?

**Chief Craven:** The Century Code specifies that. If a fire district has a recognized relief association, which is an association that is used in recruitment and retention of fire fighters by helping with payments for injured fire fighters and at times providing a small retirement benefit, 50% goes there and 50% must go to department for operational expenses. Different departments use them in different ways.

20:00 **Chairman Keiser:** Please review what happened to departments when the federal crop insurance was no longer allowed to be included in the base for the tax. It's an important development in the history of this funding.

**Chief Craven:** In 1994, the Supreme Court ruled that crop insurance could not be taxed. At that time, that resulted in a 27% decrease in the insurance tax fund. After that, in 1995, the legislature set the insurance premium tax refunds at a dollar amount. I do not believe it was legislative intent that that would act as a cap on the disbursement of the fund.

21:38 **Representative Becker:** My question is dealing with how this is funded. It seems odd to me that only 50% of the tax goes directly to fire. What about if the tax were reduced to 1.5% and the entirety was to go to fire, that would bring you up to your \$4 million. As the revenue from that tax increased, like it has been, your revenues would increase as well.

22:54 **Chief Craven:** That is a way of looking at it. I do agree that the tax is intended to go out to fire departments. The amount of tax coming is in something which could be discussed. This tax comes from real property built in the fire districts and needing fire protection. As to what the level of the tax is, I do not feel qualified to speak to that.

24:08 **Jim Moe, Fire Chief in Devils Lake:** I represent a combination fire department. We have five full-time staff members and thirty-three volunteers. Refer to written testimony, attachment 3.

28:00 **Chairman Keiser:** We like to have local involvement in providing funding when the state contributes money. By law, some communities have the capacity to levy up to 5 mills, I think, for their community. We've found that some communities were willing to do that, and others were not but were coming to us for money while not wanting to have any personal responsibility. The formula for distribution that is proposed in this legislation is the sort of so many dollars going out and then the remainder is going to be sent on a proportional basis based on the premium tax collected in those areas. Should there be some requirements that communities have "skin in the game" to make this the most successful program?

29:16 **Chief Moe:** I agree. Unfortunately, a few choose not to do their part, and they receive their dividend of the insurance funds. I would like to say that we can change that, and maybe we can.

30:14 **Jerry Hjelmstad, North Dakota League of Cities:** We are here in support of the concept of the fire insurance premium tax being returned to the fire district where it was collected. With the growth across the state, there is a growing need for equipment and training. We ask for your consideration for a do pass on this bill.

30:55 **Chairman Keiser:** I believe it's the ISO rating where communities are rated based on the coverage in their communities. That in turn impacts the premium rates for people purchasing PNC lines, etcetera. If we do additional training and purchase additional equipment, is it going to have a positive impact on the underwriting rates within communities?



**Jerry Hjelmstad:** The better a fire department is in responding to fire calls, the better the insurance rates will be for the people in those communities.

**32:00 Chief Craven:** The ISO rating determines the amount you will pay for the lines of insurance covered under it. There are three components for the ISO rating: the water supply of the city, the dispatch, and the fire department. They look into training, equipment, the amount of water you can deliver for the biggest structure in your town, and so on. The better funded, the better equipped and prepared your department, the better your chance of having a lower ISO rating and lower insurance premiums.

**32:54 Representative Vigesaa:** Do all communities that have a fire district or department go through the ISO rating exam?

**Chief Craven:** Yes.

**33:20 Terry Traymor, North Dakota Association of Counties:** Counties do not really have a stake in this financially because they do not run fire departments. However, our county commissioners have told us of the struggles their rural fire departments and rural fire districts are having in meeting their equipment, training, and financial needs. We hope you will give this bill a do pass.

**Representative Vigesaa:** How many departments do not levy a mill?

**Terry Traymore:** I do not.

**34:26 Ken Tupa, North Dakota Emergency Medical Services Association:** Provided attachment 4, a proposed amendment. Walked through proposed amendment for page 2, lines 21 and 22, and page 4, line 7.

**36:25 Chairman Keiser:** Are the EMS folks in support of this?

**Ken Tupa:** We do support the bill.

**36:50 Representative Becker:** Are the amounts of money on the graphs also including the EMS portion, or is this all fire and EMS is on top of this?

**Ken Tupa:** The changes to that were made to the EMS portion of this bill provide that the current \$1.25 million that has been appropriated since 2007 and proposed again in the governor's budget for the next biennium. The changes were made to make that consistent and to keep that money available for EMS. EMS already has the appropriation, and it's in the budget.

**38:10 Brian Paulson, assistant chief with the Jamestown Rural Fire Department:** In our fire district alone, we serve the Spiritwood Energy Park, Great River Energy, the ethanol plant, and the CHS Anhydrous Plant. We will have almost \$3 billion in infrastructure to protect. We are looking at ways to fund. They have requested that we build a fire station and man it with trucks. With the tax exemption for the ethanol plant for seven years, we anticipate the CHS Plant will follow suit. That means no new revenue

coming in for our fire district for seven to ten years. The revenue we will be receiving will come from the taxes on their insurance premiums. We appreciate your support on this bill to help us get ahead of the curve on the mini oil boom in our area.

**40:00 Representative Vigesaa:** With the increased activity in your rural area, are you completely volunteer?

**Brian Paulson:** We are a paid on-call. Our members are volunteer, but we get paid a stipend per call that we're activated to respond to.

**40:22 Representative Vigesaa:** Are you anticipating adding more help?

**Brian Paulson:** We are hopefully increasing our staff by 10 to 20. We share a volunteer pool with the city of Jamestown. We are working with the CHS Plant and Great River Energy and Cargill to come up with staffing solutions for the potential fire station.

**41:20 Robert Knuth, training director for North Dakota Firefighter's Association:** Distributed attachment 5, the annual training report from the North Dakota Firefighter's Association. See written testimony, attachment 6.

**46:00 Representative Ruby:** What amount has been appropriated for training in the past?

**Robert Knuth:** The increase is only \$65,000. The funds you see in the bill right now reflect an increase of \$65,000.

**46:45 Wes Weible, member of the volunteer services and ambulance service of Turtle Lake:** Our volunteer ambulance and fire departments are completely volunteer, and no one gets paid. Just this last year, our ambulance members do get paid somewhat. While the ambulance service does send bills, the fire department does not send bills because we are funded through property tax. When you talk about how the rating is, we need to have some many members there. With the population of our town aging or declining, it is difficult to find enough volunteers. Our EMS service attends all fire department calls.

Opposition:

Neutral:

**50:36 Rebecca Ternes, Deputy Insurance Commissioner:** All insurance companies in the state pay a tax on the amount of business that they sell. The majority of that tax rate is 1.75% of the premium; for life insurance, it's a little bit different. This tax is paid by companies after they have sold policies. Every year, they report their final tax; reports are due in March. They pay on a quarterly basis, but it's all reconciled at end of year, due to us by March 1. The amount that is currently appropriated, the 6.2 or 1.3 per year, is then divvied up across the departments based on the number of sales, and the check is written in September for each one of the districts. We can get you a list of the payments; they range greatly, depending on the properties and structures are insured in the area. Currently in the appropriation, it is 6.2 in grants to the fire districts, 335,000 to go to directly

to the association for the things they were talking about, another 170,000 out of the fire tornado fund again to the association as a separate payment. That is the background. On the ISO ratings, if something changes, that would come through in the filings from the companies.

**53:12 Representative Becker:** The monies go into the fund that the insurance companies pay are actually their clients' money. Is all of the money paid into the fund actually paid out to the things you just mentioned? Is some transferred to the general fund?

**Rebecca Ternes:** Yes, it is paid by the companies but probably comes back to you in a premium. Only a portion of what we collect is paid out. It is based on the 6.2 appropriation currently. The section that the firefighters are asking about, these five lines, are only some of the lines on which we collect insurance premium tax. Currently only a portion of that is going to them, and what this bill would do is increase that. I think our estimate in the fiscal note would show you the difference from what we do now to what would happen in the next biennium. It is about \$8 million or \$8.5 million additional from what is going out now. That is a projection.

**55:18 Representative Kasper:** These dollars do not affect your department at all, is that correct?

**Rebecca Ternes:** It does not affect our operating fund. The only difference is that instead of these monies going to the general fund, they would be going out to the districts and the association.

**Representative Kasper:** I would like to see list of premium taxes collected. I'd like to see how many dollars are coming from what parts of the state or what line.

**Rebecca Ternes:** We'll get you everything we can.

**56:24 Representative Vigesaa:** The 1.75, has that percentage been adjusted over time? Could you research that for us?

**Rebecca Ternes:** Not as far as I remember. If it has, it has been a long time. Will research that.

**Chairman Keiser:** Was this fiscal note build on the amendment that was proposed?

**Rebecca Ternes:** Is that the one about the one-time payment? No, we did not have the proposed amendment to which you are referring.

**Chairman Keiser:** Read from proposed amendment, attachment 7.

**Chairman Keiser:** Requested new fiscal note.

**57:30 Rebecca Ternes:** We came up with a bit of a glitch when the bill was presented to us quite a while ago, and we have had some time to work on it. We've been talking about the mechanism to payout. If we change the way this is done and do this based on the

entire amount collected, we don't know that amount until after March 1 when the companies submit the reports. So there was the potential that the districts could go without a payment for a year if we did not put something in there.

58:21 **Representative Vigesaa:** The percentages are in the testimony from Chief Craven as to how they have been changed over time. Are we setting this amount at a certain percentage? How do we determine that this amount is what it is that goes out to the fire districts?

**Rebecca Ternes:** The intent of the bill is to get more of the five lines.

**Representative Vigesaa:** How is the current amount established?

**Rebecca Ternes:** It is in the insurance department's appropriation currently. Most of the changes have come through the Fire Association appropriation side of it. The grants have stayed fairly steady, but it's always a set amount in our appropriation bill. This year the governor put additional \$800,000 into the insurance department's budget for the grants.

1:00:05 **Representative Frantsvog:** In the information you will provide us, we will see both scenarios, how the distributions are made today and how it would be made based on this proposed bill?

**Rebecca Ternes:** We could maybe use the same proportion as 2011 and run it across the projection.

1:00:53 **Representative Becker:** What are your concerns that if the insurance tax was decreased so that it was actually commensurate with what was paid out to these funds? If we were to decrease the total tax the state is taking in, and take it down to what is being requested, is there going to be a loss somewhere? The state is in a position to decrease the taxes on our citizens, and this might be one area, so I'm looking for your opinion on if the total insurance tax was decreased to be commensurate with what you are paying to the funds, is that a problem in your view?

**Rebecca Ternes:** If you decrease the tax rate, you are decreasing it for all lines: property, health, casualty. You would effectively be reducing the amount of money going to the general fund by that same amount. Our department is funded by the Insurance Regulatory Trust Fund, which is a separate fund from premium tax. EMS comes out of premium tax, the Firefighter's Association money comes out there, and these grants to districts. The rest goes to the general fund. So you would be reducing what they would get. They are asking for the bulk of this particular part of premium tax. You would be reducing the remainder which would go to the general fund.

1:02:59 **Representative Boschee:** Are the grants going back to the district money on top of what is going back based on the amount produced from that district, or is "grant" the tax?

**Rebecca Ternes:** We call them grants. These district payments are the grants to which I am referring.

1:03:22 **Representative Vigesaa:** The money goes out to the districts, regardless if they levy a mill, correct? It does not have any bearing on how much you send them of their portion?

**Rebecca Ternes:** That is correct.

Hearing closed.

**Chairman Keiser:** When you reduce the tax rate, the 1.5% or whatever, if there should be a windfall in premiums paid, the dollars would go up dramatically and the legislature loses. It would be an automatic percent of the total, and the legislature appropriations appreciates receiving numbers they can understand and see without any potential....It could also work negatively if there were a significantly turndown in the economy if it were a fixed percentage. The fire districts could be counting on a distribution which may not occur. It's not a bad idea, especially on the upward side.

1:04:55 **Representative N. Johnson:** I could see where we might reduce the tax that the company pays from the premium they get, but that might not necessarily mean that they'll pass that on to the consumer paying the premium.

**Representative Becker:** A floor can be written into any law.

**Chairman Keiser:** But then you have to come up with the money, make an appropriation.

**Representative Becker:** Overtime, the competitive market would determine that if some insurance providers have a windfall and would be able or allowed to reduce their price.

**Representative Kasper:** The discussion about reducing the tax might be appropriate down the road. Right now, the fire departments and emergency services have been underfunded for a long time and are trying to play catch up.

**Chairman Keiser:** I think communities need skin in the game. I like the notion that at two mills, you get a full allocation. Less than two mills, you don't get some portion.

**Representative N. Johnson:** Is there a way we can get a spreadsheet of the mills from the different districts?

**Chairman Keiser:** That is available. We can ask the tax department for that.

Hearing closed. We will take this up later.

**Carrier: Representative Vigesaa**

# 2013 HOUSE STANDING COMMITTEE MINUTES

House Industry, Business and Labor Committee  
Peace Garden Room, State Capitol

HB 1145  
January 16, 2013  
Job 17308

☐ Conference Committee

Committee Clerk Signature

## Explanation or reason for introduction of bill/resolution:

Relating to use of insurance premium tax collections for firefighting; provide continuing appropriation

## Minutes:

No attachments

**Chairman Keiser:** Summarizes concerned shared by legislative council and firefighters shared with him about requiring local subdivisions to assess at least two mills for their local match. In the amendment that is being drafted, in the first year of this program all communities would receive there one half of the allocation. That would then give them a year in which to figure out whether or not they wanted to implement a two mill match. Alan will give us a breakdown of what is happening to the money right now and what would happen to the money if this bill is to pass. Many folks I talked to felt it was appropriate that communities have some skin in the game.

There is a downside. Most communities are at at least two mills--some are at five mills--to generate the dollars to support their training and equipment. We will get a summary of what every different fire group in the state is receiving from local support. The biggest problem lies in the fire districts that are associated with a township. It is conceivable that this bill could result in an increase in property taxes in some townships.

**3:53 Representative Kreun:** It doesn't force them to put in the tax in. They just would not get the state dollars.

**4:04 Representative M. Nelson:** How are fire departments around tribal lands and trust lands, how that mill levies work. I don't know.

**Chairman Keiser:** The tribes have their own fire, I would assume, because they are a sovereign nation.

**Raymond Lambert, State Fire Marshal:** There are many different mechanisms in place for funding. There are four communities we look at for tribal communities. The Turtle Mountain region has a full volunteer fire department, but I do not know the mechanism for funding. The New Town region has a full volunteer community fire department that is funded by taxation. They cover both tribal and nontribal lands. The tribal community pays

a fee for a contract service from the fire department that is there. The Sioux community and the Devils Lake community have no fire protection and no fire service other than the wildland firefighters that will provide some fire protection to that community. We truly do have communities that have no service. I do not know of any community taxing mechanism, and I am not sure of where the funding comes from for New Town's contract.

6:10 **Representative M. Nelson:** Do they receive some of the money we're talking about in this bill?

**Marshal Lambert:** Those communities do not receive insurance premium tax dollars, other than New Town but they have their fire department. The others do not have a department that is certified through my office or the state. There are federal dollars that provide some relief and some fees if it is utilized for fire protection.

**Chairman Keiser:** We will be waiting until we can have an understanding of what is happening to the dollars.

# 2013 HOUSE STANDING COMMITTEE MINUTES

House Industry, Business and Labor Committee  
Peace Garden Room, State Capitol

HB 1145  
January 22, 2013  
Job 17557

☐ Conference Committee

Committee Clerk Signature

## Explanation or reason for introduction of bill/resolution:

Relating to use of insurance premium tax collections for firefighting; provide continuing appropriation

## Minutes:

Attached testimony 1-3

**Alan Knudson, Legislative Council Staff:** Highlighted key points of attachment 1. Explained flowcharts included in attachment 1. The general fund would have a reduction in revenues of about \$8.5 million, and the fire departments would receive an addition of \$8.5 million.

**7:55 Representative Boschee:** On page 3 and 4, the estimated insurance premium tax, there is about \$800,000 difference. What about the bill changes that, or is that a typo.

**Alan Knudson:** I will have to check on that. They should be the same because the total would be the same.

**8:30 Chairman Keiser:** If you look on the second to last page, the total projected was almost \$90 million. If you turn over to the next page, it is \$89,166,000, so somewhere we lost 800,000.

**Alan Knudson:** They should be the same. We'll get it fixed and will get it back to you.

**Representative Becker:** Going from the old \$6.2 million to governor's \$7 million but then popping up to the \$14.5 million...can you talk a little more about that?

**9:22 Alan Knudson:** The sponsor of the bill wanted to give additional funding to the fire departments. (Reads from the bill, bottom of page 3 and top of page 4.) Those are the lines of insurance that the total insurance premiums collected on those will flow into this new fund. Whatever comes in will be provided to the fire department. In the past, they took only the amounts from the premium taxes based on the legacy of appropriation, which was the \$6.2 million or the \$7 as the governor recommended. Under this bill, whatever comes in from those lines of insurance will go out to the fire departments and to the Firefighters Association grants.



10:28 **Representative Becker:** How is that \$7 million difference being funded now, if this bill provides that we're going to be moving those monies in. They must be getting those money by another means currently.

**Chairman Keiser:** Originally, their funding was as change this law would provide. At some point when our ending balance was only a few days of operating expenses, our state needed to search all sources of revenue, and we fixed the amount that these entities would get. We took away any excess and rolled it into the general fund. Now these folks are asking that in light of our budget surplus and good economy and these fire departments and services are underfunded, we go back to way things were so that they can meet their objectives of training, equipment, manpower, and so on.

12:12 **Representative Vigesaa:** On page 4, does that \$1.25 million for EMS also come out of the 100% for the five lines?

**Alan Knudson:** No, it would come out of a separate area.

**Representative Boschee:** Representative Becker, do you feel your question was answered as it regards the funding and how it is different?

**Representative Becker:** Yes, I love the flow charts. I don't have my written notes with me, and I don't recall a request for doubling the budget.

**Representative Boschee:** If you look on page 3 and going from the estimated insurance premium tax collections, take those two numbers and add them up, they will equal the same thing as on page 4, though three lines. It's not a different allocation; it's just that the money is distributed differently. The money that is collected is going back to its intended purpose for local and county fire departments rather than to the general fund.

13:39 **Representative Kreun:** If you look at \$14 million, basically the goal that was set by this bill was that the money reach the fire departments. And I think that's what our goal was intended and is being accomplished.

**Representative Vigesaa:** We talked yesterday about getting a list of districts and departments that levy a mill. Is that still coming?

**Alan Knudson:** Yes.

**Chairman Keiser:** We are going to hold this bill until we have a breakdown on how political subdivisions are participating with their mill levy. Any questions for Chief Boespflug?

**Chairman Keiser:** I will pass out an amendment. Attachment 3. We could put it on the bill at this time if you choose. If we are to adopt this bill, we are increasing the funding dramatically. If it's going to training and safety and equipment and personnel, I'm all for it. I fear that there may be a redirection of some of those dollars. Read the proposed amendment. It's my attempt to make sure the funds are being used as intended.

16:55 **Representative N. Johnson:** Did Minot say that a portion of theirs automatically went to the retirement fund?

17:23 **Chief Joel Boesflug, Bismarck fire chief and representing the North Dakota Fire Chiefs Association:** That is true. Under the Century Code, if a firefighter's relief association is established, 50% of those dollars must go to that purpose. For those departments that do have an established relief association, it must be done. Not many have such an association.

**Representative Vigesaa:** Where do you feel the biggest need is in our fire departments across districts?

**Chief Joel Boesflug:** The needs are significant state wide. The present cap, the 3.1 limitation, is actually causing some adverse distributions or payouts. Some of the departments are actually getting less but protecting more. Costs of equipment are significant. Costs of personnel and retaining those personnel are an impact to all. Training is also a significant concern.

**Representative Kasper:** As the needs are so great, how have you been able to function as you've had to these past years? Where have you been able to find the money?

**Chief Joel Boesflug:** It would vary from community to community. Some of the sacrifices made are in the type of equipment or in the lack of equipment. We're confident that the additional funds would allow us to return to the insurance industry lower risk and lower payouts.

**Representative Beadle:** It was presented in earlier testimony that federal grants and funds established after 9-11 are going away. Is that true?

**Chief Joel Boesflug:** As an example, one of the grants went out to each county and then to the local emergency responders in that area. Those have now converted statewide to a regional response. The larger cities in our state are receiving those funds but are tasked with providing service anywhere in the state. The others are receiving no funds of that type.

22:04 **Representative M. Nelson:** Fire department vary so much in their size. Do fire departments all keep their funds in separate accounts, or do they put the money they receive in one fund and then paying their bills out of the comingled funds?

**Chief Joel Boesflug:** The Fire Chiefs Association would appreciate any means of transparency. There was mention of a potential amendment regarding two mills to show skin in the game. The Fire Chiefs certainly support that. Some of the departments are under contract, or townships pay those departments. If that two mill would be a direction you would pursue, we're wondering if two mills or the equivalency of two mills would be proper verbiage because some are not actually a mill levy.

23:54 **Representative M. Nelson:** Are fire districts one of those political subdivisions where state law requires regular audits?

**Chief Joel Boesflug:** That is my understanding. The assistant fire chief out of Jamestown may have referenced it in his testimony, but I know he did state that all fire districts are required to undergo an audit.

**Representative Becker:** One thing that would be nice to see and in line with the intention of this bill is that a greater proportion of the taxes that were originally set aside for fire and emergency actually are for fire and emergency. It would be nice to see us tie this back and tax only to the point we need to fund fire and emergency. It would be a tax relieve for citizens. If this tax which is supposed to be for fire is putting millions back into the general fund, should that tax be decreased by something? Sometimes if we don't do it together, it would look later like we're trying to cut back. By doing them together, we can provide tax relieve and fund the firefighters. When we are looking at having the fire departments have an audit and we find some that don't need some of the funds, do you suppose we're going to have a bill where they want to reallocate the funds unused by fire departments and have them used entirely?

26:18 **Representative Kreun:** In Grand Forks, all the funds for police and fire are kept separate and reported. It does not go into one giant account; they come in for specific departments, and that is how they are used. To Representative Kasper's question about how have we done this for a period of time, we have planned another fire station for ten years. While we've been waiting to be able to fund it, we've been watching response times increase. Insurance rates to up.

**Representative Louser:** I thought the premium was 2.25, somewhere in there. If we were at the same time to reduce that to say 2 or 1.75, something less than half, and then give it all back, we may not need the reporting requirement. We would increase the funding for the fire departments, we would be reducing taxes in theory for the citizen, and may be able to achieve what wants to be done here.

28:40 **Chairman Keiser:** Gives reason why he introduced the amendment (attachment 3) to request a report of how the funds were spent. A report would show whether the money is being spent in the areas which are being identified as needs at this time.

30:28 **Chief Joel Boesflug:** I believe the fire service would be fully in support of that. I wanted to clarify my earlier comment. Because of the expense of a truck, the dollars are placed in a fire truck reserve fund. Those dollars are not expended every year, but they are identified.

**Representative Kreun:** Maybe you would like to reiterate the cost of public service verses what they actually take in.

**Chairman Keiser:** A city manager is getting some data for us. In the city of Bismarck, all of the property tax collected, both commercial and residential, does not cover emergency services.

**Representative Kasper:** Do these funds currently being collected and asked to be increase, can they be used to build buildings?

**Chairman Keiser:** That's a good question; I do not know the answer. That was not part of the testimony. The testimony was for training, equipment, and those kinds of things. But if they use it for a building, I want to know it.

**Representative Kasper:** Gave example of new fire station in Fargo.

33:33 **Representative N. Johnson:** In my community, our response time is getting way beyond what it should be, so they may need to build a fire station in another area of the city. The trend now is to build a station that blends with the neighborhood.

**Representative Kasper:** There is a difference between aesthetically beautiful and a Taj Mahal.

**Chairman Keiser:** On the amendment that I handed out, attachment 3, there is a typo. It should state 18-04-05 on the second line of part 2 and on the last line.

Motion to adopt amendment (attachment 3). Motion made by Representative Kreun and seconded by Representative Boschee.

**Voice vote** on adoption this amendment carries.

**Chairman Keiser:** We are waiting on information about the mill levy, so we will come back to this. Addressed proposed amendment 13.0207.04002 from Representative Dennis Johnson, an appropriation transfer.

**Representative Boschee:** If I recall, there was a concern in the lag of time between payments.

**Chairman Keiser:** When do we put the money back in? This is an appropriation.

**Chairman Keiser:** Asked Representative Vigesaa to track down that amendment and another one which has been circulating.

# 2013 HOUSE STANDING COMMITTEE MINUTES

House Industry, Business and Labor Committee  
Peace Garden Room, State Capitol

HB 1145  
January 23, 2013 afternoon  
Job 17651

☐ Conference Committee

Committee Clerk Signature

## Explanation or reason for introduction of bill/resolution:

Relating to use of insurance premium tax collections for firefighting; provide continuing appropriation

## Minutes:

Attachments 1, 2

**Chairman Keiser:** We have today with us Rebecca Ternes. You may remember that when Alan Knudson was with us, it was noted that there was a discrepancy in amounts on the flowchart. They did some reanalysis.

1:45 **Rebecca Ternes:** Distributed attachment 1. We will give you some background, some information on the flow of the funds coming in and going out, and also show you projections of what would happen if this bill would go into place, and where we see more potential issues not previously identified. (2:25) Explains the reconciled tax statement included in attachment 1. On line 17, c, d, and e, you'll see that they make quarterly tax payments to us based on the previous year's sales. Then at the end of the year, they add up what they prepaid and they set that off against what they actually sold that year. They reconcile that, and that's due to us by March 1 of every year. ) Explained second page of Attachment 1. (6:30) Now you can see why we never got to the full five lines amount. If the intent is to give the full amount of the five lines, you would have to change the language from half of the fund balance to half of the five lines.

7:00 Regarding the amendment on the \$3.5 million that was given to me, we have now gone back and figured out that if an emergency clause would be added to this bill, we would then be able to collect the first quarter's payments that usually start coming in during June or July and due August 29--we would like, we have about that same amount in the fund, 7.9 million and that amendment said 3.5. So we would either disburse half, if this is passed as is, or that full amount in the payment this year. So you would not need that amendment, but you would need an emergency clause if you didn't do that.

7:45 **Chairman Keiser:** If we don't put the emergency clause on, do we need the amendment?

**Rebecca Ternes:** Then I think we would need the amendment, and you would be setting the amount that first year. On page 3, line 30, of the bill, it says that we shall transfer

quarterly. We would prefer it be an annual transfer because we do not know how much the five lines are worth until the companies reconcile in March. On page 1, line 7, it renames the Insurance Tax Distribution Fund to the Fire Insurance Tax Distribution Fund. We think we still need the Insurance Tax Distribution Fund, and we need to create another additional fund. We need a place to put all of the premium tax from all of the lines first, and then we make an annual transfer to a separate fund for the fire grants and other money. I also mentioned the emergency clause.

9:45 The flowcharts and timeline you see (pages 3 and 4 of attachment 1) show what the executive budget proposal would do versus what this bill would do. The part on the left is a timeline. Explained the flowcharts and timeline, pages 3 and 4 of attachment 1. You can see the difference between this and what you received yesterday. We have the executive budget compared to the bill without any amendments on it.

10:46 **Chairman Keiser:** We did have in the bill quarterly transfers. If we go to an annual transfer, when would they receive their first payment?

**Rebecca Ternes:** They would still receive their payment before October 1, and it would be based on whatever is in the fund, by about August 29. Typically, we collect about \$7 million. If you leave the bill as is, it would be half of that. If you change the bill, it would be whatever you decide to change it to.

11:27 **Chairman Keiser:** So the distribution won't be changed, it won't have a negative impact on them? I would suggest that we request the original intent of the bill. The only way we get there is to have one half of the five lines, and get the amendment drawn for that. Also add the emergency clause and an amendment for moving the quarterly transfer to annual, and then creating the new fund to transfer these dollars into and out of. Does the committee generally agree with that? Then I would so request that those amendments be drawn as reasonably quickly as possible.

12:50 **Representative Boschee:** You had mentioned that most accounts draw interest. Is that something we might want to look at, too?

**Rebecca Ternes:** Obviously the first payment, the money wouldn't be in there that long. We typically don't invest funds that are going to go out in less than a year.

13:58 **Chief Joel Boespflug, Bismarck fire chief and representing the North Dakota Fire Chiefs Association:** Expressed appreciation for allowing the original intent to come forward.

14:12 **Chairman Keiser:** I have here another amendment, attachment 2, 13.0207.04005. We still do not have the data giving the breakdown of the various political subdivisions that have fire operations and what the mill levy is associated with those. Attachment 2, 13.0207.04005, is saying that those communities have to have a little participation in it, up to two mills. The tricky language is in the last half, from the mention of at least two mills to the end. We think that gets our goal accomplished.

**16:05 Chief Joel Boespflug:** When we talked about going back to the original intent, we assumed that meant 100% and not one half. (Chairman Keiser and Rebecca Ternes confirm that it's 100% of the five lines.) We were happy to have been able to review the amendment. If we look at the first line of this proposed amendment, the word *certified* should also apply to city. The same adjustment needs to be made in the bill itself. As far as the mills or the equivalency, we feel it works very well.

**18:03 Raymond Lambert, State Fire Marshal:** The certification is done annually per state law. Explained process and criteria.

**18:52 Representative N. Johnson:** 18:52 What happens if you don't certify one?

**Raymond Lambert:** The issue is getting the letters back. We have never had an instance where we have not certified a district that has replied to the letter because they are meeting the requirements or minimum criteria.

**Chairman Keiser:** If we want the area that that services to receive the discount in their premiums, the insurance underwriters require that the fire department, whatever level, is certified?

**Marshal Lambert:** That would be correct. That also eliminates myself from buying fire equipment, fighting fires on my own, and requesting funds. It is a check and balance.

**20:52 Representative Amerman:** 20:52 The amendment where it requires the two mills, do you know... if this passes, how many would not have that right now? Is this creating a big problem?

**21:50 Marshal Lambert:** I have been working with a couple of organizations to get that information for this committee. I am aware that there are many funding mechanism for departments, and they are not consistent throughout the state. Some communities send out letters to the people in their service area and request money. We have communities that have absolutely no mill levy. In years past, they have requested assistance from the state, but to find that they have no funding mechanism in place and they cannot buy gas for their trucks is disturbing. I have no problem with the two mill levy or equivalent, based on the mechanisms that each community has the ability to do. But they are to fund those departments. We are working with other agencies to find out how they are doing that. I cannot answer what hardship that may put on some departments.

**24:09 Representative Becker:** I see it seems that we are going to double what the governor was intending to do. The general fund is going to receive \$8 million less with this bill compared to the governor's proposal. Correct?

**Rebecca Ternes:** What I think you are pointing out is the difference between \$15,336,000 versus \$8,920,000?

**Representative Becker:** Yes. With regard to the fiscal note, I thought I understood that there was a reassurance that nothing is really changing.

**Rebecca Ternes:** The fiscal note is incorrect. The request for a new fiscal note has come through.

**Representative Becker:** These are big numbers, and they increase roughly \$1 million, year after year for the fund. After discussions yesterday, I am wondering if we could do a study to look at how we're taxing the insurance policies. Much is going into the general fund rather than to support fire protection. Could there be a study to see how we could decrease these insurance policy taxes and increase the percentage going to firefighters?

27:38 **Chairman Keiser:** We could certainly do that. I cannot speak for the insurance companies, but I think they would say they love premium tax. It is relatively simple to administer and is done in lieu of corporate income tax and those kinds of things. If we eliminate them, first of all there is a significant transfer of premium tax to the general fund. Those tax dollars are also used to run the insurance department.

29:15 **Rebecca Ternes:** Our money for the insurance department comes through Insurance Regulatory Trust Fund, which is fees and fines.

**Chairman Keiser:** Premium tax is in lieu of corporate income tax. The idea of eliminating premium tax is well worth studying.

29:55 **Rebecca Ternes:** There is another complexity to premium tax in that it is retaliatory across states. So if they are not domesticated in North Dakota, and we have 38 domiciled companies in North Dakota, they pay the tax of their home state to North Dakota, unless it is less. Lowering the rate may not lower a non-domicile company's tax to North Dakota.

30:37 **Representative Kasper:** The fire tax, the dollars you're talking about to fund the fire departments, we are taking 100% of the taxes collected from the property and casualty fire tax, which is going to be paid out to the firefighters. The rest of the premium tax is from other lines of insurance; it's not from fire insurance. Am I correct?

**Rebecca Ternes:** Confirms. This bill only talks about five specific lines of insurance. If we amend as indicated that 100% of those five lines premium tax goes, that is what would happen.

**Representative Louser:** Is that in total the 1.75% assessment? Is that what those five lines total?

**Rebecca Ternes:** Those five lines represent 1.75% of the premiums sold, just on those five lines.

Representative Ruby makes motion to adopt amendment 13.0207.04005, attachment 2, with the correction that it's certified as indicated in our discussion. Representative Kasper seconds the motion.

32:51 **Representative M. Nelson:** Will resist the amendment in that it is just focusing on property taxes. I have not found out for certain, but I think the Belcourt fire department does not levy a property tax. A vast majority of the land is not taxable.



**Representative Louser:** Asks for clarification on amendment concerning a potential increase in property tax.

**Chairman Keiser:** We are simply saying that we expect local participation in order to receive state dollars.

**Roll call vote** on motion to adopt amendment: 12 yes, 3 no, 0 absent.

**Amendment 13.0207.04005 adopted.**

**Representative Vigesaa:** I asked Ken Tupa to explain the amendment brought forward regarding EMS.

36:24 **Ken Tupa, North Dakota Emergency Medical Services Association:** I did offer during the hearing a couple of technical amendments. (Attachment 4 from January 16, 2013.) If I could run through them again. Page 2, lines 21-22. Referencing that chapter was language we inserted last session to address the transition from the staffing grants to a new process for funding and distributing those grants. Explained background. Page 4, line 7. Explained requested change to wording.

Representative Vigesaa moves the amendments; Representative Ruby seconds.

**Voice vote** to adopt the amendments. Motion carries. The amendments outline by Ken Tupa are on the bill.

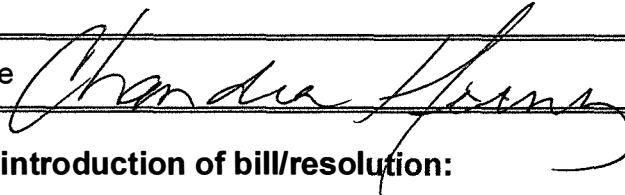
# 2013 HOUSE STANDING COMMITTEE MINUTES

House Industry, Business and Labor Committee  
Peace Garden Room, State Capitol

HB 1145  
January 28, 2013  
Job 17792

☐ Conference Committee

Committee Clerk Signature



## Explanation or reason for introduction of bill/resolution:

Relating to use of insurance premium tax collections for firefighting; provide continuing appropriation

## Minutes:

Attachment 1

**Chairman Keiser:** Drew attention to marked up version, attachment 1, provided by the insurance department. Highlighted changes within the marked up version. Attachment includes amendments proposed by the insurance department and worked into the marked up version. This adds the emergency clause and that the total amount of the five funds shall be distributed in annual payments, so it maximizes the return. It eliminates the need to have the appropriation amendment on it. It adds the language that it's a certified fire department. It creates, per the request of the insurance department, a new fund in which the monies will be transferred, and then there's the emergency management fund into which funds will be transferred. What you won't find in the marked up version are the amendments we've passed previously and which are now attached to the bill. Those amendments include reports by political subdivisions to the state fire marshal about how the funds are utilized, and the state fire marshal shall make a presentation to the budget committee; language that the funds will be distributed the first year regardless but that in the second year, they have to meet the minimum of two mills or equivalent local participation. We adopted those separately from the amendments submitted by the insurance department.

**Representative N. Johnson:** (Not captured on audio recording.) Does the wording create a new fund as requested by the insurance department? Where in the marked up version does it make the two separate funds?

**Chairman Keiser:** On page 1, 18-04, instead of Insurance Tax distribution fund, it has been relabeled fire insurance tax distribution fund continuing appropriation. From that point forward, it refers to the fire insurance tax distribution fund. On page 2, it has that the funds will be disbursed to the firefighter's death benefit fund, which already exists. On page 3 under section 3, it adds emergency medical services insurance tax distribution fund, with a distribution limit. So now we have three funds into which the insurance department will be transferring money from the continuing appropriation. On page 5, it defines the insurance tax distribution fund. In subsection C, it goes into the transfer of those funds. I think

they've created the separate funds. The insurance department will collect those funds, hold them, and then transfer them into those three funds.

**Representative Vigesaa:** The only thing we haven't received yet is information about how many districts or departments are not levying at the current time. Have you heard anything about counsel on that?

**Chairman Keiser:** We have not received the printout of what fire districts are not collecting mill levies or in lieu of.

**Representative Vigesaa:** I will follow up. I'd like to see that to see how many districts are not receiving those funds.

**Representative Ruby moves to adopt amendments** as provided by the insurance department. **Representative Sukut** seconds the motion.

**Voice vote:** All in favor

**Representative Ruby** made **motion to do pass with amendments**; withdrew motion upon realization that additional amendment is still needed.

**Representative N. Johnson:** Have we put amendments on the bill already? Have they been included on the revised fiscal note?

**Chairman Keiser:** Drew attention to revised fiscal note, dated January 23, 2013. Reviewed amendments adopted previously to put in the requirements for two mills, the requirement for a report to budget section. We have not adopted the \$3.5 million appropriation because we don't need it with the new distribution formula. We adopted the EMS amendments.

**Jake Geiermann, legislative intern for House IBL:** The issue which Chairman Keiser had asked me to look into was regarding the effect date of the two mill requirement. The last working session, this committee adopted an amendment essentially saying that two mills or the equivalent of two mills must have been raised by the fire district. What Chairman Keiser had suggested the committee consider was to make that effective one year after the effective date of this bill. That gives those fire districts time to adjust their property taxes to make sure they are in compliance. In the amendment that was just adopted, there is an emergency clause. That would make the entire bill effective immediately after the governor signs it. I would recommend that if this committee wishes to give an extra year, that we insert an effective date clause for the amendment created regarding the two mills. That would be a separate subsection on page 2, subsection 5. Then we make that subsection effective whenever the committee deemed appropriate.

**Chairman Keiser:** Just in the second year of distribution of dollars. We talked about that; we did not clarify it in the original amendment, so we need to get that in there.

**Jake Geiermann:** There may not have been any committee discussion on that point. But that is what you asked me to look at.

**Chairman Keiser:** We did have discussion that we did not want to apply it the first year but not discussion particularly to do it.

8:45 **Representative Ruby:** (audio faint) I don't know the process they'd have to go through, approving the mill increase.

**Jake Geiermann:** As a matter of formatting, it would be better to keep the date out of the substantive law and just have an effective date clause. After that date is reached, we do not have to go into the code to amend it.

**Representative Ruby moves** to adopt the amendment; seconded by **Representative N. Johnson**.

**Voice vote** to adopt amendment regarding effective date: all in favor.

**Representative Ruby moves to do pass as amended and rerefer to appropriations;** seconded by Representative Sukut.

**Roll call vote** motion to do pass as amended and rerefer to appropriations:

Yes = 12

No = 0

Absent = 3

**Carrier: Representative Vigesaa**

**FISCAL NOTE**  
**Requested by Legislative Council**  
**01/10/2013**

Revised  
Bill/Resolution No.: HB 1145

- 1 A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2011-2013 Biennium		2013-2015 Biennium		2015-2017 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues			\$(8,466,386)	\$8,466,386	\$(10,613,480)	\$10,613,480
Expenditures				\$8,466,386		\$10,613,480
Appropriations				\$(6,870,000)		\$(6,870,000)

- 1 B. **County, city, school district and township fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

	2011-2013 Biennium	2013-2015 Biennium	2015-2017 Biennium
Counties			
Cities			
School Districts			
Townships			

- 2 A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

The bill creates a continuing appropriation for the disbursement of funds to the fire districts and increases the amount disbursed to the fire districts and North Dakota Firefighter's Association by removing the specified cap amount.

- B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

Section 1 amends Section 18-04-04.1 and establishes a new continuing appropriation fund for the distribution of money to the fire districts and North Dakota Firefighters Association. The bill removes the specified cap amount and creates an open-ended authority to be available for distribution to the fire districts. Currently, any funds remaining in the special fund after the distribution of \$3,435,000 are transferred to the general fund at the end of the fiscal year. With a continuing appropriation, the funds will remain in the special fund and available for distribution. Section 2 increases the grant amount to the North Dakota Firefighter's Association. The grant will be deducted from the continuing appropriation funds available to the fire districts prior to payment. Section 3 will create a new special fund within the state for emergency medical services insurance tax distribution. The fund will be for the purpose of collecting and distributing the legislative appropriated funds. Section 5 amends Section 26.1-03-17. The amendment outlines the additional revenue to be deposited into the new continuing appropriation fund. The revenue will be computed based on 100% of the premium tax collected on fire, allied lines, homeowner's multiple peril, farmowner's multiple peril and commercial multiple peril policies. The increase in revenue to the special fund decreases the state's general fund transfer. The bill will positively impact the various fire district political subdivisions. The fire districts will receive an increase in their revenue in direct proportion to the state's special fund revenue & expenditures. The specific amount to be allocated to the cities & counties was undetermined at this time.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

- A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

The revenue is impacted by the elimination of an appropriated limit on the grant amounts distributed to the fire districts. The amendment to Section 26.1-03-17 creates a decrease in the general fund revenue that represents the

projected amount of premium tax attributable to these lines. The five lines of premium tax were calculated based on historical data and increasing the revenue amount accordingly. General Fund Revenue: Current Bill Amended Bill 2013-2015 \$81,019,362 \$72,552,976 2015-2017 \$81,880,000 \$71,266,520 Special Fund Revenue: Current Bill Amended Bill 2013-2015 \$ 6,870,000 \$15,363,386 2015-2017 \$ 6,870,000 \$17,483,480

- B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

The agency will experience a decrease in its appropriated fund expenditures by the current grant of \$6,870,000 because of the change to a continuing appropriation. The decrease in the agency's special fund plus the continuing appropriation expenditures nets to an overall increase in special fund expenditures. The total amount paid out to the fire districts and the North Dakota Firefighter's Association will equate to 100% of the five lines of premium tax. Currently the amount is capped at \$6.2 million to the fire districts and \$670,000 to the Association. The expenditures will increase the same as the special fund revenue. Any additional work required by the agency will be absorbed using existing resources.

- C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

The agency's appropriation will decrease by the current appropriated grant amount for disbursement to the fire districts and the North Dakota Firefighter's Association. No additional appropriations will be needed by the agency. The new fund will be a continuing appropriation and therefore not part of an agency's appropriation.

**Name:** Aimee Delzer

**Agency:** ND Insurance Dept

**Telephone:** 328-2930

**Date Prepared:** 01/15/2013

January 29, 2013

1291  
1283  
Jmc

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1145

Page 1, line 1, after "sections" insert "18-04-02,"

Page 1, line 3, remove "and"

Page 1, line 3, after "appropriation" insert "; and to declare an emergency"

Page 1, after line 4, insert:

**"SECTION 1. AMENDMENT.** Section 18-04-02 of the North Dakota Century Code is amended and reenacted as follows:

**18-04-02. City auditor or secretary of rural fire department to file certificate with state fire marshal and insurance commissioner - Report to budget section.**

1. On or before the thirty-first day of October in each year, the auditor or secretary of any city or rural fire department that has an organized fire department shall file with the state fire marshal and with the insurance commissioner the auditor's or secretary's certificate stating the existence of the fire department, the date of its organization, the number of fire engines, hook and ladder trucks, and the system of water supply in use by the department, with such other facts as the state fire marshal or commissioner may require.
2. A certified city fire department, certified rural fire department, or certified fire protection district receiving funds under section 18-04-05 shall file an annual report with the state fire marshal detailing the expenditure of the funds. The state fire marshal shall present a biennial report to the budget section of the legislative management summarizing the expenditures by certified city fire departments, certified rural fire departments, and certified fire protection districts of funds received under section 18-04-05.

Page 1, line 9, replace "collected and" with "transferred or"

Page 2, line 1, after the second "the" insert "certified"

Page 2, line 2, after "or" insert "certified"

Page 2, line 4, overstrike "one-half of the"

Page 2, line 4, remove "available"

Page 2, line 5, replace "funds" with "an amount equal to one hundred percent of the total premium tax collected for fire, allied lines, homeowner's multiple peril, farmowner's multiple peril, commercial multiple peril, and crop hail insurance, less the amount transferred to the firefighters death benefit fund and the amount distributed to the North Dakota firefighter's association"

Page 2, line 5, after "subsection" insert an underscored comma

Page 2, line 5, after "a" insert "certified"

Page 2, line 6, after the first "each" insert "certified"

2/29/15  
2/29/15

Page 2, line 12, after the first comma insert "certified"

Page 2, after line 13, insert:

- "5. After July 30, 2015, a certified city fire department, certified rural fire department, or certified fire protection district does not qualify for an allocation of a distribution under subsection 4 and must be excluded from that allocation for any taxable year during which the governing body of the certified fire department or certified fire protection district did not levy at least two mills for fire protection purposes or provide the certified fire department or certified fire protection district an equivalent amount of funding in dollars from property taxes levied within the service area of the certified fire department or certified fire protection district."

Page 2, line 20, replace "deposited in" with "transferred from"

Page 2, line 20, after "the" insert "insurance tax distribution fund to the emergency medical services insurance tax distribution"

Page 2, line 21, overstrike "one"

Page 2, line 22, overstrike "million two hundred fifty thousand dollars" and insert immediately thereafter "one-half"

Page 3, line 28, remove "If the due date falls on a Saturday or legal holiday, the tax is"

Page 3, remove lines 29 through 31

Page 4, remove lines 1 through 3

Page 4, line 4, remove "collections"

Page 4, line 4, overstrike "from this tax, except for collections deposited in the firefighters death"

Page 4, line 5, overstrike "benefit fund, must be deposited in" and insert immediately thereafter "If the due date falls on a Saturday or legal holiday, the tax is payable on the next succeeding business day."

- a. The insurance tax distribution fund is a special fund in the state treasury. The insurance commissioner shall deposit in the insurance tax distribution fund the revenue provided in this section for disbursement as provided in this section.
- b. Annually, the commissioner shall transfer from the insurance tax distribution fund to the fire insurance tax distribution fund created under section 18-04-04.1 all collections from this tax from the following policies: fire, allied lines, homeowner's multiple peril, farmowner's multiple peril, and commercial multiple peril.
- c. Annually, the commissioner shall transfer from the insurance tax distribution fund to"

Page 4, line 6, remove "chapter 23-46."

Page 4, line 6, overstrike "but"

Page 4, line 7, overstrike "not in" and insert immediately thereafter "chapter 23-46"



38/3  
89/3

Page 4, line 7, overstrike "exceeding" and insert immediately thereafter "not to exceed"

Page 4, line 7, after "appropriated" insert "from revenues collected under this subsection"

Page 4, line 10, remove "c."

Page 4, line 10, overstrike "Collections" and insert immediately thereafter:

"d. Annually, collections"

Page 4, line 10, replace "deposited in" with "transferred to"

Page 4, line 11, overstrike "deposited in" and insert immediately thereafter "transferred to"

Page 4, line 13, overstrike "deposited in" and insert immediately thereafter "transferred from the insurance tax distribution fund to"

Page 5, after line 28, insert:

**"SECTION 7. EMERGENCY.** This Act is declared to be an emergency measure."

Renumber accordingly

Date: 1-22-2013

Roll Call Vote #: 1

**2013 HOUSE STANDING COMMITTEE  
ROLL CALL VOTES  
BILL/RESOLUTION NO. 1145**

**House Industry, Business, and Labor Committee**

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

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment  
☐ Rerefer to Appropriations ☐ Reconsider ☐ Consent Calendar

Motion Made By Kreun Seconded By Boschee

Representatives	Yes	No	Representatives	Yes	No
Chairman George Keiser			Rep. Bill Amerman		
Vice Chairman Gary Sukut			Rep. Joshua Boschee		
Rep. Thomas Beadle			Rep. Edmund Gruchalla		
Rep. Rick Becker			Rep. Marvin Nelson		
Rep. Robert Frantsvog					
Rep. Nancy Johnson					
Rep. Jim Kasper					
Rep. Curtiss Kreun					
Rep. Scott Louser					
Rep. Dan Ruby					
Rep. Don Vigesaa					

Total Yes 12 No \_\_\_\_\_

Absent \_\_\_\_\_

Floor Assignment \_\_\_\_\_

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

Attachment 3 - Section 6, add #2

Date: 1-23-2013 pm

Roll Call Vote #: 1

**2013 HOUSE STANDING COMMITTEE  
ROLL CALL VOTES  
BILL/RESOLUTION NO. \_\_\_\_\_**

**House Industry, Business, and Labor Committee**

Legislative Council Amendment Number 13.0207-04005

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider ☐ Consent Calendar

Motion Made By Ruby Seconded By Kasper

Representatives	Yes	No	Representatives	Yes	No
Chairman George Keiser	✓		Rep. Bill Amerman		✓
Vice Chairman Gary Sukut	✓		Rep. Joshua Boschee	✓	
Rep. Thomas Beadle	✓		Rep. Edmund Gruchalla	✓	
Rep. Rick Becker	✓		Rep. Marvin Nelson		✓
Rep. Robert Frantsvog	✓				
Rep. Nancy Johnson	✓				
Rep. Jim Kasper	✓				
Rep. Curtiss Kreun	✓				
Rep. Scott Louser		✓			
Rep. Dan Ruby	✓				
Rep. Don Vigesaa	✓				

Total Yes #12 No 3

Absent \_\_\_\_\_

Floor Assignment \_\_\_\_\_

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

-with correction to add "certified"  
and current law  
(attachment 2)

Date: 1-23-2013 pm

Roll Call Vote #: 2

**2013 HOUSE STANDING COMMITTEE  
ROLL CALL VOTES  
BILL/RESOLUTION NO. \_\_\_\_\_**

**House Industry, Business, and Labor Committee**

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

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment  
☐ Rerefer to Appropriations ☐ Reconsider ☐ Consent Calendar

Motion Made By Vigesaa Seconded By Ruby

Representatives	Yes	No	Representatives	Yes	No
Chairman George Keiser			Rep. Bill Amerman		
Vice Chairman Gary Sukut			Rep. Joshua Boschee		
Rep. Thomas Beadle			Rep. Edmund Gruchalla		
Rep. Rick Becker			Rep. Marvin Nelson		
Rep. Robert Frantsvog					
Rep. Nancy Johnson					
Rep. Jim Kasper					
Rep. Curtiss Kreun					
Rep. Scott Louser					
Rep. Dan Ruby					
Rep. Don Vigesaa					

Total Yes \_\_\_\_\_ No \_\_\_\_\_

Absent \_\_\_\_\_

Floor Assignment \_\_\_\_\_

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

- one half - page 2, lines 21-22 Ken Tupa  
page 4

- page 4, line 7 - distributions  
for EMS grants is from this tax

was  
handed  
out at  
hearing

Date: 1-28-2013  
Roll Call Vote #: 1

**2013 HOUSE STANDING COMMITTEE**  
**ROLL CALL VOTES**  
**BILL/RESOLUTION NO. 1145**

**House Industry, Business, and Labor Committee**

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

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment  
☐ Rerefer to Appropriations ☐ Reconsider ☐ Consent Calendar

Motion Made By Ruby Seconded By Sukut

Representatives	Yes	No	Representatives	Yes	No
Chairman George Keiser			Rep. Bill Amerman		
Vice Chairman Gary Sukut			Rep. Joshua Boschee		
Rep. Thomas Beadle			Rep. Edmund Gruchalla		
Rep. Rick Becker			Rep. Marvin Nelson		
Rep. Robert Frantsvog					
Rep. Nancy Johnson					
Rep. Jim Kasper					
Rep. Curtiss Kreun					
Rep. Scott Louser					
Rep. Dan Ruby	10:10				
Rep. Don Vigasaa					

Total Yes \_\_\_\_\_ No \_\_\_\_\_

Absent \_\_\_\_\_

Floor Assignment \_\_\_\_\_

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

*Ins. deft amendments  
which are with the marked  
up version*

Date: 1-28-2013

Roll Call Vote #: 2

**2013 HOUSE STANDING COMMITTEE  
ROLL CALL VOTES  
BILL/RESOLUTION NO. 1145**

**House Industry, Business, and Labor Committee**

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

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider ☐ Consent Calendar

Motion Made By Ruby Seconded By Johnson

Representatives	Yes	No	Representatives	Yes	No
Chairman George Keiser			Rep. Bill Amerman		
Vice Chairman Gary Sukut			Rep. Joshua Boschee		
Rep. Thomas Beadle			Rep. Edmund Gruchalla		
Rep. Rick Becker			Rep. Marvin Nelson		
Rep. Robert Frantsvog					
Rep. Nancy Johnson					
Rep. Jim Kasper					
Rep. Curtiss Kreun					
Rep. Scott Louser					
Rep. Dan Ruby					
Rep. Don Vigasaa					

Total Yes \_\_\_\_\_ No \_\_\_\_\_

Absent \_\_\_\_\_

Floor Assignment \_\_\_\_\_

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

*Effective date clause on the 2 mill  
amendment, page 2 subsection 5*

Date: 1-2

Roll Call Vote #: 3

**2013 HOUSE STANDING COMMITTEE  
ROLL CALL VOTES  
BILL/RESOLUTION NO. 1145**

**House Industry, Business, and Labor Committee**

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

Action Taken: ☒ Do Pass ☐ Do Not Pass ☒ Amended <sup>AS</sup> ☐ Adopt Amendment

☒ Rerefer to Appropriations ☐ Reconsider ☐ Consent Calendar

Motion Made By Ruby Seconded By Sukut

Representatives	Yes	No	Representatives	Yes	No
Chairman George Keiser	✓		Rep. Bill Amerman	✓	
Vice Chairman Gary Sukut	✓		Rep. Joshua Boschee	✓	
Rep. Thomas Beadle	✓		Rep. Edmund Gruchalla	✓	
Rep. Rick Becker	✓		Rep. Marvin Nelson	ab	
Rep. Robert Frantsovog	✓				
Rep. Nancy Johnson	✓				
Rep. Jim Kasper	ab				
Rep. Curtiss Kreun	✓				
Rep. Scott Louser	ab				
Rep. Dan Ruby	✓				
Rep. Don Vigasaa	✓				

Total Yes 12 No 0

Absent 3

Floor Assignment Vigasaa

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

**REPORT OF STANDING COMMITTEE**

**HB 1145: Industry, Business and Labor Committee (Rep. Keiser, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** and **BE REREFERRED** to the **Appropriations Committee** (12 YEAS, 0 NAYS, 3 ABSENT AND NOT VOTING). HB 1145 was placed on the Sixth order on the calendar.

Page 1, line 1, after "sections" insert "18-04-02,"

Page 1, line 3, remove "and"

Page 1, line 3, after "appropriation" insert "; and to declare an emergency"

Page 1, after line 4, insert:

**"SECTION 1. AMENDMENT.** Section 18-04-02 of the North Dakota Century Code is amended and reenacted as follows:

**18-04-02. City auditor or secretary of rural fire department to file certificate with state fire marshal and insurance commissioner - Report to budget section.**

1. On or before the thirty-first day of October in each year, the auditor or secretary of any city or rural fire department that has an organized fire department shall file with the state fire marshal and with the insurance commissioner the auditor's or secretary's certificate stating the existence of the fire department, the date of its organization, the number of fire engines, hook and ladder trucks, and the system of water supply in use by the department, with such other facts as the state fire marshal or commissioner may require.
2. A certified city fire department, certified rural fire department, or certified fire protection district receiving funds under section 18-04-05 shall file an annual report with the state fire marshal detailing the expenditure of the funds. The state fire marshal shall present a biennial report to the budget section of the legislative management summarizing the expenditures by certified city fire departments, certified rural fire departments, and certified fire protection districts of funds received under section 18-04-05."

Page 1, line 9, replace "collected and" with "transferred or"

Page 2, line 1, after the second "the" insert "certified"

Page 2, line 2, after "or" insert "certified"

Page 2, line 4, overstrike "one-half of the"

Page 2, line 4, remove "available"

Page 2, line 5, replace "funds" with "an amount equal to one hundred percent of the total premium tax collected for fire, allied lines, homeowner's multiple peril, farmowner's multiple peril, commercial multiple peril, and crop hail insurance, less the amount transferred to the firefighters death benefit fund and the amount distributed to the North Dakota firefighter's association"

Page 2, line 5, after "subsection" insert an underscored comma

Page 2, line 5, after "a" insert "certified"

Page 2, line 6, after the first "each" insert "certified"



Page 2, line 12, after the first comma insert "certified"

Page 2, after line 13, insert:

- "5. After July 30, 2015, a certified city fire department, certified rural fire department, or certified fire protection district does not qualify for an allocation of a distribution under subsection 4 and must be excluded from that allocation for any taxable year during which the governing body of the certified fire department or certified fire protection district did not levy at least two mills for fire protection purposes or provide the certified fire department or certified fire protection district an equivalent amount of funding in dollars from property taxes levied within the service area of the certified fire department or certified fire protection district."

Page 2, line 20, replace "deposited in" with "transferred from"

Page 2, line 20, after "the" insert "insurance tax distribution fund to the emergency medical services insurance tax distribution"

Page 2, line 21, overstrike "one"

Page 2, line 22, overstrike "million two hundred fifty thousand dollars" and insert immediately thereafter "one-half"

Page 3, line 28, remove "If the due date falls on a Saturday or legal holiday, the tax is"

Page 3, remove lines 29 through 31

Page 4, remove lines 1 through 3

Page 4, line 4, remove "collections"

Page 4, line 4, overstrike "from this tax, except for collections deposited in the firefighters death"

Page 4, line 5, overstrike "benefit fund, must be deposited in" and insert immediately thereafter "If the due date falls on a Saturday or legal holiday, the tax is payable on the next succeeding business day."

- a. The insurance tax distribution fund is a special fund in the state treasury. The insurance commissioner shall deposit in the insurance tax distribution fund the revenue provided in this section for disbursement as provided in this section.
- b. Annually, the commissioner shall transfer from the insurance tax distribution fund to the fire insurance tax distribution fund created under section 18-04-04.1 all collections from this tax from the following policies: fire, allied lines, homeowner's multiple peril, farmowner's multiple peril, and commercial multiple peril.
- c. Annually, the commissioner shall transfer from the insurance tax distribution fund to"

Page 4, line 6, remove "chapter 23-46."

Page 4, line 6, overstrike "but"

Page 4, line 7, overstrike "not in" and insert immediately thereafter "chapter 23-46"

Page 4, line 7, overstrike "exceeding" and insert immediately thereafter "not to exceed"

Page 4, line 7, after "appropriated" insert "from revenues collected under this subsection"

Page 4, line 10, remove "c."

Page 4, line 10, overstrike "Collections" and insert immediately thereafter:

"d. Annually, collections"

Page 4, line 10, replace "deposited in" with "transferred to"

Page 4, line 11, overstrike "deposited in" and insert immediately thereafter "transferred to"

Page 4, line 13, overstrike "deposited in" and insert immediately thereafter "transferred from  
the insurance tax distribution fund to"

Page 5, after line 28, insert:

"**SECTION 7. EMERGENCY.** This Act is declared to be an emergency  
measure."

Renumber accordingly

**2013 HOUSE APPROPRIATIONS**

**HB 1145**

# 2013 HOUSE STANDING COMMITTEE MINUTES

## House Appropriations Committee Roughrider Room, State Capitol

HB 1145

2/12/13

Job 18759

☐ Conference Committee

Committee Clerk Signature

*Meredith Traubolt*

### Explanation or reason for introduction of bill/resolution:

A BILL for an Act to amend and reenact sections 18-04-02, 18-04-04.1, 18-04-05, 23-46-05, 26.1-01-07.5, and 26.1-03-17 of the North Dakota Century Code, relating to use of insurance premium tax collections for firefighting; to provide a continuing appropriation; and to declare an emergency.

### Minutes:

You may make reference to "attached testimony."

**Chairman Delzer** called the committee to order and declared a quorum. Today we are starting with rereferred bills.

02:00

**Rep. George Keiser, District 47:** Introduced the bill. Presented Attachments 1 & 2.

9:20

**Rep. Grande:** On Attachment 2, what is the difference between the EMS grants of \$1.25M on page 1, and New EMS Insurance Tax Distribution Fund of \$1.25M?

**Rep. Keiser:** Up until HB 1145, all of those dollars had been a simple appropriation. This creates a continuing appropriation. If the insurance department is going to be transferring the money from these five funds, it needs the ability to transfer it into an existing fund so you can see it and see what is happening within that fund. The dollars are still coming out of the insurance tax distribution fund; now they become 100% from those five different sources of premium tax and get distributed. The amount remains the same, because that's an appropriation, and the balance is going into the fire insurance tax distribution fund. Attachments 3 & 4 were presented, beginning minute 11:40.

15:20

**Chairman Delzer:** Is your bill retroactive back to the 2012 payment?

**Rep. Keiser:** If you go back to page 1 of Attachment 2, you will see the Fire Tax Distribution Fund, it was \$8.120M plus \$11.460M. Because the taxes are distributed in the first year of the biennium, if HB 1145 passes, we either do a general fund appropriation to make the first payment, or we put the emergency clause on it so that if passed it goes into

effect, the tax department will start immediately collecting the portions of the premium tax from those five different lines so they will be there for distribution in the next biennium.

**Chairman Delzer:** Continuing appropriations is not anything this committee normally likes, because it does not come before us. I understand we can do a pretty good estimate on this. I'm not sure this should be an appropriated amount, simply because it gets to be looked at every time.

**Rep. Keiser:** It's certainly an option, but I would point out that the committee had several concerns relative to the oversight of the dollars associated with this fund. On page 1 line 17, it requires reporting on how these funds, all of them, have been allocated. It comes down to the question, do we want to give the money to local control with our oversight, or not? The fire districts would be happy with budgeting it, but they would rather not have to come back and fight this battle every session.

**Chairman Delzer:** History repeats itself; what do you expect will happen if the state runs out of money again?

**Rep. Keiser:** I think the fire district people would be very understanding if the state needed to take some of these dollars back. Emergency services are critical in our communities, and given our current financial situation, it is appropriate at this time to reinstate the original funding, recognizing if we need to come back, we'll do it.

**Chairman Delzer:** Did you get any information on how much money these fire districts have on hand?

**Rep. Keiser:** We did not ask. The information we received in testimony was that they are not buying equipment or doing training that they should be doing to maintain their ISO rating, because of their funding levels.

**Chairman Delzer:** I've talked to a couple of them that are very good at this, and they do have quite a bit on hand. I'm not arguing the need for this, just saying we should check this out. I'm sure some are very low, some are very high.

**Rep. Keiser:** There is a section of the bill that says every fire district, in order to receive the state funding, must levy up to 2 mills within their fire district, or they can use alternative sources. We believe there should be some skin in the game from local fire districts.

**Chairman Delzer:** I have some concerns about taking local control away from people, too.

**Rep. Skarphol:** Are there provisions in the law that provide that a county can levy a mill and the communities would have a distribution from the county?

**Rep. Keiser:** Yes, that's the additional language we put in. Any political subdivision can levy and contribute up to the 2 mills.

**Chairman Delzer:** Did you get into the formula that prorates these out?

**Rep. Keiser:** The formula is based on the premium tax collected within the jurisdiction of the fire district.

**Rep. Grande:** On line 17 of page 1 on the reporting, are there any assurances to these districts about training and its quality? Is there a way to track that?

**Rep. Keiser:** That's exactly why many of the rural areas came in and said, please increase the allocation to us, because we are not doing the type of training that should be done to maintain a quality level firefighting team in our community; if this money becomes available, we will be able to do the training that's appropriate. It is up to the fire marshal, we did not set parameters on how that report data is collected.

**Chairman Delzer:** We will need some people to take a look at this, and deal with it next week. Further questions on HB 1145?

**Rep. Monson:** Most of this is covered under a continuing appropriation; whatever the premium tax is, these are estimates then; if it goes up, those payments will go up, correct?

**Rep. Keiser:** That is correct. If they go down, the payments go down.

**Chairman Delzer:** Thank you. The committee continued on to the next bill.

# 2013 HOUSE STANDING COMMITTEE MINUTES

## House Appropriations Committee Roughrider Room, State Capitol

HB 1145

2/22/13

Job 19394

Job 19400

☐ Conference Committee

*Mary Bruecker*

### Explanation or reason for introduction of bill/resolution:

A BILL for an Act to amend and reenact sections 18-04-04.1, 18-04-05, 23-46-05, 26.1-01-07.5, and 26.1-03-17 of the North Dakota Century Code, relating to use of insurance premium tax collections for firefighting; and to provide a continuing appropriation.

### Minutes:

Attached amendments 13.0207.05003 and marked up bill 13.0207.05000.

### Recording 19394

**Chairman Delzer:** called the committee to order and a quorum was declared. Clerk Sheri Lewis thanked the committee for their kind thoughts during her mother's illness and passing. Chairman Delzer expressed condolences on behalf of the committee.

**Chairman Delzer:** passed out and introduced marked up version of HB 1145. We will take this up this afternoon. Amendment .05003 will take the continuing appropriations away, don't need to set up all those funds 1145 was doing. We will take a bill or two this morning and come back after lunch and start on 1012 and water commission after that.

(Multiple recordings)

Second recording

**Chairman Delzer** called the committee back to order. It will give fire fighters all the money that is created by five lines that deal with fire in the insurance premium tax fund. It would give \$2-3 million extra out of the general fund to pay the firefighters in September because there wouldn't be enough money in there to make that first payment. It created 3 or 4 new funds and it required 2 mills of skin in the game. Not all fire departments have 2 mills although there aren't too many that don't. I handed out a set of amendments this morning that I would like to go through.

**Rep. Kempenich:** Made a motion to move amendments .05003.

**Rep. Sanford:** Seconded.

**Chairman Delzer** explained the amendment. This amendment does away with the continuing appropriation and leaves the reporting language in there so we can see what is all being done with the increased dollars that we're sending out. The reason I put that into the amendment was to give us a couple years before we decide to take this off the books so we can make sure with all that is being accomplished from this. It does away with all the new funds because we really don't need them if we don't do the continuing appropriation. Those departments that are comfortable already with less than 2 mills don't have to raise taxes to get the increased part so hopefully when you're sending more money back to the locals the essence will be to try and get some property tax relief if you can. It keeps in place the \$1.25 million per EMS the same as before and matches the dollar figure for the amount of money created by the five lines but puts it out in December instead of October. It's the \$800 million for the firefighters association and the \$14,563,386 for the fire districts and units throughout the whole state. It doesn't do anything with the formula.

**Rep. Grande:** Your amendments go with the engrossed copy that we received so what is .04006?

**Allen Knudson, Legislative Council:** That's the marked up from the standing committee.

**Chairman Delzer:** 5000 is the one you should be looking at if you want to see what the amendments do.

**Rep. Skarphol:** Should we also ask for a report on uncommitted and committed reserves? And if they are committed then we should ask what they are committed for or to. If a fire department has a massive amount of money in reserve sometimes I have reservations on the need than for an entity that is broke or in debt.

**Chairman Delzer:** Let's handle the motion on the table, and then further amend if the committee desires.

**Rep. Pollert:** There are some counties that don't have their mills in but do have in lieu of so that is still in the bill?

**Chairman Delzer:** There would be no requirements for local match that was taken out. I think they are limited to 5 and they can by vote put on more. That's why we wanted to take that out in this amendment.

**VOICE VOTE: MOTION CARRIED.**

**Rep. Skarphol:** I think they should provide a report of reserves uncommitted and committed then a description of the committed reserves as to intended use and timeframe.  
**Made a motion to further amend as just stated.**

**Rep. Kempenich: Seconded.**

**Rep. Guggisberg:** Will this harm small fire departments? If they don't provide their financial statement is that going to preclude that from them getting this money?



**Chairman Delzer:** No I think that would just be requested of them I don't know that it would preclude them but it should highlight them so to question it. It shouldn't be that hard to answer those four or five questions. Someone will have to send it out and I guess that would fall on the Fire Marshall.

**Rep. Skarphol:** If we wanted to babysit them, we could require that the Fire Marshall's office provide the form for it to be reported on as part of the motion.

**Chairman Delzer:** I don't think anybody means for any of this to be detrimental or hard, but before we take a continuing appropriations route we should have knowledge of what is out there. Nobody has looked at the formula for a long time and most of the fire departments are pretty happy with it but maybe there is some delineation that needs to be done. I'm not saying there is but we should gather some information.

**VOICE VOTE: MOTION CARRIED.**

**Chairman Delzer:** We have the amended bill before us.

**Rep. Kempenich: Made a motion for Do Pass as Amended.**

**Rep. Guggisberg: Seconded.**

**Rep. Bellew:** Since we are giving a lot of money to these fire departments is there any mandatory property tax relief in this bill or should there be?

**Chairman Delzer:** I would guess we could put some language in it hoping they would do it. Most of them are well above the part where they would need to go to a vote of the people. Even if it was lowered it only takes 20% to raise on the fire side and I don't know anybody who would vote against raising their fire mill.

**Rep. Hawken:** We need to have visual that comes out of this legislative session so people can see where the money is going.

**Chairman Delzer:** This is part of the \$3.4 billion that we send back. It added another \$7 million.

**Rep. Brandenburg:** I know on my property tax statement I got a special fire tax so why can't it show that there is a legislative reimbursement for fire tax?

**Chairman Delzer:** I don't think we want to fight that one. Is there any further discussion?

**ROLL CALL VOTE: 19 YES 2 NO 1 ABSENT**

**Rep. Guggisberg will carry this bill.**

**FISCAL NOTE**  
**Requested by Legislative Council**  
**01/30/2013**

Amendment to: HB 1145

- 1 A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2011-2013 Biennium		2013-2015 Biennium		2015-2017 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$(11,460,867)	\$11,460,867	\$(6,091,324)	\$6,091,324	\$(11,806,939)	\$11,806,939
Expenditures				\$8,466,386		\$10,613,480
Appropriations				\$(6,870,000)		\$(6,870,000)

- 1 B. **County, city, school district and township fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

	2011-2013 Biennium	2013-2015 Biennium	2015-2017 Biennium
Counties			
Cities			
School Districts			
Townships			

- 2 A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

The bill creates a continuing appropriation for the disbursement of funds to the fire districts and increases the amount disbursed to the fire districts and North Dakota Firefighter's Association by removing the specified cap amount.

- B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

Section 1 creates a requirement for the fire districts to file a report of expenditures from the grant money received annually to the fire marshal. The fire marshal would then compile all the data into a biennial report to present to the budget section of the legislative management. Section 2 amends Section 18-04-04.1 and establishes a new continuing appropriation fund for the distribution of money to the fire districts and North Dakota Firefighters Association. The bill removes the specified cap amount and creates an open-ended authority to be available for distribution to the fire districts. Currently, any funds remaining in the special fund after the distribution of \$3,435,000 are transferred to the general fund at the end of the fiscal year. Section 2 also identifies that 100% of the premium tax collected on fire, allied lines, homeowner's multiple peril, farmowner's multiple peril and commercial multiple peril policies to be deposited in to the continuing appropriations fund. The section also increases the grant amount to the North Dakota Firefighter's Association. The grant will be deducted from the continuing appropriation funds available to the fire districts prior to payment. Section 2 also excludes fire districts from receiving grant payments who do not levy two mills for fire protection or receive an equivalent amount of funding from property tax levies. Section 4 will create a new special fund within the state for emergency medical services insurance tax distribution. The fund will be for the purpose of collecting and distributing the legislative appropriated funds. Section 6 amends Section 26.1-03-17. The amendment identifies that all premium tax is deposited in to the insurance tax distribution fund for later distribution to the other funds. The amendment outlines the additional revenue to be deposited into the new continuing appropriation fund. The increase in revenue to the special fund decreases the state's general fund transfer. The bill will positively impact the various fire district political subdivisions. The fire districts will receive an increase in their revenue each year as the premiums and policies written increase. The specific amount to be allocated to the cities & counties was undetermined at this time.

**3. State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

**A. Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

The revenue is impacted by the elimination of an appropriated limit on the grant amounts distributed to the fire districts. The amendment to Section 26.1-03-17 creates a decrease in the general fund revenue. The five lines of premium tax were calculated based on historical data and increasing the revenue amount accordingly. The general fund will experience a decrease in the revenue collected in 2011-13 because the premium tax will begin being deposited in to the insurance tax distribution as soon as the bill is in effect. The revenue being deposited in to the insurance tax distribution fund is to ensure there will be enough money available to make the payment in September 2013 to the fire districts & North Dakota Firefighters Association and to transfer the required amount to the Emergency Medical Services tax distribution fund. The general fund will receive two transfers in the 2014 fiscal year. The first will be in September 2013 and the second in June 2014 in order to catch up the fund. The revenue difference will not equal the expenditure difference because of the different time periods being used for the calculations.

**B. Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

The agency will experience a decrease in it's appropriated fund expenditures by the current grant of \$6,870,000 because of the change to a continuing appropriation. The decrease in the agency's special fund plus the continuing appropriation expenditures nets to an overall increase in special fund expenditures. The total amount paid out to the fire districts and the North Dakota Firefighter's Association will equate 100% of the five lines of premium tax from the previous calendar year. Currently the amount is capped at \$6.2 million to the fire districts and \$670,000 to the Association. The expenditures to the Association will increase by \$130,000 for each biennium and the fire districts will increase as the tax increases. Any additional work required by the agency will be absorbed using existing resources.

**C. Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

The agency's appropriation will decrease by the current appropriated grant amount for disbursement to the fire districts and the North Dakota Firefighter's Association. No additional appropriations will be needed by the agency. The new fund will be a continuing appropriation and therefore not part of an agency's appropriation.

**Name:** Aimee Delzer

**Agency:** ND Insurance Dept

**Telephone:** 328-2930

**Date Prepared:** 01/23/2013

Estimates under HB1145 with amendments (June & July transfers)													
Biennium	Year of September Payment	Based on Premium Tax Year	Estimated Total of 5 lines Premium Tax	Estimated Total Premium Tax	Estimated Premium Tax deposited in Insurance Tax Dist. Fund *	Estimated Premium Tax to General fund **	Estimated Premium Tax to Fire Insurance Tax Dist. fund	Premium Tax to EMS fund	Grant Amount Paid to NDFA	Estimated Grant Amount Paid to FD	Appropriated Amount under Current Law	Increased Amount to Fire Districts	Estimated Additional Fire District Grants for Biennium
2011-13	2011	2010	\$ 6,509,893	\$ 42,818,733	\$ 4,060,000	\$ 38,758,733	\$ -	\$ -	\$ 835,000.00	\$ 3,100,000	\$ 3,100,000	\$ -	\$ -
2011-13	2012	2011	\$ 6,343,077	\$ 43,943,662	\$ 15,520,867	\$ 28,422,795	\$ -	\$ -	\$ 835,000.00	\$ 3,100,000	\$ 3,100,000	\$ -	\$ -
2013-15	2013	2012	\$ 7,429,092	\$ 44,690,704	\$ 43,640,704	\$ 39,595,184	\$ 7,429,092	\$ 625,000	\$ 400,000	\$ 7,029,092	\$ 3,100,000	\$ 3,929,092	
2013-15	2014	2013	\$ 7,907,294	\$ 45,248,658	\$ 44,198,658	\$ 36,162,854	\$ 7,907,294	\$ 625,000	\$ 400,000	\$ 7,507,294	\$ 3,100,000	\$ 4,407,294	\$ 8,396,886
2015-17	2015	2014	\$ 8,460,804	\$ 44,720,704	\$ 43,670,704	\$ 35,073,028	\$ 8,460,804	\$ 625,000	\$ 400,000	\$ 8,060,804	\$ 3,100,000	\$ 4,960,804	
2015-17	2016	2015	\$ 9,022,676	\$ 45,279,296	\$ 44,229,296	\$ 35,000,033	\$ 9,022,676	\$ 625,000	\$ 400,000	\$ 8,622,676	\$ 3,100,000	\$ 5,522,676	\$ 10,483,480
2017-19	2017	2016	\$ 9,654,263	\$ 46,062,325	\$ 45,012,325	\$ 35,107,263	\$ 9,654,263	\$ 625,000	\$ 400,000	\$ 9,254,263	\$ 3,100,000	\$ 6,154,263	
2017-19	2018	2017	\$ 10,330,061	\$ 46,637,675	\$ 45,587,675	\$ 34,969,509	\$ 10,330,061	\$ 625,000	\$ 400,000	\$ 9,930,061	\$ 3,100,000	\$ 6,830,061	\$ 12,984,324
2019-21	2019	2018	\$ 11,053,166	\$ 47,444,194	\$ 46,394,194	\$ 34,982,307	\$ 11,053,166	\$ 625,000	\$ 400,000	\$ 10,653,166	\$ 3,100,000	\$ 7,553,166	
2019-21	2020	2019	\$ 11,826,887	\$ 48,036,805	\$ 46,986,805	\$ 34,757,036	\$ 11,826,887	\$ 625,000	\$ 400,000	\$ 11,426,887	\$ 3,100,000	\$ 8,326,887	\$ 15,880,053

Notes:

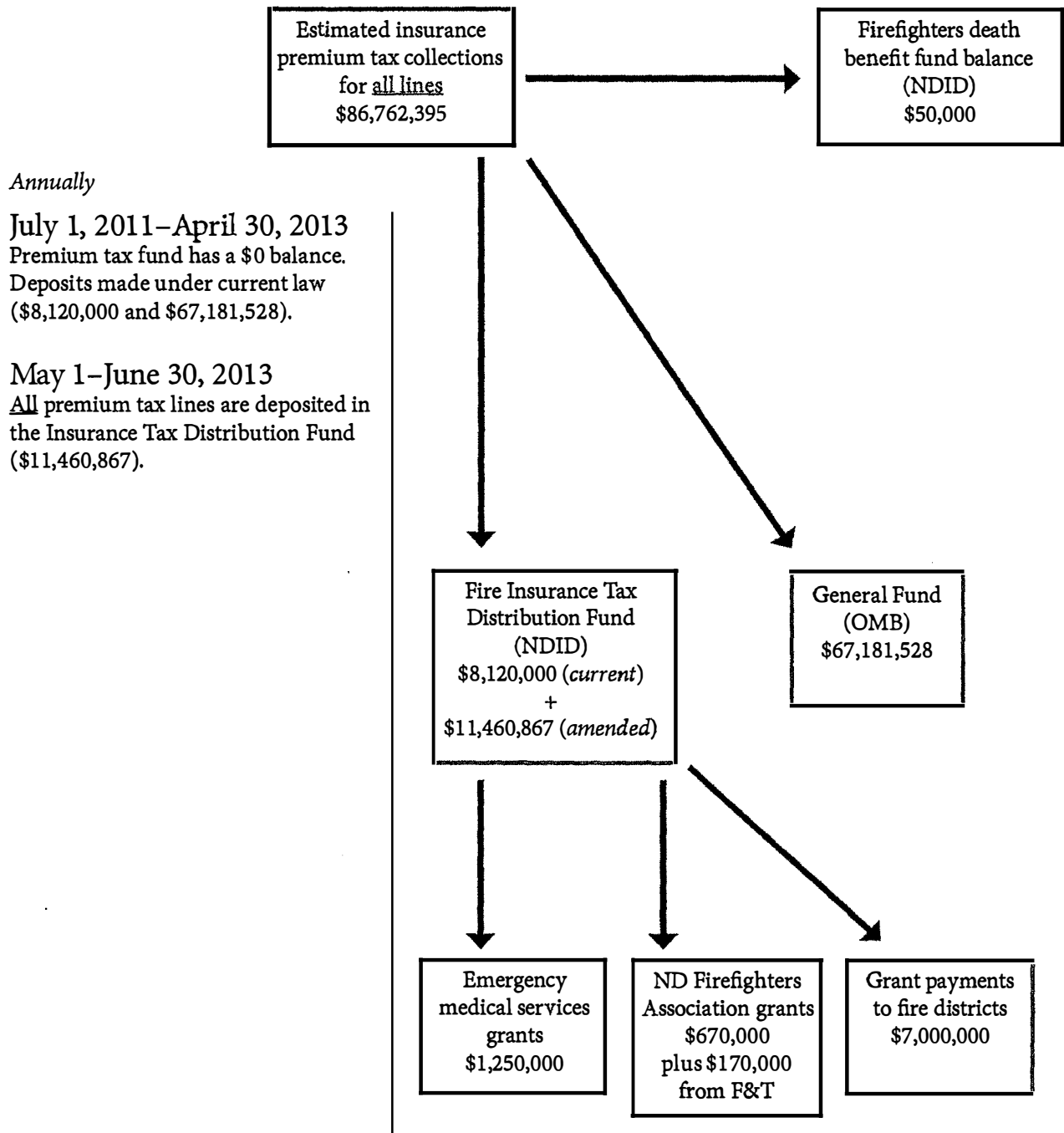
\* The premium tax will be deposited in to the Insurance Tax Distribution fund with the EXCEPTION of Surplus Lines premium tax. Surplus Lines premium tax will be deposited directly to the general fund and is estimated at

\*\* The general fund amount includes the estimated \$1,050,000 per year of Surplus Lines premium tax.

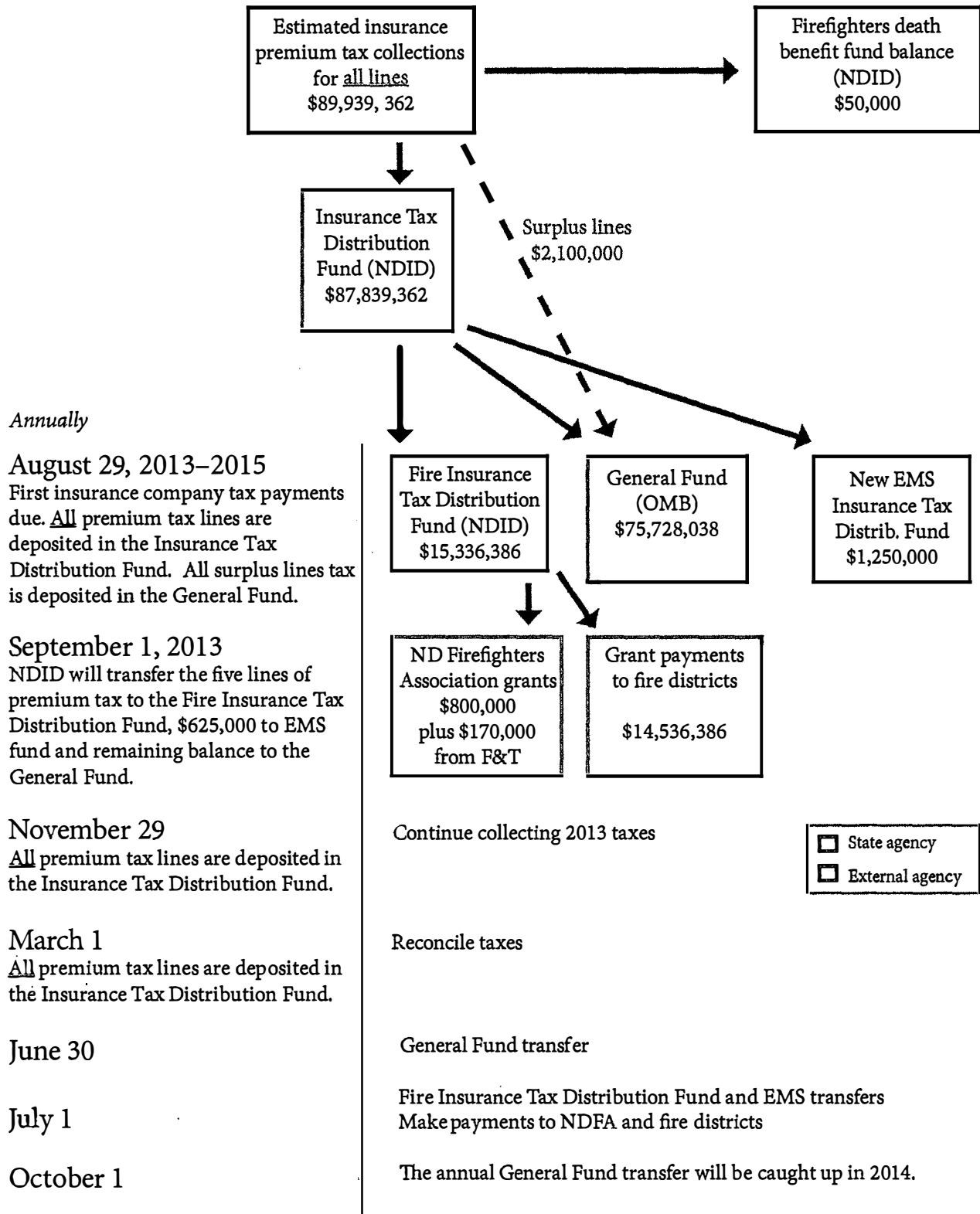
\*\*\*The transfers from the Insurance Tax Distribution fund will be made in June of each year to the general fund and July to the other funds based on the amount available in the fund as of June 30.

HB1145 Tax Calculations to populate chart											
Biennium	FY	Fund 240		Sept - June	July - June	Total Collections	Fund001 transfer Sept.	Fund001 transfer June	Fund240 transfer July	EMS fund transfer July	Fund001 Surplus Lines
		Beginning Balance	July & Aug								
2013-15	2014	\$ 11,460,867	\$ 8,259,688				\$ 11,666,462	\$ -	\$ 7,429,092	\$ 625,000	
	2014			\$ 35,381,016		\$ 44,690,704	\$ -	\$ 26,848,722			\$ 1,050,000
2013-15	2015				\$ 44,198,658	\$ 45,248,658	\$ -	\$ 35,112,854	\$ 7,907,294	\$ 625,000	\$ 1,050,000
2015-17	2016				\$ 43,670,704	\$ 44,720,704	\$ -	\$ 34,023,028	\$ 8,460,804	\$ 625,000	\$ 1,050,000
2015-17	2017				\$ 44,229,296	\$ 45,279,296	\$ -	\$ 33,950,033	\$ 9,022,676	\$ 625,000	\$ 1,050,000
2017-19	2018				\$ 45,012,325	\$ 46,062,325	\$ -	\$ 34,057,263	\$ 9,654,263	\$ 625,000	\$ 1,050,000
2017-19	2019				\$ 45,587,675	\$ 46,637,675	\$ -	\$ 33,909,509	\$ 10,330,061	\$ 625,000	\$ 1,050,000
2019-21	2020				\$ 46,394,194	\$ 47,444,194	\$ -	\$ 33,942,307	\$ 11,053,166	\$ 625,000	\$ 1,050,000
2019-21	2021				\$ 46,986,805	\$ 48,036,805	\$ -	\$ 33,707,036	\$ 11,826,887	\$ 625,000	\$ 1,050,000
2021-23	2022				\$ 47,817,520	\$ 48,867,520	\$ -	\$ 33,651,517	\$ 12,654,769	\$ 625,000	\$ 1,050,000
2021-23	2023				\$ 48,427,909	\$ 49,477,909	\$ -	\$ 48,427,908	\$ 13,540,603	\$ 625,000	\$ 1,050,000

Process under HB 1145 with amendments (2011-2013 biennial numbers)



Process under HB 1145 with amendments (2013-2015 biennial numbers)



**FISCAL NOTE**  
**Requested by Legislative Council**  
**01/10/2013**

Revised  
 Bill/Resolution No.: HB 1145

- 1 A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2011-2013 Biennium		2013-2015 Biennium		2015-2017 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues			\$(8,466,386)	\$8,466,386	\$(10,613,480)	\$10,613,480
Expenditures				\$2,955,466		\$8,420,131
Appropriations				\$(6,870,000)		\$(6,870,000)

- 1 B. **County, city, school district and township fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

	2011-2013 Biennium	2013-2015 Biennium	2015-2017 Biennium
Counties			
Cities			
School Districts			
Townships			

- 2 A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

The bill creates a continuing appropriation for the disbursement of funds to the fire districts and increases the amount disbursed to the fire districts and North Dakota Firefighter's Association by removing the specified cap amount.

- B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

Section 1 amends Section 18-04-04.1 and establishes a new continuing appropriation fund for the distribution of money to the fire districts and North Dakota Firefighters Association. The bill removes the specified cap amount and creates an open-ended authority to be available for distribution to the fire districts. Currently, any funds remaining in the special fund after the distribution of \$3,435,000 are transferred to the general fund at the end of the fiscal year. With a continuing appropriation, the funds will remain in the special fund and available for distribution. Section 2 increases the grant amount to the North Dakota Firefighter's Association. The grant will be deducted from the continuing appropriation funds available to the fire districts prior to payment. Section 3 will create a new special fund within the state for emergency medical services insurance tax distribution. The fund will be for the purpose of collecting and distributing the legislative appropriated funds. Section 5 amends Section 26.1-03-17. The amendment outlines the additional revenue to be deposited into the new continuing appropriation fund. The revenue will be computed based on 100% of the premium tax collected on fire, allied lines, homeowner's multiple peril, farmowner's multiple peril and commercial multiple peril policies. The increase in revenue to the special fund decreases the state's general fund transfer. The bill will positively impact the various fire district political subdivisions. The fire districts will receive an increase in their revenue in direct proportion to the state's special fund revenue & expenditures. The specific amount to be allocated to the cities & counties was undetermined at this time.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

- A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

The revenue is impacted by the elimination of an appropriated limit on the grant amounts distributed to the fire districts. The amendment to Section 26.1-03-17 creates a decrease in the general fund revenue that represents the

projected amount of premium tax attributable to these lines. The five lines of premium tax were calculated based on historical data and increasing the revenue amount accordingly. General Fund Revenue: Current Bill Amended Bill 2013-2015 \$81,819,362 \$73,352,976 2015-2017 \$81,880,000 \$71,266,520 Special Fund Revenue: Current Bill Amended Bill 2013-2015 \$ 6,870,000 \$15,336,386 2015-2017 \$ 6,870,000 \$17,483,480

- B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

The agency will experience a decrease in its appropriated fund expenditures by the current grant of \$6,870,000 because of the change to a continuing appropriation. The decrease in the agency's special fund plus the continuing appropriation expenditures nets to an overall increase in special fund expenditures. The total amount paid out to the fire districts and the North Dakota Firefighter's Association will equate to 1/2 of the available balance in the fund at the time of distribution. Currently the amount is capped at \$6.2 million to the fire districts and \$670,000 to the Association. The expenditures to the Association will increase by \$130,000 for each biennium and the fire districts will increase as the balance of the fund increases. The fire districts will be receiving only a portion of the 5 lines of taxes deposited in to the fund each year. Any additional work required by the agency will be absorbed using existing resources.

- C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

The agency's appropriation will decrease by the current appropriated grant amount for disbursement to the fire districts and the North Dakota Firefighter's Association. No additional appropriations will be needed by the agency. The new fund will be a continuing appropriation and therefore not part of an agency's appropriation.

**Name:** Aimee Delzer

**Agency:** ND Insurance Dept

**Telephone:** 328-2930

**Date Prepared:** 01/23/2013



VK  
2/25/13  
1082

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1145

Page 1, line 1, remove "18-04-04.1,"

Page 1, line 3, remove "and to declare an"

Page 1, line 4, replace "emergency" with "and to provide an appropriation"

Page 1, line 19, after "funds" insert "and its committed and uncommitted reserve balances"

Page 1, line 19, after the underscored period insert "The report must identify the purpose of any committed reserve balance and the anticipated time period for spending the committed reserves."

Page 1, line 22, after "18-04-05" insert "and the information on committed and uncommitted reserve fund balances of these entities"

Page 1, remove lines 23 and 24

Page 2, remove lines 1 through 5

Page 2, line 11, remove "fire"

Page 2, line 16, remove "eight hundred thousand dollars per"

Page 2, line 17, replace "biennium" with "funds"

Page 2, line 18, after "18-03" insert ", subject to legislative appropriations"

Page 2, line 21, overstrike "October" and insert immediately thereafter "December"

Page 2, line 22, remove the overstrike over "~~one-half of the biennial legislative appropriation~~"

Page 2, line 22, after "~~appropriation~~" insert "which must be based on"

Page 2, line 30, overstrike "September" and insert immediately thereafter "December"

Page 3, remove lines 5 through 12

Page 3, line 15, remove "Emergency"

Page 3, line 16, remove "medical services insurance tax distribution fund -"

Page 3, remove lines 17 through 20

Page 4, line 15, remove "- Continuing appropriation"

Page 4, line 28, after the period insert "If the due date falls on a Saturday or legal holiday, the tax is payable on the next succeeding business day."

Page 4, line 28, remove the overstrike over "~~Collections from this tax~~"

Page 4, line 29, remove the overstrike over "~~must be deposited in~~"

Page 4, line 29, remove "If the due date falls on a Saturday"

Page 4, remove line 30

Page 5, remove lines 1 through 8

Page 5, line 9, remove "to"

Page 5, line 9, remove "emergency medical services"

Page 5, line 9, remove "for use as"

Page 5, line 10, remove "provided"

Page 5, line 10, remove the overstrike over "~~section 18-04-04.1 but not in~~"

Page 5, line 10, remove "chapter 23-46"

Page 5, line 11, remove the overstrike over "exceeding"

Page 5, line 11, remove "not to exceed"

Page 5, line 11, remove "from"

Page 5, line 12, remove "revenues collected under this subsection"

Page 5, line 12, after "sections" insert "section"

Page 5, line 12, remove the overstrike over "~~18-04-05~~"

Page 5, line 12, remove the overstrike over "and"

Page 5, line 13, remove the overstrike over "Collections"

Page 5, line 14, remove "d. Annually, collections"

Page 5, line 14, remove "collections transferred to the fire"

Page 5, line 15, remove "insurance tax distribution fund and the"

Page 5, line 15, remove the overstrike over "~~deposited in~~"

Page 5, line 15, remove "transferred"

Page 5, line 16, remove "to"

Page 5, line 16, remove "emergency medical services"

Page 5, line 18, remove the overstrike over "~~deposited in~~"

Page 5, line 18, remove "transferred from the insurance tax distribution fund to"

Page 7, replace line 3 with:

**"SECTION 6. APPROPRIATION.** There is appropriated out of any moneys in the insurance tax distribution fund in the state treasury, not otherwise appropriated, the sum of \$15,336,386 or so much of the sum as may be necessary, to the insurance commissioner for the purpose of providing payments, in accordance with provisions of section 18-04-05, to North Dakota fire departments in the amount of \$14,536,386 and payments to the North Dakota firefighter's association in the amount of \$800,000, for the biennium beginning July 1, 2013, and ending June 30, 2015."

Renumber accordingly

Date: 2/22/13  
Roll Call Vote #: 1

2013 HOUSE STANDING COMMITTEE  
ROLL CALL VOTES  
BILL/RESOLUTION NO. 1145

House Appropriations Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number 05003

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Rep. Kempenich Seconded By Rep. Sanford

Representatives	Yes	No	Representatives	Yes	No
Chairman Delzer			Rep. Streyle		
Vice Chairman Kempenich			Rep. Thoreson		
Rep. Bellew			Rep. Wieland		
Rep. Brandenburg					
Rep. Dosch					
Rep. Grande			Rep. Boe		
Rep. Hawken			Rep. Glassheim		
Rep. Kreidt			Rep. Guggisberg		
Rep. Martinson			Rep. Holman		
Rep. Monson			Rep. Williams		
Rep. Nelson					
Rep. Pollert					
Rep. Sanford					
Rep. Skarphol					

Total Yes \_\_\_\_\_ No \_\_\_\_\_

Absent \_\_\_\_\_

Floor Assignment \_\_\_\_\_

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

*Voice vote carries*

Date: 2/22/13  
Roll Call Vote #: 2

2013 HOUSE STANDING COMMITTEE  
ROLL CALL VOTES  
BILL/RESOLUTION NO. 1145

House Appropriations Committee

☐ Check here for Conference Committee

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

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment  
☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Rep. Skarphol Seconded By Rep. Kempenich

Representatives	Yes	No	Representatives	Yes	No
Chairman Delzer			Rep. Streyle		
Vice Chairman Kempenich			Rep. Thoreson		
Rep. Bellew			Rep. Wieland		
Rep. Brandenburg					
Rep. Dosch					
Rep. Grande			Rep. Boe		
Rep. Hawken			Rep. Glassheim		
Rep. Kreidt			Rep. Guggisberg		
Rep. Martinson			Rep. Holman		
Rep. Monson			Rep. Williams		
Rep. Nelson					
Rep. Pollert					
Rep. Sanford					
Rep. Skarphol					

Total Yes \_\_\_\_\_ No \_\_\_\_\_

Absent \_\_\_\_\_

Floor Assignment \_\_\_\_\_

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

report of committed + uncommitted reserves

voice vote carrier

Date: 2/22/13  
Roll Call Vote #: 3

2013 HOUSE STANDING COMMITTEE  
ROLL CALL VOTES  
BILL/RESOLUTION NO. 1145

House Appropriations Committee

☐ Check here for Conference Committee

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

Action Taken: ☒ Do Pass ☐ Do Not Pass ☒ Amended ☐ Adopt Amendment  
☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Rep. Kempenich Seconded By Rep. Guggisberg

Representatives	Yes	No	Representatives	Yes	No
Chairman Delzer		X	Rep. Streyle	X	
Vice Chairman Kempenich	X		Rep. Thoreson	X	
Rep. Bellew		X	Rep. Wieland	X	
Rep. Brandenburg	X				
Rep. Dosch	X				
Rep. Grande	X		Rep. Boe	X	
Rep. Hawken	X		Rep. Glassheim	X	
Rep. Kreidt	X		Rep. Guggisberg	X	
Rep. Martinson			Rep. Holman	X	
Rep. Monson	X		Rep. Williams	X	
Rep. Nelson	X				
Rep. Pollert	X				
Rep. Sanford	X				
Rep. Skarphol	X				

Total Yes 19 No 2

Absent 1

Floor Assignment Rep. Guggisberg

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

**REPORT OF STANDING COMMITTEE**

**HB 1145, as engrossed: Appropriations Committee (Rep. Delzer, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (19 YEAS, 2 NAYS, 1 ABSENT AND NOT VOTING). Engrossed HB 1145 was placed on the Sixth order on the calendar.**

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Page 1, line 4, replace "emergency" with "and to provide an appropriation"

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Renumber accordingly

**2013 SENATE FINANCE AND TAXATION**

**HB 1145**



# 2013 SENATE STANDING COMMITTEE MINUTES

## Senate Finance and Taxation Committee Lewis and Clark Room, State Capitol

HB 1145  
3/11/2013  
Job Number 19712

☐ Conference Committee

Committee Clerk Signature



### Explanation or reason for introduction of bill/resolution:

A BILL for an Act to amend and reenact sections 18-04-02, 18-04-05, 23-46-05, 26.1-01-07.5, and 26.1-03-17 of the North Dakota Century Code, relating to use of insurance premium tax collections for firefighting; to provide a continuing appropriation; and to provide an appropriation.

### Minutes:

Testimony Attached

**Chairman Cook** opened the hearing on HB 1145.

**Representative Johnson** very briefly introduced HB 1145.

**Representative Gussisberg** gave an overview of the bill.

**Chairman Cook** - Do you see this as new money going to the fire districts or is it just money that's going to replace local money today?

**Representative Gussisberg** - I think you are going to hear some testimony about the history of this fund and this tax started before North Dakota was even state. It's only in the past 20 years or so that the money didn't all go back to the fire districts. It looks like a big chunk of money but that's kind of the way it's always been. There was some concern with the Appropriations Committee about that and that is why they requested the report to the budget section.

**Senator Burckhard** - How many fire districts are there in the state?

**Representative Gussisberg** - 378

**Senator Dotzenrod** - On page 2 lines 13-15 it says the Insurance Commissioner shall disperse funds to the North Dakota Firefighters Association for uses authorized under chapter 18-03. Is that a change? If that is a change and we don't do that now, why are we doing that? What's different? How does the North Dakota Firefighter's Association, where do they get their funds from now if we don't currently make this distribution, how do they get the money they do have?

**Representative Gussisberg** - The Association currently gets money out of this fund and the state fire and tornado fund. The House Appropriations took the money out of the state fire and tornado fund and just went with this. This is the same place they were getting the money it's just now they aren't getting money from the fire and tornado fund.

**CJ Craven, North Dakota Fire Chiefs Association** - See attached testimony 1 in favor of HB 1145.

**Vice Chairman Campbell** - What percentage would go to one time equipment versus buildings or salaries?

**CJ Craven** - Every fire department is different and I believe that is why we had a reporting requirement put in by the House. (10:01)

**Senator Burckhard** - The chart you gave us showed the tax collected revenue going pretty high and the other one is pretty flat. What happened to the money between those 2 arrows?

**CJ Craven** - It goes to the state general fund, anything that wasn't distributed.

**Jim Moe** - See attached testimony 2 in favor of HB 1145.

**Senator Oehlke** - Let's say the money you get in doubles and you have to go out and buy a \$450,000 pumper, how many years is it going to take you to pay it off with what you get from the fund?

**Jim Moe** - We are in the process right now we are taking the money that we receive from the state, we are also taking some monies that we are receiving from our fundraisers and we are not even going to ask the taxpayers to support it and we are purchasing a truck now. We are probably looking at funding our truck for the next 5-7 years.

**Senator Oehlke** - So you're not really going to have any problem reporting to anyone about how you spend this money are you?

**Jim Moe** - No

**Senator Triplett** - Both you and the previous speaker indicated you are in support of the bill but I'm wondering in terms of the history it looks like this mechanism that we have is just kind of an invitation to get back in the same problem again if we don't provide some opportunity for a continuing resolution or continuing appropriation or some way of indexing against inflation or increased costs. Do you have a preference as between this version of the bill or the original version or anything else you could offer as a compromise between that?

**Jim Moe** - We believe this bill as written is a good bill. It takes care of a lot of the needs of the fire service. We could always use more, a continuing appropriation is definitely what we like to see but what we need to do is do something immediately to help the smaller departments out.

**Senator Triplett** - I understand that it seems like it's meeting your needs for this 2 year period, but it's just an invitation to come back every 2 years as opposed to putting something in place that solves the problem for the longer term.

**Jim Moe** - Ideally we would like to see that but we are acceptable to whatever we can get for it at this point.

**Senator Oehlke** - Did the state fire and tornado people just feel you don't need to put out fires that are in public buildings?

**Jim Moe** - I'm not able to answer that question.

**Brian Paulson, Jamestown Rural Fire Department** spoke of an insurance premium collections and distributions chart he handed out (attachment 3).

**Rebecca Ternes, North Dakota Insurance Department** - This bill has gone through many generations since the inception and many fiscal notes. We aren't even sure we would have written this one the way we did. We've had many go rounds with Legislative Council about making sure that the information we are presenting is what you want. It's probably better to read the text and the simple part about this is currently the money that goes to the fire departments and the association is in the Insurance Department budget which is, this session HB 1010. This year what happens is each year \$3.1 million dollars in grants go to the departments, that is a set amount by the legislature each biennium and then \$670,000 in the premium tax dollars goes to the association and \$170,000 from the fire and tornado fund. We wanted to make sure we reflected in the fiscal note the difference of what is happening this biennium and what might happen under this bill. (23:00)

**Chairman Cook** - The fiscal note talks about an amount in the previous of \$6 million that I assume then was in HB 1010 and that was in the governor's budget?

**Rebecca Ternes** - In the Insurance Departments budget which last biennium was SB 2010 this biennium HB 1010.

**Chairman Cook** - The only amount that is needed to reflect the difference this bill will have on the governor's budget or the impact is the difference between \$15,336,386 and the \$6,870,000 right?

**Rebecca Ternes** - The governor's budget had an \$800,000 increase in the grants going out in HB 1010.

**Chairman Cook** - I assume though then HB 1010 that fiscal note changed also and went down.

**Rebecca Ternes** - In HB 1010 all of the grant dollars were removed which was good for our department because every time those grant dollars change it shows a change in our budget that has nothing to do with the insurance department. Then the \$170,000 was removed for the fire and tornado operating expenses which is a separate line item in our budget.



**Chairman Cook** - As I read this bill it is a continuing appropriation, it should not need an appropriation on it. It's just ongoing, the fiscal note should show an impact but I suppose we've got to resolve that with Alan Knutson or someone at the Council.

**Rebecca Ternes** - I can't tell you how many hours we've spent on these fiscal notes and talking to Legislative Council and I think this was a compromised fiscal note. We wanted to make sure that what we showed was an increase that will no longer be going to the general fund.

**Senator Triplett** - By compromised fiscal note you mean you tried to show what's going on in the upcoming biennium but you just opted not to show impact for future biennia even though you think there might be if this is treated as a continuing appropriation?

**Rebecca Ternes** - That is part of it, because it then set the amount we couldn't guess what it might be in the future. Previous fiscal notes we did try to project because we do sort of an average. We average out previous years and then take that forward as to what we expect. What we might not have done in the chart we tried to clearly explain in the text because usually the question is what happens with these funds and that they go to the general fund.

**Senator Triplett** - You mentioned the concern about the timing, the 100% of the total premium and the fact that it's not certified until into the following year. Can you suggest a fix for us by referencing back the prior year or something so that maybe it's 100% of what was collected the previous year? Would that make it more functional?

**Rebecca Ternes** - I think the way they have done the timing now and allowing us to make the payments later in the year, the fund will be able to have enough money in it to be able to cover the appropriated amount. Whether or not it ends up being 100% I doubt it ever will be so it's just a little odd the way it's written but the way it's been explained to us is we would disperse the appropriated amount.

**Chairman Cook** - Unless we took the appropriation out of there.

**Rebecca Ternes** - Yes then we may have some timing problems.

**Senator Dotzenrod** - If you look on page 2 line 25 they've added the word certified and they have added it in front of fire protection district and in front of rural fire protection and that makes me wonder are there uncertified districts? Also if you look on line 31 they say certified rural fire protection instead of on line 26, each rural department certified by the state fire Marshall. I don't know if there is a certification process that is an annual thing they go through or if we have fire districts in the state that are operating but not certified?

**CJ Craven** - All fire departments in order to be eligible for this funding from the state must be certified with the state fire Marshall's office. The reason that is, we just went through the process where the fire chief and the financial person from that district has to certify the fire department and sent the paperwork to the state fire Marshall. If you choose not to become certified you are not eligible for the state funding. The reason it's in there so many times is to cover all the different types of fire department. (30:10)

**Senator Dotzenrod** - Could you have a rural fire district that's not certified but could have the taxing authority in their fire district... I suppose if they aren't certified that really is a financial disadvantage for them.

**CJ Craven** - I believe you could have a fire district that chose not to be certified and would still be a taxing authority but they would not be eligible to receive this type of funding.

**Chairman Cook** - What else would they not be eligible to receive?

**CJ Craven** - I don't have the answer to that but the state fire Marshall's office might.

**Senator Dotzenrod** - Can I assume that is an annual process?

**CJ Craven** - That is an annual process.

**Tom Trenbeath, Chief Deputy Attorney General** - HB 1145 snuck up on us. All the sudden the state fire Marshall showed up with obligations and the state fire Marshall's office is a division of the Attorney General's Office. We took this bill to task and took a look at our obligations and we found out obligations under this thing. I think we would be able to accomplish our job here without any additional funding or people.

**Chairman Cook** closed the hearing on HB 1145.

# 2013 SENATE STANDING COMMITTEE MINUTES

## Senate Finance and Taxation Committee Lewis and Clark Room, State Capitol

HB 1145  
3/27/2013  
Job Number 20570

☐ Conference Committee

Committee Clerk Signature

*Angela R. Miller*

### Explanation or reason for introduction of bill/resolution:

A BILL for an Act to amend and reenact sections 18-04-02, 18-04-05, 23-46-05, 26.1-01-07.5, and 26.1-03-17 of the North Dakota Century Code, relating to use of insurance premium tax collections for firefighting; to provide a continuing appropriation; and to provide an appropriation.

### Minutes:

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**Chairman Cook** opened discussion on HB 1145.

**Senator Oehlke** - I'll move a **Do Pass** and re-refer to **Appropriations**.

Seconded by **Senator Burckhard**.

**Vice Chairman Campbell** - That comes from insurance premiums right, all that \$15 million?

**Senator Oehlke** - Every insurance premium you pay on property a little bit of it goes to what the cost of the fire insurance premium is and that portion of it has a tax on it and that tax amounts to roughly \$15 million a year. That gets divided up according to how much of that insurance premium is paid in your fire district. Part of this bill if you recall is there is 2 things about it. It's got a 2 year envelope on it so it does have an expiration date, and it also has a reporting requirement, the House actually put those requirements in there so that they have to prove that they are spending the money and show what it has been spent for. So, in 2 years we will end up revisiting this again and chances are we will be able to show that it's a continuing appropriation. This all use to go to the fire departments years ago. It was changed in the early 1990's when the state ran in to financial trouble.

**Chairman Cook** - We have another bill HB 1358 that deals with fire departments out west.

### Roll Call Vote 7-0-0

Carried by **Senator Oehlke**.

**FISCAL NOTE**  
**Requested by Legislative Council**  
**02/26/2013**

Revised  
Amendment to: HB 1145

- 1 A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2011-2013 Biennium		2013-2015 Biennium		2015-2017 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues			\$(8,466,386)	\$8,466,386		
Expenditures				\$8,466,386		
Appropriations				\$15,336,386		

- 1 B. **County, city, school district and township fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

	2011-2013 Biennium	2013-2015 Biennium	2015-2017 Biennium
Counties			
Cities			
School Districts			
Townships			

- 2 A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

The bill increases the current level of appropriated funding to the fire districts from premium tax collections and increases the appropriated funds to the NDFA from premium tax collections.

- B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

Section 1 creates a requirement for the fire districts to file a report of expenditures from the grant money received annually to the fire marshal. The fire marshal would then compile all the data into a biennial report to present to the budget section of the legislative management. Section 2 amends Section 18-04-05. Section 2 identifies that 100% of the premium tax collected on fire, allied lines, homeowner's multiple peril, farmowner's multiple peril, commercial multiple peril and crop hail policies will be used to calculate the appropriated funds. The Section also changes the payment date to the Fire Districts from October to December 1st of each year which will have no fiscal impact. Section 6 identifies the amount of appropriated money to be distributed to the fire districts and the North Dakota Firefighter's Association for the 2013-15 biennium. The appropriation is set at \$15,336,386 coming from fire premium tax collections based on historical fire premium tax collections for the 2013-15 Biennium. The HB1145 appropriation of \$15,336,386 compares to the 2011-13 appropriated amount of \$6,870,000. The increase in appropriations will create an increase in revenue to the special fund and decreases the state's general fund revenue. The grant amount submitted in the Department's appropriation bill HB1010 was removed by the House to allow for only HB1145 appropriated funds. The bill will positively impact the various fire district political subdivisions. The fire districts will receive an increase in their revenue each year as the premiums and policies written increase.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

- A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

The revenue amount reported is the net increase in special funds and net decrease in general funds the state will experience with the change in the appropriated amount being available for distribution to the fire districts and NDFA. The amendment to Section 26.1-03-17 creates a decrease in the general fund revenue. The five lines of premium tax were calculated based on historical data and increasing the revenue amount accordingly. The current law states

that the legislative appropriated funds be deposited into the insurance tax distribution fund for distribution which is currently at \$6,870,000 and under HB1145 the distribution amount is set at \$15,336,386 increasing the revenue to special funds by \$8,466,386 and decreasing the general fund by the same amount.

- B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

The expenditure amount reported is the net increase the state will experience with the change in the appropriated amount being available for distribution to the fire districts and NDFA. The state will experience an increase in its special fund expenditures by \$8,466,386. The increase is computed using the current expenditure amount in 2011-13 of \$6,870,000 and the new appropriated amount available to pay out of \$15,336,386. Any additional work required by the agency will be absorbed using existing resources.

- C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

The appropriations amount reported is the TOTAL Appropriations for the Fire Districts and NDFA as set in HB1145. The state will experience an overall increase of \$8,466,386 to their appropriations in comparison to the 2011-13 budget.

**Name:** Aimee Delzer

**Agency:** ND Insurance Dept

**Telephone:** 328-2930

**Date Prepared:** 03/04/2013



**FISCAL NOTE**  
**Requested by Legislative Council**  
**01/30/2013**

Amendment to: HB 1145

- 1 A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2011-2013 Biennium		2013-2015 Biennium		2015-2017 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$(11,460,867)	\$11,460,867	\$(6,091,324)	\$6,091,324	\$(11,806,939)	\$11,806,939
Expenditures				\$8,466,386		\$10,613,480
Appropriations				\$(6,870,000)		\$(6,870,000)

- 1 B. **County, city, school district and township fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

	2011-2013 Biennium	2013-2015 Biennium	2015-2017 Biennium
Counties			
Cities			
School Districts			
Townships			

- 2 A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

The bill creates a continuing appropriation for the disbursement of funds to the fire districts and increases the amount disbursed to the fire districts and North Dakota Firefighter's Association by removing the specified cap amount.

- B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

Section 1 creates a requirement for the fire districts to file a report of expenditures from the grant money received annually to the fire marshal. The fire marshal would then compile all the data into a biennial report to present to the budget section of the legislative management. Section 2 amends Section 18-04-04.1 and establishes a new continuing appropriation fund for the distribution of money to the fire districts and North Dakota Firefighters Association. The bill removes the specified cap amount and creates an open-ended authority to be available for distribution to the fire districts. Currently, any funds remaining in the special fund after the distribution of \$3,435,000 are transferred to the general fund at the end of the fiscal year. Section 2 also identifies that 100% of the premium tax collected on fire, allied lines, homeowner's multiple peril, farmowner's multiple peril and commercial multiple peril policies to be deposited in to the continuing appropriations fund. The section also increases the grant amount to the North Dakota Firefighter's Association. The grant will be deducted from the continuing appropriation funds available to the fire districts prior to payment. Section 2 also excludes fire districts from receiving grant payments who do not levy two mills for fire protection or receive an equivalent amount of funding from property tax levies. Section 4 will create a new special fund within the state for emergency medical services insurance tax distribution. The fund will be for the purpose of collecting and distributing the legislative appropriated funds. Section 6 amends Section 26.1-03-17. The amendment identifies that all premium tax is deposited in to the insurance tax distribution fund for later distribution to the other funds. The amendment outlines the additional revenue to be deposited into the new continuing appropriation fund. The increase in revenue to the special fund decreases the state's general fund transfer. The bill will positively impact the various fire district political subdivisions. The fire districts will receive an increase in their revenue each year as the premiums and policies written increase. The specific amount to be allocated to the cities & counties was undetermined at this time.

**3. State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

- A. Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

The revenue is impacted by the elimination of an appropriated limit on the grant amounts distributed to the fire districts. The amendment to Section 26.1-03-17 creates a decrease in the general fund revenue. The five lines of premium tax were calculated based on historical data and increasing the revenue amount accordingly. The general fund will experience a decrease in the revenue collected in 2011-13 because the premium tax will begin being deposited in to the insurance tax distribution as soon as the bill is in effect. The revenue being deposited in to the insurance tax distribution fund is to ensure there will be enough money available to make the payment in September 2013 to the fire districts & North Dakota Firefighters Association and to transfer the required amount to the Emergency Medical Services tax distribution fund. The general fund will receive two transfers in the 2014 fiscal year. The first will be in September 2013 and the second in June 2014 in order to catch up the fund. The revenue difference will not equal the expenditure difference because of the different time periods being used for the calculations.

- B. Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

The agency will experience a decrease in its appropriated fund expenditures by the current grant of \$6,870,000 because of the change to a continuing appropriation. The decrease in the agency's special fund plus the continuing appropriation expenditures nets to an overall increase in special fund expenditures. The total amount paid out to the fire districts and the North Dakota Firefighter's Association will equate 100% of the five lines of premium tax from the previous calendar year. Currently the amount is capped at \$6.2 million to the fire districts and \$670,000 to the Association. The expenditures to the Association will increase by \$130,000 for each biennium and the fire districts will increase as the tax increases. Any additional work required by the agency will be absorbed using existing resources.

- C. Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

The agency's appropriation will decrease by the current appropriated grant amount for disbursement to the fire districts and the North Dakota Firefighter's Association. No additional appropriations will be needed by the agency. The new fund will be a continuing appropriation and therefore not part of an agency's appropriation.

**Name:** Aimee Delzer

**Agency:** ND Insurance Dept

**Telephone:** 328-2930

**Date Prepared:** 01/23/2013

**Estimates under HB1145 with amendments (June & July transfers)**

Biennium	Year of September Payment	Based on Premium Tax Year	Estimated Total of 5 lines Premium Tax	Estimated Total Premium Tax	Estimated Premium Tax deposited in Insurance Tax Dist. Fund *	Estimated Premium Tax to General fund **	Estimated Premium Tax to Fire Insurance Tax Dist. fund	Premium Tax to EMS fund	Grant Amount Paid to NDFA	Estimated Grant Amount Paid to FD	Appropriated Amount under Current Law	Increased Amount to Fire Districts	Estimated Additional Fire District Grants for Biennium
2011-13	2011	2010	\$ 6,509,893	\$ 42,818,733	\$ 4,060,000	\$ 38,758,733	\$ -	\$ -	\$ 335,000.00	\$ 3,100,000	\$ 3,100,000	\$ -	\$ -
2011-13	2012	2011	\$ 6,943,077	\$ 43,943,662	\$ 15,520,867	\$ 28,422,795	\$ -	\$ -	\$ 335,000.00	\$ 3,100,000	\$ 3,100,000	\$ -	\$ -
2013-15	2013	2012	\$ 7,429,092	\$ 44,690,704	\$ 43,640,704	\$ 39,565,184	\$ 7,429,092	\$ 625,000	\$ 400,000	\$ 7,029,092	\$ 3,100,000	\$ 3,929,092	\$ -
2013-15	2014	2013	\$ 7,907,294	\$ 45,248,658	\$ 44,198,658	\$ 36,162,854	\$ 7,907,294	\$ 625,000	\$ 400,000	\$ 7,507,294	\$ 3,100,000	\$ 4,407,294	\$ 8,336,386
2015-17	2015	2014	\$ 8,460,804	\$ 44,720,704	\$ 43,670,704	\$ 35,073,028	\$ 8,460,804	\$ 625,000	\$ 400,000	\$ 8,060,804	\$ 3,100,000	\$ 4,960,804	\$ -
2015-17	2016	2015	\$ 9,022,676	\$ 45,279,296	\$ 44,229,296	\$ 35,000,033	\$ 9,022,676	\$ 625,000	\$ 400,000	\$ 8,622,676	\$ 3,100,000	\$ 5,522,676	\$ 10,483,480
2017-19	2017	2016	\$ 9,654,263	\$ 46,062,325	\$ 45,012,325	\$ 35,107,263	\$ 9,654,263	\$ 625,000	\$ 400,000	\$ 9,254,263	\$ 3,100,000	\$ 6,154,263	\$ -
2017-19	2018	2017	\$ 10,330,061	\$ 46,637,675	\$ 45,587,675	\$ 34,959,509	\$ 10,330,061	\$ 625,000	\$ 400,000	\$ 9,930,061	\$ 3,100,000	\$ 6,830,061	\$ 12,984,324
2019-21	2019	2018	\$ 11,053,166	\$ 47,444,194	\$ 46,394,194	\$ 34,992,307	\$ 11,053,166	\$ 625,000	\$ 400,000	\$ 10,653,166	\$ 3,100,000	\$ 7,553,166	\$ -
2019-21	2020	2019	\$ 11,826,887	\$ 48,036,805	\$ 46,986,805	\$ 34,757,036	\$ 11,826,887	\$ 625,000	\$ 400,000	\$ 11,426,887	\$ 3,100,000	\$ 8,326,887	\$ 15,880,053

**Notes:**

\* The premium tax will be deposited in to the Insurance Tax Distribution fund with the EXCEPTION of Surplus Lines premium tax. Surplus Lines premium tax will be deposited directly to the general fund and is estimated at

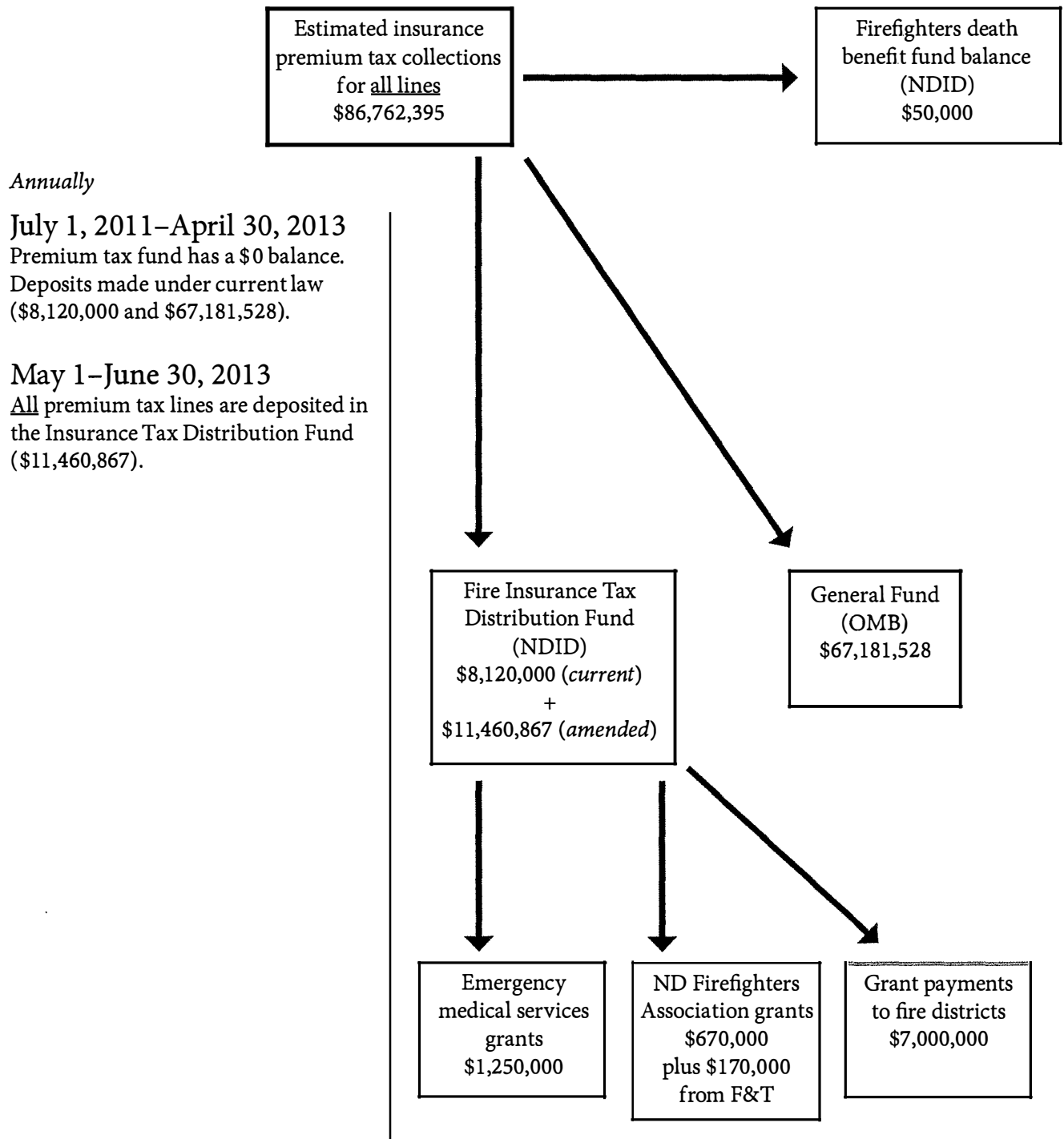
\*\* The general fund amount includes the estimated \$1,050,000 per year of Surplus Lines premium tax.

\*\*\*The transfers from the Insurance Tax Distribution fund will be made in June of each year to the general fund and July to the other funds based on the amount available in the fund as of June 30.

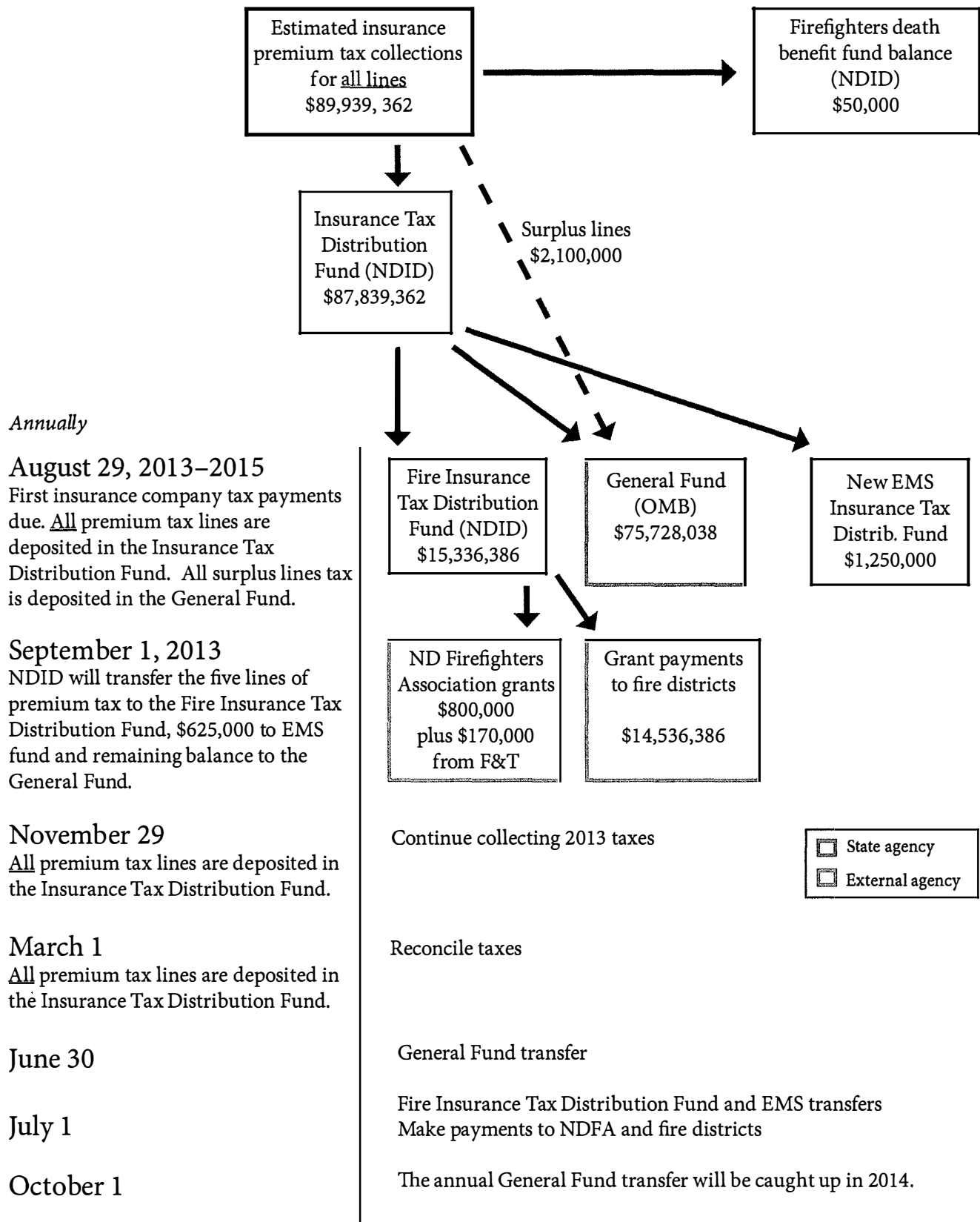
**HB1145 Tax Calculations to populate chart**

Biennium	FY	Fund 240 Beginning Balance	July & Aug	Sept - June	July - June	Total Collections	Fund 001 transfer Sept.	Fund 001 transfer June	Fund 240 transfer July	EMS fund transfer July	Fund 001 Surplus Lines
2013-15	2014	\$ 11,460,867	\$ 8,259,688				\$ 11,666,462	\$ -	\$ 7,429,092	\$ 625,000	
	2014			\$ 35,381,016		\$ 44,690,704	\$ -	\$ 26,848,722			\$ 1,050,000
2013-15	2015				\$ 44,198,658	\$ 45,248,658	\$ -	\$ 35,112,854	\$ 7,907,294	\$ 625,000	\$ 1,050,000
2015-17	2016				\$ 43,670,704	\$ 44,720,704	\$ -	\$ 34,023,028	\$ 8,460,804	\$ 625,000	\$ 1,050,000
2015-17	2017				\$ 44,229,296	\$ 45,279,296	\$ -	\$ 33,950,033	\$ 9,022,676	\$ 625,000	\$ 1,050,000
2017-19	2018				\$ 45,012,325	\$ 46,062,325	\$ -	\$ 34,057,263	\$ 9,654,263	\$ 625,000	\$ 1,050,000
2017-19	2019				\$ 45,587,675	\$ 46,637,675	\$ -	\$ 33,909,509	\$ 10,330,061	\$ 625,000	\$ 1,050,000
2019-21	2020				\$ 46,394,194	\$ 47,444,194	\$ -	\$ 33,942,307	\$ 11,053,166	\$ 625,000	\$ 1,050,000
2019-21	2021				\$ 46,986,805	\$ 48,036,805	\$ -	\$ 33,707,036	\$ 11,826,887	\$ 625,000	\$ 1,050,000
2021-23	2022				\$ 47,817,520	\$ 48,867,520	\$ -	\$ 33,651,917	\$ 12,654,769	\$ 625,000	\$ 1,050,000
2021-23	2023				\$ 48,427,909	\$ 49,477,909	\$ -	\$ 48,427,909	\$ 13,540,603	\$ 625,000	\$ 1,050,000

Process under HB 1145 with amendments (2011-2013 biennial numbers)



## Process under HB 1145 with amendments (2013-2015 biennial numbers)



**FISCAL NOTE**  
**Requested by Legislative Council**  
**01/10/2013**

Revised  
 Bill/Resolution No.: HB 1145

- 1 A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2011-2013 Biennium		2013-2015 Biennium		2015-2017 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
<b>Revenues</b>			\$(8,466,386)	\$8,466,386	\$(10,613,480)	\$10,613,480
<b>Expenditures</b>				\$2,955,466		\$8,420,131
<b>Appropriations</b>				\$(6,870,000)		\$(6,870,000)

- 1 B. **County, city, school district and township fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

	2011-2013 Biennium	2013-2015 Biennium	2015-2017 Biennium
<b>Counties</b>			
<b>Cities</b>			
<b>School Districts</b>			
<b>Townships</b>			

- 2 A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

The bill creates a continuing appropriation for the disbursement of funds to the fire districts and increases the amount disbursed to the fire districts and North Dakota Firefighter's Association by removing the specified cap amount.

- B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

Section 1 amends Section 18-04-04.1 and establishes a new continuing appropriation fund for the distribution of money to the fire districts and North Dakota Firefighters Association. The bill removes the specified cap amount and creates an open-ended authority to be available for distribution to the fire districts. Currently, any funds remaining in the special fund after the distribution of \$3,435,000 are transferred to the general fund at the end of the fiscal year. With a continuing appropriation, the funds will remain in the special fund and available for distribution. Section 2 increases the grant amount to the North Dakota Firefighter's Association. The grant will be deducted from the continuing appropriation funds available to the fire districts prior to payment. Section 3 will create a new special fund within the state for emergency medical services insurance tax distribution. The fund will be for the purpose of collecting and distributing the legislative appropriated funds. Section 5 amends Section 26.1-03-17. The amendment outlines the additional revenue to be deposited into the new continuing appropriation fund. The revenue will be computed based on 100% of the premium tax collected on fire, allied lines, homeowner's multiple peril, farmowner's multiple peril and commercial multiple peril policies. The increase in revenue to the special fund decreases the state's general fund transfer. The bill will positively impact the various fire district political subdivisions. The fire districts will receive an increase in their revenue in direct proportion to the state's special fund revenue & expenditures. The specific amount to be allocated to the cities & counties was undetermined at this time.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

- A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

The revenue is impacted by the elimination of an appropriated limit on the grant amounts distributed to the fire districts. The amendment to Section 26.1-03-17 creates a decrease in the general fund revenue that represents the

projected amount of premium tax attributable to these lines. The five lines of premium tax were calculated based on historical data and increasing the revenue amount accordingly. General Fund Revenue: Current Bill Amended Bill 2013-2015 \$81,819,362 \$73,352,976 2015-2017 \$81,880,000 \$71,266,520 Special Fund Revenue: Current Bill Amended Bill 2013-2015 \$ 6,870,000 \$15,336,386 2015-2017 \$ 6,870,000 \$17,483,480

- B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

The agency will experience a decrease in its appropriated fund expenditures by the current grant of \$6,870,000 because of the change to a continuing appropriation. The decrease in the agency's special fund plus the continuing appropriation expenditures nets to an overall increase in special fund expenditures. The total amount paid out to the fire districts and the North Dakota Firefighter's Association will equate to 1/2 of the available balance in the fund at the time of distribution. Currently the amount is capped at \$6.2 million to the fire districts and \$670,000 to the Association. The expenditures to the Association will increase by \$130,000 for each biennium and the fire districts will increase as the balance of the fund increases. The fire districts will be receiving only a portion of the 5 lines of taxes deposited in to the fund each year. Any additional work required by the agency will be absorbed using existing resources.

- C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

The agency's appropriation will decrease by the current appropriated grant amount for disbursement to the fire districts and the North Dakota Firefighter's Association. No additional appropriations will be needed by the agency. The new fund will be a continuing appropriation and therefore not part of an agency's appropriation.

**Name:** Aimee Delzer

**Agency:** ND Insurance Dept

**Telephone:** 328-2930

**Date Prepared:** 01/23/2013

Date: 3-27-13  
Roll Call Vote #: 1

2013 SENATE STANDING COMMITTEE  
ROLL CALL VOTES  
BILL/RESOLUTION NO. 1145

Senate Finance & Taxation Committee

☐ Check here for Conference Committee

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

Action Taken: ☒ Do Pass ☐ Do Not Pass ☐ Amended ☐ Adopt Amendment

☒ Rerefer to Appropriations ☐ Reconsider

Motion Made By Senator Oehlke Seconded By Senator Burckhard

Senators	Yes	No	Senator	Yes	No
Chairman Dwight Cook	X		Senator Jim Dotzenrod	X	
Vice Chairman Tom Campbell	X		Senator Connie Triplett	X	
Senator Joe Miller	X				
Senator Dave Oehlke	X				
Senator Randy Burckhard	X				

Total (Yes) 7 No 0

Absent 0

Floor Assignment Senator Oehlke

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



**REPORT OF STANDING COMMITTEE**

**HB 1145, as reengrossed: Finance and Taxation Committee (Sen. Cook, Chairman)**  
recommends **DO PASS** and **BE REREFERRED** to the **Appropriations Committee**  
(7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Reengrossed HB 1145 was  
rereferred to the **Appropriations Committee**.

**2013 SENATE APPROPRIATIONS**

**HB 1145**

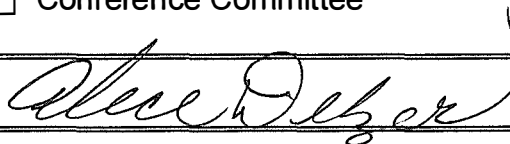
## 2013 SENATE STANDING COMMITTEE MINUTES

### Senate Appropriations Committee Harvest Room, State Capitol

HB 1145  
04--01-2013  
Job # 20703

☐ Conference Committee

Committee Clerk Signature



#### Explanation or reason for introduction of bill/resolution:

A Bill regarding the use of insurance premium tax collections for firefighting

#### Minutes:

See attached testimony.

**Chairman Holmberg** called the committee to order on Monday, April 01, 2013 at 10:00 am in regards to HB 1145. All committee members were present.

Becky J. Keller- Legislative Council  
Lori Laschkewitsch- OMB

**Senator Dave Oehlke, District 15, Devils Lake** here to testify in favor of HB 1145. It has to do with the insurance premium tax that you pay on the fire portion of insurance that you have on your home or buildings, or your crop insurance for that matter. Firemen have to put out grass fires occasionally too. Every time you pay your premium, anything that has fire insurance on it, that portion of the premium of that is attributable to the fire insurance has a little bitty tax on it. And that tax is collected by the Insurance Commissioner and originally was set up 100% of that tax collected was sent back to the various fire districts in ND, because that's why it was collected in the first place to provide support for those fire districts to buy equipment and do training. He informed the committee that in 1991 it was taken off, and the money put into the general fund and now this bill will give it back and it will be 100% of the fire premium tax collection to the fire districts. The House put a reporting form into it so the fire departments would have to report on an annual basis to the Fire Marshall what they spent the money on. The fire departments don't have a problem in reporting this money. It's a two year appropriation at this point the idea is that it could become continuance. Firemen don't have a problem with it being a two year appropriation because they know they can prove it. Don't worry, they know they will spend the money on the things that are necessary. (8.53)

**Senator Carlisle:** You said, if the bill has a continuing appropriation if we pass it, we won't see it again.

**Senator Oehlke:** The bill as you see it has a two year sunset on it. Originally that wasn't in the bill. It was amended.

**Chairman Holmberg:** had questions for Senator Wanzek regarding the Insurance Premium Tax Revenue Allocation #13.9534.05000, Testimony attached # 1, if it was handed out for this bill ( HB 1145) or the Insurance Department's budget bill (HB 1010)

**Senator Wanzek:** It is for both bills because we basically are holding the Insurance Department's budget based on this bill. These grants were typically ran through the budget and they want to be sure we knew what we were going to do with this bill before we moved on.

**Chairman Holmberg:** (5.22) What we likely will do because of the cost in this, we might send this one to your subcommittee. We don't have to hear this all over again. Your subcommittee can report back to us.

**J C. Craven, Fire Chief for the city of Minot and the President of the ND Firefighters Chiefs Association** testified in favor of HB 1145 and provided written Testimony attached # 2 which states that HB 1145 will provide the funding to help with training, operational expenses and recruitment and retention of firefighters. It will also provide badly needed operational funding that is directly tied to the amount of growth in a city or fire district.

**Senator Wanzek:** I don't know how many of you have looked at this handout (Testimony #1) but there are some nice easy flowcharts to explain where we are currently, what the executive budget was and then the back page (4) what this bill does to the Premium tax dollars and how they are redistributed. (7.12)

**Senator Robinson:** I serve on the subcommittee with Senator Wanzek and I am a close sponsor of the bill. We have experienced in our area, and I think this is true across the state, that the enhanced traffic that is happening for the energy industry in western ND has created a significant amount of increased activity for our local fire department. I believe the figures in Valley City over the last year, they were called out to interstate 15 times, the local Valley City fire department, 11 or 12 with hazardous materials, and so over the years we have tried to support our fire departments and with the increased activity it's compounded the situation. I support the bill. As Senator Oehlke pointed out, when they come back in two years and report, it will be an eye opener for all of us.

**Chairman Holmberg:** closed the hearing on HB 1145.

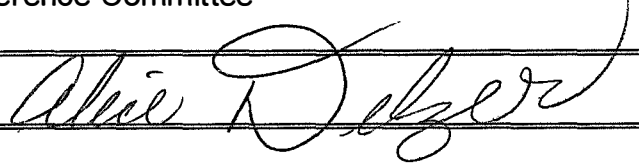
# 2013 SENATE STANDING COMMITTEE MINUTES

## Senate Appropriations Committee Harvest Room, State Capitol

HB 1145  
04-05-2013  
Job 20917

☐ Conference Committee

Committee Clerk Signature



### Explanation or reason for introduction of bill/resolution:

A BILL regarding the use of insurance premium tax collections for firefighters

### Minutes:

You may make reference to "attached testimony."

**Chairman Holmberg** called the committee to order on Friday, April 5, 2013 at 10:00 am in regards to HB 1145. All committee members were present.

Becky J. Keller - Legislative Council  
Lori Laschkewitsch - OMB

**Senator Wanzek;** What the bill does it takes 100% of the premium tax and allocates it to fire departments, ND Firefighters Association and also emergency medical service grants. There was some talk at looking at a reduced percentage other than 100% and I was going to ask for an amendment, but we had a discussion on our subcommittee, and I visited with some of the sponsors and some of the folks in the House and there is overwhelming support for this. It passed the House 94 to 0, it came out of the Finance and Tax Committees 7-0, and originally when this was started that was set up, that premium tax was set up for firefighting departments and they were given 100%. And then through the years where we've had some difficulties with revenues, shortages of revenues, we went into that piggy bank to get some of that money and some of the departments have fallen behind. We're asking a lot more out of these fire departments and districts beyond just what they regularly used to do in fighting fires. Now they're doing extra work; responding to accidents on the highway, with the additional activity in the oil fields, it's putting an additional burden on them. I know in our area, visiting with our fire departments and districts with the addition of all the activity that's going to transpire out in Spiritwood, we are looking at some of the same challenges that are in the oil country area. There is a lot of discussion back home about man camps, where the fertilizer plant and ethanol plant, that's going to present more responsibility for our fire departments. The amendment isn't ready, it is simply understood if we would reduce a percentage, but the subcommittee's position we want to pass the bill as it is at 100k%. (6.25)

**Chairman Holmberg:** Was there discussion on your subcommittee of phasing it in and having it go into effect at a later date?

**Senator Wanzek:** That wasn't part of the discussion. I will say if you recall the Firefighters Association asked us to provide an amendment to add another \$170,000. That comes out of the Fire and Tornado Fund in the past, back in there for firefighter training. The subcommittee declined to do that. We feel the fact that we expanded their funds here they'll have the ample funds to maybe pay additional dues to the Firefighters Association. We did not give them their additional \$170,000.

**Senator Wanzek moved a Do Pass on 1145. 2<sup>nd</sup> by Senator Krebsbach.**

**Chairman Holmberg:** Discussion. Would you call the roll on a Do Pass on 1145.

**A Roll Call vote was taken. Yea: 12; Nay: 1; Absent: 0.**

**Chairman Holmberg:** HB 1145 goes back to Finance and Tax. **Senator Oehlke will carry the bill.**

The hearing was closed on HB 1145.

**FISCAL NOTE**  
**Requested by Legislative Council**  
**02/26/2013**

Revised  
Amendment to: HB 1145

- 1 A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2011-2013 Biennium		2013-2015 Biennium		2015-2017 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues			\$(8,466,386)	\$8,466,386		
Expenditures				\$8,466,386		
Appropriations				\$15,336,386		

- 1 B. **County, city, school district and township fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

	2011-2013 Biennium	2013-2015 Biennium	2015-2017 Biennium
Counties			
Cities			
School Districts			
Townships			

- 2 A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

The bill increases the current level of appropriated funding to the fire districts from premium tax collections and increases the appropriated funds to the NDFA from premium tax collections.

- B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

Section 1 creates a requirement for the fire districts to file a report of expenditures from the grant money received annually to the fire marshal. The fire marshal would then compile all the data into a biennial report to present to the budget section of the legislative management. Section 2 amends Section 18-04-05. Section 2 identifies that 100% of the premium tax collected on fire, allied lines, homeowner's multiple peril, farmowner's multiple peril, commercial multiple peril and crop hail policies will be used to calculate the appropriated funds. The Section also changes the payment date to the Fire Districts from October to December 1st of each year which will have no fiscal impact. Section 6 identifies the amount of appropriated money to be distributed to the fire districts and the North Dakota Firefighter's Association for the 2013-15 biennium. The appropriation is set at \$15,336,386 coming from fire premium tax collections based on historical fire premium tax collections for the 2013-15 Biennium. The HB1145 appropriation of \$15,336,386 compares to the 2011-13 appropriated amount of \$6,870,000. The increase in appropriations will create an increase in revenue to the special fund and decreases the state's general fund revenue. The grant amount submitted in the Department's appropriation bill HB1010 was removed by the House to allow for only HB1145 appropriated funds. The bill will positively impact the various fire district political subdivisions. The fire districts will receive an increase in their revenue each year as the premiums and policies written increase.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

- A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

The revenue amount reported is the net increase in special funds and net decrease in general funds the state will experience with the change in the appropriated amount being available for distribution to the fire districts and NDFA. The amendment to Section 26.1-03-17 creates a decrease in the general fund revenue. The five lines of premium tax were calculated based on historical data and increasing the revenue amount accordingly. The current law states

that the legislative appropriated funds be deposited into the insurance tax distribution fund for distribution which is currently at \$6,870,000 and under HB1145 the distribution amount is set at \$15,336,386 increasing the revenue to special funds by \$8,466,386 and decreasing the general fund by the same amount.

- B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

The expenditure amount reported is the net increase the state will experience with the change in the appropriated amount being available for distribution to the fire districts and NDFA. The state will experience an increase in it's special fund expenditures by \$8,466,386. The increase is computed using the current expenditure amount in 2011-13 of \$6,870,000 and the new appropriated amount available to pay out of \$15,336,386. Any additional work required by the agency will be absorbed using existing resources.

- C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

The appropriations amount reported is the TOTAL Appropriations for the Fire Districts and NDFA as set in HB1145. The state will experience an overall increase of \$8,466,386 to their appropriations in comparison to the 2011-13 budget.

**Name:** Aimee Delzer

**Agency:** ND Insurance Dept

**Telephone:** 328-2930

**Date Prepared:** 03/04/2013



**FISCAL NOTE**  
**Requested by Legislative Council**  
**01/30/2013**

Amendment to: HB 1145

- 1 A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2011-2013 Biennium		2013-2015 Biennium		2015-2017 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$(11,460,867)	\$11,460,867	\$(6,091,324)	\$6,091,324	\$(11,806,939)	\$11,806,939
Expenditures				\$8,466,386		\$10,613,480
Appropriations				\$(6,870,000)		\$(6,870,000)

- 1 B. **County, city, school district and township fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

	2011-2013 Biennium	2013-2015 Biennium	2015-2017 Biennium
Counties			
Cities			
School Districts			
Townships			

- 2 A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

The bill creates a continuing appropriation for the disbursement of funds to the fire districts and increases the amount disbursed to the fire districts and North Dakota Firefighter's Association by removing the specified cap amount.

- B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

Section 1 creates a requirement for the fire districts to file a report of expenditures from the grant money received annually to the fire marshal. The fire marshal would then compile all the data into a biennial report to present to the budget section of the legislative management. Section 2 amends Section 18-04-04.1 and establishes a new continuing appropriation fund for the distribution of money to the fire districts and North Dakota Firefighters Association. The bill removes the specified cap amount and creates an open-ended authority to be available for distribution to the fire districts. Currently, any funds remaining in the special fund after the distribution of \$3,435,000 are transferred to the general fund at the end of the fiscal year. Section 2 also identifies that 100% of the premium tax collected on fire, allied lines, homeowner's multiple peril, farmowner's multiple peril and commercial multiple peril policies to be deposited in to the continuing appropriations fund. The section also increases the grant amount to the North Dakota Firefighter's Association. The grant will be deducted from the continuing appropriation funds available to the fire districts prior to payment. Section 2 also excludes fire districts from receiving grant payments who do not levy two mills for fire protection or receive an equivalent amount of funding from property tax levies. Section 4 will create a new special fund within the state for emergency medical services insurance tax distribution. The fund will be for the purpose of collecting and distributing the legislative appropriated funds. Section 6 amends Section 26.1-03-17. The amendment identifies that all premium tax is deposited in to the insurance tax distribution fund for later distribution to the other funds. The amendment outlines the additional revenue to be deposited into the new continuing appropriation fund. The increase in revenue to the special fund decreases the state's general fund transfer. The bill will positively impact the various fire district political subdivisions. The fire districts will receive an increase in their revenue each year as the premiums and policies written increase. The specific amount to be allocated to the cities & counties was undetermined at this time.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

- A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

The revenue is impacted by the elimination of an appropriated limit on the grant amounts distributed to the fire districts. The amendment to Section 26.1-03-17 creates a decrease in the general fund revenue. The five lines of premium tax were calculated based on historical data and increasing the revenue amount accordingly. The general fund will experience a decrease in the revenue collected in 2011-13 because the premium tax will begin being deposited in to the insurance tax distribution as soon as the bill is in effect. The revenue being deposited in to the insurance tax distribution fund is to ensure there will be enough money available to make the payment in September 2013 to the fire districts & North Dakota Firefighters Association and to transfer the required amount to the Emergency Medical Services tax distribution fund. The general fund will receive two transfers in the 2014 fiscal year. The first will be in September 2013 and the second in June 2014 in order to catch up the fund. The revenue difference will not equal the expenditure difference because of the different time periods being used for the calculations.

- B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

The agency will experience a decrease in it's appropriated fund expenditures by the current grant of \$6,870,000 because of the change to a continuing appropriation. The decrease in the agency's special fund plus the continuing appropriation expenditures nets to an overall increase in special fund expenditures. The total amount paid out to the fire districts and the North Dakota Firefighter's Association will equate 100% of the five lines of premium tax from the previous calendar year. Currently the amount is capped at \$6.2 million to the fire districts and \$670,000 to the Association. The expenditures to the Association will increase by \$130,000 for each biennium and the fire districts will increase as the tax increases. Any additional work required by the agency will be absorbed using existing resources.

- C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

The agency's appropriation will decrease by the current appropriated grant amount for disbursement to the fire districts and the North Dakota Firefighter's Association. No additional appropriations will be needed by the agency. The new fund will be a continuing appropriation and therefore not part of an agency's appropriation.

**Name:** Aimee Delzer

**Agency:** ND Insurance Dept

**Telephone:** 328-2930

**Date Prepared:** 01/23/2013

Estimates under HB1145 with amendments (June & July transfers)													
	Year of September Payment	Based on Premium Tax Year	Estimated Total of 5 lines Premium Tax	Estimated Total Premium Tax	Estimated Premium Tax deposited in Insurance Tax Dist. Fund *	Estimated Premium Tax to General fund **	Estimated Premium Tax to Fire Insurance Tax Dist. fund	Premium Tax to EMS fund	Grant Amount Paid to NDFA	Estimated Grant Amount Paid to FD	Appropriated Amount under Current Law	Increased Amount to Fire Districts	Estimated Additional Fire District Grants for Biennium
Biennium													
2011-13	2011	2010	\$ 6,509,893	\$ 42,818,733	\$ 4,060,000	\$ 38,758,733	\$ -		\$ 335,000.00	\$ 3,100,000	\$ 3,100,000	\$ -	\$ -
2011-13	2012	2011	\$ 6,943,077	\$ 43,943,662	\$ 15,520,867	\$ 28,422,795	\$ -		\$ 335,000.00	\$ 3,100,000	\$ 3,100,000	\$ -	\$ -
2013-15	2013	2012	\$ 7,429,092	\$ 44,690,704	\$ 43,640,704	\$ 39,565,184	\$ 7,429,092	\$ 625,000	\$ 400,000	\$ 7,029,092	\$ 3,100,000	\$ 3,929,092	
2013-15	2014	2013	\$ 7,907,294	\$ 45,248,658	\$ 44,198,658	\$ 36,162,854	\$ 7,907,294	\$ 625,000	\$ 400,000	\$ 7,507,294	\$ 3,100,000	\$ 4,407,294	\$ 8,336,386
2015-17	2015	2014	\$ 8,460,804	\$ 44,720,704	\$ 43,670,704	\$ 35,073,028	\$ 8,460,804	\$ 625,000	\$ 400,000	\$ 8,060,804	\$ 3,100,000	\$ 4,960,804	
2015-17	2016	2015	\$ 9,022,676	\$ 45,279,296	\$ 44,229,296	\$ 35,000,033	\$ 9,022,676	\$ 625,000	\$ 400,000	\$ 8,622,676	\$ 3,100,000	\$ 5,522,676	\$ 10,483,480
2017-19	2017	2016	\$ 9,654,263	\$ 46,062,325	\$ 45,012,325	\$ 35,107,263	\$ 9,654,263	\$ 625,000	\$ 400,000	\$ 9,254,263	\$ 3,100,000	\$ 6,154,263	
2017-19	2018	2017	\$ 10,330,061	\$ 46,637,675	\$ 45,587,675	\$ 34,959,509	\$ 10,330,061	\$ 625,000	\$ 400,000	\$ 9,930,061	\$ 3,100,000	\$ 6,830,061	\$ 12,984,324
2019-21	2019	2018	\$ 11,053,166	\$ 47,444,194	\$ 46,394,194	\$ 34,992,307	\$ 11,053,166	\$ 625,000	\$ 400,000	\$ 10,653,166	\$ 3,100,000	\$ 7,553,166	
2019-21	2020	2019	\$ 11,826,887	\$ 48,036,805	\$ 46,986,805	\$ 34,757,036	\$ 11,826,887	\$ 625,000	\$ 400,000	\$ 11,426,887	\$ 3,100,000	\$ 8,326,887	\$ 15,880,053

Notes:

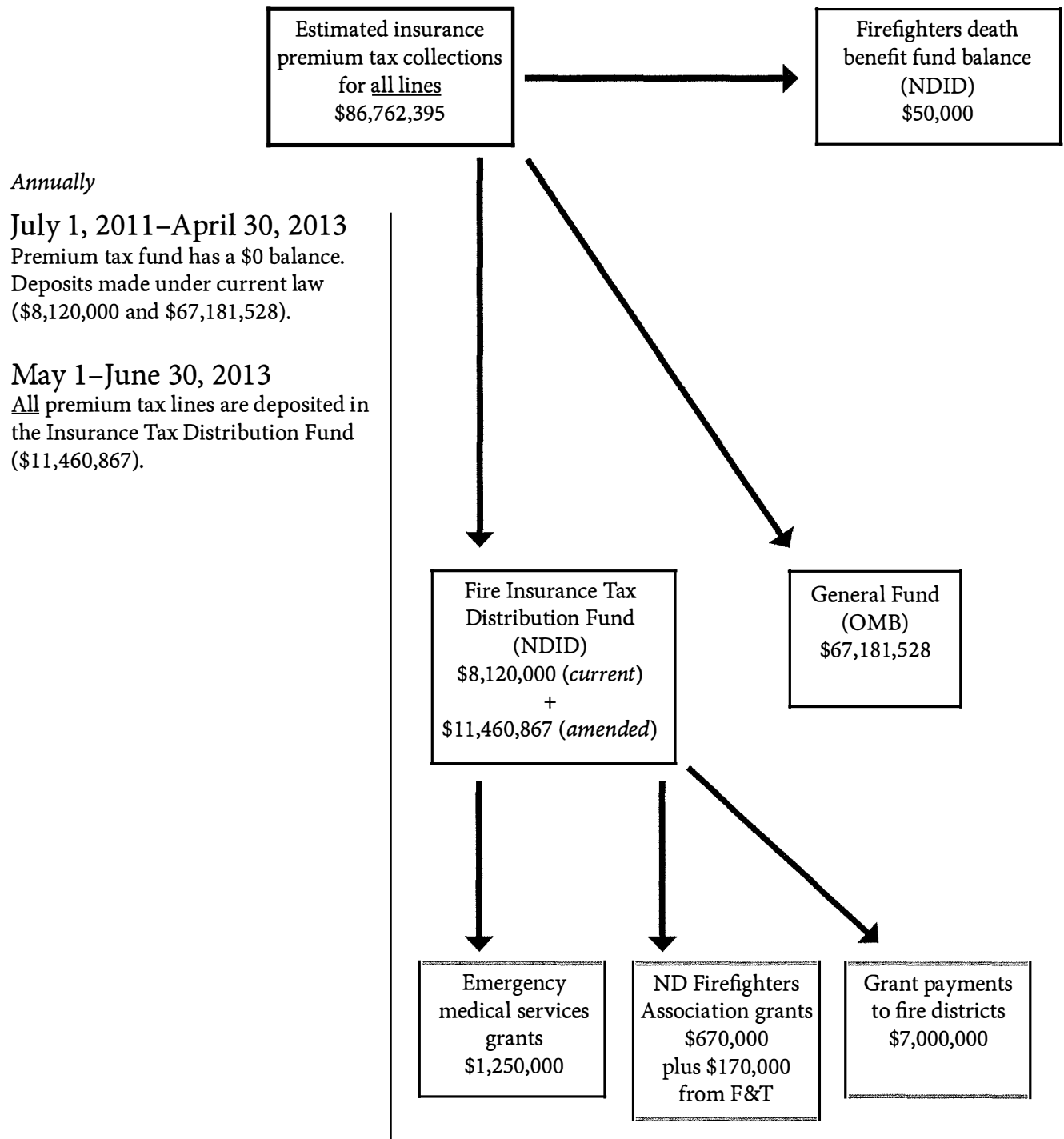
\* The premium tax will be deposited in to the Insurance Tax Distribution fund with the EXCEPTION of Surplus Lines premium tax. Surplus Lines premium tax will be deposited directly to the general fund and is estimated at

\*\* The general fund amount includes the estimated \$1,050,000 per year of Surplus Lines premium tax.

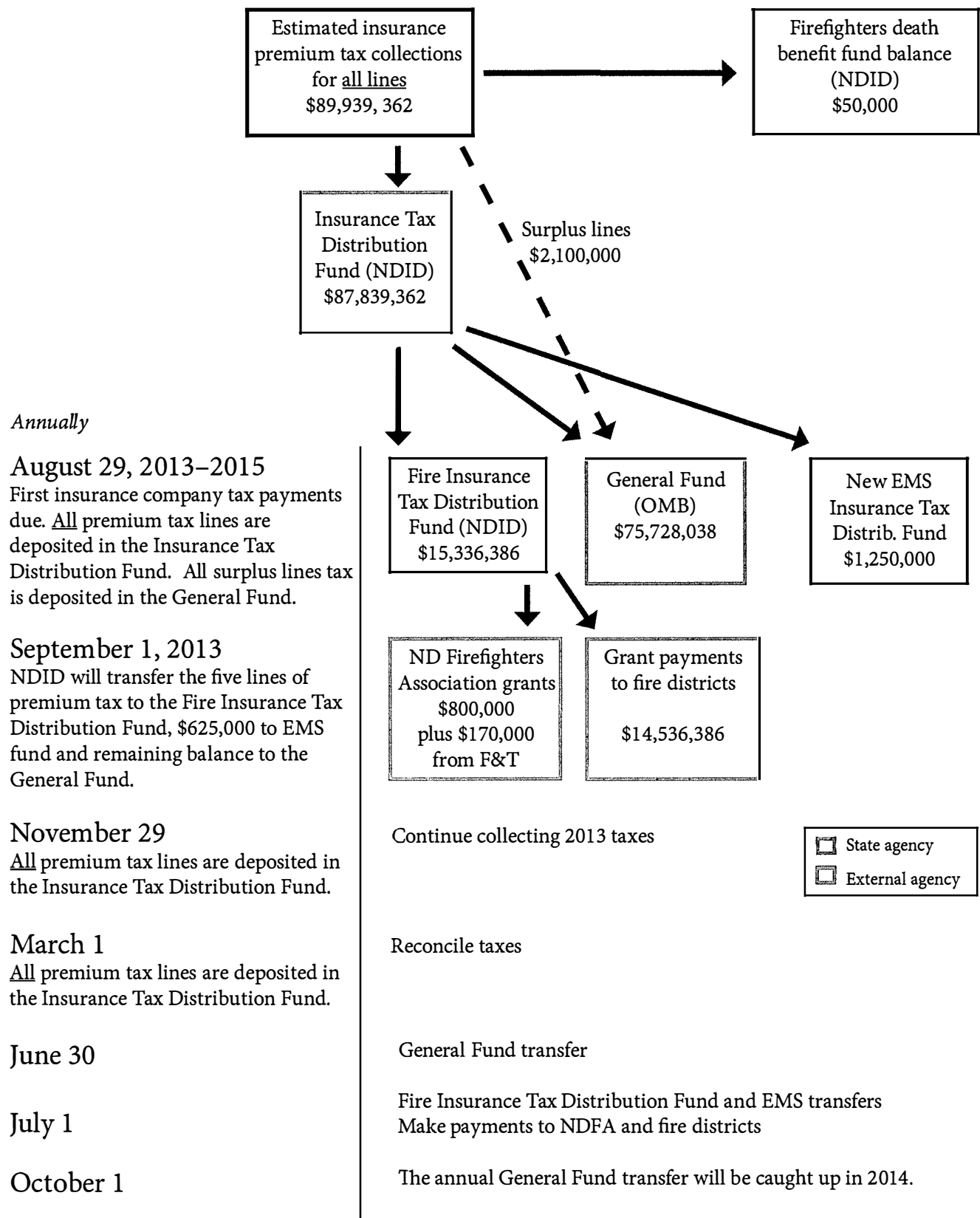
\*\*\*The transfers from the Insurance Tax Distribution fund will be made in June of each year to the general fund and July to the other funds based on the amount available in the fund as of June 30.

HB1145 Tax Calculations to populate chart											
		Fund 240									
Biennium	FY	Beginning Balance	July & Aug	Sept - June	July - June	Total Collections	Fund 001 transfer Sept.	Fund 001 transfer June	Fund 240 transfer July	EMS fund transfer July	Fund 001 Surplus Lines
2013-15	2014	\$ 11,460,867	\$ 8,259,688				\$ 11,666,462	\$ -	\$ 7,429,092	\$ 625,000	
	2014			\$ 35,381,016		\$ 44,690,704	\$ -	\$ 26,848,722			\$ 1,050,000
2013-15	2015				\$ 44,198,658	\$ 45,248,658	\$ -	\$ 35,112,854	\$ 7,907,294	\$ 625,000	\$ 1,050,000
2015-17	2016				\$ 43,670,704	\$ 44,720,704	\$ -	\$ 34,023,028	\$ 8,460,804	\$ 625,000	\$ 1,050,000
2015-17	2017				\$ 44,229,296	\$ 45,279,296	\$ -	\$ 33,950,033	\$ 9,022,676	\$ 625,000	\$ 1,050,000
2017-19	2018				\$ 45,012,325	\$ 46,062,325	\$ -	\$ 34,057,263	\$ 9,654,263	\$ 625,000	\$ 1,050,000
2017-19	2019				\$ 45,587,675	\$ 46,637,675	\$ -	\$ 33,909,509	\$ 10,330,061	\$ 625,000	\$ 1,050,000
2019-21	2020				\$ 46,394,194	\$ 47,444,194	\$ -	\$ 33,942,307	\$ 11,053,166	\$ 625,000	\$ 1,050,000
2019-21	2021				\$ 46,986,805	\$ 48,036,805	\$ -	\$ 33,707,036	\$ 11,826,887	\$ 625,000	\$ 1,050,000
2021-23	2022				\$ 47,817,520	\$ 48,867,520	\$ -	\$ 33,651,917	\$ 12,654,769	\$ 625,000	\$ 1,050,000
2021-23	2023				\$ 48,427,909	\$ 49,477,909	\$ -	\$ 48,427,909	\$ 13,540,603	\$ 625,000	\$ 1,050,000

Process under HB 1145 with amendments (2011-2013 biennial numbers)



## Process under HB 1145 with amendments (2013-2015 biennial numbers)



**FISCAL NOTE**  
**Requested by Legislative Council**  
**01/10/2013**

Revised  
 Bill/Resolution No.: HB 1145

- 1 A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2011-2013 Biennium		2013-2015 Biennium		2015-2017 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues			\$(8,466,386)	\$8,466,386	\$(10,613,480)	\$10,613,480
Expenditures				\$2,955,466		\$8,420,131
Appropriations				\$(6,870,000)		\$(6,870,000)

- 1 B. **County, city, school district and township fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

	2011-2013 Biennium	2013-2015 Biennium	2015-2017 Biennium
Counties			
Cities			
School Districts			
Townships			

- 2 A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

The bill creates a continuing appropriation for the disbursement of funds to the fire districts and increases the amount disbursed to the fire districts and North Dakota Firefighter's Association by removing the specified cap amount.

- B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

Section 1 amends Section 18-04-04.1 and establishes a new continuing appropriation fund for the distribution of money to the fire districts and North Dakota Firefighters Association. The bill removes the specified cap amount and creates an open-ended authority to be available for distribution to the fire districts. Currently, any funds remaining in the special fund after the distribution of \$3,435,000 are transferred to the general fund at the end of the fiscal year. With a continuing appropriation, the funds will remain in the special fund and available for distribution. Section 2 increases the grant amount to the North Dakota Firefighter's Association. The grant will be deducted from the continuing appropriation funds available to the fire districts prior to payment. Section 3 will create a new special fund within the state for emergency medical services insurance tax distribution. The fund will be for the purpose of collecting and distributing the legislative appropriated funds. Section 5 amends Section 26.1-03-17. The amendment outlines the additional revenue to be deposited into the new continuing appropriation fund. The revenue will be computed based on 100% of the premium tax collected on fire, allied lines, homeowner's multiple peril, farmowner's multiple peril and commercial multiple peril policies. The increase in revenue to the special fund decreases the state's general fund transfer. The bill will positively impact the various fire district political subdivisions. The fire districts will receive an increase in their revenue in direct proportion to the state's special fund revenue & expenditures. The specific amount to be allocated to the cities & counties was undetermined at this time.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

- A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

The revenue is impacted by the elimination of an appropriated limit on the grant amounts distributed to the fire districts. The amendment to Section 26.1-03-17 creates a decrease in the general fund revenue that represents the

projected amount of premium tax attributable to these lines. The five lines of premium tax were calculated based on historical data and increasing the revenue amount accordingly. General Fund Revenue: Current Bill Amended Bill 2013-2015 \$81,819,362 \$73,352,976 2015-2017 \$81,880,000 \$71,266,520 Special Fund Revenue: Current Bill Amended Bill 2013-2015 \$ 6,870,000 \$15,336,386 2015-2017 \$ 6,870,000 \$17,483,480

- B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

The agency will experience a decrease in its appropriated fund expenditures by the current grant of \$6,870,000 because of the change to a continuing appropriation. The decrease in the agency's special fund plus the continuing appropriation expenditures nets to an overall increase in special fund expenditures. The total amount paid out to the fire districts and the North Dakota Firefighter's Association will equate to 1/2 of the available balance in the fund at the time of distribution. Currently the amount is capped at \$6.2 million to the fire districts and \$670,000 to the Association. The expenditures to the Association will increase by \$130,000 for each biennium and the fire districts will increase as the balance of the fund increases. The fire districts will be receiving only a portion of the 5 lines of taxes deposited in to the fund each year. Any additional work required by the agency will be absorbed using existing resources.

- C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

The agency's appropriation will decrease by the current appropriated grant amount for disbursement to the fire districts and the North Dakota Firefighter's Association. No additional appropriations will be needed by the agency. The new fund will be a continuing appropriation and therefore not part of an agency's appropriation.

**Name:** Aimee Delzer

**Agency:** ND Insurance Dept

**Telephone:** 328-2930

**Date Prepared:** 01/23/2013

Date: 4-5-13Roll Call Vote # 12013 SENATE STANDING COMMITTEE  
ROLL CALL VOTESBILL/RESOLUTION NO. 1145Senate Appropriations Committee☐ Check here for Conference Committee

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

Action Taken

☐ Adopt Amendment☐ Do Pass as Amended☒ Do Pass☐ Do Not Pass

Motion Made By

Wanzek

Seconded By

Krebsbach

Senators	Yes	No	Senator	Yes	No
Chairman Ray Holmberg	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Senator Tim Mathern	<input checked="" type="checkbox"/>	
Co-Vice Chairman Bill Bowman	<input checked="" type="checkbox"/>		Senator David O'Connell	<input checked="" type="checkbox"/>	
Co-Vice Chair Tony Grindberg	<input checked="" type="checkbox"/>		Senator Larry Robinson	<input checked="" type="checkbox"/>	
Senator Ralph Kilzer	<input checked="" type="checkbox"/>		Senator John Warner	<input checked="" type="checkbox"/>	
Senator Karen Krebsbach	<input checked="" type="checkbox"/>				
Senator Robert Erbele	<input checked="" type="checkbox"/>				
Senator Terry Wanzek	<input checked="" type="checkbox"/>				
Senator Ron Carlisle	<input checked="" type="checkbox"/>				
Senator Gary Lee	<input checked="" type="checkbox"/>				

Total (Yes) 12 No 1Absent 0Floor Assignment F + Tax Oehlke

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



**REPORT OF STANDING COMMITTEE**

**HB 1145, as reengrossed: Appropriations Committee (Sen. Holmberg, Chairman)**  
recommends **DO PASS** (12 YEAS, 1 NAYS, 0 ABSENT AND NOT VOTING).  
Reengrossed HB 1145 was placed on the Fourteenth order on the calendar.

**2013 TESTIMONY**

**HB 1145**

**HB 1145**  
**Ron Guggisberg**  
**District 11 Fargo**

①  
1145  
1-16-2013

Section one of the bill renames the insurance tax distribution fund by calling it the fire insurance fund.

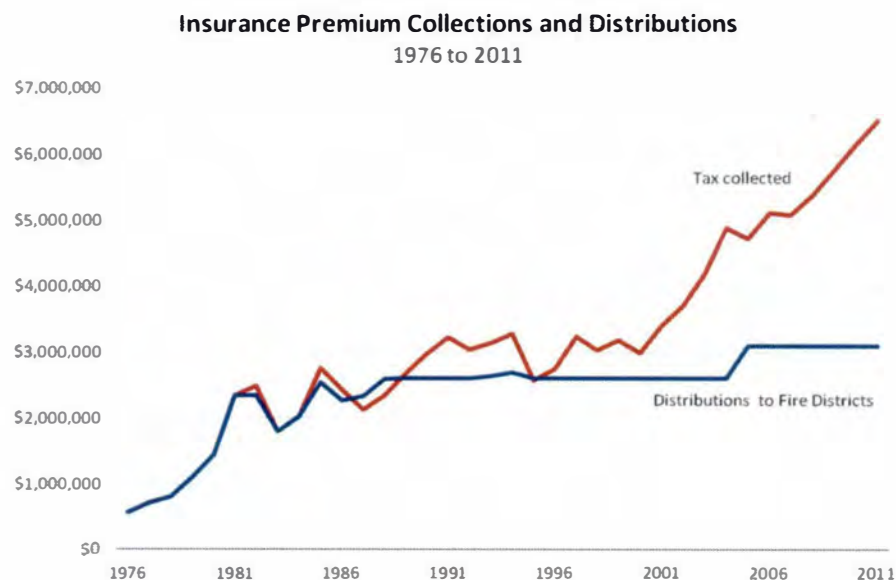
Section two of the bill directs the insurance commissioner to disburse funds in the newly created fire insurance tax distribution fund as follows

- Up to \$50,000 to make the firefighter death benefit fund whole
- \$800,000 to the North Dakota Firefighters Association for firefighter training
- The remainder is distributed to fire departments based on tax collected from their jurisdiction

Section three of the bill creates an EMS tax distribution fund. This will allow for funding from the insurance premium taxes to be distributed to EMS organizations.

Section four of the bill changes insurance tax distribution fund to fire tax distribution fund.

Section five of the bill changes the appropriation of funds to a continuing appropriation. This section also directs funds not distributed to the fire tax distribution fund or the EMS distribution fund to be deposited in the general fund.



Chairman Keiser, members of the Industry Business and Labor Committee.

(2)  
1145  
1-16-2013

My Name is C.J. Craven and I am The Fire Chief of the City of Minot and I have the honor of serving as the President of the North Dakota Fire Chiefs Association.

I am here today to speak in favor of House Bill 1145.

The Insurance Premium Tax that is distributed to all certified fire departments comes from taxes (1.75%) on five lines of insurance (Fire, Allied Lines, Homeowner's Multiple Peril, Farmowner's Multiple Peril, Commercial Multiple Peril) and is distributed according to the amount of this insurance sold in each city or fire district as long as the fire department has a certificate of existence on file with the State Fire Marshal. This system ensures that the tax on a building is returned to the fire department that is obligated to provide fire protection to that building so the tax on the insurance company helps protect the building they insure. This tax has been in existence in North Dakota since 1887 and I have provided a detailed history in my written testimony along with a chart showing the relationship between the amount of revenue generated by the tax and the amount distributed to fire departments since 1976. The percentage of the tax that is actually returned to the fire departments has been dropping steadily and will go below 50% in the near future. This is an unintended consequence of the explosive growth of our state along with the set dollar amount of \$6.2 million a biennium that was instituted to stabilize the disbursement of the fund but now acts as a cap. House Bill 1145 will remedy this situation by restoring the original funding mechanism which would return the premium tax to the fire service.

The North Dakota Fire Chiefs Association represents fire departments from all across North Dakota, volunteer departments, combination departments along with career departments and one thing we have in common is that we are all struggling to provide the needed public safety services to our communities. The need for our services increases each year with the unprecedented growth of our state, the large increases in rail and commercial traffic of hazardous materials, the well documented

increases in traffic accidents requiring responses from local fire departments and the rapidly increasing need for all emergency services in every corner of our state. At the same time the cost of providing these services increases each year, the rising cost of fuel alone can be an issue in providing services to the public. The cost to outfit one firefighter with protective gear and self contained breathing apparatus can exceed \$10,000. A new pumper truck can cost \$400,000 to \$500,000 and a Ladder Truck can cost \$1,000,000. Along with increased demand for our services and increasing operational costs we are also facing serious recruitment and retention issues throughout the fire service. Volunteers are becoming harder to find and difficult to retain, paid and combination departments are losing firefighters to higher paying oilfield jobs.

House Bill 1145 will restore a funding mechanism that provides needed funding to every department.

The funding will help with training, operational expenses and recruitment and retention of firefighters. It will provide badly needed operational funding that is directly tied to the amount of growth in a city or fire district.

# **History of Insurance Premium Tax and the Distribution to Fire Departments in North Dakota**

The Insurance Premium Tax has been a source of revenue for fire department and fire districts for many years. Though every jurisdiction has a variety of funding options available and the distribution from the premium tax to the departments has historically been a significant component of that funding. The following is a brief history of the tax and distribution to the fire departments in the State of North Dakota.

The Insurance Premium Tax was established in 1887, before North Dakota was a state. Insurance Premiums were taxed at a rate of 2%. The revenue generated from the tax was distributed to city, town or village and passed on to qualified fire companies having at least 15 members and "having management of at least one steam, hand or other fire engine, hook and ladder truck or hose cart." Insurance companies were required to record which fire district provided the fire protection for the insured property. When the premium tax was collected the money was distributed to the fire district where the insurance policies were sold.

For the almost 100 years, few significant changes were made. A couple of notable changes were, in 1949, the amount of the distribution was made into a continuing appropriation based on the amount of tax collected and in 1979, Farmer's Multi-peril was added to the lines dedicated to the fire service.

In 1983, a major change was made to the Century Code. The way the state was doing all insurance premium taxes was challenged by foreign insurance companies. Until this time, foreign companies (out of state) were charge a premium tax and domestic companies (in state) were charged corporate income tax. A law suit by the foreign companies challenged this practice and a judge declared it

unconstitutional. This ruling provided the impetus to overhaul all the laws related to the insurance industry. Title 26 Insurance and portions of Title 6 – Banks and Banking, which were related to insurance, were all repealed. These were replaced Title 26.1- Insurance, which was a rewrite of all the laws related to the insurance industry. 18-04-04.1 was added to reference the new law in 26.1-03-17 which dealt specifically with all Insurance Premium Taxes and 26.1-03-17 references 18-04-04 concerning the portion of the Insurance Premium Tax distributed to the fire departments.

The results from this change were twofold. First, this change added to the fluctuation in funding. The early 1980's brought changes to the insurance industry and economy that impact the amount of premium tax collected. This legislation was another change that impacted the revenue. Second, the change in the law took what had basically been pass-through funding for the fire service and included it with all other Insurance Premium Taxes that were added to the State General Fund. It became much easier to see this funding as coming from the State General Fund.

Because of the fluctuations in the fund, changes were made to stabilize the fund. In 1985, the continuing appropriation was removed and the legislature agreed to stabilize the fund at \$5,200,000 per biennium. In 1989, the payments were set at no more than \$2,600,000 per year instead of \$5,200,000 per biennium. During a couple of these years, the tax distributed actually exceeded the tax collected.

The early 1990s saw the amount of tax revenue steadily increase and in 1993, the fire service asked that the distribution again be connected to the amount of money collected from the premium tax. Due to state budgeting challenges, a compromise was made that returned the continuing appropriation but only at a level of 84% of the premium tax collected. The amount of the distributions at 84% was approximately the level of funding for the previous 10 years, but this change allowed for increases in the future.

The very next year, another change to the insurance industry impacted the Insurance Premium Tax. The Supreme Court of the United States ruled that Federal Crop Insurance could no longer be taxed. This

resulted in 27% decrease in the tax collected in 1995. Because of this, the 1995 legislature again removed the continuing appropriation and returned to the annual legislative appropriation of \$2,600,000 per year, which equaled 101% of the revenue generated by the premium tax.

Since 1995, the only changes made to the law have dealt with funding. Though the amount of tax collected continued to increase over the next decade, the amount of the appropriation remained at \$2,600,000. The result of this practice adversely affected fire service funding in relation to the amount of premium tax collected. In 2001, the North Dakota Firefighter Association (NDFA) pushed through legislation that streamlined its funding. Up until this time, the association was funded by dues from the individual fire departments. This change removed the required dues and used some of the excess in premium tax revenue to fund NDFA in the amount of \$52,000 per year. In 2005, the fire service approached the legislature about increasing the distribution and the appropriation was increased to \$3,100,000 per year. In 2009, NDFA's funding was increased to \$310,000 per year and in 2011 it was increased to \$335,000 per year. Since 1995, the fire service distribution plummeted from 101% to 48% of the premium tax collected.

In summary, for almost 100 years, 100% of the amount of money collected from the Insurance Premium Tax on fire related insurance was distributed to fire departments and fire districts. For much of that time it was a continuing appropriation. When funding became unpredictable in the late 70s and early 80s the legislature stepped in to support the fund to provide the fire service with a reliable funding source. In the mid-90s, the legislature again stepped in to stabilize the fund so departments could have a dependable funding source. Since that time however, a large portion of the premium tax collected has not gone to the fire service. This history demonstrates the Insurance Premium Tax was intended to be collected for distribution to fire departments and fire districts to promote and maintain the fire service in North Dakota.



## Quick Reference Guide

1887 Tax established. Money distributed to city, town or village and passed on to qualified fire companies. Percentage established at 2.25 %

1899 Section added that directs warrant process for city or county auditors. A warrant is basically a bill sent by each jurisdiction to the State Treasurer for the amount of their distribution. (Repealed in 1971.)

1949 The amount of the distribution was made a continuing appropriation based on the amount of tax collected.

1979 Farmer's Multi-peril added.

1983 Premium Tax collection removed from Title 18-Fire and placed in Title 26.1-Insurance.

1985 Hail insurance excluded.

1985 Continuing appropriation removed. Payments not to exceed 5.2 million per biennium.

1989 Payments not to exceed 2.6 million per year. Negotiated between Earl Pomeroy and Monk Gilman.

1993 Payments set at 84% of tax collected. \$2,600,000 limit is removed.

1994 Supreme Court rules crop insurance cannot be taxed. Results in 27% decrease in tax collection in 1995.

1995 Returned to legislative appropriation set at \$2,600,000 annually.

2001 NDFA allotted \$52,000; NDFA dues from departments eliminated.

2005 Appropriation increased to \$3,100,000 annually. NDFA increased to \$60,000 Negotiated by Lois Hartman

2009 NDFA increased to \$310,000

2011 NDFA increased to \$335,000

## Insurance Premium Collections and Distributions 1976 to 2011



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1145

1-16-2013

House Bill 1145

16 January 2013

Mr. Chairman and Committee Members

My name is Jim Moe Fire Chief of the Devils Lake Fire Dept.

I'm here today to testify on behalf of all fire departments in North Dakota. As many of you may already know by speaking with your local fire officials, financing our departments is becoming increasingly difficult.

The ever- increasing costs of equipment and supplies are making it hard to maintain a healthy and trained department.

Today it costs per firefighter approximately \$2000 for personal protective clothing, \$6000 for a Self-Contained Breathing Apparatus (SCBA's), fire hose \$150 per 50' length, nozzle \$475, \$200 boots, \$225

helmets. Training a firefighter to levels I & II costs many hours of volunteer time and department's dollars, only to have them leave the department within a 5 year period due to family commitments and time restraints.

Truck replacement for smaller rural departments is virtually impossible, due to the extreme costs of new equipment. Maintenance costs are on the rise and gas and oil prices continue to remain unstable.

In the last 5 years, several fire departments have disbanded. Churches Ferry and Hamden are just two examples of small-town departments that have had to close due to lack of funding and no membership, leaving other departments to pick up their area. Large majority of fire departments have taxed their communities to the maximum mills, while less than a handful have not taken advantage of their ability to do so.

Other sources of income such as State and Federal grants are getting harder to receive.

Most fire departments have to conduct fund raisers to supplement their income. I'm sure most of you have purchased a ticket to support your local fire departments (pancake feed, gun raffle, spaghetti feed or in our case Ice fishing tourney.) To be a volunteer member of a fire department today requires a huge commitment of time to train 3 to 4 times a month and help your department offset expenses by raising monies doing some sort of fund raiser.

In closing I urge you to support House Bill 1145.

Questions

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1145

4

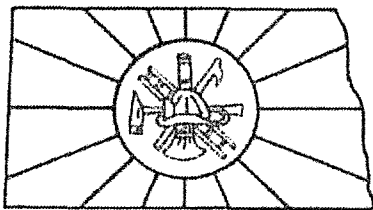
1145

1-16-2013

Page 2, line 21, after "one" insert "-half"

Page 2, line 22, remove "million two hundred fifty thousand dollars"

Page 4, line 7, after "appropriated" insert "from this tax"



# North Dakota Firefighter's Association Annual Training

(5)  
1145  
1-16-2013

Class Title	Number of Students
"Two Fires - Two Separate Outcomes" & "The Command Sequence"	85
ABC's of SCBA's - 4hrs	63
Air Management for Firefighter Survival	16
Assistance to Firefighter Grant Program (AFG)	16
Auto Extrication	513
Auto Extrication - Health Department	70
Automobile Extrication	53
Automobile Extrication Re-Certification	386
Basic Ventilation	43
Beyond Helmets & Hoses, Strategy & Tactics of Leading a Volunteer or Combination Fire/Rescue Organization	17
Building Construction/Fire behavior/Firefighter Safety	65
Car Fire Attack	40
Cars, Buses and Trucks .... Or Grinder Wrecks	103
Class A Structural Burn Building	18
Courage To Be Safe So Everyone Goes Home	426
Crew Resource Management (CRM)	53
Emergency Response to Military Vehciles, Aircraft, and Facilities	28
Essentials of Firefighting: Basic Skills - 8hrs	100
EVOC (FD)	52
EVOC (FD) - Classroom only	2

Class Title	Number of Students
Farm Vehicle Extrication(NFPA 1670)	23
FD Emergency Vehicle Operations Course (EVOC)	78
Fire Department Inspections	20
Fire Ground Communications	31
Fire Operations in the Wildland/Oil & Gas Interface	40
Fire Prevention on a Shoestring	9
Fire Streams and Fire Control	54
Firefighter Myths	130
Firefighter Survival	22
Grain Bin Extrication (attended)	11
Grain Bin Extrication (Completed)	23
Haz Mat Awareness	163
Haz Mat operations - Classroom	19
Haz Mat Operations Level	48
Haz Mat Operations Level Refresher Hands-on	49
Hazardous Materials Operations Level Refresher Hands-on	84
HazMat - Refresher Hands-on Practical	33
HazMat Operations: Train-the-Trainer	29
Hazmat Ops - Basic Metering	15
Highway Response Safety	100
Incident Safety Officer - 4hrs	31
Incident Safety Officer -16 hrs	17
Introduction to Rope Rescue	48



Class Title	Number of Students
Junior Firefighter Program Management	9
Leadership I	12
Leadership II: Strategies for Personal Success	9
Leadership III: Strategies for Supervisory Success	7
Leadership, Accountability, Culture and Knowledge (LACK) Training	78
Live Fire Propane Emergencies	27
LPG Fire Training	23
NFIRS	12
PICO (Preparing for Initial Company Operations)	16
Primary Search; Back to the Basics	48
Primary Search; Intermediate Level	49
Pump Operations & Maintenance	48
Pump Operator/Engineer	30
Railroad Safety for First Responders	25
Rapid Intervention Team (RIT) Trailer	12
Rehabilitation and Medical Monitoring	40
Rescue from Storage Grain Bins (NFPA 1670)	24
Responding to Oilfield Emergencies	60
Responding to Wind Turbine Emergencies	24
RIT (rapid intervention teams)/Live Fire Training	10
RT-130 Annual Fireline Safety Refresher Training	26
Rules of Engagement	42
Rural Tactics and Water Supply	7

<b>Class Title</b>	<b>Number of Students</b>
S130/S190 Introduction to Wildland Fire Behavior and Firefighter Training	17
Safe Motor Grader Fire Suppression	18
Spray Plane Crashes and Extrication/Grain Bin Rescue	44
Stretching and Advancing the Initial Attack Line	33
Structural Burn Simulation Trailer - Advanced	4
Structural Burn Simulation Trailer - Basic	55
Structural Burn Simulation Trailer - Intermediate	45
Ten Fire Ground Mistakes With Tim Zehnder	81
The Doctrine of Combat Fire Engagement & Five Star Command 2012	40
Transportation Community Awareness & Emergency Response (TRANSCAER)	275
Vent-Enter-Search	31
Wide Area Search	27
Wildland Fire Essentials-4	37
Wildland Fire Suppression Tactics	39

**Total number of Classes Presented**      **253**

**Total number of Students reached**      **4610**

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H/B 1145

1-16-2013

Mr. Chairman, Members of the Committee, Good Morning. My name is Robert

Knuth and I am the Training Director of the North Dakota Firefighter's Association.

I've come here this morning to show my support for House Bill 1145. The Fire

Departments in the State of North Dakota have been going through a multitude of

changes during the past two years. The call volume for fire departments across

the state have increased exponentially. The number of Traffic accidents and

Hazardous Materials Incidents has seen the greatest increase by far. I can relate

specific numbers from the Minot Rural Fire Department where I serve as Assistant

Chief. Our responses have increased from 123 in 2010, 177 in 2011, and this past

year, 2012, we responded to 231 calls. The rising fuel cost alone during this

period put a strain on our budget as it did many other departments. Another area

where rising call volume had an economical affect was cost of maintaining

equipment. Many departments across the state are utilizing vehicles and

equipment that have exceeded their life expectancy by several years. The more

incidents they respond to the greater the wear and tear on these items are. As

most of you realize the older the piece of equipment or vehicle is, the greater the

cost to maintain repair or even replace. Any assistance the Fire Departments can

get would be greatly appreciated.

Included within this bill is an increase of funding that is disbursed to the North Dakota Firefighter's Association for uses authorized under Chapter 18-03 of the Century Code. Annually the NDFA holds the State Fire School where up to 1000 firefighter's can receive up to 28 hrs of training in numerous disciplines. The 59<sup>th</sup> Annual State Fire School will be held February 28<sup>th</sup> – March 3<sup>rd</sup> 2013 in Minot. We also hold several smaller fire schools regionally throughout the year to make it easier for our firefighter's to attend. We have handed out our 2012 Annual Training Report which shows the classes we have offered and the number of students trained. In total we held 255 classes and trained over 4600 firefighters in 2012. Historically NDFA offered these classes at a minimal charge to our members and with the assistance of several grants we have now been able to offer these classes at no cost with the exception of one discipline. The funds which this bill addresses would be directly used to fund our most requested training, Vehicle Extrication. Late in 2011 NDFA took over sole control of the Extrication program for the state from the ND Dept of Health when Federal Grant money was no longer available and were unable to continue to manage the program. As the report shows you 1022 firefighters received either their initial or refresher training this past year. Vehicle Extrication is good for two years so this will be a recurring training that is a vital service for our firefighters. Up until this

point fire departments have had to fund this training out of their operational budget. With the additional funding NDFA would receive if this bill were passed, we would be able to offer this training at zero cost to member departments.

With the increasing number of vehicle accidents in the state we need to be able to continue training our firefighters to provide this expected service in a safe and proficient manner.

I want to thank the committee for allowing me to present these facts to you and would be willing to answer any questions you may have. Thank You.

13.0207.04002  
Title.

Prepared by the Legislative Council staff for  
Representative D. Johnson  
January 16, 2013

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1145

⑦  
1-16-2013

Page 1, line 3, after the semicolon insert "to provide an appropriation;"

Page 5, after line 28, insert:

**"SECTION 6. APPROPRIATION - TRANSFER.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$3,500,000, which the office of management and budget shall transfer on July 1, 2013, to the insurance tax distribution fund for the purpose of providing funding in the insurance tax distribution fund for making the September 2013 payments to fire departments for the biennium beginning July 1, 2013, and ending June 30, 2015."

Renumber accordingly

## House Bill: 1145

⑧ 1145  
1-16-2013

Good morning, Chairman Kaiser and members of the Industry, Business and Labor Committee. Thank you for your time this morning and for your continued support of the North Dakota firefighters.

Please let me introduce myself; Renee Loh, Executive Director of the North Dakota Firefighter's Association.

The North Dakota Firefighter's Association realizes the importance of being fiscally responsible. Therefore, please note by the Annual Training Report that NDFA has proactively reached out to the North Dakota firefighters with the types of classes are needed in the infrastructure that makes up the perimeters of the state of North Dakota today. As you have heard from Mr. Knuth, State Training Director; the mission of the North Dakota Firefighter's Association is to promote the safety and welfare of the North Dakota firefighters through uniform and established national training standards.

However, we are here to speak to you today about the risks and dangers that the North Dakota firefighter's faces on a daily basis are greater than ever before. Additional financial resources are needed for funding, training and personnel to increase and maintain, front-line firefighters to protect our great state.

There is not a week that goes by that I don't have the North Dakota fire service personnel calling with concerns about the increasing pressures and demands that the fire departments need to respond to for more technical services such as Big Rig Extrication, structural collapse, trench rescue and hazardous materials response. The firefighters are the first line of defense in emergency scenes and many lack feelings of safety and security because they have not had the funding to obtain proper Personal Protective Equipment, Personal Alert Safety System Devices, Self-Contained Breathing Apparatus, and other necessary equipment needed for fire hazard responses.

Many of the fire departments are running with fire emergency equipment that is well over 30 years old; that is not operating correctly; and they simply do not have the funds to upgrade, however, they are being called out 6 times a day for incidents. These incidents can range from fire hazard incidents to vehicle accidents. And most of the North Dakota fire departments have never had the responses that they have had to complete in the last couple years. However, due to the fact of the state's population growth; many of these areas just get back from a call only to be called out again. We know of several departments that are at a call and get called out to another call. This is when a mutual aid department will also be needed for the response request. Most importantly for you to understand; this is affecting all areas of the state.

It has not been unusual for the NDFA office to receive calls in June from fire chiefs that are concerned about their annual budgets. A typical call can be that a department has just assisted with a grass fire in June, used up over half of their budget for this incident and now they do not know how they will make their budget stretch until the end of the year. We also receive calls about faulty fire equipment that they have overhauled repeatedly. One incident reported was that the engine does not start when they need the equipment, and they were called out to a bus roll-over with many children on board. The fire engine started that day yet they wanted to know who they can reach out to because they are afraid next time they get called out the engine won't start and then what will they do? There may be people that need to be rescued.

North Dakota should be very proud of their firefighters because they have accomplished great things in the state and across the nation! They are here to serve the state; nevertheless, the circumstances are probably the biggest area of concern. Our firefighters don't want to fail to respond to an emergency because they do not have the proper equipment or gear to do the job correctly so that the victims can be rescued.

The North Dakota Firefighter's Association again wants to thank you for your support of the North Dakota firefighters! The Association Members are appreciative and thankful for your service to North Dakota. Please let me know if you have any questions.



① HB 1145  
1-22-2013 pm

January 21, 2013

## INSURANCE PREMIUM TAX REVENUE ALLOCATIONS

This memorandum provides information regarding current and proposed funding allocations from insurance premium tax revenue collections.

\$6.2 million for these payments. The 2013-15 executive budget recommends increasing the amount for payments to fire departments to \$7 million.

### INSURANCE PREMIUM TAX

North Dakota Century Code Section 26.1-03-17 requires the Insurance Commissioner to collect a premium tax on the gross amount of insurance premiums sold within the state at a rate of 2 percent with respect to life insurance policies and 1.75 percent with respect to all other types of policies. Under current law, insurance premium tax collections are allocated to the firefighters death benefit fund, the insurance tax distribution fund, and the general fund.

### FIREFIGHTERS DEATH BENEFIT FUND

The firefighters death benefit fund is a special fund in the state treasury created in the 2007-09 biennium and provided for in Section 18-05.1-02. Money in the fund is appropriated on a continuing basis to the Insurance Commissioner for paying death benefits. The Insurance Commissioner may deposit insurance premium tax collections in the fund if death benefits are paid to maintain the fund balance at \$50,000. A firefighters death benefit has been paid once during the 2009-11 biennium. The fund balance remains at \$50,000.

### INSURANCE TAX DISTRIBUTION FUND

Under current law, insurance premium tax collections are deposited in the insurance tax distribution fund in an amount equal to legislative appropriations from the fund for the biennium. For the 2011-13 biennium, the Legislative Assembly appropriated \$8,120,000 from the fund for insurance tax payments to fire departments, grants to the North Dakota Firefighters Association, and for emergency medical services grants. The 2013-15 executive budget includes \$8,920,000 from the fund for these purposes.

### Payments to Fire Departments

Section 18-04-05 provides the Insurance Commissioner shall allocate one-half of the biennial legislative appropriation for payments to fire departments in September of each year. Each fire department receives its prorated share of the total distribution based on the proportion of total insurance premiums collected relating to property in a particular fire district to the total premiums for the same type of coverage collected in the entire state. The distribution ratio is based on information submitted by insurance companies from the prior tax year. For the 2011-13 biennium, the Legislative Assembly appropriated

### Firefighters Association Grants

Provisions relating to grants to the North Dakota Firefighters Association are included in the appropriation bill for the Insurance Commissioner. For the 2011-13 biennium and in the 2013-15 executive budget, \$670,000 is provided for these grants. In addition to the funding appropriated from the insurance tax distribution fund for these grants, \$170,000 is provided from the fire and tornado fund for North Dakota Firefighters Association grants. This funding is also included in the Insurance Commissioner's appropriation bill.

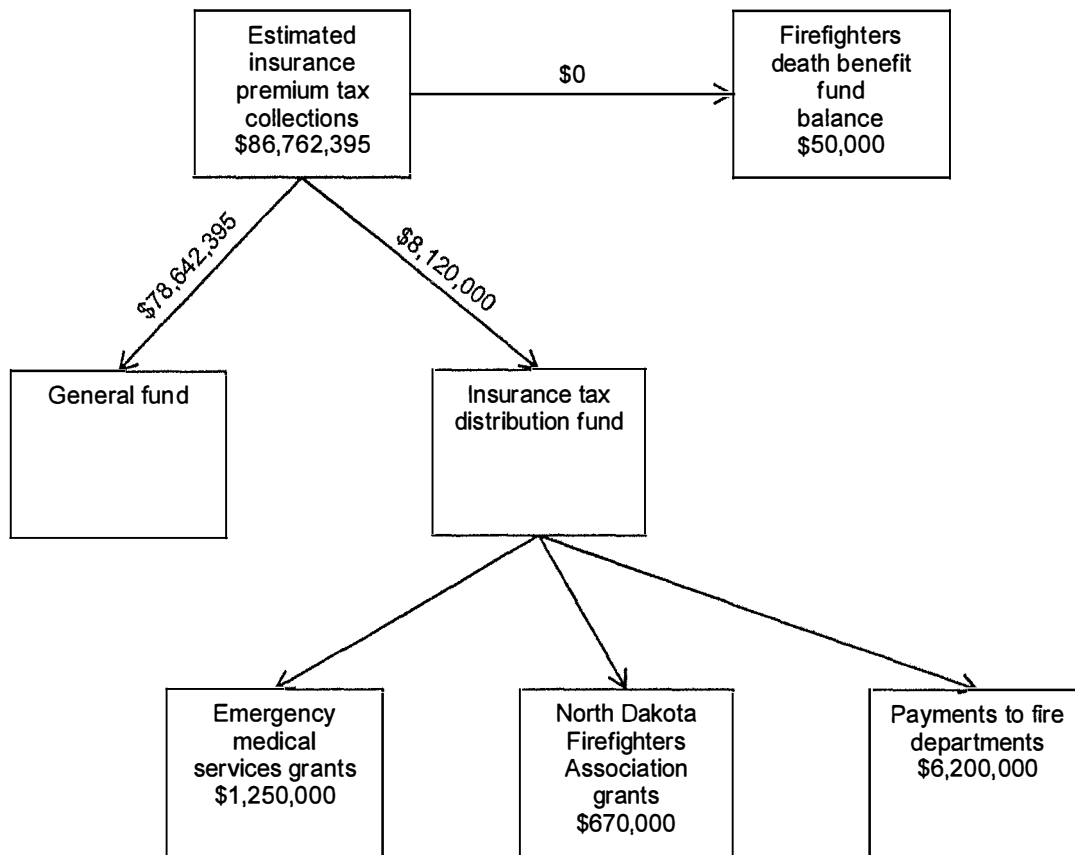
### Emergency Medical Services Grants

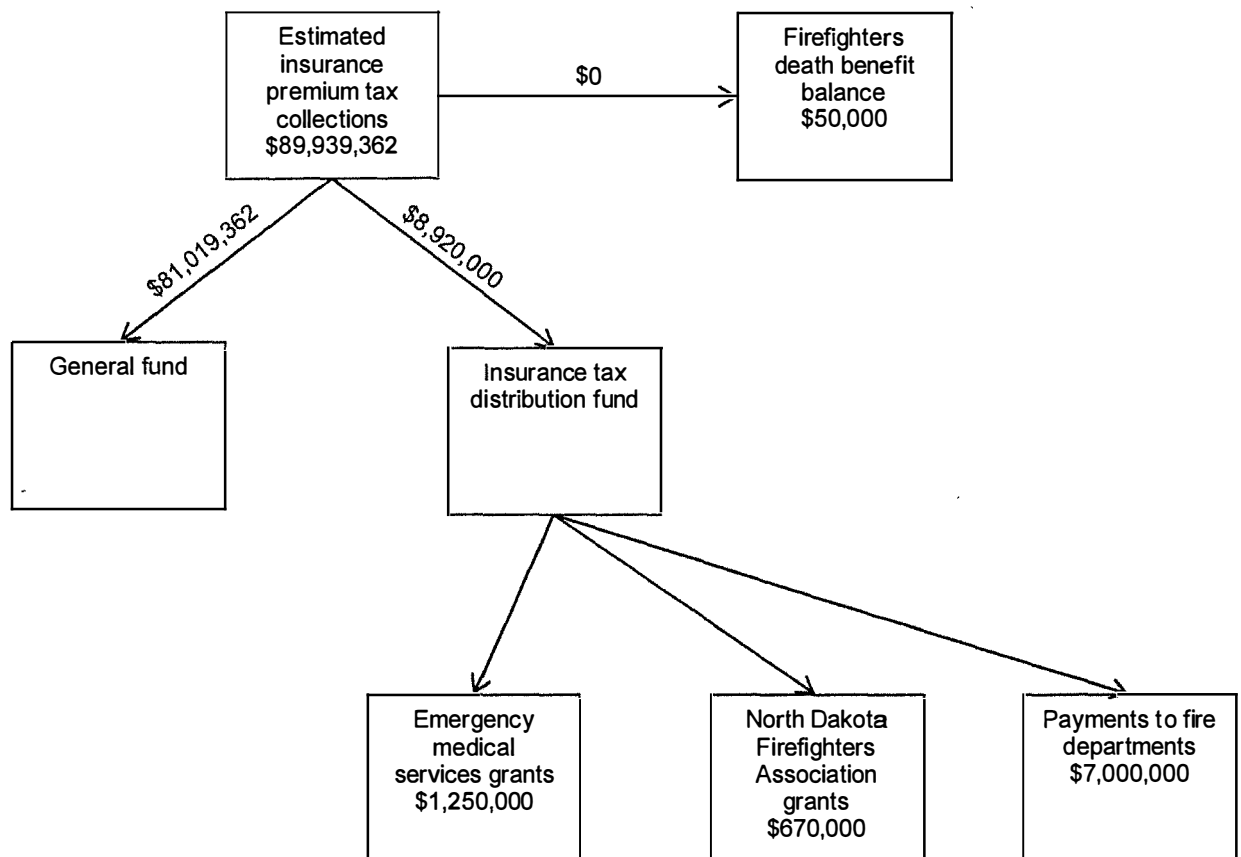
Provisions relating to grants to emergency medical services providers are included in Chapter 23-46. Funding for these grants is included in the State Department of Health budget and is from the insurance tax distribution fund and the general fund. For the 2011-13 biennium and in the 2013-15 executive budget, \$1,250,000 from the insurance tax distribution fund is provided for these grants. For the 2011-13 biennium, funding from the general fund for these grants totaled \$3,940,000, and the 2013-15 executive budget includes \$6,090,000 from the general fund for these grants.

### HOUSE BILL NO. 1145

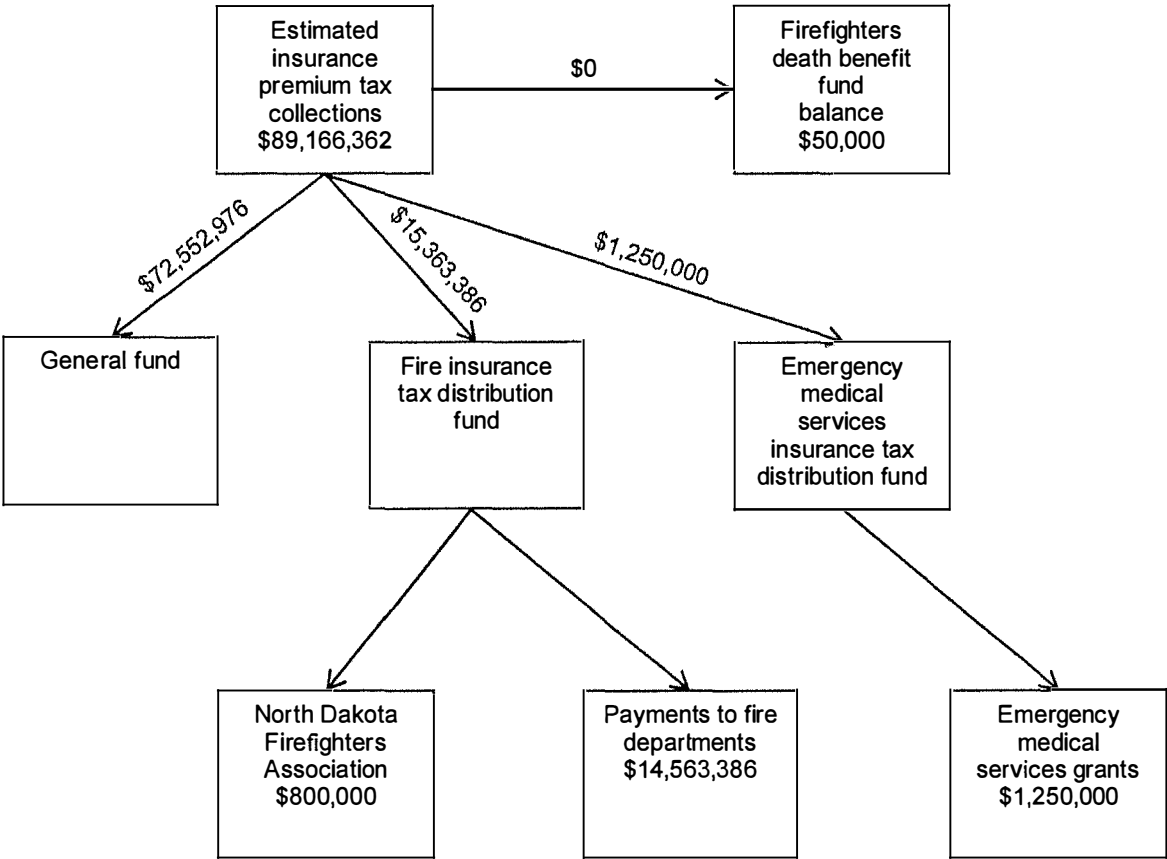
Provisions of House Bill No. 1145 replace the insurance tax distribution fund with a new fire insurance tax distribution fund and a new emergency medical services insurance tax distribution fund. The bill provides payments to fire departments and grants to the North Dakota Firefighters Association be provided pursuant to a continuing appropriation rather than specific legislative appropriations each biennium. The bill provides all insurance premium tax collections from the specific lines of insurance upon which the insurance tax payments to fire departments are based be deposited in the fire insurance tax distribution fund to provide for the payments. This change results in additional funding being available for payments to fire departments and a reduction in the amount estimated to be deposited in the general fund.

The following flowcharts present the allocation of insurance premium tax collections for the 2011-13 biennium and for the 2013-15 biennium based on the executive recommendation and as changed by House Bill No. 1145:

**2011-13 BIENNIUM**

**2013-15 EXECUTIVE BUDGET**

HOUSE BILL NO. 1145 - 2013-15 BIENNIUM



**North Dakota Insurance Department**  
**Fire Districts**  
**Premium Tax Collection and Grant Payment History**

② HB1145  
 1-22-2013 pm

\* The amount to be distributed will be 1/2 of the available fund balance. With quarterly deposits in May & August, the amount available will be more than the 5 lines collected.

	With Proposed Law		2011 Five Lines		2010 Five Lines		2009 Five Lines	
	2011 Grant Paid in	2011 Grant	of Premium Tax	2010 Grant	of Premium Tax	2009 Grant	of Premium Tax	
Row Labels	2012 *	Paid in 2012	Collected	Paid in 2011	Collected	Paid in 2010	Collected	
ABERCROMBIE F/P DIST	\$ 7,061	\$ 4,001	\$ 8,960	\$ 4,067	\$ 8,540	\$ 3,854	\$ 7,638	
ADAMS F/P DISTRICT	\$ 7,093	\$ 4,019	\$ 9,001	\$ 4,754	\$ 9,983	\$ 4,052	\$ 8,031	
ALAMO F/P DISTRICT	\$ 8,260	\$ 4,680	\$ 10,482	\$ 5,279	\$ 11,085	\$ 5,379	\$ 10,661	
ALEXANDER F/P DISTRICT	\$ 9,652	\$ 5,469	\$ 12,248	\$ 5,798	\$ 12,175	\$ 4,955	\$ 9,821	
ALICE F/P DISTRICT	\$ 3,769	\$ 2,135	\$ 4,783	\$ 2,793	\$ 5,865	\$ 2,991	\$ 5,929	
ALMONT F/P DISTRICT	\$ 2,220	\$ 1,258	\$ 2,817	\$ 1,138	\$ 2,390	\$ 1,283	\$ 2,542	
AMBROSE FIRE DEPT	\$ 598	\$ 339	\$ 759	\$ 302	\$ 634	\$ 299	\$ 593	
AMIDON F/P DISTRICT	\$ 3,158	\$ 1,789	\$ 4,007	\$ 1,682	\$ 3,533	\$ 2,370	\$ 4,698	
ANAMOOSE F/P DISTRICT	\$ 7,832	\$ 4,438	\$ 9,939	\$ 4,207	\$ 8,834	\$ 3,865	\$ 7,660	
ANETA F/P DISTRICT	\$ 6,839	\$ 3,875	\$ 8,678	\$ 4,343	\$ 9,120	\$ 4,451	\$ 8,822	
ANTLER F/P DISTRICT	\$ 3,209	\$ 1,818	\$ 4,072	\$ 1,704	\$ 3,579	\$ 2,520	\$ 4,995	
ANTLER FIRE DEPT	\$ 2,953	\$ 1,673	\$ 3,747	\$ 1,497	\$ 3,144	\$ 1,365	\$ 2,705	
ARGUSVILLE F/P DIST	\$ 5,994	\$ 3,396	\$ 7,606	\$ 3,320	\$ 6,972	\$ 4,059	\$ 8,046	
ARNEGARD F/P DISTRICT	\$ 3,537	\$ 2,004	\$ 4,488	\$ 2,169	\$ 4,554	\$ 2,084	\$ 4,130	
ARTHUR F/P DISTRICT	\$ 9,788	\$ 5,545	\$ 12,420	\$ 6,354	\$ 13,344	\$ 5,827	\$ 11,549	
ASHLEY FIRE DEPT	\$ 15,494	\$ 8,778	\$ 19,661	\$ 2,602	\$ 5,464	\$ 2,697	\$ 5,345	
ASHLEY RURAL FIRE DEPT	\$ 5,752	\$ 3,259	\$ 7,298	\$ 2,854	\$ 5,993	\$ 3,208	\$ 6,358	
BARNEY F/P DISTRICT	\$ 10,422	\$ 5,905	\$ 13,225	\$ 5,423	\$ 11,389	\$ 5,615	\$ 11,129	
BATHGATE FIRE DEPT	\$ 739	\$ 419	\$ 938	\$ 653	\$ 1,372	\$ 664	\$ 1,316	
BEACH FIRE DEPT	\$ 6,592	\$ 3,735	\$ 8,364	\$ 4,162	\$ 8,740	\$ 4,194	\$ 8,313	
BELCOURT RURAL FIRE DEPT	\$ 8,614	\$ 4,881	\$ 10,931	\$ 4,647	\$ 9,759	\$ 5,479	\$ 10,859	
BELFIELD FIRE DEPT	\$ 5,719	\$ 3,240	\$ 7,257	\$ 3,072	\$ 6,452	\$ 2,964	\$ 5,875	
BERTHOLD F/P DISTRICT	\$ 13,936	\$ 7,896	\$ 17,684	\$ 7,206	\$ 15,132	\$ 6,876	\$ 13,629	
BEULAH F/P DISTRICT	\$ 58,586	\$ 33,193	\$ 74,342	\$ 50,680	\$ 106,427	\$ 20,048	\$ 39,733	
BILLINGS COUNTY F/P DIST	\$ 12,310	\$ 6,975	\$ 15,621	\$ 6,831	\$ 14,344	\$ 4,959	\$ 9,829	
BINFORD F/P DISTRICT	\$ 5,760	\$ 3,263	\$ 7,309	\$ 2,932	\$ 6,157	\$ 3,381	\$ 6,701	
BISBEE F/P DISTRICT	\$ 5,651	\$ 3,202	\$ 7,171	\$ 2,567	\$ 5,390	\$ 3,292	\$ 6,524	
BISMARCK F/P DISTRICT	\$ 100,681	\$ 57,043	\$ 127,758	\$ 48,716	\$ 102,301	\$ 49,587	\$ 98,279	
BISMARCK FIRE DEPT	\$ 394,359	\$ 223,431	\$ 500,419	\$ 221,412	\$ 464,957	\$ 215,772	\$ 427,650	
BOTTINEAU F/P DISTRICT	\$ 21,392	\$ 12,120	\$ 27,145	\$ 11,592	\$ 24,344	\$ 12,110	\$ 24,002	
BOTTINEAU FIRE DEPT	\$ 16,785	\$ 9,510	\$ 21,299	\$ 9,894	\$ 20,777	\$ 9,444	\$ 18,717	

**North Dakota Insurance Department**  
**Fire Districts**  
**Premium Tax Collection and Grant Payment History**

\* The amount to be distributed will be 1/2 of the available fund balance. With quarterly deposits in May & August, the amount available will be more than the 5 lines collected.

	With Proposed Law		2011 Five Lines		2010 Five Lines		2009 Five Lines	
	2011 Grant Paid in	2011 Grant	of Premium Tax	2010 Grant	of Premium Tax	2009 Grant	of Premium Tax	
Row Labels	2012 *	Paid in 2012	Collected	Paid in 2011	Collected	Paid in 2010	Collected	
BOWBELLS F/P DISTRICT	\$ 5,659	\$ 3,206	\$ 7,181	\$ 3,866	\$ 8,118	\$ 3,718	\$ 7,368	
BOWDON FIRE DEPT	\$ 4,510	\$ 2,555	\$ 5,723	\$ 1,876	\$ 3,940	\$ 888	\$ 1,759	
BOWDON RURAL FIRE DEPT	\$ 9,216	\$ 5,222	\$ 11,695	\$ 5,347	\$ 11,228	\$ 5,599	\$ 11,097	
BOWMAN FIRE DEPT	\$ 14,035	\$ 7,952	\$ 17,810	\$ 7,182	\$ 15,083	\$ 8,240	\$ 16,331	
BOWMAN RURAL FIRE DEPT	\$ 10,988	\$ 6,226	\$ 13,944	\$ 4,951	\$ 10,397	\$ 4,663	\$ 9,242	
BRADDOCK F/P DISTRICT	\$ 3,766	\$ 2,134	\$ 4,779	\$ 1,722	\$ 3,617	\$ 1,655	\$ 3,281	
BROCKET-LAWTON F/P DIST	\$ 6,148	\$ 3,483	\$ 7,802	\$ 3,098	\$ 6,507	\$ 4,315	\$ 8,552	
BUFFALO F/P DISTRICT	\$ 14,776	\$ 8,371	\$ 18,750	\$ 8,628	\$ 18,118	\$ 9,140	\$ 18,115	
BURLINGTON FIRE DEPT	\$ 7,147	\$ 4,049	\$ 9,069	\$ 3,165	\$ 6,646	\$ 3,194	\$ 6,330	
BURLINGTON RURAL FIRE DP	\$ 5,135	\$ 2,910	\$ 6,517	\$ 2,708	\$ 5,687	\$ 2,905	\$ 5,757	
BUTTE F/P DISTRICT	\$ 4,838	\$ 2,741	\$ 6,139	\$ 3,060	\$ 6,426	\$ 3,081	\$ 6,107	
BUXTON F/P DISTRICT	\$ 17,256	\$ 9,777	\$ 21,897	\$ 9,161	\$ 19,238	\$ 9,822	\$ 19,467	
CALVIN F/P DISTRICT	\$ 4,462	\$ 2,528	\$ 5,662	\$ 3,755	\$ 7,885	\$ 3,015	\$ 5,976	
CANDO F/P DISTRICT	\$ 8,187	\$ 4,638	\$ 10,388	\$ 4,264	\$ 8,954	\$ 5,770	\$ 11,437	
CANDO FIRE DEPT	\$ 8,338	\$ 4,724	\$ 10,581	\$ 5,160	\$ 10,835	\$ 4,533	\$ 8,985	
CARPIO F/P DISTRICT	\$ 6,850	\$ 3,881	\$ 8,693	\$ 5,382	\$ 11,302	\$ 5,824	\$ 11,543	
CARRINGTON FIRE DEPT	\$ 15,127	\$ 8,570	\$ 19,195	\$ 8,759	\$ 18,393	\$ 7,700	\$ 15,260	
CARRINGTON RURAL FIRE DP	\$ 20,081	\$ 11,377	\$ 25,482	\$ 9,063	\$ 19,032	\$ 10,078	\$ 19,975	
CARSON F/P DISTRICT	\$ 7,587	\$ 4,298	\$ 9,627	\$ 3,694	\$ 7,758	\$ 4,050	\$ 8,028	
CASSELTON FIRE DEPT	\$ 14,038	\$ 7,953	\$ 17,813	\$ 9,823	\$ 20,628	\$ 8,169	\$ 16,191	
CASSELTON RURAL FIRE DP	\$ 34,927	\$ 19,789	\$ 44,321	\$ 20,691	\$ 43,451	\$ 19,846	\$ 39,334	
CATHAY F/P DISTRICT	\$ 4,829	\$ 2,736	\$ 6,128	\$ 2,020	\$ 4,241	\$ 2,142	\$ 4,245	
CAVALIER FIRE DEPT	\$ 13,496	\$ 7,646	\$ 17,126	\$ 7,678	\$ 16,123	\$ 7,665	\$ 15,192	
CAVALIER RURAL FIRE DEPT	\$ 16,904	\$ 9,577	\$ 21,451	\$ 8,987	\$ 18,872	\$ 10,148	\$ 20,112	
CEDAR VALLEY F/P DIST	\$ 2,170	\$ 1,229	\$ 2,753	\$ 878	\$ 1,844	\$ 930	\$ 1,844	
CENTRAL-BEACH F/P DIST	\$ 2,824	\$ 1,600	\$ 3,584	\$ 1,608	\$ 3,376	\$ 1,918	\$ 3,802	
CHRISTINE F/P DISTRICT	\$ 6,430	\$ 3,643	\$ 8,159	\$ 3,551	\$ 7,456	\$ 3,472	\$ 6,881	
CHURCHES FERRY F/P DIST	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
CLEVELAND F/P DISTRICT	\$ 13,632	\$ 7,723	\$ 17,298	\$ 7,994	\$ 16,787	\$ 8,476	\$ 16,800	
CLIFFORD F/P DISTRICT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
COGSWELL F/P DISTRICT	\$ 10,635	\$ 6,026	\$ 13,496	\$ 6,446	\$ 13,537	\$ 6,758	\$ 13,393	
COLUMBUS FIRE DEPT	\$ 1,097	\$ 621	\$ 1,392	\$ 458	\$ 962	\$ 472	\$ 936	



# North Dakota Insurance Department

## Fire Districts

### Premium Tax Collection and Grant Payment History

\* The amount to be distributed will be 1/2 of the available fund balance. With quarterly deposits in May & August, the amount available will be more than the 5 lines collected.

	With Proposed Law		2011 Five Lines		2010 Five Lines		2009 Five Lines	
	2011 Grant Paid in	2011 Grant	of Premium Tax	2010 Grant	of Premium Tax	2009 Grant	of Premium Tax	
Row Labels	2012 *	Paid in 2012	Collected	Paid in 2011	Collected	Paid in 2010	Collected	
COLUMBUS RURAL FIRE DEPT	\$ 2,414	\$ 1,368	\$ 3,063	\$ 1,514	\$ 3,180	\$ 1,557	\$ 3,085	
COOPERSTOWN FIRE DEPT	\$ 7,552	\$ 4,279	\$ 9,583	\$ 5,406	\$ 11,352	\$ 4,192	\$ 8,309	
COOPERSTOWN RURAL FIRE	\$ 9,086	\$ 5,148	\$ 11,529	\$ 4,667	\$ 9,801	\$ 5,706	\$ 11,308	
COURTENAY F/P DISTRICT	\$ 6,184	\$ 3,504	\$ 7,847	\$ 3,293	\$ 6,916	\$ 2,671	\$ 5,293	
CROSBY FIRE DEPT	\$ 7,469	\$ 4,232	\$ 9,478	\$ 6,785	\$ 14,248	\$ 3,499	\$ 6,934	
CROSBY RURAL FIRE DEPT	\$ 3,676	\$ 2,083	\$ 4,664	\$ 2,918	\$ 6,128	\$ 2,879	\$ 5,706	
CRYSTAL F/P DISTRICT	\$ 5,192	\$ 2,942	\$ 6,588	\$ 2,924	\$ 6,140	\$ 2,834	\$ 5,617	
DAHLEN F/P DISTRICT	\$ 2,506	\$ 1,420	\$ 3,180	\$ 1,327	\$ 2,786	\$ 1,567	\$ 3,106	
DAVENPORT F/P DISTRICT	\$ 6,274	\$ 3,555	\$ 7,961	\$ 3,687	\$ 7,742	\$ 4,072	\$ 8,071	
DAWSON F/P DISTRICT	\$ 4,383	\$ 2,483	\$ 5,562	\$ 2,324	\$ 4,881	\$ 2,324	\$ 4,606	
DAZEY F/P DISTRICT	\$ 3,912	\$ 2,216	\$ 4,964	\$ 1,971	\$ 4,139	\$ 1,994	\$ 3,953	
DAZEY FIRE DEPT	\$ 1,722	\$ 976	\$ 2,185	\$ 1,224	\$ 2,570	\$ 913	\$ 1,809	
DEERING F/P DISTRICT	\$ 3,207	\$ 1,817	\$ 4,069	\$ 2,326	\$ 4,884	\$ 2,517	\$ 4,989	
DES LACS F/P DISTRICT	\$ 5,341	\$ 3,026	\$ 6,777	\$ 2,592	\$ 5,442	\$ 2,789	\$ 5,527	
DEVILS LAKE FIRE DEPT	\$ 39,807	\$ 22,553	\$ 50,513	\$ 22,617	\$ 47,495	\$ 24,342	\$ 48,245	
DEVILS LAKE RURAL FIRE	\$ 32,818	\$ 18,594	\$ 41,644	\$ 17,230	\$ 36,183	\$ 15,419	\$ 30,559	
DICKINSON F/P DISTRICT	\$ 38,871	\$ 22,023	\$ 49,326	\$ 21,603	\$ 45,365	\$ 20,432	\$ 40,495	
DICKINSON FIRE DEPT	\$ 119,618	\$ 67,772	\$ 151,788	\$ 64,568	\$ 135,591	\$ 60,667	\$ 120,239	
DONNYBROOK F/P DISTRICT	\$ 4,586	\$ 2,598	\$ 5,819	\$ 3,991	\$ 8,381	\$ 3,833	\$ 7,598	
DOUGLAS F/P DISTRICT	\$ 2,460	\$ 1,394	\$ 3,121	\$ 1,320	\$ 2,771	\$ 1,368	\$ 2,712	
DRAKE F/P DISTRICT	\$ 6,407	\$ 3,630	\$ 8,130	\$ 3,599	\$ 7,557	\$ 3,563	\$ 7,062	
DRAKE FIRE DEPT	\$ 1,239	\$ 702	\$ 1,572	\$ 805	\$ 1,691	\$ 794	\$ 1,573	
DRAYTON FIRE DEPT	\$ 4,630	\$ 2,623	\$ 5,876	\$ 2,719	\$ 5,709	\$ 3,718	\$ 7,368	
DRAYTON RURAL FIRE DEPT	\$ 8,415	\$ 4,768	\$ 10,679	\$ 5,190	\$ 10,898	\$ 3,500	\$ 6,937	
DUNSEITH F/P DISTRICT	\$ 5,127	\$ 2,905	\$ 6,506	\$ 2,686	\$ 5,641	\$ 2,742	\$ 5,434	
DUNSEITH FIRE DEPT	\$ 2,081	\$ 1,179	\$ 2,640	\$ 1,316	\$ 2,763	\$ 1,519	\$ 3,011	
DWIGHT F/P DISTRICT	\$ 12,137	\$ 6,876	\$ 15,401	\$ 5,916	\$ 12,424	\$ 4,016	\$ 7,960	
EAST ADAMS F/P DISTRICT	\$ 4,091	\$ 2,318	\$ 5,191	\$ 2,130	\$ 4,473	\$ 1,991	\$ 3,946	
EDGELEY FIRE DEPT	\$ 7,231	\$ 4,097	\$ 9,175	\$ 4,699	\$ 9,869	\$ 4,072	\$ 8,071	
EDGELEY RURAL FIRE DEPT	\$ 21,696	\$ 12,292	\$ 27,531	\$ 10,934	\$ 22,961	\$ 14,249	\$ 28,240	
EDINBURG F/P DISTRICT	\$ 6,412	\$ 3,633	\$ 8,137	\$ 4,606	\$ 9,672	\$ 3,336	\$ 6,613	
EDMORE FIRE DEPT	\$ 1,942	\$ 1,100	\$ 2,464	\$ 1,100	\$ 2,309	\$ 1,032	\$ 2,046	

# North Dakota Insurance Department

## Fire Districts

### Premium Tax Collection and Grant Payment History

\* The amount to be distributed will be 1/2 of the available fund balance. With quarterly deposits in May & August, the amount available will be more than the 5 lines collected.

	With Proposed Law		2011 Five Lines		2010 Five Lines		2009 Five Lines	
	2011 Grant Paid in	2011 Grant	of Premium Tax	2010 Grant	of Premium Tax	2009 Grant	of Premium Tax	
Row Labels	2012 *	Paid in 2012	Collected	Paid in 2011	Collected	Paid in 2010	Collected	
EDMORE RURAL FIRE DEPT	\$ 7,423	\$ 4,205	\$ 9,419	\$ 4,120	\$ 8,651	\$ 3,764	\$ 7,459	
EDNA F/P DISTRICT	\$ 944	\$ 535	\$ 1,197	\$ 728	\$ 1,529	\$ 589	\$ 1,167	
EGELAND F/P DISTRICT	\$ 3,692	\$ 2,092	\$ 4,685	\$ 1,881	\$ 3,949	\$ 1,997	\$ 3,958	
ELGIN F/P DISTRICT	\$ 13,101	\$ 7,422	\$ 16,624	\$ 7,592	\$ 15,942	\$ 6,465	\$ 12,813	
ELLEDALE F/P DISTRICT	\$ 23,947	\$ 13,567	\$ 30,387	\$ 12,315	\$ 25,862	\$ 13,889	\$ 27,527	
EMERADO FIRE DEPT	\$ 4,008	\$ 2,271	\$ 5,085	\$ 2,554	\$ 5,363	\$ 2,792	\$ 5,533	
EMERADO RURAL FIRE DEPT	\$ 3,876	\$ 2,196	\$ 4,918	\$ 2,119	\$ 4,450	\$ 2,371	\$ 4,698	
ENDERLIN F/P DISTRICT	\$ 24,769	\$ 14,033	\$ 31,431	\$ 14,308	\$ 30,046	\$ 12,982	\$ 25,729	
EPPING F/P DISTRICT	\$ 7,791	\$ 4,414	\$ 9,886	\$ 4,390	\$ 9,219	\$ 4,445	\$ 8,809	
ERIE RURAL FIRE DEPT	\$ 3,199	\$ 1,812	\$ 4,059	\$ 2,296	\$ 4,822	\$ 2,103	\$ 4,169	
ESMOND F/P DISTRICT	\$ 11,611	\$ 6,578	\$ 14,734	\$ 6,283	\$ 13,194	\$ 4,932	\$ 9,775	
FAIRDALE F/P DISTRICT	\$ 3,480	\$ 1,971	\$ 4,416	\$ 2,338	\$ 4,909	\$ 2,206	\$ 4,373	
FAIRMOUNT F/P DISTRICT	\$ 15,024	\$ 8,512	\$ 19,064	\$ 7,824	\$ 16,429	\$ 9,357	\$ 18,546	
FARGO FIRE DEPT	\$ 521,158	\$ 295,272	\$ 661,320	\$ 308,024	\$ 646,840	\$ 315,304	\$ 624,918	
FERRY TOWNSHIP F/P DIST	\$ 11,687	\$ 6,621	\$ 14,830	\$ 7,428	\$ 15,599	\$ 7,748	\$ 15,355	
FESSENDEN F/P DISTRICT	\$ 16,827	\$ 9,534	\$ 21,353	\$ 7,935	\$ 16,664	\$ 7,615	\$ 15,093	
FINGAL F/P DISTRICT	\$ 2,896	\$ 1,641	\$ 3,675	\$ 2,060	\$ 4,326	\$ 2,217	\$ 4,393	
FINLEY F/P DISTRICT	\$ 16,069	\$ 9,104	\$ 20,391	\$ 8,993	\$ 18,886	\$ 9,409	\$ 18,648	
FLASHER F/P DISTRICT	\$ 10,918	\$ 6,186	\$ 13,855	\$ 5,731	\$ 12,035	\$ 5,956	\$ 11,804	
FLAXTON F/P DISTRICT	\$ 1,376	\$ 780	\$ 1,746	\$ 1,094	\$ 2,298	\$ 823	\$ 1,631	
FORBES F/P DISTRICT	\$ 2,477	\$ 1,404	\$ 3,144	\$ 1,465	\$ 3,077	\$ 1,592	\$ 3,156	
FORDVILLE F/P DISTRICT	\$ 6,844	\$ 3,877	\$ 8,684	\$ 4,017	\$ 8,436	\$ 4,065	\$ 8,056	
FOREST RIVER FIRE DEPT	\$ 2,841	\$ 1,609	\$ 3,605	\$ 1,257	\$ 2,639	\$ 1,331	\$ 2,638	
FORMAN F/P DISTRICT	\$ 14,360	\$ 8,136	\$ 18,222	\$ 6,804	\$ 14,289	\$ 7,808	\$ 15,476	
FORT RANSOM F/P DISTRICT	\$ 4,594	\$ 2,603	\$ 5,830	\$ 2,774	\$ 5,824	\$ 2,937	\$ 5,820	
FORT YATES F/P DISTRICT	\$ 3,086	\$ 1,748	\$ 3,916	\$ 2,083	\$ 4,374	\$ 1,969	\$ 3,903	
FORTUNA F/P DISTRICT	\$ 3,282	\$ 1,859	\$ 4,164	\$ 2,312	\$ 4,855	\$ 1,889	\$ 3,745	
FREDONIA F/P DISTRICT	\$ 3,048	\$ 1,727	\$ 3,867	\$ 1,391	\$ 2,921	\$ 1,511	\$ 2,995	
FULLERTON F/P DISTRICT	\$ 10,185	\$ 5,771	\$ 12,924	\$ 4,875	\$ 10,238	\$ 4,432	\$ 8,785	
GACKLE FIRE DEPT	\$ -	\$ -	\$ -		\$ -		\$ -	
GACKLE RURAL FIRE DEPT	\$ 7,209	\$ 4,084	\$ 9,148	\$ 3,994	\$ 8,387	\$ 4,164	\$ 8,254	
GALESBURG F/P DISTRICT	\$ 6,407	\$ 3,630	\$ 8,130	\$ 3,769	\$ 7,916	\$ 4,605	\$ 9,127	



# North Dakota Insurance Department

## Fire Districts

### Premium Tax Collection and Grant Payment History

\* The amount to be distributed will be 1/2 of the available fund balance. With quarterly deposits in May & August, the amount available will be more than the 5 lines collected.

	With Proposed Law		2011 Five Lines		2010 Five Lines		2009 Five Lines	
	2011 Grant Paid in	2011 Grant	of Premium Tax	2010 Grant	of Premium Tax	2009 Grant	of Premium Tax	
Row Labels	2012 *	Paid in 2012	Collected	Paid in 2011	Collected	Paid in 2010	Collected	
GARRISON F/P DISTRICT	\$ 17,917	\$ 10,151	\$ 22,735	\$ 10,367	\$ 21,770	\$ 10,371	\$ 20,556	
GARRISON FIRE DEPT	\$ 9,586	\$ 5,431	\$ 12,164	\$ 5,713	\$ 11,998	\$ 5,571	\$ 11,041	
GILBY F/P DISTRICT	\$ 11,367	\$ 6,440	\$ 14,424	\$ 6,077	\$ 12,762	\$ 6,894	\$ 13,665	
GLADSTONE F/P DISTRICT	\$ 5,597	\$ 3,171	\$ 7,102	\$ 3,311	\$ 6,953	\$ 3,029	\$ 6,003	
GLEN ULLIN F/P DISTRICT	\$ 15,320	\$ 8,680	\$ 19,440	\$ 8,251	\$ 17,326	\$ 9,097	\$ 18,030	
GLENBURN F/P DISTRICT	\$ 9,075	\$ 5,141	\$ 11,515	\$ 6,780	\$ 14,237	\$ 7,151	\$ 14,173	
GLENFIELD F/P DISTRICT	\$ 10,605	\$ 6,009	\$ 13,457	\$ 5,228	\$ 10,979	\$ 5,489	\$ 10,880	
GOLDEN VALLEY F/P DIST	\$ 2,906	\$ 1,647	\$ 3,688	\$ 1,471	\$ 3,088	\$ 1,534	\$ 3,041	
GOLVA F/P DISTRICT	\$ 2,798	\$ 1,585	\$ 3,550	\$ 1,499	\$ 3,147	\$ 1,725	\$ 3,420	
GOODRICH F/P DISTRICT	\$ 8,012	\$ 4,539	\$ 10,166	\$ 2,908	\$ 6,107	\$ 4,255	\$ 8,434	
GOODRICH FIRE DEPT	\$ -	\$ -	\$ -	\$ 1,074	\$ 2,255	\$ 709	\$ 1,406	
GRAFTON F/P DISTRICT	\$ 23,351	\$ 13,230	\$ 29,631	\$ 13,311	\$ 27,953	\$ 18,425	\$ 36,518	
GRAFTON FIRE DEPT	\$ 20,328	\$ 11,517	\$ 25,795	\$ 12,299	\$ 25,828	\$ 11,715	\$ 23,219	
GRAND FORKS FIRE DEPT	\$ 249,993	\$ 141,638	\$ 317,227	\$ 143,795	\$ 301,963	\$ 142,000	\$ 281,437	
GRANDIN F/P DISTRICT	\$ 16,051	\$ 9,094	\$ 20,368	\$ 10,667	\$ 22,399	\$ 9,564	\$ 18,956	
GRANVILLE F/P DISTRICT	\$ 7,271	\$ 4,119	\$ 9,226	\$ 3,612	\$ 7,586	\$ 3,550	\$ 7,035	
GRASSY BUTTE F/P DIST	\$ 2,124	\$ 1,203	\$ 2,695	\$ 1,015	\$ 2,132	\$ 913	\$ 1,810	
GREAT BEND F/P DISTRICT	\$ 5,174	\$ 2,931	\$ 6,565	\$ 3,154	\$ 6,623	\$ 3,067	\$ 6,078	
GRENORA F/P DISTRICT	\$ 9,596	\$ 5,437	\$ 12,176	\$ 7,515	\$ 15,780	\$ 6,075	\$ 12,040	
GWINNER F/P DISTRICT	\$ 15,791	\$ 8,947	\$ 20,038	\$ 8,434	\$ 17,711	\$ 10,387	\$ 20,586	
HAGUE F/P DISTRICT	\$ 3,361	\$ 1,904	\$ 4,265	\$ 1,602	\$ 3,365	\$ 1,727	\$ 3,422	
HALLIDAY F/P DISTRICT	\$ 9,003	\$ 5,101	\$ 11,425	\$ 4,563	\$ 9,583	\$ 4,681	\$ 9,277	
HAMPDEN F/P DISTRICT	\$ 2,245	\$ 1,272	\$ 2,848	\$ 1,368	\$ 2,873	\$ 1,746	\$ 3,461	
HANKINSON F/P DISTRICT	\$ 14,594	\$ 8,268	\$ 18,518	\$ 9,533	\$ 20,018	\$ 11,160	\$ 22,118	
HANNAFORD RURAL FIRE DP	\$ 7,422	\$ 4,205	\$ 9,419	\$ 4,334	\$ 9,102	\$ 4,173	\$ 8,271	
HANNAH F/P DISTRICT	\$ 4,752	\$ 2,693	\$ 6,031	\$ 3,020	\$ 6,341	\$ 3,040	\$ 6,026	
HARVEY F/P DISTRICT	\$ 17,841	\$ 10,108	\$ 22,639	\$ 8,732	\$ 18,336	\$ 9,145	\$ 18,126	
HARVEY FIRE DEPT	\$ 11,493	\$ 6,511	\$ 14,584	\$ 7,619	\$ 16,000	\$ 6,943	\$ 13,762	
HARWOOD F/P & RESCUE	\$ 7,510	\$ 4,255	\$ 9,530	\$ 4,412	\$ 9,264	\$ 4,431	\$ 8,782	
HASTINGS FIRE DEPT	\$ 203	\$ 115	\$ 258	\$ 25	\$ 53	\$ 57	\$ 114	
HATTON FIRE DEPT	\$ -	\$ -	\$ -		\$ -		\$ -	
HATTON RURAL FIRE DEPT	\$ 15,869	\$ 8,991	\$ 20,137	\$ 9,972	\$ 20,941	\$ 9,687	\$ 19,199	

**North Dakota Insurance Department**  
**Fire Districts**  
**Premium Tax Collection and Grant Payment History**

\* The amount to be distributed will be 1/2 of the available fund balance. With quarterly deposits in May & August, the amount available will be more than the 5 lines collected.

	With Proposed Law		2011 Five Lines		2010 Five Lines		2009 Five Lines	
	2011 Grant Paid in	2011 Grant	of Premium Tax	2010 Grant	of Premium Tax	2009 Grant	of Premium Tax	
Row Labels	2012 *	Paid in 2012	Collected	Paid in 2011	Collected	Paid in 2010	Collected	
HAVANA F/P DISTRICT	\$ 3,130	\$ 1,773	\$ 3,971	\$ 2,721	\$ 5,715	\$ 2,723	\$ 5,398	
HAZELTON F/P DISTRICT	\$ 12,908	\$ 7,313	\$ 16,379	\$ 5,381	\$ 11,300	\$ 5,713	\$ 11,324	
HAZEN F/P DISTRICT	\$ 10,065	\$ 5,703	\$ 12,772	\$ 5,110	\$ 10,731	\$ 5,585	\$ 11,069	
HAZEN FIRE DEPT	\$ 13,385	\$ 7,584	\$ 16,985	\$ 7,360	\$ 15,457	\$ 7,996	\$ 15,847	
HEBRON F/P DISTRICT	\$ 12,746	\$ 7,221	\$ 16,174	\$ 5,609	\$ 11,778	\$ 6,963	\$ 13,800	
HEBRON FIRE DEPT	\$ -	\$ -	\$ -		\$ -		\$ -	
HENSEL FIRE DEPT	\$ -	\$ -	\$ -		\$ -		\$ -	
HETTINGER F/P DISTRICT	\$ 23,154	\$ 13,118	\$ 29,381	\$ 12,652	\$ 26,568	\$ 13,198	\$ 26,158	
HILLSBORO FIRE & RESCUE	\$ 29,266	\$ 16,581	\$ 37,137	\$ 13,224	\$ 27,770	\$ 16,738	\$ 33,174	
HOOPLE F/P DISTRICT	\$ 6,934	\$ 3,929	\$ 8,799	\$ 3,488	\$ 7,324	\$ 4,488	\$ 8,896	
HOOPLE FIRE DEPT	\$ 3,020	\$ 1,711	\$ 3,833	\$ 1,257	\$ 2,640	\$ 1,765	\$ 3,498	
HOPE F/P DISTRICT	\$ 21,860	\$ 12,385	\$ 27,739	\$ 15,365	\$ 32,266	\$ 17,741	\$ 35,161	
HORACE F/P DISTRICT	\$ 28,671	\$ 16,244	\$ 36,382	\$ 15,793	\$ 33,165	\$ 16,738	\$ 33,175	
HORSE CREEK F/P DISTRICT	\$ 918	\$ 520	\$ 1,165	\$ 544	\$ 1,143	\$ 598	\$ 1,185	
HUNTER F/P DISTRICT	\$ 7,922	\$ 4,488	\$ 10,052	\$ 5,009	\$ 10,518	\$ 5,333	\$ 10,571	
INKSTER F/P DISTRICT	\$ 4,985	\$ 2,824	\$ 6,325	\$ 2,728	\$ 5,729	\$ 3,455	\$ 6,848	
JAMESTOWN F/P DISTRICT	\$ 61,839	\$ 35,036	\$ 78,471	\$ 32,550	\$ 68,355	\$ 34,886	\$ 69,142	
JAMESTOWN FIRE DEPT	\$ 72,571	\$ 41,117	\$ 92,089	\$ 44,771	\$ 94,017	\$ 44,614	\$ 88,423	
JUD F/P DISTRICT	\$ 8,834	\$ 5,005	\$ 11,209	\$ 5,223	\$ 10,968	\$ 5,223	\$ 10,352	
KARLSRUHE F/P DISTRICT	\$ 5,893	\$ 3,339	\$ 7,478	\$ 2,520	\$ 5,291	\$ 2,308	\$ 4,575	
KARLSRUHE FIRE DEPT	\$ -	\$ -	\$ -	\$ 15	\$ 31	\$ 31	\$ 62	
KATHRYN F/P DISTRICT	\$ 3,064	\$ 1,736	\$ 3,888	\$ 1,540	\$ 3,235	\$ 1,508	\$ 2,990	
KENMARE FIRE DEPT	\$ 8,613	\$ 4,880	\$ 10,930	\$ 4,859	\$ 10,204	\$ 4,129	\$ 8,184	
KENMARE RURAL FIRE DEPT	\$ 11,871	\$ 6,726	\$ 15,063	\$ 9,872	\$ 20,731	\$ 10,188	\$ 20,192	
KENSAL F/P DISTRICT	\$ 7,877	\$ 4,463	\$ 9,995	\$ 3,558	\$ 7,471	\$ 3,260	\$ 6,462	
KINDRED FIRE DEPT	\$ -	\$ -	\$ -	\$ 458	\$ 961		\$ -	
KINDRED RURAL FIRE DEPT	\$ 14,506	\$ 8,218	\$ 18,407	\$ 7,493	\$ 15,734	\$ 8,337	\$ 16,524	
KRAMER F/P DISTRICT	\$ 2,774	\$ 1,572	\$ 3,520	\$ 1,860	\$ 3,906	\$ 2,376	\$ 4,709	
KRAMER FIRE DEPT	\$ 543	\$ 308	\$ 689	\$ 277	\$ 581	\$ 258	\$ 512	
KULM FIRE DEPT	\$ -	\$ -	\$ -	\$ 111	\$ 232		\$ -	
KULM RURAL FIRE DEPT	\$ 7,317	\$ 4,146	\$ 9,285	\$ 3,899	\$ 8,189	\$ 4,498	\$ 8,915	
LAKOTA F/P DISTRICT	\$ 10,705	\$ 6,065	\$ 13,584	\$ 6,740	\$ 14,153	\$ 6,753	\$ 13,383	



**North Dakota Insurance Department**  
**Fire Districts**  
**Premium Tax Collection and Grant Payment History**

\* The amount to be distributed will be 1/2 of the available fund balance. With quarterly deposits in May & August, the amount available will be more than the 5 lines collected.

	With Proposed Law		2011 Five Lines		2010 Five Lines		2009 Five Lines	
	2011 Grant Paid in	2011 Grant	of Premium Tax	2010 Grant	of Premium Tax	2009 Grant	of Premium Tax	
Row Labels	2012 *	Paid in 2012	Collected	Paid in 2011	Collected	Paid in 2010	Collected	
LAMOURE FIRE DEPT	\$ 4,499	\$ 2,549	\$ 5,709	\$ 2,246	\$ 4,717	\$ 2,412	\$ 4,781	
LAMOURE RURAL FIRE DEPT	\$ 28,118	\$ 15,931	\$ 35,680	\$ 20,451	\$ 42,947	\$ 22,202	\$ 44,004	
LANGDON F/P DISTRICT	\$ 21,432	\$ 12,143	\$ 27,196	\$ 12,099	\$ 25,408	\$ 13,856	\$ 27,461	
LANGDON FIRE DEPT	\$ 14,257	\$ 8,078	\$ 18,092	\$ 10,122	\$ 21,256	\$ 8,640	\$ 17,124	
LANKIN F/P DISTRICT	\$ 5,083	\$ 2,880	\$ 6,450	\$ 3,357	\$ 7,050	\$ 3,175	\$ 6,292	
LANKIN FIRE DEPT	\$ 678	\$ 384	\$ 860	\$ 399	\$ 838	\$ 366	\$ 726	
LANSFORD F/P DISTRICT	\$ 7,132	\$ 4,041	\$ 9,050	\$ 5,214	\$ 10,949	\$ 5,041	\$ 9,992	
LARIMORE FIRE DEPT	\$ 6,766	\$ 3,833	\$ 8,585	\$ 3,862	\$ 8,111	\$ 4,141	\$ 8,208	
LARIMORE RURAL FIRE DEPT	\$ 14,440	\$ 8,181	\$ 18,323	\$ 8,097	\$ 17,003	\$ 11,220	\$ 22,238	
LEEDS F/P DISTRICT	\$ 23,836	\$ 13,505	\$ 30,247	\$ 13,069	\$ 27,445	\$ 13,613	\$ 26,979	
LEHR FIRE DEPT	\$ 669	\$ 379	\$ 848	\$ 354	\$ 743	\$ 367	\$ 727	
LEHR RURAL FIRE DEPT	\$ 3,073	\$ 1,741	\$ 3,900	\$ 1,218	\$ 2,558	\$ 1,387	\$ 2,748	
LEONARD F/P DISTRICT	\$ 10,260	\$ 5,813	\$ 13,019	\$ 5,878	\$ 12,344	\$ 5,863	\$ 11,620	
LIDGERWOOD F/P DISTRICT	\$ 17,591	\$ 9,966	\$ 22,321	\$ 9,463	\$ 19,872	\$ 9,717	\$ 19,259	
LIGNITE F/P DISTRICT	\$ 2,943	\$ 1,667	\$ 3,734	\$ 1,974	\$ 4,145	\$ 2,226	\$ 4,411	
LINTON F/P DISTRICT	\$ 17,867	\$ 10,123	\$ 22,672	\$ 9,166	\$ 19,249	\$ 9,757	\$ 19,338	
LISBON F/P DISTRICT	\$ 22,715	\$ 12,870	\$ 28,824	\$ 12,218	\$ 25,657	\$ 13,600	\$ 26,955	
LISBON FIRE DEPT	\$ 14,340	\$ 8,125	\$ 18,196	\$ 9,426	\$ 19,795	\$ 9,313	\$ 18,458	
LITCHVILLE FIRE DEPT	\$ 1,440	\$ 816	\$ 1,827	\$ 975	\$ 2,048	\$ 976	\$ 1,934	
LITCHVILLE RURAL FIRE DP	\$ 7,960	\$ 4,510	\$ 10,100	\$ 5,114	\$ 10,739	\$ 4,784	\$ 9,483	
MADDOCK F/P DISTRICT	\$ 14,862	\$ 8,420	\$ 18,859	\$ 8,115	\$ 17,041	\$ 7,167	\$ 14,205	
MANDAN F/P DISTRICT	\$ 41,485	\$ 23,504	\$ 52,642	\$ 19,621	\$ 41,203	\$ 19,080	\$ 37,816	
MANDAN FIRE DEPT	\$ 103,050	\$ 58,385	\$ 130,764	\$ 59,338	\$ 124,607	\$ 58,530	\$ 116,005	
MANTADOR F/P DISTRICT	\$ 5,013	\$ 2,840	\$ 6,361	\$ 3,137	\$ 6,589	\$ 2,823	\$ 5,595	
MAPLETON FIRE DEPT	\$ 6,397	\$ 3,625	\$ 8,118	\$ 3,489	\$ 7,327	\$ 3,349	\$ 6,637	
MARION FIRE DEPT	\$ 2,223	\$ 1,260	\$ 2,821	\$ 1,302	\$ 2,735	\$ 1,273	\$ 2,524	
MARION RURAL FIRE DEPT	\$ 12,863	\$ 7,288	\$ 16,322	\$ 7,351	\$ 15,437	\$ 8,077	\$ 16,008	
MARMARTH RURAL FIRE DIST	\$ 2,771	\$ 1,570	\$ 3,516	\$ 1,939	\$ 4,072	\$ 1,061	\$ 2,103	
MAX F/P DISTRICT	\$ 10,938	\$ 6,197	\$ 13,880	\$ 7,116	\$ 14,944	\$ 6,107	\$ 12,103	
MAXBASS F/P DISTRICT	\$ 2,768	\$ 1,568	\$ 3,512	\$ 1,815	\$ 3,811	\$ 2,363	\$ 4,683	
MAYVILLE FIRE DEPT	\$ 21,750	\$ 12,323	\$ 27,599	\$ 11,723	\$ 24,618	\$ 11,601	\$ 22,993	
MCCLUSKY F/P DISTRICT	\$ 8,636	\$ 4,893	\$ 10,958	\$ 4,597	\$ 9,654	\$ 3,009	\$ 5,964	

# North Dakota Insurance Department

## Fire Districts

### Premium Tax Collection and Grant Payment History

\* The amount to be distributed will be 1/2 of the available fund balance. With quarterly deposits in May & August, the amount available will be more than the 5 lines collected.

	With Proposed Law		2011 Five Lines		2010 Five Lines		2009 Five Lines	
	2011 Grant Paid in	2011 Grant	of Premium Tax	2010 Grant	of Premium Tax	2009 Grant	of Premium Tax	
Row Labels	2012 *	Paid in 2012	Collected	Paid in 2011	Collected	Paid in 2010	Collected	
MCCLUSKY FIRE DEPT	\$ -	\$ -	\$ -	\$ 245	\$ 514	\$ 1,533	\$ 3,038	
MCHENRY RURAL FIRE DEPT	\$ 7,403	\$ 4,194	\$ 9,394	\$ 4,589	\$ 9,637	\$ 3,884	\$ 7,697	
MCKENZIE COUNTY F/P DIST	\$ 12,313	\$ 6,976	\$ 15,625	\$ 7,166	\$ 15,048	\$ 7,152	\$ 14,175	
MCVILLE F/P DISTRICT	\$ 6,372	\$ 3,610	\$ 8,085	\$ 3,453	\$ 7,251	\$ 4,077	\$ 8,081	
MEDINA F/P DISTRICT	\$ 6,553	\$ 3,713	\$ 8,315	\$ 4,033	\$ 8,469	\$ 4,047	\$ 8,020	
MEDORA FIRE DEPT	\$ 4,168	\$ 2,361	\$ 5,288	\$ 2,122	\$ 4,456	\$ 2,342	\$ 4,642	
MERCER F/P DISTRICT	\$ 4,103	\$ 2,324	\$ 5,206	\$ 2,846	\$ 5,977	\$ 2,659	\$ 5,271	
MERRICOURT F/P DISTRICT	\$ -	\$ -	\$ -	\$ 252	\$ 529		\$ -	
MICHIGAN F/P DISTRICT	\$ 7,317	\$ 4,145	\$ 9,284	\$ 4,371	\$ 9,180	\$ 3,969	\$ 7,866	
MILNOR F/P DISTRICT	\$ 17,672	\$ 10,012	\$ 22,424	\$ 8,803	\$ 18,487	\$ 9,542	\$ 18,912	
MILTON F/P DISTRICT	\$ 3,757	\$ 2,128	\$ 4,767	\$ 2,681	\$ 5,630	\$ 2,040	\$ 4,044	
MINNEWAUKAN F/P DISTRICT	\$ 5,220	\$ 2,958	\$ 6,624	\$ 2,565	\$ 5,386	\$ 2,849	\$ 5,647	
MINNEWAUKAN FIRE DEPT	\$ 1,871	\$ 1,060	\$ 2,374	\$ 781	\$ 1,641	\$ 770	\$ 1,526	
MINOT F/P DISTRICT	\$ 51,826	\$ 29,363	\$ 65,764	\$ 26,071	\$ 54,749	\$ 26,617	\$ 52,754	
MINOT FIRE DEPT	\$ 208,568	\$ 118,168	\$ 264,661	\$ 121,089	\$ 254,282	\$ 116,080	\$ 230,066	
MINTO F/P DISTRICT	\$ 16,225	\$ 9,193	\$ 20,589	\$ 9,151	\$ 19,217	\$ 9,252	\$ 18,337	
MOHALL F/P DISTRICT	\$ 4,593	\$ 2,602	\$ 5,829	\$ 4,186	\$ 8,790	\$ 4,379	\$ 8,680	
MOHALL FIRE DEPT	\$ 4,452	\$ 2,523	\$ 5,650	\$ 2,441	\$ 5,126	\$ 2,199	\$ 4,359	
MOORETON F/P DISTRICT	\$ 5,565	\$ 3,153	\$ 7,062	\$ 3,613	\$ 7,588	\$ 4,637	\$ 9,190	
MOORETON FIRE DEPT	\$ 1,484	\$ 841	\$ 1,883	\$ 1,103	\$ 2,317	\$ 1,048	\$ 2,077	
MOTT F/P DISTRICT	\$ 26,839	\$ 15,206	\$ 34,057	\$ 13,257	\$ 27,840	\$ 13,072	\$ 25,909	
MOUNTAIN F/P DISTRICT	\$ 2,530	\$ 1,433	\$ 3,210	\$ 1,477	\$ 3,101	\$ 1,153	\$ 2,285	
MUNICH F/P DISTRICT	\$ 13,106	\$ 7,426	\$ 16,631	\$ 7,221	\$ 15,164	\$ 6,629	\$ 13,139	
MYLO F/P DISTRICT	\$ 2,883	\$ 1,634	\$ 3,659	\$ 1,751	\$ 3,678	\$ 1,676	\$ 3,323	
NAPOLEON F/P DISTRICT	\$ 20,375	\$ 11,544	\$ 25,854	\$ 8,183	\$ 17,183	\$ 8,646	\$ 17,136	
NECHE F/P DISTRICT	\$ 5,882	\$ 3,333	\$ 7,464	\$ 3,509	\$ 7,369	\$ 3,375	\$ 6,689	
NEKOMA F/P DISTRICT	\$ 5,189	\$ 2,940	\$ 6,584	\$ 2,766	\$ 5,809	\$ 2,958	\$ 5,863	
NEW ENGLAND F/P DISTRICT	\$ 12,688	\$ 7,189	\$ 16,100	\$ 7,316	\$ 15,363	\$ 8,972	\$ 17,781	
NEW ENGLAND FIRE DEPT	\$ 4,366	\$ 2,474	\$ 5,540	\$ 2,244	\$ 4,712	\$ 2,180	\$ 4,320	
NEW LEIPZIG F/P DISTRICT	\$ 7,993	\$ 4,528	\$ 10,142	\$ 3,631	\$ 7,626	\$ 3,606	\$ 7,147	
NEW ROCKFORD FIRE DEPT	\$ 7,716	\$ 4,371	\$ 9,791	\$ 4,549	\$ 9,554	\$ 4,732	\$ 9,378	
NEW ROCKFORD RURAL FIRE	\$ 13,816	\$ 7,828	\$ 17,532	\$ 6,779	\$ 14,235	\$ 6,102	\$ 12,094	



# North Dakota Insurance Department

## Fire Districts

### Premium Tax Collection and Grant Payment History

\* The amount to be distributed will be 1/2 of the available fund balance. With quarterly deposits in May & August, the amount available will be more than the 5 lines collected.

	With Proposed Law		2011 Five Lines		2010 Five Lines		2009 Five Lines	
	2011 Grant Paid in	2011 Grant	of Premium Tax	2010 Grant	of Premium Tax	2009 Grant	of Premium Tax	
Row Labels	2012 *	Paid in 2012	Collected	Paid in 2011	Collected	Paid in 2010	Collected	
NEW SALEM F/P DISTRICT	\$ 22,086	\$ 12,514	\$ 28,027	\$ 10,785	\$ 22,648	\$ 11,034	\$ 21,868	
NEW TOWN F/P DISTRICT	\$ 14,513	\$ 8,223	\$ 18,417	\$ 8,563	\$ 17,982	\$ 7,499	\$ 14,863	
NEW TOWN FIRE DEPT	\$ 7,017	\$ 3,976	\$ 8,904	\$ 3,030	\$ 6,362	\$ 3,459	\$ 6,856	
NEWBURG F/P DISTRICT	\$ 5,883	\$ 3,333	\$ 7,465	\$ 3,850	\$ 8,086	\$ 4,707	\$ 9,329	
NIAGARA F/P DISTRICT	\$ 4,100	\$ 2,323	\$ 5,203	\$ 2,318	\$ 4,867	\$ 2,707	\$ 5,365	
NOME F/P DISTRICT	\$ 2,618	\$ 1,484	\$ 3,323	\$ 1,815	\$ 3,812	\$ 1,551	\$ 3,075	
NOONAN FIRE DEPT	\$ 762	\$ 431	\$ 966	\$ 286	\$ 600	\$ 464	\$ 920	
NOONAN RURAL FIRE DEPT	\$ 2,175	\$ 1,232	\$ 2,760	\$ 1,932	\$ 4,057	\$ 1,086	\$ 2,153	
NORTHWOOD F/P DISTRICT	\$ 17,938	\$ 10,163	\$ 22,763	\$ 10,130	\$ 21,272	\$ 11,495	\$ 22,784	
NORTHWOOD FIRE DEPT	\$ -	\$ -	\$ -		\$ -		\$ -	
OAKES F/P DISTRICT	\$ 39,480	\$ 22,368	\$ 50,098	\$ 21,619	\$ 45,400	\$ 21,079	\$ 41,777	
OBERON FIRE DEPT	\$ 934	\$ 529	\$ 1,185	\$ 663	\$ 1,393	\$ 235	\$ 466	
OBERON RURAL FIRE DEPT	\$ 3,237	\$ 1,834	\$ 4,108	\$ 1,485	\$ 3,119	\$ 1,694	\$ 3,357	
OLIVER COUNTY F/P DIST	\$ 20,641	\$ 11,695	\$ 26,193	\$ 11,602	\$ 24,364	\$ 13,385	\$ 26,529	
ORISKA FIRE DEPT	\$ 1,135	\$ 643	\$ 1,441	\$ 679	\$ 1,427	\$ 686	\$ 1,360	
OSNABROCK F/P DISTRICT	\$ 7,036	\$ 3,986	\$ 8,928	\$ 4,620	\$ 9,701	\$ 4,000	\$ 7,927	
OSNABROCK FIRE DEPT	\$ 1,569	\$ 889	\$ 1,991	\$ 961	\$ 2,017	\$ 798	\$ 1,582	
PAGE F/P DISTRICT	\$ 18,974	\$ 10,750	\$ 24,077	\$ 13,482	\$ 28,311	\$ 12,892	\$ 25,552	
PARK RIVER F/P DISTRICT	\$ 5,887	\$ 3,335	\$ 7,470	\$ 3,467	\$ 7,281	\$ 3,604	\$ 7,143	
PARK RIVER FIRE DEPT	\$ 8,144	\$ 4,614	\$ 10,334	\$ 4,714	\$ 9,899	\$ 4,550	\$ 9,018	
PARSHALL F/P DISTRICT	\$ 15,284	\$ 8,659	\$ 19,394	\$ 8,200	\$ 17,219	\$ 7,154	\$ 14,180	
PEKIN F/P DISTRICT	\$ 2,568	\$ 1,455	\$ 3,259	\$ 1,462	\$ 3,070	\$ 1,449	\$ 2,872	
PEMBINA RURAL FIRE DEPT	\$ 6,618	\$ 3,750	\$ 8,398	\$ 3,707	\$ 7,784	\$ 3,695	\$ 7,324	
PETERSBURG F/P DISTRICT	\$ 4,749	\$ 2,691	\$ 6,026	\$ 2,392	\$ 5,023	\$ 3,928	\$ 7,786	
PETTIBONE FIRE DEPT	\$ -	\$ -	\$ -		\$ -		\$ -	
PETTIBONE RURAL FIRE DP	\$ 4,314	\$ 2,444	\$ 5,474	\$ 2,150	\$ 4,516	\$ 1,934	\$ 3,833	
PICK CITY FIRE DEPT	\$ 1,858	\$ 1,053	\$ 2,358	\$ 1,094	\$ 2,297	\$ 906	\$ 1,796	
PINGREE F/P DISTRICT	\$ 3,775	\$ 2,139	\$ 4,790	\$ 1,597	\$ 3,354	\$ 1,974	\$ 3,913	
PISEK F/P DISTRICT	\$ 2,345	\$ 1,329	\$ 2,976	\$ 1,492	\$ 3,133	\$ 1,560	\$ 3,093	
PLAZA F/P DISTRICT	\$ 11,187	\$ 6,338	\$ 14,196	\$ 5,193	\$ 10,906	\$ 4,090	\$ 8,107	
PORTAL F/P DISTRICT	\$ 1,394	\$ 790	\$ 1,769	\$ 1,305	\$ 2,740	\$ 1,270	\$ 2,517	
PORTLAND F/P DISTRICT	\$ 20,121	\$ 11,400	\$ 25,532	\$ 10,991	\$ 23,081	\$ 10,710	\$ 21,226	

# North Dakota Insurance Department

## Fire Districts

### Premium Tax Collection and Grant Payment History

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	With Proposed Law		2011 Five Lines		2010 Five Lines		2009 Five Lines	
	2011 Grant Paid in	2011 Grant	of Premium Tax	2010 Grant	of Premium Tax	2009 Grant	of Premium Tax	
Row Labels	2012 *	Paid in 2012	Collected	Paid in 2011	Collected	Paid in 2010	Collected	
POWERS LAKE F/P DISTRICT	\$ 7,210	\$ 4,085	\$ 9,149	\$ 4,158	\$ 8,731	\$ 3,708	\$ 7,349	
RAY F/P DISTRICT	\$ 11,641	\$ 6,596	\$ 14,772	\$ 7,198	\$ 15,117	\$ 6,814	\$ 13,504	
REEDER F/P DISTRICT	\$ 22,456	\$ 12,723	\$ 28,495	\$ 10,114	\$ 21,239	\$ 10,999	\$ 21,800	
REGENT F/P DISTRICT	\$ 13,896	\$ 7,873	\$ 17,633	\$ 8,195	\$ 17,210	\$ 8,879	\$ 17,598	
REYNOLDS F/P DISTRICT	\$ 11,035	\$ 6,252	\$ 14,002	\$ 5,800	\$ 12,180	\$ 5,663	\$ 11,223	
RHAME F/P DISTRICT	\$ 8,062	\$ 4,567	\$ 10,230	\$ 4,336	\$ 9,105	\$ 5,714	\$ 11,325	
RICHARDTON F/P DISTRICT	\$ 10,676	\$ 6,049	\$ 13,547	\$ 6,028	\$ 12,658	\$ 6,076	\$ 12,042	
RICHARDTON FIRE DEPT	\$ -	\$ -	\$ -		\$ -		\$ -	
RIVERDALE FIRE DEPT	\$ 3,509	\$ 1,988	\$ 4,453	\$ 2,014	\$ 4,230	\$ 2,221	\$ 4,401	
ROBINSON RURAL FIRE DEPT	\$ 3,100	\$ 1,756	\$ 3,934	\$ 1,401	\$ 2,942	\$ 1,267	\$ 2,512	
ROCK LAKE F/P DISTRICT	\$ 8,438	\$ 4,781	\$ 10,707	\$ 5,668	\$ 11,902	\$ 5,599	\$ 11,096	
ROGERS FIRE DEPT	\$ 1,531	\$ 868	\$ 1,943	\$ 805	\$ 1,690	\$ 899	\$ 1,782	
ROLETTE F/P DISTRICT	\$ 9,487	\$ 5,375	\$ 12,039	\$ 4,614	\$ 9,689	\$ 4,449	\$ 8,817	
ROLETTE FIRE DEPT	\$ 2,540	\$ 1,439	\$ 3,223	\$ 1,699	\$ 3,569	\$ 2,127	\$ 4,215	
ROLLA F/P DISTRICT	\$ 6,969	\$ 3,949	\$ 8,844	\$ 4,769	\$ 10,015	\$ 4,580	\$ 9,078	
ROLLA FIRE DEPT	\$ 8,434	\$ 4,778	\$ 10,702	\$ 4,342	\$ 9,118	\$ 4,463	\$ 8,846	
RUGBY F/P DISTRICT	\$ 16,729	\$ 9,478	\$ 21,228	\$ 10,014	\$ 21,029	\$ 20,252	\$ 40,139	
RUGBY FIRE DEPT	\$ 18,517	\$ 10,491	\$ 23,498	\$ 8,237	\$ 17,297	\$ 9,271	\$ 18,375	
RUTLAND-CAYUGA F/P DIST	\$ 9,909	\$ 5,614	\$ 12,574	\$ 5,719	\$ 12,009	\$ 6,330	\$ 12,546	
RYDER-MAKOTI F/P DIST	\$ 9,013	\$ 5,107	\$ 11,438	\$ 5,656	\$ 11,876	\$ 5,915	\$ 11,723	
SANBORN F/P DISTRICT	\$ 5,133	\$ 2,908	\$ 6,513	\$ 2,995	\$ 6,289	\$ 4,240	\$ 8,403	
SANBORN FIRE DEPT	\$ 1,449	\$ 821	\$ 1,838	\$ 847	\$ 1,779	\$ 850	\$ 1,684	
SARLES F/P DISTRICT	\$ 4,466	\$ 2,530	\$ 5,667	\$ 3,312	\$ 6,955	\$ 3,240	\$ 6,421	
SAWYER F/P DISTRICT	\$ 9,714	\$ 5,504	\$ 12,327	\$ 5,288	\$ 11,104	\$ 5,216	\$ 10,339	
SCRANTON F/P DISTRICT	\$ 15,548	\$ 8,809	\$ 19,730	\$ 8,218	\$ 17,258	\$ 8,189	\$ 16,231	
SELFRIIDGE F/P DISTRICT	\$ 6,764	\$ 3,832	\$ 8,583	\$ 2,825	\$ 5,932	\$ 2,888	\$ 5,725	
SENTINEL BUTTE F/P DIST	\$ 1,407	\$ 797	\$ 1,785	\$ 762	\$ 1,599	\$ 795	\$ 1,575	
SHARON FIRE DEPT	\$ 1,639	\$ 929	\$ 2,080	\$ 854	\$ 1,794	\$ 879	\$ 1,742	
SHERWOOD F/P DISTRICT	\$ 5,690	\$ 3,224	\$ 7,221	\$ 4,560	\$ 9,576	\$ 5,284	\$ 10,473	
SHEYENNE FIRE DEPT	\$ 2,161	\$ 1,224	\$ 2,742	\$ 1,199	\$ 2,517	\$ 1,241	\$ 2,460	
SHEYENNE RURAL FIRE DEPT	\$ 6,422	\$ 3,639	\$ 8,149	\$ 3,293	\$ 6,915	\$ 3,178	\$ 6,299	
SIBLEY FIRE DEPT	\$ 591	\$ 335	\$ 750	\$ 406	\$ 852	\$ 313	\$ 620	



**North Dakota Insurance Department**  
**Fire Districts**  
**Premium Tax Collection and Grant Payment History**

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	With Proposed Law		2011 Five Lines		2010 Five Lines		2009 Five Lines	
	2011 Grant Paid in	2011 Grant	of Premium Tax	2010 Grant	of Premium Tax	2009 Grant	of Premium Tax	
Row Labels	2012 *	Paid in 2012	Collected	Paid in 2011	Collected	Paid in 2010	Collected	
SIOUX-YELLOWSTONE F/P DISTRICT	\$ 2,217	\$ 1,256	\$ 2,813	\$ 1,336	\$ 2,806	\$ 689	\$ 1,366	
SOLE F/P DISTRICT	\$ 3,138	\$ 1,778	\$ 3,982	\$ 989	\$ 2,076	\$ 1,287	\$ 2,550	
SOURIS F/P DISTRICT	\$ 6,170	\$ 3,496	\$ 7,829	\$ 3,736	\$ 7,845	\$ 4,958	\$ 9,826	
SOUTH HEART F/P DISTRICT	\$ 11,579	\$ 6,560	\$ 14,693	\$ 7,769	\$ 16,315	\$ 7,271	\$ 14,411	
SOUTHWEST F/P DISTRICT	\$ 718	\$ 407	\$ 911	\$ 179	\$ 375	\$ 257	\$ 510	
ST JOHN F/P DISTRICT	\$ 4,601	\$ 2,607	\$ 5,839	\$ 2,999	\$ 6,298	\$ 2,746	\$ 5,443	
ST THOMAS F/P DISTRICT	\$ 10,574	\$ 5,991	\$ 13,418	\$ 6,630	\$ 13,922	\$ 7,161	\$ 14,193	
STANLEY F/P DISTRICT	\$ 16,012	\$ 9,072	\$ 20,318	\$ 8,011	\$ 16,822	\$ 8,178	\$ 16,208	
STANLEY FIRE DEPT	\$ 8,771	\$ 4,969	\$ 11,130	\$ 4,878	\$ 10,243	\$ 4,265	\$ 8,452	
STANTON F/P DISTRICT	\$ 11,711	\$ 6,635	\$ 14,861	\$ 5,741	\$ 12,056	\$ 1,146	\$ 2,272	
STANTON FIRE DEPT	\$ 1,798	\$ 1,019	\$ 2,282	\$ 5,477	\$ 11,501	\$ 1,761	\$ 3,490	
STARKWEATHER F/P DIST	\$ 7,041	\$ 3,989	\$ 8,935	\$ 4,233	\$ 8,889	\$ 4,240	\$ 8,403	
STEELE F/P DISTRICT	\$ 13,175	\$ 7,465	\$ 16,719	\$ 6,976	\$ 14,648	\$ 6,706	\$ 13,291	
STEELE FIRE DEPT	\$ -	\$ -	\$ -	\$ 288	\$ 605		\$ -	
STERLING F/P DISTRICT	\$ 8,186	\$ 4,638	\$ 10,388	\$ 3,852	\$ 8,089	\$ 3,938	\$ 7,805	
STRASBURG F/P DISTRICT	\$ 8,695	\$ 4,926	\$ 11,033	\$ 3,973	\$ 8,343	\$ 4,242	\$ 8,407	
STREETER F/P DISTRICT	\$ 6,595	\$ 3,736	\$ 8,368	\$ 3,086	\$ 6,481	\$ 2,763	\$ 5,476	
SURREY F/P DISTRICT	\$ 6,776	\$ 3,839	\$ 8,598	\$ 3,723	\$ 7,819	\$ 3,563	\$ 7,063	
SYKESTON F/P DISTRICT	\$ 8,817	\$ 4,996	\$ 11,189	\$ 3,502	\$ 7,355	\$ 3,516	\$ 6,969	
TAPPEN FIRE DEPT	\$ -	\$ -	\$ -		\$ -		\$ -	
TAPPEN RURAL FIRE DEPT	\$ 7,351	\$ 4,165	\$ 9,329	\$ 3,746	\$ 7,866	\$ 4,402	\$ 8,724	
TAYLOR F/P DISTRICT	\$ 5,683	\$ 3,220	\$ 7,212	\$ 3,590	\$ 7,538	\$ 3,616	\$ 7,167	
THOMPSON F/P DISTRICT	\$ 24,420	\$ 13,835	\$ 30,987	\$ 13,917	\$ 29,224	\$ 14,827	\$ 29,386	
TIOGA FIRE DEPT	\$ 8,022	\$ 4,545	\$ 10,179	\$ 5,164	\$ 10,845	\$ 4,411	\$ 8,743	
TIOGA RURAL FIRE DEPT	\$ 8,623	\$ 4,886	\$ 10,943	\$ 4,928	\$ 10,349	\$ 4,921	\$ 9,752	
TOLLEY FIRE DEPT	\$ 2,026	\$ 1,148	\$ 2,571	\$ 621	\$ 1,305	\$ 373	\$ 739	
TOLNA F/P DISTRICT	\$ 7,257	\$ 4,112	\$ 9,209	\$ 5,073	\$ 10,654	\$ 5,055	\$ 10,019	
TOWER CITY F/P DISTRICT	\$ 10,364	\$ 5,872	\$ 13,151	\$ 5,919	\$ 12,430	\$ 6,883	\$ 13,641	
TOWNER F/P DISTRICT	\$ 5,914	\$ 3,350	\$ 7,504	\$ 3,797	\$ 7,974	\$ 3,345	\$ 6,629	
TOWNER FIRE DEPT	\$ 3,079	\$ 1,744	\$ 3,907	\$ 2,235	\$ 4,693	\$ 1,584	\$ 3,139	
TRENTON F/P DISTRICT	\$ 1,430	\$ 810	\$ 1,814	\$ 710	\$ 1,490	\$ 678	\$ 1,344	
TURTLE LAKE F/P DISTRICT	\$ 10,643	\$ 6,030	\$ 13,505	\$ 5,765	\$ 12,106	\$ 5,787	\$ 11,469	

**North Dakota Insurance Department**  
**Fire Districts**  
**Premium Tax Collection and Grant Payment History**

\* The amount to be distributed will be 1/2 of the available fund balance. With quarterly deposits in May & August, the amount available will be more than the 5 lines collected.

	With Proposed Law		2011 Five Lines		2010 Five Lines		2009 Five Lines	
	2011 Grant Paid in	2011 Grant	of Premium Tax	2010 Grant	of Premium Tax	2009 Grant	of Premium Tax	
Row Labels	2012 *	Paid in 2012	Collected	Paid in 2011	Collected	Paid in 2010	Collected	
TUTTLE F/P DISTRICT	\$ 3,406	\$ 1,930	\$ 4,322	\$ 1,882	\$ 3,953	\$ 1,814	\$ 3,596	
UNDERWOOD F/P DISTRICT	\$ 14,764	\$ 8,365	\$ 18,735	\$ 15,422	\$ 32,385	\$ 19,156	\$ 37,967	
UPHAM F/P DISTRICT	\$ 4,333	\$ 2,455	\$ 5,498	\$ 2,638	\$ 5,539	\$ 2,770	\$ 5,491	
VALLEY CITY FIRE DEPT	\$ 31,817	\$ 18,026	\$ 40,373	\$ 20,320	\$ 42,671	\$ 21,012	\$ 41,645	
VALLEY CITY RURAL FIRE	\$ 25,450	\$ 14,419	\$ 32,295	\$ 11,771	\$ 24,719	\$ 12,478	\$ 24,731	
VELVA F/P DISTRICT	\$ 9,303	\$ 5,271	\$ 11,804	\$ 5,685	\$ 11,939	\$ 5,706	\$ 11,308	
VELVA FIRE DEPT	\$ 7,842	\$ 4,443	\$ 9,952	\$ 3,558	\$ 7,471	\$ 3,582	\$ 7,099	
VERONA FIRE DEPT	\$ 699	\$ 396	\$ 887	\$ 769	\$ 1,614	\$ 626	\$ 1,241	
VERONA RURAL FIRE DEPT	\$ 8,532	\$ 4,834	\$ 10,827	\$ 5,309	\$ 11,149	\$ 6,493	\$ 12,869	
WAHPETON FIRE DEPT	\$ 44,344	\$ 25,124	\$ 56,271	\$ 21,615	\$ 45,391	\$ 25,245	\$ 50,035	
WALCOTT-COLFAX F/P DIST	\$ 20,902	\$ 11,842	\$ 26,523	\$ 11,517	\$ 24,185	\$ 11,678	\$ 23,145	
WALES FIRE DEPT	\$ 1,371	\$ 777	\$ 1,740	\$ 327	\$ 687	\$ 480	\$ 952	
WALHALLA F/P DISTRICT	\$ 10,316	\$ 5,845	\$ 13,090	\$ 6,099	\$ 12,807	\$ 5,928	\$ 11,749	
WALHALLA FIRE DEPT	\$ 6,956	\$ 3,941	\$ 8,827	\$ 3,831	\$ 8,045	\$ 4,180	\$ 8,284	
WARWICK F/P DISTRICT	\$ 2,168	\$ 1,228	\$ 2,751	\$ 1,138	\$ 2,389	\$ 1,219	\$ 2,416	
WASHBURN F/P DISTRICT	\$ 23,924	\$ 13,554	\$ 30,358	\$ 4,502	\$ 9,455	\$ 5,113	\$ 10,135	
WASHBURN FIRE DEPT	\$ 7,158	\$ 4,055	\$ 9,083	\$ 4,561	\$ 9,578	\$ 4,397	\$ 8,715	
WATFORD CITY FIRE DEPT	\$ 18,911	\$ 10,714	\$ 23,997	\$ 7,850	\$ 16,484	\$ 7,444	\$ 14,754	
WEST DUNN F/P DISTRICT	\$ 19,669	\$ 11,144	\$ 24,959	\$ 9,643	\$ 20,251	\$ 9,706	\$ 19,237	
WEST FARGO FIRE DEPT	\$ 112,487	\$ 63,731	\$ 142,739	\$ 72,842	\$ 152,965	\$ 65,148	\$ 129,120	
WEST FARGO RURAL FIRE DP	\$ 41,244	\$ 23,368	\$ 52,337	\$ 14,468	\$ 30,382	\$ 17,802	\$ 35,282	
WESTHOPE F/P DISTRICT	\$ 7,662	\$ 4,341	\$ 9,723	\$ 5,797	\$ 12,174	\$ 6,120	\$ 12,129	
WILDROSE F/P DISTRICT	\$ 4,116	\$ 2,332	\$ 5,223	\$ 3,074	\$ 6,456	\$ 2,830	\$ 5,608	
WILLISTON F/P DISTRICT	\$ 28,587	\$ 16,197	\$ 36,276	\$ 13,821	\$ 29,024	\$ 12,698	\$ 25,167	
WILLISTON FIRE DEPT	\$ 82,972	\$ 47,009	\$ 105,287	\$ 48,828	\$ 102,538	\$ 46,208	\$ 91,581	
WILLOW CITY F/P DISTRICT	\$ 10,150	\$ 5,751	\$ 12,880	\$ 5,724	\$ 12,020	\$ 3,854	\$ 7,639	
WILLOW CITY FIRE DEPT	\$ -	\$ -	\$ -		\$ -		\$ -	
WILTON F/P DISTRICT	\$ 21,941	\$ 12,431	\$ 27,842	\$ 11,243	\$ 23,610	\$ 11,924	\$ 23,634	
WIMBLEDON F/P DISTRICT	\$ 9,456	\$ 5,357	\$ 11,999	\$ 5,155	\$ 10,826	\$ 5,015	\$ 9,939	
WING F/P DISTRICT	\$ 5,402	\$ 3,060	\$ 6,854	\$ 2,779	\$ 5,837	\$ 3,223	\$ 6,387	
WISHEK F/P DISTRICT	\$ 14,284	\$ 8,093	\$ 18,125	\$ 7,758	\$ 16,292	\$ 7,760	\$ 15,380	
WOLFORD F/P DISTRICT	\$ 4,388	\$ 2,486	\$ 5,568	\$ 2,355	\$ 4,945	\$ 2,548	\$ 5,049	



# North Dakota Insurance Department

## Fire Districts

### Premium Tax Collection and Grant Payment History

\* The amount to be distributed will be 1/2 of the available fund balance. With quarterly deposits in May & August, the amount available will be more than the 5 lines collected.

	With Proposed Law		2011 Five Lines		2010 Five Lines		2009 Five Lines	
	2011 Grant Paid in	2011 Grant	of Premium Tax	2010 Grant	of Premium Tax	2009 Grant	of Premium Tax	
Row Labels	2012 *	Paid in 2012	Collected	Paid in 2011	Collected	Paid in 2010	Collected	
WOODWORTH FIRE DEPT	\$ 1,807	\$ 1,024	\$ 2,293	\$ 858	\$ 1,802	\$ 961	\$ 1,904	
WOODWORTH RURAL FIRE DP	\$ 4,271	\$ 2,420	\$ 5,419	\$ 2,006	\$ 4,212	\$ 2,016	\$ 3,997	
WYNDMERE F/P DISTRICT	\$ 16,979	\$ 9,620	\$ 21,545	\$ 9,750	\$ 20,476	\$ 9,904	\$ 19,630	
ZAP F/P DISTRICT	\$ 3,186	\$ 1,805	\$ 4,043	\$ 1,783	\$ 3,744	\$ 1,719	\$ 3,407	
ZEELAND F/P DISTRICT	\$ 7,209	\$ 4,084	\$ 9,148	\$ 3,065	\$ 6,437	\$ 3,343	\$ 6,625	
Grand Total	\$ 5,471,539	\$ 3,100,000	\$ 6,943,077	\$ 3,100,000	\$ 6,509,893	\$ 3,100,000	\$ 6,144,065	

**ND INSURANCE DEPARTMENT  
INSURANCE PREMIUM TAX HISTORY  
AS OF DECEMBER 20, 2012**

FISCAL YEAR	TOTAL PREMIUM TAX COLLECTED (INCLUDES THE FOLLOWING COLUMN)	FIRE, ALLIED LINES, HOMEOWNER'S PERIL, FARMOWNER'S PERIL & COMMERCIAL MULTIPLE PERIL PREMIUM TAX COLLECTED **	APPROPRIATED GRANT TO FIRE DISTRICTS	APPROPRIATED GRANT TO NDFA	APPROPRIATED GRANT TO OIL/GAS PROD	APPROPRIATED GRANT TO EMERGENCY MEDICAL SERVICES	APPROPRIATED FIREFIGHTER DEATH BENEFIT	BALANCE DEPOSITED IN THE GENERAL FUND
1997	\$ 20,796,910.00	\$ 2,751,310	\$ 2,600,000	\$ -	\$ -	\$ -	\$ -	\$ 18,196,910
1998	\$ 19,957,573.00	\$ 3,241,373	\$ 2,600,000	\$ -	\$ -	\$ -	\$ -	\$ 17,357,573
1999	\$ 20,975,742.00	\$ 3,033,406	\$ 2,600,000	\$ -	\$ -	\$ -	\$ -	\$ 18,375,742
2000	\$ 21,893,086.00	\$ 3,180,996	\$ 2,600,000	\$ -	\$ -	\$ -	\$ -	\$ 19,293,086
2001	\$ 22,419,513.30	\$ 2,987,131	\$ 2,600,000	\$ -	\$ -	\$ -	\$ -	\$ 19,819,513
2002	\$ 25,999,204.00	\$ 3,405,964	\$ 2,600,000	\$ 52,000	\$ -	\$ -	\$ -	\$ 23,347,204
2003	\$ 28,294,823.00	\$ 3,702,111	\$ 2,600,000	\$ 52,000	\$ -	\$ -	\$ -	\$ 25,642,823
2004	\$ 30,928,373.00	\$ 4,185,692	\$ 2,600,000	\$ 52,000	\$ -	\$ -	\$ -	\$ 28,276,373
2005	\$ 30,671,102.00	\$ 4,882,928	\$ 2,600,000	\$ 52,000	\$ -	\$ -	\$ -	\$ 28,019,102
2006	\$ 29,124,817.00	\$ 4,722,831	\$ 3,100,000	\$ 60,000	\$ 100,000	\$ -	\$ -	\$ 25,864,817
2007	\$ 30,168,197.00	\$ 5,117,964	\$ 3,100,000	\$ 60,000	\$ -	\$ -	\$ -	\$ 27,008,197
2008	\$ 37,425,546.00	\$ 5,080,641	\$ 3,100,000	\$ 60,000	\$ -	\$ 625,000	\$ 50,000	\$ 33,590,546
2009	\$ 34,583,055.00	\$ 5,370,098	\$ 3,100,000	\$ 60,000	\$ -	\$ 625,000	\$ -	\$ 30,798,055
2010	\$ 35,893,902.00	\$ 5,753,477	\$ 3,100,000	\$ 310,000	\$ -	\$ 1,375,000	\$ 10,000	\$ 31,098,902
2011	\$ 36,686,391.00	\$ 6,144,065	\$ 3,100,000	\$ 310,000	\$ -	\$ 1,375,000	\$ -	\$ 31,901,391
2012	\$ 42,818,733.00	\$ 6,509,893	\$ 3,100,000	\$ 335,000	\$ -	\$ 625,000	\$ -	\$ 38,758,733
2013	\$ 16,000,734.43	\$ 6,943,077	\$ 3,100,000	\$ 335,000	\$ -	\$ 625,000	\$ -	\$ 11,940,734

Note:

\*\* The Fire, Allied Lines, Homeowner's Multiple Peril, Farmowners Multiple Peril & Commercial Multiple Peril lines are from the previous calendar year annual reporting by the companies. For example, the money disbursed in FY13 was based on the premiums collected for calendar year 2011 because the annual tax return was not due until March 2012.

**ND Insurance Department**  
**History of premium tax rates**

<b>Year of Change</b>	<b>Life Insurance</b>	<b>Accident &amp; Health Insurance</b>	<b>All other lines of insurance</b>
<b>1897</b>	5.00%	5.00%	5.00%
<b>1898</b>	2.50%	2.50%	2.50%
<b>1983</b>	2.00%	0.50%	1.00%
<b>1987</b>	2.00%	1.25%	1.25%
<b>1989</b>	2.00%	1.75%	1.75%

(3) 1-22-2013pm

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1145

Page 5, after line 28, insert:"

**SECTION 6. AMENDMENT.** Section 18-04-02 of the North Dakota Century Code is amended and reenacted as follows:

1. On or before the thirty-first day of October in each year, the auditor or secretary of any city or rural fire department that has an organized fire department shall file with the state fire marshal and with the insurance commissioner the auditor's or secretary's certificate stating the existence of the fire department, the date of its organization, the number of fire engines, hook and ladder trucks, and the system of water supply in use by the department, with such other facts as the state fire marshal or commissioner may require.
2. Annually, a city, fire department, fire company, or rural fire district receiving funds under section 18-04-07 shall file a report with the state fire marshal detailing the expenditure of the funds. Biennially, the state fire marshal shall present a report to the budget section of the legislative management summarizing the expenditures by cities, fire departments, fire companies, and rural fire districts of funds received under 18-04-07."

Renumber accordingly

① 1145 1-23-2013  
PH

**RECONCILED TAX STATEMENT**  
NORTH DAKOTA DEPARTMENT OF INSURANCE  
SFN 11050 (1-212)

DEPARTMENT USE ONLY	
Tax/Fee paid, if different	✓ 530375
Penalty/Interest Paid	

Company Name (REQUIRED) Nodak Mutual Insurance Company		
Company Street Address (REQUIRED) 1101 First Avenue North		
City Fargo	State ND	Zip Code 58102
Preparer's Name David Klatt		
Telephone Number 701-298-4267	Email Address dklatt@nodakmutual.com	

PLEASE TYPE ALL DATA ON FORM

State of Domicile North Dakota
Tax Period (1/1 - 12/31) 01/01/11 to 12/31/11
NAIC CoCode 34592

	ROUND TO WHOLE DOLLARS	ROUND TO WHOLE DOLLARS
Gross direct premiums, assessments, membership, subscriber and policy fees, finance and service charges LESS return premiums, refunds, and abatements		
1 Accident and Health Insurance	1 \$	
2 Life Insurance	2 \$	
3 Property & Casualty Insurance	3 \$ 78,990,612 00	✓
DEDUCTIONS:		
4 Qualifying dividends on A & H Insurance	4 \$	
5 Qualifying dividends on Life Insurance	5 \$	
6 Qualifying dividends on P & C Insurance	6 \$	
7 Net Taxable Premiums - IF LESS THAN ZERO, ENTER ZERO		
7a A & H Insurance (line 1 less line 4)	7a \$	
7b Life Insurance (line 2 less line 5)	7b \$	
7c P & C Insurance (line 3 less line 6)	7c \$ 78,990,612 00	✓
8 Tax based on North Dakota rate		
8a A & H Insurance (line 7a X 1 75%)	8a \$	
8b Life Insurance (line 7b X 2 00%)	8b \$	
8c P & C Insurance (line 7c X 1 75%)	8c \$ 1,382,336 00	✓
9 Tax based on North Dakota rate (sum of lines 8a-8c)	9 \$ 1,382,336 00	
10 Tax based on retaliatory rate (attach computation)	10 \$	
11 Additional taxes (retaliatory) - attach specifics	11 \$	
12 Enter the GREATER of line 9 OR line 10 plus line 11	12 \$ 1,382,336 00	
13 Enter the GREATER of line 12 OR \$200		13 \$ 1,382,336 00 ✓
14 Credits		
14a Examination fees/expenses	14a \$ 1,970 00	✓
14b Ad valorem tax	14b \$ 44,466 00	✓
14c CHAND assessment	14c \$	
14d Life and Health Guaranty Association	14d \$	
14e Low-Risk Incentive Fund	14e \$	
15 Total credits (sum of lines 14a-14e)		15 \$ 46,436 00 ✓
16 Total tax/fee liability (line 13 less line 15 - IF LESS THAN ZERO, ENTER ZERO)		16 \$ 1,335,900 00 ✓
17 Prepayments		
17a Refund credit (attachment required)	17a \$	
17b Myron G Nelson Fund credit	17b \$	
17c First quarter	17c \$ 249,472 00	✓
17d Second quarter	17d \$ 318,871 00	✓
17e Third quarter	17e \$ 237,182 00	✓
18 Total prepayments (sum of lines 17a through 17e)		18 \$ 805,525 00 ✓
19 TAX DUE WITH RETURN (if line 16 is greater than line 18, subtract line 18 from line 16)		19 \$ 530,375 00
20 OVERPAYMENT (if line 18 is greater than line 16, subtract line 16 from line 18)		20 \$
21 Check one if overpayment is indicated on line 20 <input type="checkbox"/> Cash Refund <input type="checkbox"/> Credit		

I declare under the penalties provided by law that to the best of my knowledge this is a true, complete, and correct return.

Authorized Signature David Klatt	Date 2/8/2012
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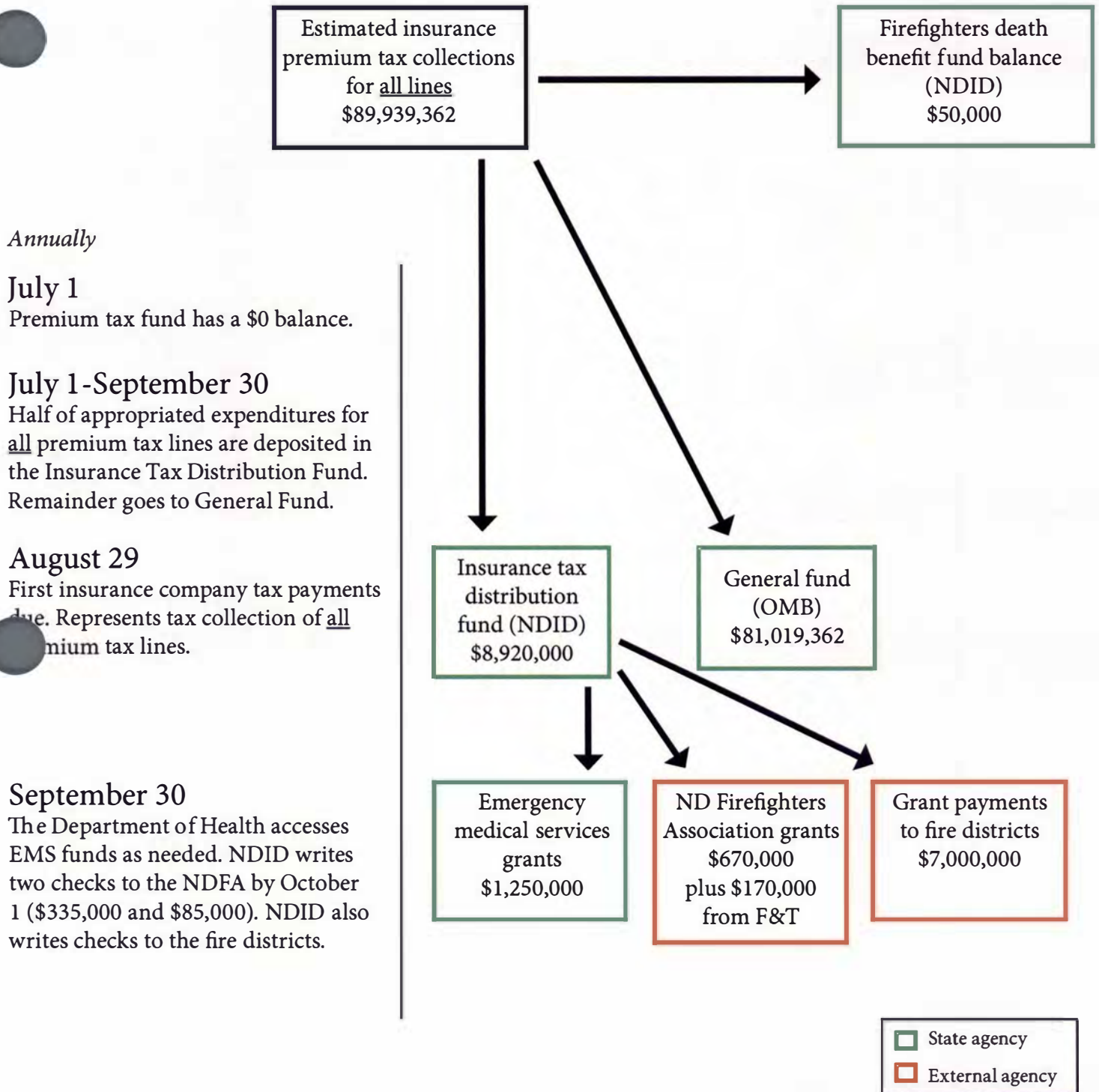
DETAILED INSTRUCTIONS ON BACK

2-17-12

Estimates under HB1145 with no amendments										
Biennium	Year of September Payment	Based on Premium Tax Year	Estimated Total of 5 lines Premium Tax	Estimated Fire Insurance Dist. Fund Balance as of Sept.	Grant Amount Paid to NDFA	Estimated Grant Amount Paid to FD	Appropriated Amount under Current Law	Increased Amount to Fire Districts	Estimated Additional Fire District Grants for Biennium	Estimated Fund Balance
2011-13	2012	2011	\$ 6,943,077	\$ 3,435,000	\$ 335,000.00	\$ 3,100,000	\$ 3,100,000	\$ -	\$ -	\$ -
2013-15	2013	2012	\$ 7,429,092	\$ 7,429,092	\$ 400,000	\$ 3,514,546	\$ 3,100,000	\$ 414,546		\$ 3,514,546
2013-15	2014	2013	\$ 7,907,294	\$ 11,421,840	\$ 400,000	\$ 5,510,920	\$ 3,100,000	\$ 2,410,920	\$ 2,825,466	\$ 5,510,920
2015-17	2015	2014	\$ 8,460,804	\$ 13,971,724	\$ 400,000	\$ 6,785,862	\$ 3,100,000	\$ 3,685,862		\$ 6,785,862
2015-17	2016	2015	\$ 9,022,676	\$ 15,808,538	\$ 400,000	\$ 7,704,269	\$ 3,100,000	\$ 4,604,269	\$ 8,290,131	\$ 7,704,269
2017-19	2017	2016	\$ 9,654,263	\$ 17,358,532	\$ 400,000	\$ 8,479,266	\$ 3,100,000	\$ 5,379,266		\$ 8,479,266
2017-19	2018	2017	\$ 10,330,061	\$ 18,809,327	\$ 400,000	\$ 9,204,664	\$ 3,100,000	\$ 6,104,664	\$ 11,483,930	\$ 9,204,664
2019-21	2019	2018	\$ 11,053,166	\$ 20,257,829	\$ 400,000	\$ 9,928,915	\$ 3,100,000	\$ 6,828,915		\$ 9,928,915
2019-21	2020	2019	\$ 11,826,887	\$ 21,755,802	\$ 400,000	\$ 10,677,901	\$ 3,100,000	\$ 7,577,901	\$ 14,406,816	\$ 10,677,901
2021-23	2021	2020	\$ 12,654,769	\$ 23,332,670	\$ 400,000	\$ 11,466,335	\$ 3,100,000	\$ 8,366,335		\$ 11,466,335
2021-23	2022	2021	\$ 13,540,603	\$ 25,006,938	\$ 400,000	\$ 12,303,469	\$ 3,100,000	\$ 9,203,469	\$ 17,569,804	\$ 12,303,469

The estimation is based on being able to collect the total amount of the 5 lines of premium tax and half of the EMS appropriation before the Oct. 1 deadline for the September 2013 payments. The tax collected would be 2013 premium tax used to pay the 2012 distribution amount. The estimation is also based on only ONE annual transfer being made to the fund.

## Current process under Executive Budget (biennial numbers)



### Insurance premium tax

Insurance companies pay quarterly taxes in May, August and November based on premium sales from the prior year. In the spring, companies compare the year's actual premium sales to the number used to calculate taxes and reconcile the difference if necessary. Refunds are issued in April or May after companies have reconciled estimates with actual premium sales. Refunds are paid out of the general fund.

Companies file the report of premiums from the five lines with their annual statement in March.

## Process under HB 1145 with no amendments (biennial numbers)

*Annually*

**July 1**

Premium tax fund has a \$0 balance.

**July 1-September 30**

All premium tax lines are deposited in the Fire Insurance Tax Distribution Fund up to the total collected from the five lines in 2012 plus \$625,000 to the EMS fund. Remainder goes to General Fund.

**August 29**

First insurance company tax payments. Represents tax collection of all premium tax lines.

**September 30**

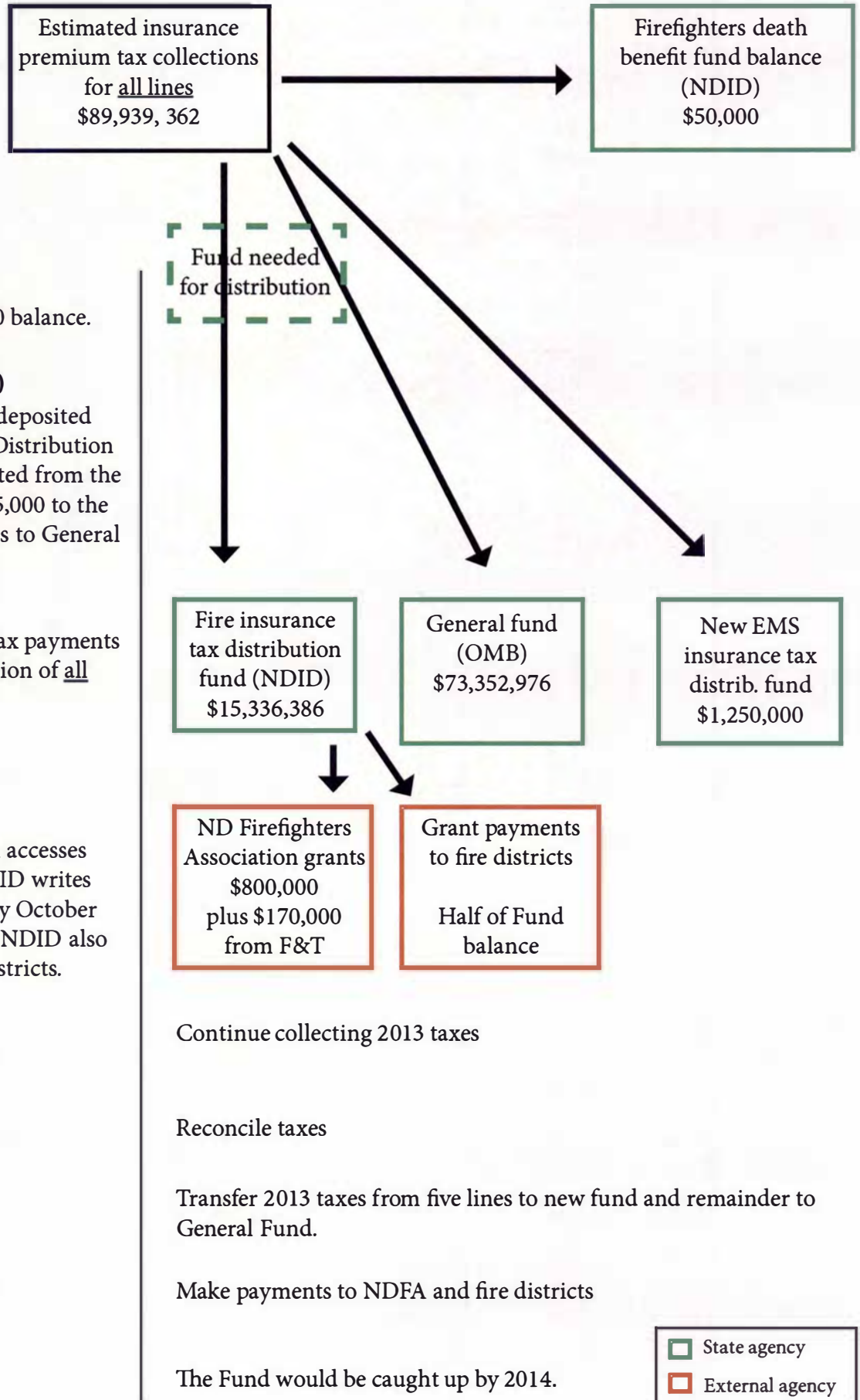
The Department of Health accesses EMS funds as needed. NDID writes two checks to the NDFA by October 1 (\$335,000 and \$85,000). NDID also writes checks to the fire districts.

**November 29**

**March 1**

**June 1**

**October 1**



Continue collecting 2013 taxes

Reconcile taxes

Transfer 2013 taxes from five lines to new fund and remainder to General Fund.

Make payments to NDFA and fire districts



13.0207.04005  
Title.

② 1-23-2013  
HB 1145

Prepared by the Legislative Council staff for  
Representative Keiser

January 23, 2013

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1145

Page 2, line 3, after the period insert "A city fire department, certified rural fire department, or fire protection district is not entitled to benefits under this chapter and must be excluded from allocations determined under this subsection for any taxable year if during that taxable year the governing body of the fire department or fire protection district does not levy at least two mills for fire protection purposes or provide the fire department or fire protection district an equivalent amount of funding in dollars from property taxes levied within the service area of the fire department or fire protection district."

Renumber accordingly

Insurance Department amendments

Rep. Keiser amendments

Emergency Medical Services amendments

1-28-2013  
①  
1145

13.0207.04000

Sixty-third  
Legislative Assembly  
of North Dakota

HOUSE BILL NO. 1145

Introduced by

Representatives D. Johnson, Steiner, Guggisberg

Senators Oehlke, Wanzek, Robinson

A BILL for an Act to amend and reenact sections 18-04-04.1, 18-04-05, 23-46-05, 26.1-01-07.5, and 26.1-03-17 of the North Dakota Century Code, relating to use of insurance premium tax collections for firefighting; ~~and to provide a continuing appropriation, and to declare an~~  
emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

**SECTION 1. AMENDMENT.** Section 18-04-04.1 of the North Dakota Century Code is amended and reenacted as follows:

**18-04-04.1. Insurance**~~Fire insurance~~ **tax distribution fund - Continuing appropriation.**

The fire insurance tax distribution fund is a special fund in the state treasury. The portion of the revenue ~~provided in section~~ collected and transferred or deposited in this fund under sections 26.1-03-17  
~~must be deposited in the fund~~ and 26.1-01-07.5 is appropriated on a continuing basis for

disbursement as provided in this chapter and chapter 23-46, subject to legislative appropriation.

**SECTION 2. AMENDMENT.** Section 18-04-05 of the North Dakota Century Code is amended and reenacted as follows:

**18-04-05. Amount due cities, rural fire protection districts, or rural fire departments - Transfer to firefighters death benefit fund - Disbursement to North Dakota firefighter's association - Payments by insurance commissioner.**

1. The insurance commissioner shall disburse funds in the fire insurance tax distribution fund as provided under this section.
2. The insurance commissioner shall transfer an amount of up to fifty thousand dollars per biennium, as may be necessary, to the firefighters death benefit fund for distribution under chapter 18-05.1.
3. The insurance commissioner shall disburse eight hundred thousand dollars per biennium to the North Dakota firefighter's association for uses authorized under chapter 18-03.
4. The insurance commissioner shall compute the amounts due to the city fire departments, certified rural fire departments, or fire protection districts entitled to benefits under this chapter on or before October first of each year. A certified city fire department, rural fire department, or fire protection district is not entitled to benefits under this chapter and must be excluded from allocations determined under this subsection for any taxable year if during that taxable year the governing body of the fire department or fire protection district does not levy at least two mills for fire protection purposes or provide the fire department or fire protection district an equivalent amount of funding in dollars from property taxes levied within the service area of the fire department or fire protection district. The insurance commissioner shall allocate one-half of the biennial legislative appropriation available funds an amount equal to one hundred percent of the

BEGGING  
IN  
2015

premium tax collected for fire, allied lines, homeowner/s multiple peril,  
farmowner's multiple peril, commercial multiple peril, and crop hail insurance less  
the amount distributed to the North Dakota firefighter's association for distribution  
under this ~~section~~subsection to each eligible city not within a fire protection  
district, each rural fire protection district organized under this title, and each rural  
fire department certified by the state fire marshal, and pay the amount allocated  
in September of each year. The allocation must be made in proportion to the  
amount of insurance company premiums received by insurance companies  
pursuant to section 26.1-03-17 for policies for fire, allied lines, homeowner's  
multiple peril, farmowner's multiple peril, commercial multiple peril, and crop hail  
insurance on property within the city, rural fire protection district, or area served  
by the certified rural fire department to the total of those premiums for those  
policies in the state.

**SECTION 3. AMENDMENT.** Section 23-46-05 of the North Dakota Century Code is  
amended and reenacted as follows:

**23-46-05. State financial assistance for emergency medical services - Emergency**  
**medical services insurance tax distribution fund - Distribution limit.**

The emergency medical services insurance tax distribution fund is a special fund in the  
state treasury. Subject to legislative appropriation, the portion of revenue provided in section  
26.1-03-17 must be deposited in transferred from the insurance tax distribution fund to the  
emergency medical services insurance tax distribution fund for disbursement as provided in this  
chapter. During the first year of the biennium, the state department of health may not distribute  
more than one million two hundred fifty thousand dollars one-half of the biennial legislative  
appropriation for state financial assistance for emergency medical services.

**SECTION 4. AMENDMENT.** Section 26.1-01-07.5 of the North Dakota Century Code is  
amended and reenacted as follows:

**26.1-01-07.5. Fire district maps - Insurance applications to show fire district in which property is located - Penalty.**

Before December first of each year, the insurance commissioner shall publish maps of the fire districts of the state for use by insurers under this section for the following calendar year. The state firefighter's association and the state fire marshal shall assist the insurance commissioner in preparing the maps. After December 31, 1993, no insurer may issue or renew a policy for fire, allied lines, homeowner's multiple peril, farmowner's multiple peril, commercial multiple peril, or crop hail insurance coverage for property in this state unless the application identifies each fire district in which the insured property is located. The application must identify the property and insured value of the property located within each fire district if the policy provides coverage for property that is not all within a single district. For purposes of this section, "fire district" means rural fire protection district, city, or area served by a certified rural fire department. An insurer that is found by the commissioner to be in violation of this section is subject to a penalty of one hundred dollars for each violation to be deposited in the fire insurance tax distribution fund. The insurance commissioner may adopt rules necessary for administration of this section, including rules governing preparation, charges for, and use of maps under this section.

**SECTION 5. AMENDMENT.** Section 26.1-03-17 of the North Dakota Century Code is amended and reenacted as follows:

**26.1-03-17. Commissioner to collect premium tax - Insurance companies generally - Computation - Credits - Penalty - Estimated tax - Continuing appropriation.**

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 fraternal benefit and benevolent societies, 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 three-fourths percent with respect to accident and health insurance, and one and three-fourths 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. CollectionsIf the due date falls on a Saturday or legal holiday, the tax is payable on the next succeeding business day.

a. The insurance tax distribution fund is a special fund in the state treasury. The insurance commissioner shall deposit in the insurance tax distribution fund the revenue provided in this section for disbursement as provided in this section.

b. At least quarterly Annually, the commissioner shall deposit in transfer from the insurance tax distribution fund created in this section to the fire insurance tax distribution fund created under section 18-04-04.1 all collections from this tax from the following policies: fire, allied lines, homeowner's multiple peril, farmowner's multiple peril, and commercial multiple peril.

b. c. Except for collections deposited in the fire Annually, the commissioner shall transfer from the insurance tax distribution fund, to collections from this tax, except for collections deposited in the firefighters death benefit fund, must be deposited in the emergency medical services insurance tax distribution fund for use as provided under section 18-04-04.1 chapter 23-46, but not in an amount exceeding not to exceed one-half of the biennial

amount appropriated ~~from this tax~~ for distribution under ~~sections 18-04-05 and 23-46-04~~ chapter 23-46 in any fiscal year.

- ~~c.~~ d. ~~Collections Annually, collections~~ from this tax exceeding the collections ~~deposited in~~ transferred to the fire insurance tax distribution fund and the sum of the amount ~~deposited in~~ transferred to the emergency medical services insurance tax distribution fund and the amount deposited in the ~~firefighters death benefit fund each fiscal year must be deposited in~~ transferred from the insurance tax distribution fund to the general fund in the state treasury. ~~If the due date falls on a Saturday or legal holiday, the tax is payable on the next succeeding business day.~~

2. An insurance company, nonprofit health service corporation, health maintenance organization, or prepaid legal service organization subject to the tax imposed by subsection 1 is entitled to a credit against the tax due for the amount of any assessment paid as a member of a comprehensive health association under subsection 3 of section 26.1-08-09 for which the member may be liable for the year in which the assessment was paid, a credit as provided under section 26.1-38.1-10, a credit against the tax due for an amount equal to the examination fees paid to the commissioner under sections 26.1-01-07, 26.1-02-02, 26.1-03-19.6, 26.1-03-22, 26.1-17-32, and 26.1-18.1-18, and a credit against the tax due for an amount equal to the ad valorem taxes, whether direct or in the form of rent, on that proportion of premises occupied as the principal office in this state for over one-half of the year for which the tax is paid. The credits under this subsection must be prorated on a quarterly basis and may not exceed the total tax liability under subsection 1.
3. Any company failing to pay the tax imposed by subsection 1, within the time required, is subject to a penalty of one hundred dollars plus twenty-five dollars

per day, excepting the first day after the tax became due. Any company failing to file the appropriate tax statement required by rule if the tax is zero is subject to a penalty of twenty-five dollars per day for each day's neglect not to exceed five hundred dollars. The commissioner, if satisfied that the delay was excusable, may waive, and if paid, issue a premium tax credit for all or any part of the penalty and interest.

4. Every stock and mutual insurance company, nonprofit health service corporation, health maintenance organization, and prepaid legal service organization, except fraternal benefit or benevolent societies, doing business in this state required to pay premium taxes in this state shall make and file a statement of estimated premium taxes. The statement and payment must be made on a quarterly basis as prescribed by the commissioner. Failure of a company to make payments of at least one-fourth of the total tax paid during the previous calendar year, or eighty percent of the actual tax for the quarter being reported of the current calendar year, shall subject the company to the penalty and interest provided in subsection 3.
5. If an amount of tax, penalty, or interest has been paid which was not due under the provisions of this section, a refund may be issued to the taxpayer who made the erroneous payment. The refund is allowed as a credit against any tax due or to become due under this section or as a cash refund, at the discretion of the commissioner. The taxpayer who made the erroneous payment shall present a claim for refund to the commissioner not later than two years after the due date of the return for the period for which the erroneous payment was made.
6. In lieu of the tax required by subsection 1, the commissioner shall collect from each entity subject to this section an annual filing fee in the amount of two hundred dollars, provided the total tax liability of the entity pursuant to subsection



1 is less than two hundred dollars. No annual filing fee is due or may be collected from an entity if its total tax liability pursuant to subsection 1 is in excess of two hundred dollars. The annual filing fee may be reduced by any credits available pursuant to subsections 2 and 5. Failure of a company to pay the two hundred dollar filing fee subjects the company to the penalty as provided in subsection 3.

**SECTION 6. EMERGENCY.** This Act is declared to be an emergency measure.

January 25, 2013

**PROPOSED AMENDMENTS TO HOUSE BILL NO. 1145**

Page 1, line 3, remove "and" and after "appropriation" and before the period insert "; and to declare an emergency"

Page 1, line 9, replace "collected and" with "transferred or"

Page 2, line 4, overstrike "one-half of the" and replace "available" with "an amount equal to one hundred percent of the premium tax collected for fire, allied lines, homeowner's multiple peril, farmowner's multiple peril, commercial multiple peril, and crop hail insurance less the amount distributed to the North Dakota firefighter's association"

Page 2, line 5, remove "funds"

Page 2, line 20, replace "deposited in" with "transferred from" and after "the" insert "insurance tax distribution fund to the emergency medical services insurance tax distribution"

Page 3, line 30, after "a." insert "The insurance tax distribution fund is a special fund in the state treasury. The insurance commissioner shall deposit in the insurance tax distribution fund the revenue provided in this section for disbursement as provided in this section." b.", replace "At least quarterly" with "Annually", and replace "deposit in" with "transfer from the insurance tax distribution fund created in this section to"

Page 4, line 3, replace "b." with "c." and replace "Except for collections deposited in the fire" with "Annually, the commissioner shall transfer from the" and replace the comma with "to"

Page 4, line 4, remove "collections" and overstrike "from this tax"

Page 4, line 5, overstrike "must be deposited in"

Page 4, line 6, overstrike "but"

Page 4, line 7, overstrike "not in", overstrike "exceeding", and insert immediately thereafter "not to exceed"

Page 4, line 10, replace "c." with "d.", overstrike "Collections", insert "Annually, collections", and replace "deposited in" with "transferred to"

Page 4, line 11, overstrike "deposited in" and insert immediately thereafter "transferred to"

Page 4, line 13, overstrike "deposited in" and insert immediately thereafter "transferred from the insurance tax distribution fund to"

Page 5, after line 28, insert:

**"SECTION 6. EMERGENCY.** This Act is declared to be an emergency measure."

Re-number accordingly

## History of Insurance Premium Tax and the Distribution to Fire Departments in North Dakota

The Insurance Premium Tax has been a source of revenue for fire department and fire districts for many years. Though every jurisdiction has a variety of funding options available and the distribution from the premium tax to the departments has historically been a significant component of that funding. The following is a brief history of the tax and distribution to the fire departments in the State of North Dakota.

The Insurance Premium Tax was established in 1887, before North Dakota was a state. Insurance Premiums were taxed at a rate of 2%. The revenue generated from the tax was distributed to city, town or village and passed on to qualified fire companies having at least 15 members and "having management of at least one steam, hand or other fire engine, hook and ladder truck or hose cart." Insurance companies were required to record which fire district provided the fire protection for the insured property. When the premium tax was collected the money was distributed to the fire district where the insurance policies were sold.

For the almost 100 years, few significant changes were made. A couple of notable changes were, in 1949, the amount of the distribution was made into a continuing appropriation based on the amount of tax collected and in 1979, Farmer's Multi-peril was added to the lines dedicated to the fire service.

In 1983, a major change was made to the Century Code. The way the state was doing all insurance premium taxes was challenged by foreign insurance companies. Until this time, foreign companies (out of state) were charge a premium tax and domestic companies (in state) were charged corporate income tax. A law suit by the foreign companies challenged this practice and a judge declared it unconstitutional. This ruling provided the impetus to overhaul all the laws related to the insurance industry. Title 26 Insurance and portions of Title 6 – Banks and Banking, which were related to insurance, were all repealed. These were replaced Title 26.1- Insurance, which was a rewrite of all the laws related to the insurance industry. 18-04-04.1 was added to reference the new law in 26.1-03-17 which dealt specifically with all Insurance Premium Taxes and 26.1-03-17 references 18-04-04 concerning the portion of the Insurance Premium Tax distributed to the fire departments.

The results from this change were twofold. First, this change added to the fluctuation in funding. The early 1980's brought changes to the insurance industry and economy that impact the amount of premium tax collected. This legislation was another change that impacted the revenue. Second, the change in the law took what had basically been pass-through funding for the fire service and included it with all other Insurance Premium Taxes that were added to the State General Fund. It became much easier to see this funding as coming from the State General Fund.

Because of the fluctuations in the fund, changes were made to stabilize the fund. In 1985, the continuing appropriation was removed and the legislature agreed to stabilize the fund at \$5,200,000 per

biennium. In 1989, the payments were set at no more than \$2,600,000 per year instead of \$5,200,000 per biennium. During a couple of these years, the tax distributed actually exceeded the tax collected.

The early 1990s saw the amount of tax revenue steadily increase and in 1993, the fire service asked that the distribution again be connected to the amount of money collected from the premium tax. Due to state budgeting challenges, a compromise was made that returned the continuing appropriation but only at a level of 84% of the premium tax collected. The amount of the distributions at 84% was approximately the level of funding for the previous 10 years, but this change allowed for increases in the future.

The very next year, another change to the insurance industry impacted the Insurance Premium Tax. The Supreme Court of the United States ruled that Federal Crop Insurance could no longer be taxed. This resulted in 27% decrease in the tax collected in 1995. Because of this, the 1995 legislature again removed the continuing appropriation and returned to the annual legislative appropriation of \$2,600,000 per year, which equaled 101% of the revenue generated by the premium tax.

Since 1995, the only changes made to the law have dealt with funding. Though the amount of tax collected continued to increase over the next decade, the amount of the appropriation remained at \$2,600,000. The result of this practice adversely affected fire service funding in relation to the amount of premium tax collected. In 2001, the North Dakota Firefighter Association (NDFA) pushed through legislation that streamlined its funding. Up until this time, the association was funded by dues from the individual fire departments. This change removed the required dues and used some of the excess in premium tax revenue to fund NDFA in the amount of \$52,000 per year. In 2005, the fire service approached the legislature about increasing the distribution and the appropriation was increased to \$3,100,000 per year. In 2009, NDFA's funding was increased to \$310,000 per year and in 2011 it was increased to \$335,000 per year. Since 1995, the fire service distribution plummeted from 101% to 48% of the premium tax collected.

In summary, for almost 100 years, 100% of the amount of money collected from the Insurance Premium Tax on fire related insurance was distributed to fire departments and fire districts. For much of that time it was a continuing appropriation. When funding became unpredictable in the late 70s and early 80s the legislature stepped in to support the fund to provide the fire service with a reliable funding source. In the mid-90s, the legislature again stepped in to stabilize the fund so departments could have a dependable funding source. Since that time however, a large portion of the premium tax collected has not gone to the fire service. This history demonstrates the Insurance Premium Tax was intended to be collected for distribution to fire departments and fire districts to promote and maintain the fire service in North Dakota.

## Quick Reference Guide

1887 Tax established. Money distributed to city, town or village and passed on to qualified fire companies. Percentage established at 2.25 %

1899 Section added that directs warrant process for city or county auditors. A warrant is basically a bill sent by each jurisdiction to the State Treasurer for the amount of their distribution. (Repealed in 1971.)

1949 The amount of the distribution was made a continuing appropriation based on the amount of tax collected.

1979 Farmer's Multi-peril added.

1983 Premium Tax collection removed from Title 18-Fire and placed in Title 26.1-Insurance.

1985 Hail insurance excluded.

1985 Continuing appropriation removed. Payments not to exceed 5.2 million per biennium.

1989 Payments not to exceed 2.6 million per year. Negotiated between Earl Pomeroy and Monk Gilman.

1993 Payments set at 84% of tax collected. \$2,600,000 limit is removed.

1994 Supreme Court rules crop insurance cannot be taxed. Results in 27% decrease in tax collection in 1995.

1995 Returned to legislative appropriation set at \$2,600,000 annually.

2001 NDFA allotted \$52,000; NDFA dues from departments eliminated.

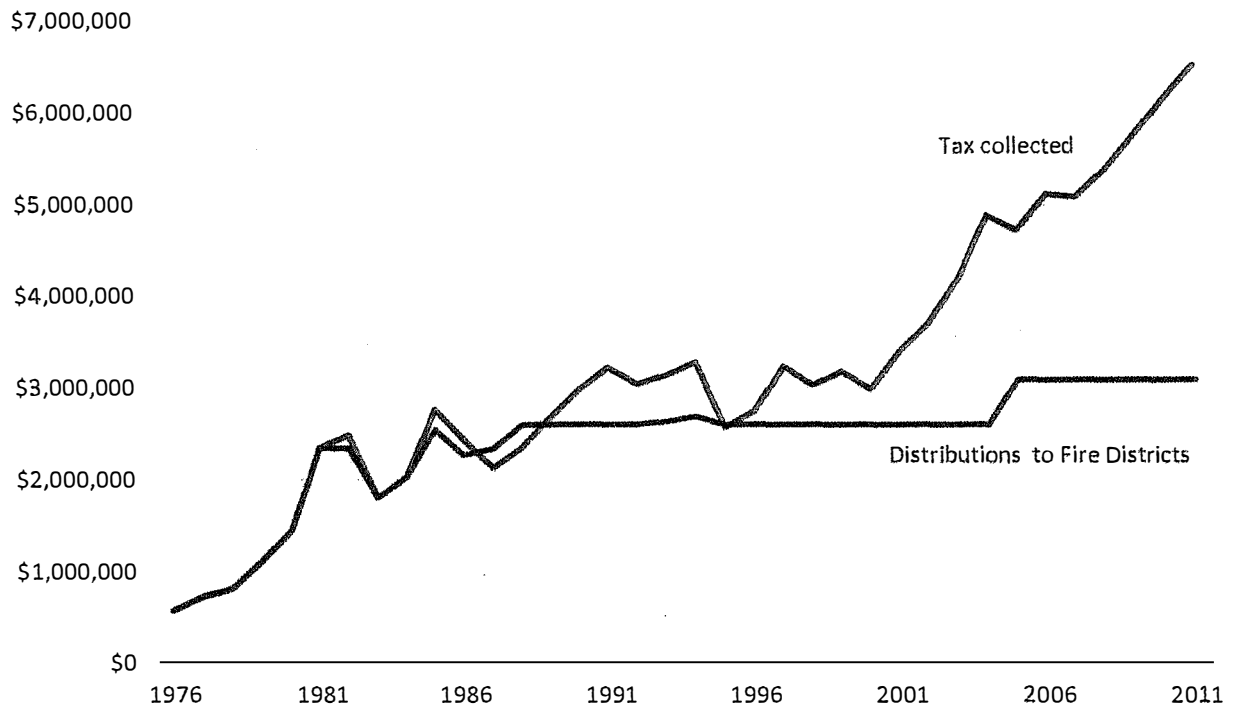
2005 Appropriation increased to \$3,100,000 annually. NDFA increased to \$60,000 Negotiated by Lois Hartman

2009 NDFA increased to \$310,000

2011 NDFA increased to \$335,000

## Insurance Premium Collections and Distributions

1976 to 2011



Process under HB 1145 with amendments (2011-2013 biennial numbers)

Attachment 2

Annually

July 1, 2011–April 30, 2013

Premium tax fund has a \$0 balance.

Deposits made under current law

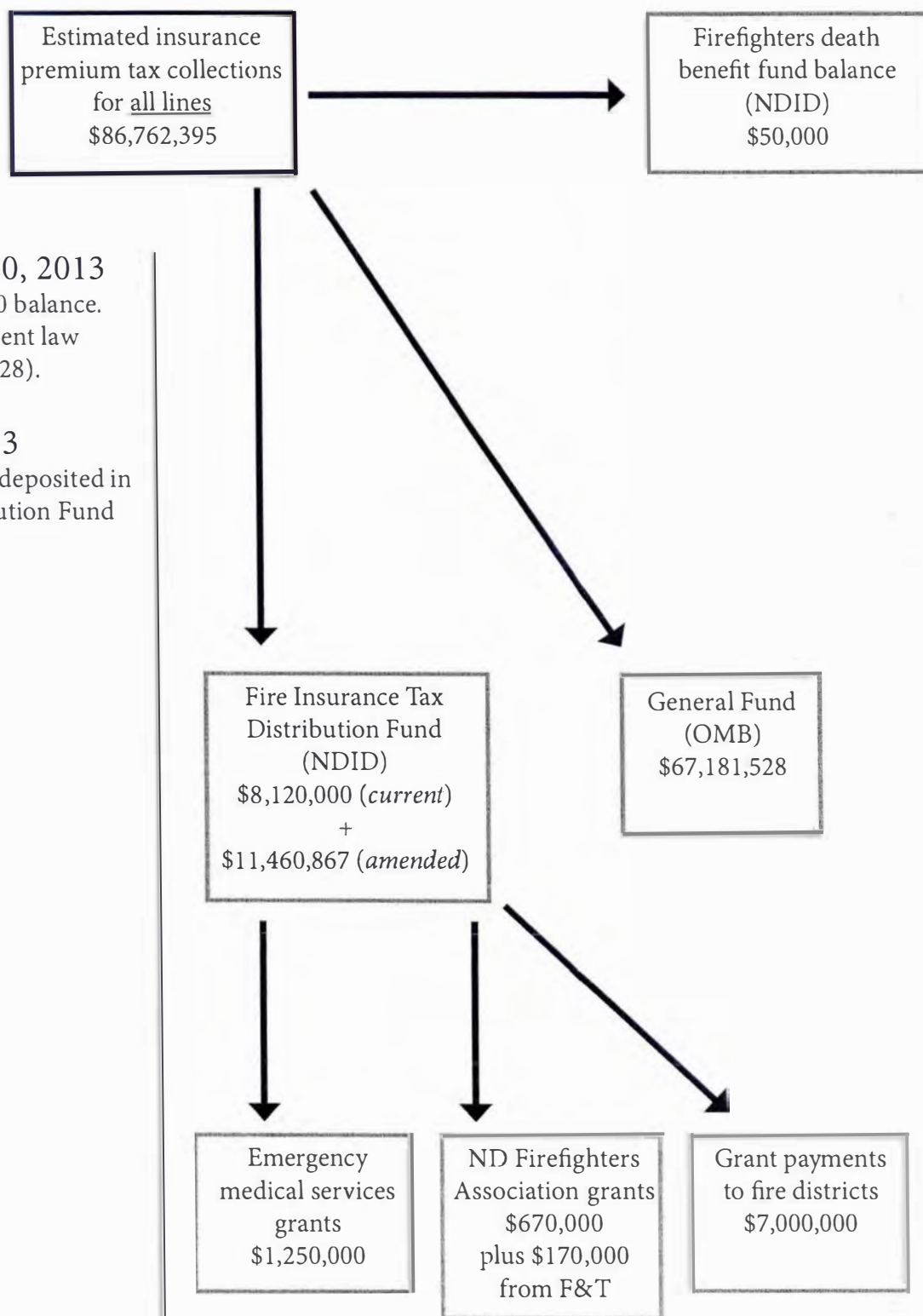
(\$8,120,000 and \$67,181,528).

May 1–June 30, 2013

All premium tax lines are deposited in

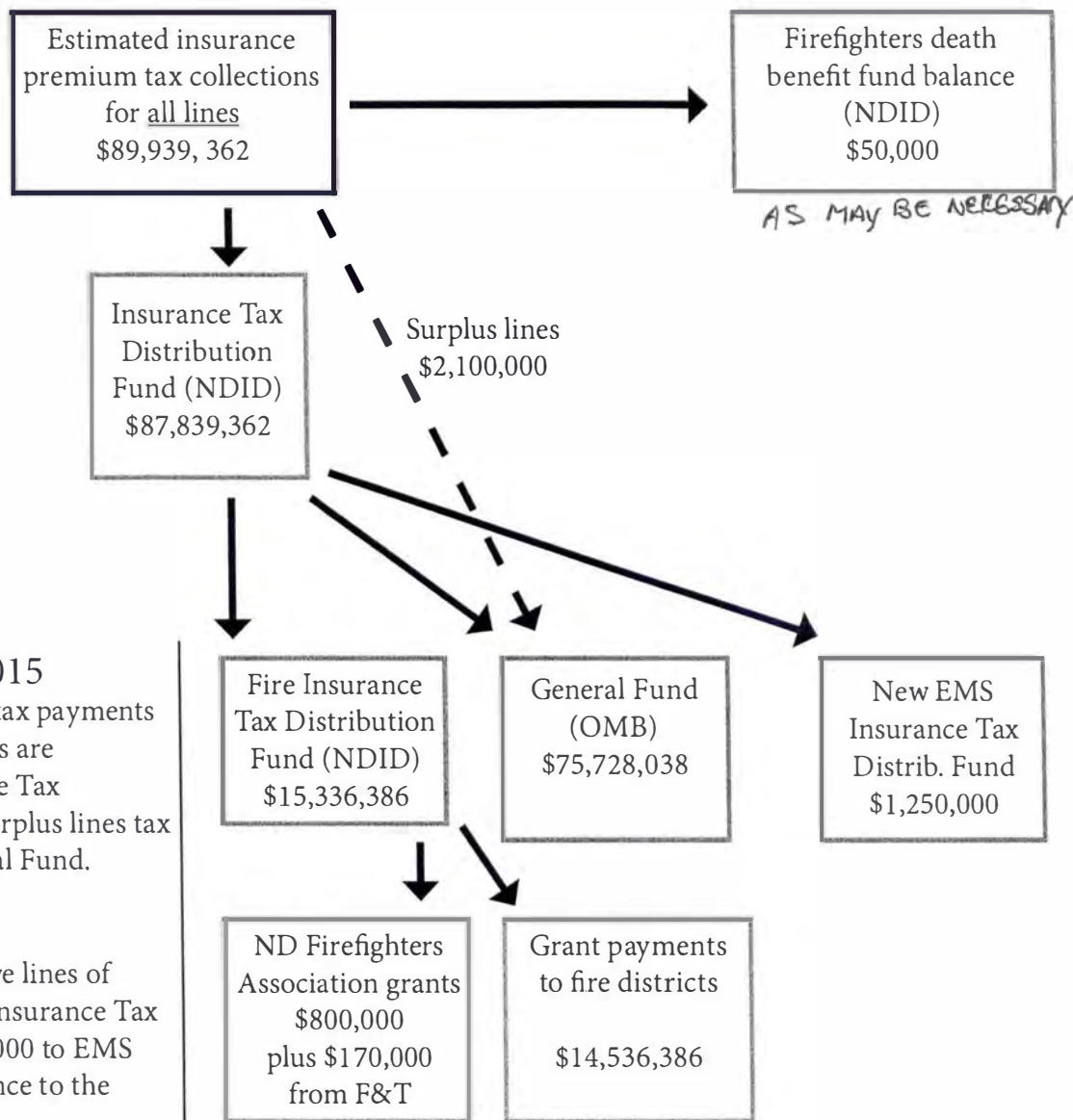
the Insurance Tax Distribution Fund

(\$11,460,867).





# Process under HB 1145 with amendments (2013-2015 biennial numbers)



Annually

August 29, 2013–2015

First insurance company tax payments due. All premium tax lines are deposited in the Insurance Tax Distribution Fund. All surplus lines tax is deposited in the General Fund.

September 1, 2013

NDID will transfer the five lines of premium tax to the Fire Insurance Tax Distribution Fund, \$625,000 to EMS fund and remaining balance to the General Fund.

November 29

All premium tax lines are deposited in the Insurance Tax Distribution Fund.

March 1

All premium tax lines are deposited in the Insurance Tax Distribution Fund.

June 30

July 1

October 1

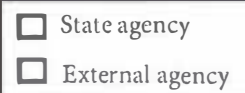
Continue collecting 2013 taxes

Reconcile taxes

General Fund transfer

Fire Insurance Tax Distribution Fund and EMS transfers  
Make payments to NDFA and fire districts

The annual General Fund transfer will be caught up in 2014.



Maximum of 5.00 Mills except it may be increased to 13.00 mills if 20% of qualified electors petition  
N.D.C.C. 18-10-07; 18-10-14; 57-15-26.3

Fire Dist Name	General Fund Mills	Located in the following county(ies)
Abercrombie	8.00	Richland
Adams	6.91	Walsh
Alamo	6.37	Divide, Williams
Alexander	5.00	McKenzie
Alice	5.00	Cass
Almont	10.01	Grant, Morton
Amidon	5.00	Slope
Anamoose	8.37	Sheridan, Pierce, McHenry
Aneta	4.82	Griggs, Steele, Nelson, Grand Forks
Antler	2.57	Bottineau
Argusville	6.58	Cass
Arnegard	5.00	McKenzie
Arthur	4.96	Cass
Barney	3.32	Richland
Berthold	1.89	Mountrail, Ward
Beulah	3.20	Mercer
Beulah	3.20	Oliver
Billings	7.86	Stark, Billings
Binford	3.00	Griggs
Bisbee	8.00	Towner
Bismarck	10.69	Burleigh
Bottineau	5.34	Bottineau
Bowbells	5.00	Burke
Braddock	5.00	Burleigh, Kidder, Emmons
Brocket/Lawton	5.00	Ramsey, Walsh
Buffalo	13.00	Cass
Burlington	10.00	Ward
Butte	13.00	Sheridan, McLean, McHenry
Buxton	5.00	Traill
Calvin	5.00	Towner, Cavalier
Cando	5.00	Ramsey, Towner
Carpio	2.05	Renville, Ward
Carrington	1.00	Foster
Carson	5.00	Grant
Cathay	5.00	Wells
Central	4.77	Golden Valley
Christine	12.63	Richland
Cleveland	4.36	Stutsman
Cogswell	1.94	Sargent
Courtenay	3.68	Stutsman
Crystal	5.00	Pembina
Dahlen	3.38	Nelson, Walsh
Davenport	7.95	Cass
Dawson	4.00	Kidder

Dazey	5.00	Barnes
Deering	5.00	Ward, McHenry
DesLacs	5.57	Ward
Devils Lake	5.00	Ramsey, Benson
Dickinson	13.00	Dunn, Stark
Douglas	5.00	Ward
Drake	3.21	Sheridan, McHenry
Dunseith	5.00	Rolette
Dwight	12.73	Richland
East Adams #4	4.50	Adams
Edinburg	2.68	Pembina, Walsh
Edna	5.00	Barnes
Egeland	5.12	Towner
Elgin	5.66	Grant
Ellendale	3.78	Dickey
Enderlin	5.00	Ransom, Cass, Barnes
Epping	4.76	Williams
Esmond	2.91	Pierce, Benson
Fairdale	3.21	Walsh, Cavalier
Fairmount	10.48	Richland
Ferry	5.00	Grand Forks
Fessenden	2.85	Wells
Fingal	4.90	Barnes
Finley	5.00	Steele
Flasher	3.69	Grant, Morton
Fordville	5.00	Walsh, Grand Forks
Forman	4.98	Sargent
Fort Ransom	4.12	Ransom
Fortuna	5.55	Divide
Fredonia	3.53	Logan
Gackle	5.00	Logan, Stutsman, LaMoure
Galesburg	2.70	Steele, Traill, Cass
Garrison	2.35	McLean
Gilby	4.88	Grand Forks
Gladstone	10.00	Dunn, Stark
Glen Ullin	3.92	Mercer, Grant, Morton, Oliver
Glenburn	4.30	Renville, Bottineau, Ward, McHenry
Glenfield	3.00	Griggs, Foster
Golden Valley	4.79	Mercer
Golva	10.50	Golden Valley
Goodrich	1.70	Sheridan
Grafton	5.00	Walsh
Grandin	5.00	Traill, Cass
Granville	2.88	McHenry
Grassy Butte	5.00	McKenzie
Great Bend	10.54	Richland
Grenora	5.00	Divide, Williams

Gwinner	5.02	Sargent, Ransom
Hague	10.00	Emmons
Halliday	9.65	Mercer, Dunn
Hankinson	10.00	Richland
Hannah	3.00	Cavalier
Harvey	3.50	Sheridan, Pierce, Benson, Wells
Hatton	5.00	Traill, Steele, Grand Forks
Hazelton	5.00	Emmons
Hazen	7.00	Mercer, Oliver
Hebron	4.37	Mercer, Grant, Dunn, Stark, Morton
Hettinger #6	5.00	Adams
Hoople	13.00	Pembina, Walsh
Hope	4.74	Steele, Barnes
Horace	4.86	Cass
Horse Creek	5.00	McKenzie
Hunter	5.00	Traill, Cass
Inkster	5.00	Grand Forks
Jamestown	5.00	Stutsman
Jud	5.00	LaMoure
Karlsruhe	13.00	McHenry
Kathryn	4.10	Barnes
Kenmare	3.37	Renville, Mountrail, Ward, Burke
Kensal	5.00	Stutsman, Foster
Kindred	5.00	Cass, Richland
Kramer	5.21	Bottineau
Kulm	1.37	McIntosh
Lakota	5.00	Nelson, Ramsey
Langdon	2.00	Cavalier
Lankin	1.95	Walsh
Lansford	4.66	Renville, Bottineau
Leeds	5.00	Pierce, Benson, Towner, Ramsey
Leonard	13.00	Ransom, Richland, Cass
Lidgerwood	13.00	Sargent, Richland
Lignite	5.00	Burke
Linton	5.00	Emmons
Lisbon	5.00	Ransom
Maddock	5.00	Benson, Wells
Mandan	5.57	Morton
Mantador	5.00	Richland
Marmarth	5.00	Slope, Bowman
Max	5.00	McLean, Ward
Maxbass	8.38	Bottineau
McClusky	2.75	Sheridan
McKenzie	5.00	McKenzie
McVile	9.45	Griggs, Nelson
Medina	6.18	Stutsman
Mercer	8.44	Sheridan, McLean

Michigan	5.00	Nelson, Walsh
Milnor	13.01	Sargent, Ransom
Milton	5.00	Cavalier
Minnewaukan	0.50	Benson
Minot	10.00	Ward
Minto	7.50	Walsh
Mohall	5.00	Renville, Bottineau
Mooreton	5.00	Richland
Mott	4.80	Hettinger, Stark, Adams
Munich	5.00	Cavalier
Mylo	5.00	Rolette
Napoleon	5.00	Logan, Kidder, Emmons
Neché	5.00	Pembina
Nekoma	3.70	Cavalier
New England	1.65	Slope, Hettinger, Stark
New Leipzig	5.00	Grant, Hettinger, Adams
New Rockford	4.58	Eddy, Wells
New Salem	4.32	Grant, Morton, Oliver
New Town	5.00	McKenzie, Mountrail
Newburg	9.75	Bottineau
Niagara	5.00	Nelson Grand Forks
Nome	3.89	Barnes
Northwood	5.00	Grand Forks
Oliver Fire	5.00	Oliver
Osnabrock	2.00	Cavalier
Page	4.69	Steele, Cass, Barnes
Park River	1.81	Walsh
Parshall	3.72	McLean, Mountrail
Pekin	10.00	Nelson
Petersburg	3.02	Nelson
Pettibone	5.00	Kidder, Stutsman
Pingree	5.00	Stutsman
Pisek	5.00	Walsh
Plaza	5.00	Mountrail, McLean, Ward
Portal	1.67	Burke
Portland	4.8	Steele, Traill
Powers Lake	4.75	Mountrail, Burke
Ray	4.49	Williams
Reeder	10.00	Bowman, Adams
Regent	5.00	Hettinger, Stark, Adams
Reynolds	4.89	Traill, Grand Forks
Rhame	4.13	Slope, Bowman
Richardton	10.0	Dunn, Stark
Robinson	3.00	Kidder
Rock Lake	12.00	Towner
Rolette	5.00	Rolette
Rolla	5.00	Towner, Rolette

Roloff	1.90	McIntosh
Rugby	4.61	Pierce, Rolette, Benson
Rutland/Cayuga	18.00	Sargent
Ryder Makoti	9.08	McLean, Ward
Sanborn	10.00	Barnes
Sarles	5.00	Towner, Cavalier
Sawyer	5.00	Ward
Scranton	2.47	Slope, Bowman
Sentinel	7.63	Golden Valley
Sherwood	2.97	Renville
Sioux-Yellowstone	3.24	McKenzie
Solen	10.00	Sioux
Souris	7.77	Bottineau
South Heart	5.00	Dunn, Stark
South Wilton	5.00	Burleigh
Southwest Fire	2.16	Emmons
St John	5.00	Rolette
St Thomas	4.35	Pembina
Stanley	4.56	Mountrail
Stanton	5.00	Mercer, Oliver
Starkweather	5.00	Ramsey, Towner, Cavalier
Steele	5.00	Kidder
Sterling	5.00	Burleigh
Strasburg	5.00	Emmons
Streeter	7.00	Kidder, Stutsman, Logan
Surrey	2.97	Ward
Sykeston	1.58	Wells
Tappen	3.00	Kidder
Taylor	10.00	Dunn, Stark
Thingvalla	5.00	Pembina
Thompson	5.00	Grand Forks
Tolley	5.00	Renville
Tolna	4.77	Griggs, Nelson, Ramsey, Eddy, Benson
Tower City	1.79	Cass, Barnes
Towner	5.11	McHenry
Trenton	6.02	Williams
Turtle Lake	6.06	McLean
Tuttle	5.00	Kidder
Underwood	10.00	McLean
Upham	5.00	McHenry
Velva	4.10	McHenry, Ward
Walcott/Colfax	8.11	Richland
Wales	5.00	Cavalier
Walhalla	4.00	Pembina, Cavalier
Warwick	5.35	Eddy, Benson
Washburn	4.12	McLean, Oliver
West Dunn	13.00	Dunn

Westby	3.55	Divide
Westhope	10.00	Bottineau
Wildrose	6.89	Divide, Williams
Williston	5.00	McKenzie, Williams
Willow City	4.48	McHenry, Pierce, Rolette, Bottineau
Wilton	5.00	McLean
Wimbledon	5.08	Griggs, Barnes, Stutsman
Wing	5.00	Burleigh
Wishek	5.00	Logan, McIntosh
Wolford	4.62	Pierce
Woodworth	5.00	Stutsman
Wyndmere	5.00	Sargent, Richland
Zap	5.00	Mercer
Zeeland	3.61	Emmons, McIntosh



North Dakota Insurance Department					
Fire District Payments					
District #	District Name	2011 5 Lines of Premium Tax Collected for 2012 Payments	2012 Payment under current law	2012 Payment under HB 1145	Estimated 2013 Payment under HB 1145
11	ABERCROMBIE F/P DIST	\$8,960	\$4,000.72	\$8,444.20	\$9,071.43
31	ADAMS F/P DISTRICT	\$9,001	\$4,018.67	\$8,482.10	\$9,112.14
71	ALAMO F/P DISTRICT	\$10,482	\$4,679.87	\$9,877.67	\$10,611.37
81	ALEXANDER F/P DISTRICT	\$12,248	\$5,468.50	\$11,542.20	\$12,399.55
101	ALICE F/P DISTRICT	\$4,783	\$2,135.34	\$4,506.99	\$4,841.77
121	ALMONT F/P DISTRICT	\$2,817	\$1,257.64	\$2,654.45	\$2,851.63
141	AMBROSE FIRE DEPT	\$759	\$338.72	\$714.94	\$768.04
161	AMIDON F/P DISTRICT	\$4,007	\$1,789.17	\$3,776.34	\$4,056.85
171	ANAMOOSE F/P DISTRICT	\$9,939	\$4,437.61	\$9,366.32	\$10,062.04
181	ANETA F/P DISTRICT	\$8,678	\$3,874.62	\$8,178.05	\$8,785.51
190	ANTLER FIRE DEPT	\$3,747	\$1,673.03	\$3,531.22	\$3,793.52
191	ANTLER F/P DISTRICT	\$4,072	\$1,818.07	\$3,837.35	\$4,122.38
231	ARGUSVILLE F/P DIST	\$7,606	\$3,396.03	\$7,167.90	\$7,700.32
241	ARNEGARD F/P DISTRICT	\$4,488	\$2,003.71	\$4,229.17	\$4,543.31
251	ARTHUR F/P DISTRICT	\$12,420	\$5,545.29	\$11,704.28	\$12,573.67
270	ASHLEY FIRE DEPT	\$19,661	\$8,778.35	\$18,528.21	\$19,904.47
271	ASHLEY RURAL FIRE DEPT	\$7,298	\$3,258.69	\$6,878.02	\$7,388.92
361	BARNEY F/P DISTRICT	\$13,225	\$5,904.73	\$12,462.94	\$13,388.67
390	BATHGATE FIRE DEPT	\$938	\$418.74	\$883.81	\$949.46
410	BEACH FIRE DEPT	\$8,364	\$3,734.61	\$7,882.54	\$8,468.05
421	BELCOURT RURAL FIRE DEPT	\$10,931	\$4,880.59	\$10,301.32	\$11,066.50
440	BELFIELD FIRE DEPT	\$7,257	\$3,240.27	\$6,839.13	\$7,347.14
491	BERTHOLD F/P DISTRICT	\$17,684	\$7,895.51	\$16,664.82	\$17,902.67
501	BILLINGS COUNTY F/P DIST	\$15,621	\$6,974.65	\$14,721.19	\$15,814.67
511	BEULAH F/P DISTRICT	\$74,342	\$33,192.99	\$70,059.45	\$75,263.41
521	BINFORD F/P DISTRICT	\$7,309	\$3,263.24	\$6,887.62	\$7,399.23
531	BISBEE F/P DISTRICT	\$7,171	\$3,201.61	\$6,757.53	\$7,259.48
540	BISMARCK FIRE DEPT	\$500,419	\$223,431.25	\$471,589.65	\$506,618.98
541	BISMARCK F/P DISTRICT	\$127,758	\$57,042.59	\$120,398.08	\$129,341.17
590	BOTTINEAU FIRE DEPT	\$21,299	\$9,509.66	\$20,071.76	\$21,562.68
591	BOTTINEAU F/P DISTRICT	\$27,145	\$12,119.83	\$25,580.96	\$27,481.10
601	BOWBELLS F/P DISTRICT	\$7,181	\$3,206.14	\$6,767.11	\$7,269.77
610	BOWDON FIRE DEPT	\$5,723	\$2,555.17	\$5,393.12	\$5,793.71
611	BOWDON RURAL FIRE DEPT	\$11,695	\$5,221.54	\$11,020.94	\$11,839.57
630	BOWMAN FIRE DEPT	\$17,810	\$7,952.06	\$16,784.18	\$18,030.90
631	BOWMAN RURAL FIRE DEPT	\$13,944	\$6,225.69	\$13,140.37	\$14,116.43
641	BRADDOCK F/P DISTRICT	\$4,779	\$2,133.98	\$4,504.13	\$4,838.69
701	BROCKET-LAWTON F/P DIST	\$7,802	\$3,483.31	\$7,352.13	\$7,898.24
731	BUFFALO F/P DISTRICT	\$18,750	\$8,371.44	\$17,669.35	\$18,981.82
750	BURLINGTON FIRE DEPT	\$9,069	\$4,049.04	\$8,546.18	\$9,180.99
751	BURLINGTON RURAL FIRE DP	\$6,517	\$2,909.54	\$6,141.09	\$6,597.24
781	BUTTE F/P DISTRICT	\$6,139	\$2,741.01	\$5,785.37	\$6,215.11
791	BUXTON F/P DISTRICT	\$21,897	\$9,776.96	\$20,635.93	\$22,168.75
821	CALVIN F/P DISTRICT	\$5,662	\$2,528.15	\$5,336.09	\$5,732.45
830	CANDO FIRE DEPT	\$10,581	\$4,724.08	\$9,970.98	\$10,711.61
831	CANDO F/P DISTRICT	\$10,388	\$4,638.26	\$9,789.85	\$10,517.03
861	CARPIO F/P DISTRICT	\$8,693	\$3,881.17	\$8,191.87	\$8,800.36
870	CARRINGTON FIRE DEPT	\$19,195	\$8,570.50	\$18,089.49	\$19,433.17
871	CARRINGTON RURAL FIRE DP	\$25,482	\$11,377.22	\$24,013.55	\$25,797.26
881	CARSON F/P DISTRICT	\$9,627	\$4,298.36	\$9,072.42	\$9,746.31
900	CASSELTON FIRE DEPT	\$17,813	\$7,953.28	\$16,786.74	\$18,033.65
901	CASSELTON RURAL FIRE DP	\$44,321	\$19,788.64	\$41,767.29	\$44,869.73
911	CATHAY F/P DISTRICT	\$6,128	\$2,736.23	\$5,775.28	\$6,204.26
920	CAVALIER FIRE DEPT	\$17,126	\$7,646.44	\$16,139.11	\$17,337.91



# North Dakota Insurance Department

## Fire District Payments

District #	District Name	2011 5 Lines of Premium Tax Collected for 2012 Payments	2012 Payment under current law	2012 Payment under HB 1145	Estimated 2013 Payment under HB 1145
921	CAVALIER RURAL FIRE DEPT	\$21,451	\$9,577.50	\$20,214.94	\$21,716.49
931	CEDAR VALLEY F/P DIST	\$2,753	\$1,229.20	\$2,594.44	\$2,787.15
941	CENTRAL-BEACH F/P DIST	\$3,584	\$1,600.14	\$3,377.37	\$3,628.24
991	CHRISTINE F/P DISTRICT	\$8,159	\$3,643.01	\$7,689.19	\$8,260.33
1001	CHURCHES FERRY F/P DIST	\$0	\$0.00	\$0.00	\$0.00
1011	CLEVELAND F/P DISTRICT	\$17,298	\$7,723.35	\$16,301.45	\$17,512.31
1021	CLIFFORD F/P DISTRICT	\$0	\$0.00	\$0.00	\$0.00
1041	COGSWELL F/P DISTRICT	\$13,496	\$6,025.63	\$12,718.11	\$13,662.81
1090	COLUMBUS FIRE DEPT	\$1,392	\$621.47	\$1,311.72	\$1,409.16
1091	COLUMBUS RURAL FIRE DEPT	\$3,063	\$1,367.67	\$2,886.71	\$3,101.13
1110	COOPERSTOWN FIRE DEPT	\$9,583	\$4,278.89	\$9,031.32	\$9,702.16
1111	COOPERSTOWN RURAL FIRE	\$11,529	\$5,147.59	\$10,864.86	\$11,671.90
1151	COURTENAY F/P DISTRICT	\$7,847	\$3,503.54	\$7,394.82	\$7,944.11
1180	CROSBY FIRE DEPT	\$9,478	\$4,231.67	\$8,931.66	\$9,595.10
1181	CROSBY RURAL FIRE DEPT	\$4,664	\$2,082.52	\$4,395.51	\$4,722.01
1191	CRYSTAL F/P DISTRICT	\$6,588	\$2,941.60	\$6,208.75	\$6,669.93
1221	DAHLEN F/P DISTRICT	\$3,180	\$1,419.74	\$2,996.59	\$3,219.18
1231	DAVENPORT F/P DISTRICT	\$7,961	\$3,554.58	\$7,502.55	\$8,059.83
1241	DAWSON F/P DISTRICT	\$5,562	\$2,483.17	\$5,241.16	\$5,630.47
1250	DAZEY FIRE DEPT	\$2,185	\$975.74	\$2,059.46	\$2,212.44
1251	DAZEY F/P DISTRICT	\$4,964	\$2,216.44	\$4,678.18	\$5,025.67
1261	DEERING F/P DISTRICT	\$4,069	\$1,816.89	\$3,834.86	\$4,119.71
1301	DES LACS F/P DISTRICT	\$6,777	\$3,025.89	\$6,386.66	\$6,861.06
1310	DEVILS LAKE FIRE DEPT	\$50,513	\$22,553.44	\$47,602.88	\$51,138.78
1311	DEVILS LAKE RURAL FIRE	\$41,644	\$18,593.57	\$39,244.90	\$42,159.98
1340	DICKINSON FIRE DEPT	\$151,788	\$67,771.55	\$143,043.37	\$153,668.53
1341	DICKINSON F/P DISTRICT	\$49,326	\$22,023.33	\$46,483.99	\$49,936.79
1361	DONNYBROOK F/P DISTRICT	\$5,819	\$2,598.05	\$5,483.62	\$5,890.94
1381	DOUGLAS F/P DISTRICT	\$3,121	\$1,393.68	\$2,941.59	\$3,160.09
1400	DRAKE FIRE DEPT	\$1,572	\$701.85	\$1,481.38	\$1,591.41
1401	DRAKE F/P DISTRICT	\$8,130	\$3,629.82	\$7,661.35	\$8,230.43
1410	DRAYTON FIRE DEPT	\$5,876	\$2,623.39	\$5,537.11	\$5,948.40
1411	DRAYTON RURAL FIRE DEPT	\$10,679	\$4,767.83	\$10,063.31	\$10,810.81
1450	DUNSEITH FIRE DEPT	\$2,640	\$1,178.78	\$2,488.02	\$2,672.83
1451	DUNSEITH F/P DISTRICT	\$6,506	\$2,904.79	\$6,131.06	\$6,586.47
1471	DWIGHT F/P DISTRICT	\$15,401	\$6,876.25	\$14,513.49	\$15,591.55
1481	EAST ADAMS F/P DISTRICT	\$5,191	\$2,317.71	\$4,891.91	\$5,255.28
1490	EDGELEY FIRE DEPT	\$9,175	\$4,096.68	\$8,646.73	\$9,289.01
1491	EDGELEY RURAL FIRE DEPT	\$27,531	\$12,292.31	\$25,945.02	\$27,872.19
1501	EDINBURG F/P DISTRICT	\$8,137	\$3,633.05	\$7,668.18	\$8,237.76
1510	EDMORE FIRE DEPT	\$2,464	\$1,100.06	\$2,321.86	\$2,494.33
1511	EDMORE RURAL FIRE DEPT	\$9,419	\$4,205.46	\$8,876.33	\$9,535.66
1531	EGELAND F/P DISTRICT	\$4,685	\$2,091.82	\$4,415.14	\$4,743.09
1551	ELGIN F/P DISTRICT	\$16,624	\$7,422.42	\$15,666.29	\$16,829.97
1561	ELLEDALE F/P DISTRICT	\$30,387	\$13,567.36	\$28,636.22	\$30,763.29
1590	EMERADO FIRE DEPT	\$5,085	\$2,270.59	\$4,792.47	\$5,148.45
1591	EMERADO RURAL FIRE DEPT	\$4,918	\$2,195.93	\$4,634.89	\$4,979.17
1621	ENDERLIN F/P DISTRICT	\$31,431	\$14,033.38	\$29,619.84	\$31,819.98
1641	EPHING F/P DISTRICT	\$9,886	\$4,414.03	\$9,316.57	\$10,008.59
1651	ERIE RURAL FIRE DEPT	\$4,059	\$1,812.26	\$3,825.09	\$4,109.22
1661	ESMOND F/P DISTRICT	\$14,734	\$6,578.38	\$13,884.79	\$14,916.15
1671	FAIRDALE F/P DISTRICT	\$4,416	\$1,971.47	\$4,161.13	\$4,470.21
1691	FAIRMOUNT F/P DISTRICT	\$19,064	\$8,512.03	\$17,966.09	\$19,300.59
1700	FARGO FIRE DEPT	\$661,320	\$295,271.55	\$623,220.81	\$669,513.20

# North Dakota Insurance Department

## Fire District Payments

District #	District Name	2011 5 Lines of Premium Tax Collected for 2012 Payments	2012 Payment under current law	2012 Payment under HB 1145	Estimated 2013 Payment under HB 1145
1705	FERRY TOWNSHIP F/P DIST	\$14,830	\$6,621.37	\$13,975.53	\$15,013.62
1711	FESSENDEN F/P DISTRICT	\$21,353	\$9,533.88	\$20,122.88	\$21,617.60
1731	FINGAL F/P DISTRICT	\$3,675	\$1,640.91	\$3,463.43	\$3,720.69
1741	FINLEY F/P DISTRICT	\$20,391	\$9,104.32	\$19,216.21	\$20,643.58
1751	FLASHER F/P DISTRICT	\$13,855	\$6,186.07	\$13,056.76	\$14,026.60
1761	FLAXTON F/P DISTRICT	\$1,746	\$779.55	\$1,645.37	\$1,767.59
1781	FORBES F/P DISTRICT	\$3,144	\$1,403.64	\$2,962.62	\$3,182.68
1791	FORDVILLE F/P DISTRICT	\$8,684	\$3,877.36	\$8,183.83	\$8,791.71
1800	FOREST RIVER FIRE DEPT	\$3,605	\$1,609.42	\$3,396.96	\$3,649.29
1811	FORMAN F/P DISTRICT	\$18,222	\$8,135.91	\$17,172.22	\$18,447.76
1831	FORT RANSOM F/P DISTRICT	\$5,830	\$2,603.00	\$5,494.08	\$5,902.17
1861	FORTUNA F/P DISTRICT	\$4,164	\$1,859.24	\$3,924.24	\$4,215.73
1871	FORT YATES F/P DISTRICT	\$3,916	\$1,748.47	\$3,690.44	\$3,964.56
1901	FREDONIA F/P DISTRICT	\$3,867	\$1,726.74	\$3,644.57	\$3,915.29
1921	FULLERTON F/P DISTRICT	\$12,924	\$5,770.50	\$12,179.62	\$13,084.32
1930	GACKLE FIRE DEPT	\$0	\$0.00	\$0.00	\$0.00
1931	GACKLE RURAL FIRE DEPT	\$9,148	\$4,084.43	\$8,620.87	\$9,261.23
1951	GALESBURG F/P DISTRICT	\$8,130	\$3,629.78	\$7,661.27	\$8,230.34
1980	GARRISON FIRE DEPT	\$12,164	\$5,430.97	\$11,462.99	\$12,314.45
1981	GARRISON F/P DISTRICT	\$22,735	\$10,151.11	\$21,425.65	\$23,017.14
2011	GILBY F/P DISTRICT	\$14,424	\$6,440.12	\$13,592.97	\$14,602.65
2021	GLADSTONE F/P DISTRICT	\$7,102	\$3,171.03	\$6,693.00	\$7,190.15
2041	GLENBURN F/P DISTRICT	\$11,515	\$5,141.44	\$10,851.89	\$11,657.96
2051	GLENFIELD F/P DISTRICT	\$13,457	\$6,008.53	\$12,682.01	\$13,624.02
2061	GLEN ULLIN F/P DISTRICT	\$19,440	\$8,679.73	\$18,320.05	\$19,680.85
2071	GOLDEN VALLEY F/P DIST	\$3,688	\$1,646.55	\$3,475.32	\$3,733.46
2081	GOLVA F/P DISTRICT	\$3,550	\$1,585.11	\$3,345.64	\$3,594.15
2090	GOODRICH FIRE DEPT	\$0	\$0.00	\$0.00	\$0.00
2091	GOODRICH F/P DISTRICT	\$10,166	\$4,539.12	\$9,580.58	\$10,292.22
2120	GRAFTON FIRE DEPT	\$25,795	\$11,517.29	\$24,309.20	\$26,114.87
2121	GRAFTON F/P DISTRICT	\$29,631	\$13,229.91	\$27,923.97	\$29,998.14
2130	GRAND FORKS FIRE DEPT	\$317,227	\$141,638.14	\$298,951.37	\$321,157.26
2141	GRANDIN F/P DISTRICT	\$20,368	\$9,094.15	\$19,194.76	\$20,620.53
2161	GRANVILLE F/P DISTRICT	\$9,226	\$4,119.38	\$8,694.64	\$9,340.47
2171	GRASSY BUTTE F/P DIST	\$2,695	\$1,203.17	\$2,539.49	\$2,728.12
2181	GREAT BEND F/P DISTRICT	\$6,565	\$2,931.21	\$6,186.82	\$6,646.37
2191	GRENORA F/P DISTRICT	\$12,176	\$5,436.52	\$11,474.70	\$12,327.03
2211	GWINNER F/P DISTRICT	\$20,038	\$8,946.53	\$18,883.18	\$20,285.81
2221	HAGUE F/P DISTRICT	\$4,265	\$1,904.25	\$4,019.23	\$4,317.78
2241	HALLIDAY F/P DISTRICT	\$11,425	\$5,100.95	\$10,766.43	\$11,566.15
2291	HAMPDEN F/P DISTRICT	\$2,848	\$1,271.70	\$2,684.14	\$2,883.52
2301	HANKINSON F/P DISTRICT	\$18,518	\$8,268.22	\$17,451.49	\$18,747.78
2321	HANNAFORD RURAL FIRE DP	\$9,419	\$4,205.31	\$8,876.02	\$9,535.32
2331	HANNAH F/P DISTRICT	\$6,031	\$2,692.58	\$5,683.16	\$6,105.30
2380	HARVEY FIRE DEPT	\$14,584	\$6,511.50	\$13,743.62	\$14,764.49
2381	HARVEY F/P DISTRICT	\$22,639	\$10,107.94	\$21,334.52	\$22,919.23
2391	HARWOOD F/P & RESCUE	\$9,530	\$4,255.08	\$8,981.07	\$9,648.18
2400	HASTINGS FIRE DEPT	\$258	\$114.98	\$242.68	\$260.70
2410	HATTON FIRE DEPT	\$0	\$0.00	\$0.00	\$0.00
2411	HATTON RURAL FIRE DEPT	\$20,137	\$8,990.80	\$18,976.60	\$20,386.17
2421	HAVANA F/P DISTRICT	\$3,971	\$1,773.12	\$3,742.47	\$4,020.46
2441	HAZELTON F/P DISTRICT	\$16,379	\$7,313.00	\$15,435.32	\$16,581.84
2450	HAZEN FIRE DEPT	\$16,985	\$7,583.69	\$16,006.66	\$17,195.63
2451	HAZEN F/P DISTRICT	\$12,772	\$5,702.66	\$12,036.44	\$12,930.50



# North Dakota Insurance Department

## Fire District Payments

District #	District Name	2011 5 Lines of Premium Tax Collected for 2012 Payments	2012 Payment under current law	2012 Payment under HB 1145	Estimated 2013 Payment under HB 1145
2470	HEBRON FIRE DEPT	\$0	\$0.00	\$0.00	\$0.00
2471	HEBRON F/P DISTRICT	\$16,174	\$7,221.44	\$15,242.09	\$16,374.26
2500	HENSEL FIRE DEPT	\$0	\$0.00	\$0.00	\$0.00
2521	HETTINGER F/P DISTRICT	\$29,381	\$13,118.45	\$27,688.71	\$29,745.41
2541	HILLSBORO FIRE & RESCUE	\$37,137	\$16,581.29	\$34,997.63	\$37,597.23
2560	HOOPLE FIRE DEPT	\$3,833	\$1,711.16	\$3,611.70	\$3,879.98
2561	HOOPLE F/P DISTRICT	\$8,799	\$3,928.69	\$8,292.16	\$8,908.10
2571	HOPE F/P DISTRICT	\$27,739	\$12,385.12	\$26,140.91	\$28,082.63
2581	HORACE F/P DISTRICT	\$36,382	\$16,243.96	\$34,285.65	\$36,832.36
2591	HORSE CREEK F/P DISTRICT	\$1,165	\$520.26	\$1,098.09	\$1,179.66
2601	HUNTER F/P DISTRICT	\$10,052	\$4,488.17	\$9,473.06	\$10,176.71
2621	INKSTER F/P DISTRICT	\$6,325	\$2,824.06	\$5,960.66	\$6,403.42
2630	JAMESTOWN FIRE DEPT	\$92,089	\$41,116.57	\$86,783.50	\$93,229.72
2631	JAMESTOWN F/P DISTRICT	\$78,471	\$35,036.19	\$73,949.83	\$79,442.77
2681	JUD F/P DISTRICT	\$11,209	\$5,004.88	\$10,563.66	\$11,348.32
2700	KARLSRUHE FIRE DEPT	\$0	\$0.00	\$0.00	\$0.00
2701	KARLSRUHE F/P DISTRICT	\$7,478	\$3,338.69	\$7,046.88	\$7,570.32
2711	KATHRYN F/P DISTRICT	\$3,888	\$1,735.95	\$3,664.02	\$3,936.18
2760	KENMARE FIRE DEPT	\$10,930	\$4,879.98	\$10,300.02	\$11,065.10
2761	KENMARE RURAL FIRE DEPT	\$15,063	\$6,725.57	\$14,195.47	\$15,249.90
2771	KENSAL F/P DISTRICT	\$9,995	\$4,462.73	\$9,419.34	\$10,119.00
2800	KINDRED FIRE DEPT	\$0	\$0.00	\$0.00	\$0.00
2801	KINDRED RURAL FIRE DEPT	\$18,407	\$8,218.44	\$17,346.42	\$18,634.90
2840	KRAMER FIRE DEPT	\$689	\$307.70	\$649.46	\$697.71
2841	KRAMER F/P DISTRICT	\$3,520	\$1,571.86	\$3,317.67	\$3,564.11
2850	KULM FIRE DEPT	\$0	\$0.00	\$0.00	\$0.00
2851	KULM RURAL FIRE DEPT	\$9,285	\$4,145.63	\$8,750.06	\$9,400.00
2871	LAKOTA F/P DISTRICT	\$13,584	\$6,064.96	\$12,801.13	\$13,751.99
2880	LAMOURE FIRE DEPT	\$5,709	\$2,548.89	\$5,379.86	\$5,779.47
2881	LAMOURE RURAL FIRE DEPT	\$35,680	\$15,930.87	\$33,624.80	\$36,122.43
2900	LANGDON FIRE DEPT	\$18,092	\$8,077.78	\$17,049.54	\$18,315.97
2901	LANGDON F/P DISTRICT	\$27,196	\$12,142.88	\$25,629.61	\$27,533.36
2910	LANKIN FIRE DEPT	\$860	\$383.90	\$810.29	\$870.48
2911	LANKIN F/P DISTRICT	\$6,450	\$2,880.05	\$6,078.85	\$6,530.38
2921	LANSFORD F/P DISTRICT	\$9,050	\$4,040.51	\$8,528.17	\$9,161.64
2930	LARIMORE FIRE DEPT	\$8,585	\$3,833.24	\$8,090.70	\$8,691.67
2931	LARIMORE RURAL FIRE DEPT	\$18,323	\$8,181.12	\$17,267.64	\$18,550.27
2971	EDNA F/P DISTRICT	\$1,197	\$534.59	\$1,128.35	\$1,212.17
2981	LEEDS F/P DISTRICT	\$30,247	\$13,504.87	\$28,504.33	\$30,621.61
3000	LEHR FIRE DEPT	\$848	\$378.77	\$799.46	\$858.84
3001	LEHR RURAL FIRE DEPT	\$3,900	\$1,741.14	\$3,674.97	\$3,947.94
3021	LEONARD F/P DISTRICT	\$13,019	\$5,812.82	\$12,268.94	\$13,180.27
3041	LIDGERWOOD F/P DISTRICT	\$22,321	\$9,966.27	\$21,035.51	\$22,598.01
3051	LIGNITE F/P DISTRICT	\$3,734	\$1,667.32	\$3,519.17	\$3,780.57
3061	LINTON F/P DISTRICT	\$22,672	\$10,122.88	\$21,366.05	\$22,953.11
3070	LISBON FIRE DEPT	\$18,196	\$8,124.51	\$17,148.16	\$18,421.91
3071	LISBON F/P DISTRICT	\$28,824	\$12,869.56	\$27,163.40	\$29,181.08
3080	LITCHVILLE FIRE DEPT	\$1,827	\$815.94	\$1,722.17	\$1,850.09
3081	LITCHVILLE RURAL FIRE DP	\$10,100	\$4,509.61	\$9,518.29	\$10,225.30
3160	MCCLUSKY FIRE DEPT	\$0	\$0.00	\$0.00	\$0.00
3161	MCCLUSKY F/P DISTRICT	\$10,958	\$4,892.63	\$10,326.72	\$11,093.78
3181	MCHENRY RURAL FIRE DEPT	\$9,394	\$4,194.39	\$8,852.96	\$9,510.56
3191	MCKENZIE COUNTY F/P DIST	\$15,625	\$6,976.22	\$14,724.49	\$15,818.22
3211	MCVILLE F/P DISTRICT	\$8,085	\$3,609.99	\$7,619.49	\$8,185.46

# North Dakota Insurance Department

## Fire District Payments

District #	District Name	2011 5 Lines of Premium Tax Collected for 2012 Payments	2012 Payment under current law	2012 Payment under HB 1145	Estimated 2013 Payment under HB 1145
3221	MADDOCK F/P DISTRICT	\$18,859	\$8,420.24	\$17,772.36	\$19,092.47
3250	MANDAN FIRE DEPT	\$130,764	\$58,384.73	\$123,230.90	\$132,384.40
3251	MANDAN F/P DISTRICT	\$52,642	\$23,503.91	\$49,609.00	\$53,293.93
3291	MANTADOR F/P DISTRICT	\$6,361	\$2,840.08	\$5,994.47	\$6,439.74
3320	MAPLETON FIRE DEPT	\$8,118	\$3,624.54	\$7,650.20	\$8,218.45
3330	MARION FIRE DEPT	\$2,821	\$1,259.57	\$2,658.54	\$2,856.02
3331	MARION RURAL FIRE DEPT	\$16,322	\$7,287.57	\$15,381.66	\$16,524.19
3341	MARMARTH RURAL FIRE DIST	\$3,516	\$1,569.82	\$3,313.37	\$3,559.48
3371	MAX F/P DISTRICT	\$13,880	\$6,197.18	\$13,080.19	\$14,051.78
3381	MAXBASS F/P DISTRICT	\$3,512	\$1,568.08	\$3,309.69	\$3,555.53
3391	MAYVILLE FIRE DEPT	\$27,599	\$12,322.71	\$26,009.17	\$27,941.11
3411	MEDINA F/P DISTRICT	\$8,315	\$3,712.57	\$7,836.01	\$8,418.07
3420	MEDORA FIRE DEPT	\$5,288	\$2,361.20	\$4,983.72	\$5,353.91
3461	MERCER F/P DISTRICT	\$5,206	\$2,324.43	\$4,906.10	\$5,270.52
3471	MERRICOURT F/P DISTRICT	\$0	\$0.00	\$0.00	\$0.00
3481	MICHIGAN F/P DISTRICT	\$9,284	\$4,145.36	\$8,749.48	\$9,399.38
3501	MILNOR F/P DISTRICT	\$22,424	\$10,012.11	\$21,132.26	\$22,701.95
3511	MILTON F/P DISTRICT	\$4,767	\$2,128.42	\$4,492.40	\$4,826.09
3520	MINNEWAUKAN FIRE DEPT	\$2,374	\$1,059.97	\$2,237.24	\$2,403.43
3521	MINNEWAUKAN F/P DISTRICT	\$6,624	\$2,957.60	\$6,242.53	\$6,706.22
3530	MINOT FIRE DEPT	\$264,661	\$118,167.98	\$249,413.61	\$267,939.87
3531	MINOT F/P DISTRICT	\$65,764	\$29,362.86	\$61,975.30	\$66,578.78
3541	MINTO F/P DISTRICT	\$20,589	\$9,192.57	\$19,402.49	\$20,843.69
3560	MOHALL FIRE DEPT	\$5,650	\$2,522.61	\$5,324.39	\$5,719.89
3561	MOHALL F/P DISTRICT	\$5,829	\$2,602.47	\$5,492.96	\$5,900.97
3590	MOORETON FIRE DEPT	\$1,883	\$840.78	\$1,774.60	\$1,906.42
3591	MOORETON F/P DISTRICT	\$7,062	\$3,153.17	\$6,655.30	\$7,149.65
3601	MOTT F/P DISTRICT	\$34,057	\$15,205.87	\$32,094.58	\$34,478.54
3611	MOUNTAIN F/P DISTRICT	\$3,210	\$1,433.44	\$3,025.52	\$3,250.25
3631	MUNICH F/P DISTRICT	\$16,631	\$7,425.64	\$15,673.07	\$16,837.25
3641	MYLO F/P DISTRICT	\$3,659	\$1,633.57	\$3,447.92	\$3,704.03
3661	NAPOLEON F/P DISTRICT	\$25,854	\$11,543.66	\$24,364.86	\$26,174.66
3681	NECHE F/P DISTRICT	\$7,464	\$3,332.65	\$7,034.12	\$7,556.61
3691	NEKOMA F/P DISTRICT	\$6,584	\$2,939.73	\$6,204.81	\$6,665.70
3711	NEWBURG F/P DISTRICT	\$7,465	\$3,332.92	\$7,034.69	\$7,557.23
3720	NEW ENGLAND FIRE DEPT	\$5,540	\$2,473.67	\$5,221.11	\$5,608.93
3721	NEW ENGLAND F/P DISTRICT	\$16,100	\$7,188.59	\$15,172.74	\$16,299.76
3741	NEW LEIPZIG F/P DISTRICT	\$10,142	\$4,528.48	\$9,558.14	\$10,268.11
3750	NEW ROCKFORD FIRE DEPT	\$9,791	\$4,371.44	\$9,226.67	\$9,912.02
3751	NEW ROCKFORD RURAL FIRE	\$17,532	\$7,827.74	\$16,521.78	\$17,749.01
3761	NEW SALEM F/P DISTRICT	\$28,027	\$12,513.51	\$26,411.88	\$28,373.74
3770	NEW TOWN FIRE DEPT	\$8,904	\$3,975.61	\$8,391.21	\$9,014.50
3771	NEW TOWN F/P DISTRICT	\$18,417	\$8,222.78	\$17,355.58	\$18,644.74
3781	NIAGARA F/P DISTRICT	\$5,203	\$2,323.07	\$4,903.23	\$5,267.44
3801	NOME F/P DISTRICT	\$3,323	\$1,483.50	\$3,131.18	\$3,363.76
3810	NOONAN FIRE DEPT	\$966	\$431.45	\$910.64	\$978.29
3811	NOONAN RURAL FIRE DEPT	\$2,760	\$1,232.47	\$2,601.33	\$2,794.56
3840	NORTHWOOD FIRE DEPT	\$0	\$0.00	\$0.00	\$0.00
3841	NORTHWOOD F/P DISTRICT	\$22,763	\$10,163.38	\$21,451.55	\$23,044.95
3871	OAKES F/P DISTRICT	\$50,098	\$22,368.13	\$47,211.74	\$50,718.59
3880	OBERON FIRE DEPT	\$1,185	\$529.29	\$1,117.15	\$1,200.14
3881	OBERON RURAL FIRE DEPT	\$4,108	\$1,834.20	\$3,871.40	\$4,158.97
3891	OLIVER COUNTY F/P DIST	\$26,193	\$11,694.71	\$24,683.68	\$26,517.16
3900	ORISKA FIRE DEPT	\$1,441	\$643.23	\$1,357.64	\$1,458.48



# North Dakota Insurance Department

## Fire District Payments

District #	District Name	2011 5 Lines of Premium Tax Collected for 2012 Payments	2012 Payment under current law	2012 Payment under HB 1145	Estimated 2013 Payment under HB 1145
3930	OSNABROCK FIRE DEPT	\$1,991	\$889.05	\$1,876.49	\$2,015.87
3931	OSNABROCK F/P DISTRICT	\$8,928	\$3,986.33	\$8,413.84	\$9,038.81
3951	PAGE F/P DISTRICT	\$24,077	\$10,750.28	\$22,690.29	\$24,375.71
3970	PARK RIVER FIRE DEPT	\$10,334	\$4,614.06	\$9,738.76	\$10,462.14
3971	PARK RIVER F/P DISTRICT	\$7,470	\$3,335.12	\$7,039.33	\$7,562.20
3981	PARSHALL F/P DISTRICT	\$19,394	\$8,659.19	\$18,276.69	\$19,634.27
3991	PEKIN F/P DISTRICT	\$3,259	\$1,454.88	\$3,070.77	\$3,298.87
4000	PEMBINA FIRE DEPT	\$7,260	\$3,241.34	\$6,841.41	\$7,349.58
4001	PEMBINA RURAL FIRE DEPT.	\$1,139	\$508.35	\$1,072.96	\$1,152.66
4031	PETERSBURG F/P DISTRICT	\$6,026	\$2,690.55	\$5,678.85	\$6,100.67
4040	PETTIBONE FIRE DEPT	\$0	\$0.00	\$0.00	\$0.00
4041	PETTIBONE RURAL FIRE DP	\$5,474	\$2,444.06	\$5,158.60	\$5,541.78
4050	PICK CITY FIRE DEPT	\$2,358	\$1,052.96	\$2,222.45	\$2,387.53
4061	PINGREE F/P DISTRICT	\$4,790	\$2,138.81	\$4,514.32	\$4,849.64
4071	PISEK F/P DISTRICT	\$2,976	\$1,328.78	\$2,804.61	\$3,012.94
4081	PLAZA F/P DISTRICT	\$14,196	\$6,338.45	\$13,378.38	\$14,372.12
4101	PORTAL F/P DISTRICT	\$1,769	\$789.97	\$1,667.37	\$1,791.22
4111	PORTLAND F/P DISTRICT	\$25,532	\$11,399.75	\$24,061.11	\$25,848.35
4121	POWERS LAKE F/P DISTRICT	\$9,149	\$4,085.12	\$8,622.34	\$9,262.80
4171	RAY F/P DISTRICT	\$14,772	\$6,595.50	\$13,920.93	\$14,954.96
4181	REEDER F/P DISTRICT	\$28,495	\$12,722.87	\$26,853.78	\$28,848.46
4201	REGENT F/P DISTRICT	\$17,633	\$7,872.94	\$16,617.17	\$17,851.48
4211	REYNOLDS F/P DISTRICT	\$14,002	\$6,251.94	\$13,195.78	\$14,175.96
4221	RHAME F/P DISTRICT	\$10,230	\$4,567.50	\$9,640.48	\$10,356.57
4230	RICHARDTON FIRE DEPT	\$0	\$0.00	\$0.00	\$0.00
4231	RICHARDTON F/P DISTRICT	\$13,547	\$6,048.58	\$12,766.55	\$13,714.84
4240	RIVERDALE FIRE DEPT	\$4,453	\$1,988.10	\$4,196.22	\$4,507.92
4251	ROBINSON RURAL FIRE DEPT	\$3,934	\$1,756.40	\$3,707.18	\$3,982.54
4261	ROCK LAKE F/P DISTRICT	\$10,707	\$4,780.59	\$10,090.24	\$10,839.74
4270	ROGERS FIRE DEPT	\$1,943	\$867.55	\$1,831.10	\$1,967.11
4280	ROLETTE FIRE DEPT	\$3,223	\$1,439.19	\$3,037.66	\$3,263.29
4281	ROLETTE F/P DISTRICT	\$12,039	\$5,375.07	\$11,344.99	\$12,187.69
4290	ROLLA FIRE DEPT	\$10,702	\$4,778.36	\$10,085.54	\$10,834.69
4291	ROLLA F/P DISTRICT	\$8,844	\$3,948.65	\$8,334.30	\$8,953.36
4330	RUGBY FIRE DEPT	\$23,498	\$10,491.41	\$22,143.90	\$23,788.74
4331	RUGBY F/P DISTRICT	\$21,228	\$9,478.02	\$20,004.97	\$21,490.92
4351	RUTLAND-CAYUGA F/P DIST	\$12,574	\$5,614.24	\$11,849.80	\$12,730.00
4361	RYDER-MAKOTI F/P DIST	\$11,438	\$5,106.71	\$10,778.58	\$11,579.20
4381	ST JOHN F/P DISTRICT	\$5,839	\$2,606.93	\$5,502.37	\$5,911.09
4401	ST THOMAS F/P DISTRICT	\$13,418	\$5,990.83	\$12,644.66	\$13,583.90
4410	SANBORN FIRE DEPT	\$1,838	\$820.70	\$1,732.23	\$1,860.90
4411	SANBORN F/P DISTRICT	\$6,513	\$2,908.11	\$6,138.05	\$6,593.98
4441	SARLES F/P DISTRICT	\$5,667	\$2,530.21	\$5,340.44	\$5,737.13
4451	SAWYER F/P DISTRICT	\$12,327	\$5,503.73	\$11,616.56	\$12,479.43
4461	SCRANTON F/P DISTRICT	\$19,730	\$8,809.16	\$18,593.22	\$19,974.31
4471	SELFDRIDGE F/P DISTRICT	\$8,583	\$3,832.20	\$8,088.52	\$8,689.33
4491	SENTINEL BUTTE F/P DIST	\$1,785	\$797.16	\$1,682.54	\$1,807.52
4500	SHARON FIRE DEPT	\$2,080	\$928.71	\$1,960.20	\$2,105.80
4521	SHERWOOD F/P DISTRICT	\$7,221	\$3,223.91	\$6,804.62	\$7,310.06
4530	SHEYENNE FIRE DEPT	\$2,742	\$1,224.40	\$2,584.30	\$2,776.26
4531	SHEYENNE RURAL FIRE DEPT	\$8,149	\$3,638.65	\$7,679.98	\$8,250.45
4540	SIBLEY FIRE DEPT	\$750	\$334.78	\$706.61	\$759.09
4551	SIOUX-YELLOWSTONE F/P DIST	\$2,813	\$1,255.88	\$2,650.74	\$2,847.64
4561	SOLEN F/P DISTRICT	\$3,982	\$1,777.74	\$3,752.21	\$4,030.93

# North Dakota Insurance Department

## Fire District Payments

District #	District Name	2011 5 Lines of Premium Tax Collected for 2012 Payments	2012 Payment under current law	2012 Payment under HB 1145	Estimated 2013 Payment under HB 1145
4571	SOURIS F/P DISTRICT	\$7,829	\$3,495.72	\$7,378.32	\$7,926.37
4591	SOUTH HEART F/P DISTRICT	\$14,693	\$6,560.23	\$13,846.48	\$14,874.99
4611	SOUTHWEST F/P DISTRICT	\$911	\$406.60	\$858.20	\$921.95
4640	STANLEY FIRE DEPT	\$11,130	\$4,969.43	\$10,488.82	\$11,267.92
4641	STANLEY F/P DISTRICT	\$20,318	\$9,071.92	\$19,147.84	\$20,570.13
4650	STANTON FIRE DEPT	\$2,282	\$1,018.67	\$2,150.09	\$2,309.79
4651	STANTON F/P DISTRICT	\$14,861	\$6,635.23	\$14,004.79	\$15,045.05
4661	STARKWEATHER F/P DIST	\$8,935	\$3,989.27	\$8,420.04	\$9,045.47
4670	STEELE FIRE DEPT	\$0	\$0.00	\$0.00	\$0.00
4671	STEELE F/P DISTRICT	\$16,719	\$7,464.75	\$15,755.62	\$16,925.94
4681	STERLING F/P DISTRICT	\$10,388	\$4,638.03	\$9,789.35	\$10,516.50
4701	STRASBURG F/P DISTRICT	\$11,033	\$4,926.29	\$10,397.77	\$11,170.11
4721	STREETER F/P DISTRICT	\$8,368	\$3,736.30	\$7,886.10	\$8,471.87
4731	SURREY F/P DISTRICT	\$8,598	\$3,838.80	\$8,102.44	\$8,704.28
4761	SYKESTON F/P DISTRICT	\$11,189	\$4,995.62	\$10,544.12	\$11,327.33
4780	TAPPEN FIRE DEPT	\$0	\$0.00	\$0.00	\$0.00
4781	TAPPEN RURAL FIRE DEPT	\$9,329	\$4,165.12	\$8,791.19	\$9,444.19
4791	TAYLOR F/P DISTRICT	\$7,212	\$3,219.92	\$6,796.19	\$7,301.00
4821	THOMPSON F/P DISTRICT	\$30,987	\$13,835.49	\$29,202.15	\$31,371.26
4840	TIOGA FIRE DEPT	\$10,179	\$4,544.98	\$9,592.95	\$10,305.51
4841	TIOGA RURAL FIRE DEPT	\$10,943	\$4,885.74	\$10,312.18	\$11,078.16
4860	TOLLEY FIRE DEPT	\$2,571	\$1,148.07	\$2,423.21	\$2,603.20
4871	TOLNA F/P DISTRICT	\$9,209	\$4,111.53	\$8,678.08	\$9,322.69
4881	TOWER CITY F/P DISTRICT	\$13,151	\$5,871.91	\$12,393.65	\$13,314.25
4890	TOWNER FIRE DEPT	\$3,907	\$1,744.46	\$3,681.98	\$3,955.47
4891	TOWNER F/P DISTRICT	\$7,504	\$3,350.45	\$7,071.70	\$7,596.98
4901	TRENTON F/P DISTRICT	\$1,814	\$810.00	\$1,709.64	\$1,836.63
4921	TURTLE LAKE F/P DISTRICT	\$13,505	\$6,029.79	\$12,726.90	\$13,672.25
4931	TUTTLE F/P DISTRICT	\$4,322	\$1,929.51	\$4,072.57	\$4,375.08
4941	UNDERWOOD F/P DISTRICT	\$18,735	\$8,364.75	\$17,655.23	\$18,966.65
4961	UPHAM F/P DISTRICT	\$5,498	\$2,454.71	\$5,181.08	\$5,565.93
4980	VALLEY CITY FIRE DEPT	\$40,373	\$18,026.26	\$38,047.49	\$40,873.63
4981	VALLEY CITY RURAL FIRE	\$32,295	\$14,419.11	\$30,433.99	\$32,694.60
4990	VELVA FIRE DEPT	\$9,952	\$4,443.25	\$9,378.23	\$10,074.84
4991	VELVA F/P DISTRICT	\$11,804	\$5,270.52	\$11,124.33	\$11,950.64
5020	VERONA FIRE DEPT	\$887	\$396.13	\$836.10	\$898.21
5021	VERONA RURAL FIRE DEPT	\$10,827	\$4,834.06	\$10,203.10	\$10,960.98
5050	WAHPETON FIRE DEPT	\$56,271	\$25,124.18	\$53,028.86	\$56,967.81
5061	WALCOTT-COLFAX F/P DIST	\$26,523	\$11,842.21	\$24,995.01	\$26,851.62
5070	WALES FIRE DEPT	\$1,740	\$776.99	\$1,639.98	\$1,761.79
5080	WALHALLA FIRE DEPT	\$8,827	\$3,940.93	\$8,318.00	\$8,935.86
5081	WALHALLA F/P DISTRICT	\$13,090	\$5,844.60	\$12,336.02	\$13,252.33
5101	WARWICK F/P DISTRICT	\$2,751	\$1,228.16	\$2,592.23	\$2,784.78
5110	WASHBURN FIRE DEPT	\$9,083	\$4,055.47	\$8,559.76	\$9,195.57
5111	WASHBURN F/P DISTRICT	\$30,358	\$13,554.48	\$28,609.04	\$30,734.10
5120	WATFORD CITY FIRE DEPT	\$23,997	\$10,714.33	\$22,614.42	\$24,294.20
5151	WEST DUNN F/P DISTRICT	\$24,959	\$11,143.84	\$23,520.97	\$25,268.09
5160	WEST FARGO FIRE DEPT	\$142,739	\$63,731.33	\$134,515.81	\$144,507.54
5161	WEST FARGO RURAL FIRE DP	\$52,337	\$23,367.62	\$49,321.34	\$52,984.89
5181	WESTHOPE F/P DISTRICT	\$9,723	\$4,341.12	\$9,162.68	\$9,843.28
5241	WILDROSE F/P DISTRICT	\$5,223	\$2,331.79	\$4,921.63	\$5,287.21
5250	WILLISTON FIRE DEPT	\$105,287	\$47,009.26	\$99,221.04	\$106,591.11
5251	WILLISTON F/P DISTRICT	\$36,276	\$16,196.68	\$34,185.86	\$36,725.16
5260	WILLOW CITY FIRE DEPT	\$0	\$0.00	\$0.00	\$0.00

# North Dakota Insurance Department

## Fire District Payments

District #	District Name	2011 5 Lines of Premium Tax Collected for 2012 Payments	2012 Payment under current law	2012 Payment under HB 1145	Estimated 2013 Payment under HB 1145
5261	WILLOW CITY F/P DISTRICT	\$12,880	\$5,750.63	\$12,137.69	\$13,039.26
5271	WILTON F/P DISTRICT	\$27,842	\$12,431.04	\$26,237.81	\$28,186.74
5281	WIMBLEDON F/P DISTRICT	\$11,999	\$5,357.42	\$11,307.75	\$12,147.68
5301	WING F/P DISTRICT	\$6,854	\$3,060.43	\$6,459.56	\$6,939.37
5311	WISHEK F/P DISTRICT	\$18,125	\$8,092.67	\$17,080.95	\$18,349.72
5321	WOLFORD F/P DISTRICT	\$5,568	\$2,486.05	\$5,247.23	\$5,636.99
5340	WOODWORTH FIRE DEPT	\$2,293	\$1,023.60	\$2,160.48	\$2,320.95
5341	WOODWORTH RURAL FIRE DP	\$5,419	\$2,419.67	\$5,107.12	\$5,486.47
5351	WYNDMERE F/P DISTRICT	\$21,545	\$9,619.78	\$20,304.18	\$21,812.36
5391	ZAP F/P DISTRICT	\$4,043	\$1,805.27	\$3,810.33	\$4,093.36
5401	ZEELAND F/P DISTRICT	\$9,148	\$4,084.29	\$8,620.58	\$9,260.91
	GRAND TOTALS	\$6,943,077	\$3,100,000.00	\$6,543,077.00	\$7,029,092.00



**Estimates under HB1145 with amendments (June & July transfers)**

Biennium	Year of September Payment	Based on Premium Tax Year	Estimated Total of 5 lines Premium Tax	Estimated Total Premium Tax	Estimated Premium Tax deposited in Insurance Tax Dist. Fund *	Estimated Premium Tax to General fund **	Estimated Premium Tax to Fire Insurance Tax Dist. fund	Premium Tax to EMS fund	Grant Amount Paid to NDFA	Estimated Grant Amount Paid to FD	Appropriated Amount under Current Law	Increased Amount to Fire Districts	Estimated Additional Fire District Grants for Biennium
2011-13	2011	2010	\$ 6,509,893	\$ 42,818,733	\$ 4,060,000	\$ 38,758,733	\$ -	\$ -	\$ 335,000.00	\$ 3,100,000	\$ 3,100,000	\$ -	\$ -
2011-13	2012	2011	\$ 6,943,077	\$ 43,943,662	\$ 15,520,867	\$ 28,422,795	\$ -	\$ -	\$ 335,000.00	\$ 3,100,000	\$ 3,100,000	\$ -	\$ -
2013-15	2013	2012	\$ 7,429,092	\$ 44,690,704	\$ 43,640,704	\$ 39,565,184	\$ 7,429,092	\$ 625,000	\$ 400,000	\$ 7,029,092	\$ 3,100,000	\$ 3,929,092	
2013-15	2014	2013	\$ 7,907,294	\$ 45,248,658	\$ 44,198,658	\$ 36,162,854	\$ 7,907,294	\$ 625,000	\$ 400,000	\$ 7,507,294	\$ 3,100,000	\$ 4,407,294	\$ 8,336,386
2015-17	2015	2014	\$ 8,460,804	\$ 44,720,704	\$ 43,670,704	\$ 35,073,028	\$ 8,460,804	\$ 625,000	\$ 400,000	\$ 8,060,804	\$ 3,100,000	\$ 4,960,804	
2015-17	2016	2015	\$ 9,022,676	\$ 45,279,296	\$ 44,229,296	\$ 35,000,033	\$ 9,022,676	\$ 625,000	\$ 400,000	\$ 8,622,676	\$ 3,100,000	\$ 5,522,676	\$ 10,483,480
2017-19	2017	2016	\$ 9,654,263	\$ 46,062,325	\$ 45,012,325	\$ 35,107,263	\$ 9,654,263	\$ 625,000	\$ 400,000	\$ 9,254,263	\$ 3,100,000	\$ 6,154,263	
2017-19	2018	2017	\$ 10,330,061	\$ 46,637,675	\$ 45,587,675	\$ 34,959,509	\$ 10,330,061	\$ 625,000	\$ 400,000	\$ 9,930,061	\$ 3,100,000	\$ 6,830,061	\$ 12,984,324
2019-21	2019	2018	\$ 11,053,166	\$ 47,444,194	\$ 46,394,194	\$ 34,892,307	\$ 11,053,166	\$ 625,000	\$ 400,000	\$ 10,653,166	\$ 3,100,000	\$ 7,553,166	
2019-21	2020	2019	\$ 11,826,887	\$ 48,036,805	\$ 46,986,805	\$ 34,757,036	\$ 11,826,887	\$ 625,000	\$ 400,000	\$ 11,426,887	\$ 3,100,000	\$ 8,326,887	\$ 15,880,093

**Notes:**

\* The premium tax will be deposited in to the Insurance Tax Distribution fund with the EXCEPTION of Surplus Lines premium tax. Surplus Lines premium tax will be deposited directly to the general fund and is estimated at

\*\* The general fund amount includes the estimated \$1,050,000 per year of Surplus Lines premium tax.

\*\*\*The transfers from the Insurance Tax Distribution fund will be made in June of each year to the general fund and July to the other funds based on the amount available in the fund as of June 30.

**HB1145 Tax Calculations to populate chart**

Biennium	FY	Fund 240 Beginning Balance	July & Aug	Sept - June	July - June	Total Collections	Fund 001 transfer Sept.	Fund 001 transfer June	Fund 240 transfer July	EMS fund transfer July	Fund 001 Surplus Lines
2013-15	2014	\$ 11,460,867	\$ 8,259,688				\$ 11,666,462	\$ -	\$ 7,429,092	\$ 625,000	
	2014			\$ 35,381,016		\$ 44,690,704	\$ -	\$ 26,848,722			\$ 1,050,000
2013-15	2015				\$ 44,198,658	\$ 45,248,658	\$ -	\$ 35,112,854	\$ 7,907,294	\$ 625,000	\$ 1,050,000
2015-17	2016				\$ 43,670,704	\$ 44,720,704	\$ -	\$ 34,023,028	\$ 8,460,804	\$ 625,000	\$ 1,050,000
2015-17	2017				\$ 44,229,296	\$ 45,279,296	\$ -	\$ 33,950,033	\$ 9,022,676	\$ 625,000	\$ 1,050,000
2017-19	2018				\$ 45,012,325	\$ 46,062,325	\$ -	\$ 34,057,263	\$ 9,654,263	\$ 625,000	\$ 1,050,000
2017-19	2019				\$ 45,587,675	\$ 46,637,675	\$ -	\$ 33,809,509	\$ 10,330,061	\$ 625,000	\$ 1,050,000
2019-21	2020				\$ 46,394,194	\$ 47,444,194	\$ -	\$ 33,942,307	\$ 11,053,166	\$ 625,000	\$ 1,050,000
2019-21	2021				\$ 46,986,805	\$ 48,036,805	\$ -	\$ 33,707,036	\$ 11,826,887	\$ 625,000	\$ 1,050,000
2021-23	2022				\$ 47,817,520	\$ 48,867,520	\$ -	\$ 33,651,917	\$ 12,654,769	\$ 625,000	\$ 1,050,000
2021-23	2023				\$ 48,427,909	\$ 49,477,909	\$ -	\$ 48,427,909	\$ 13,540,603	\$ 625,000	\$ 1,050,000

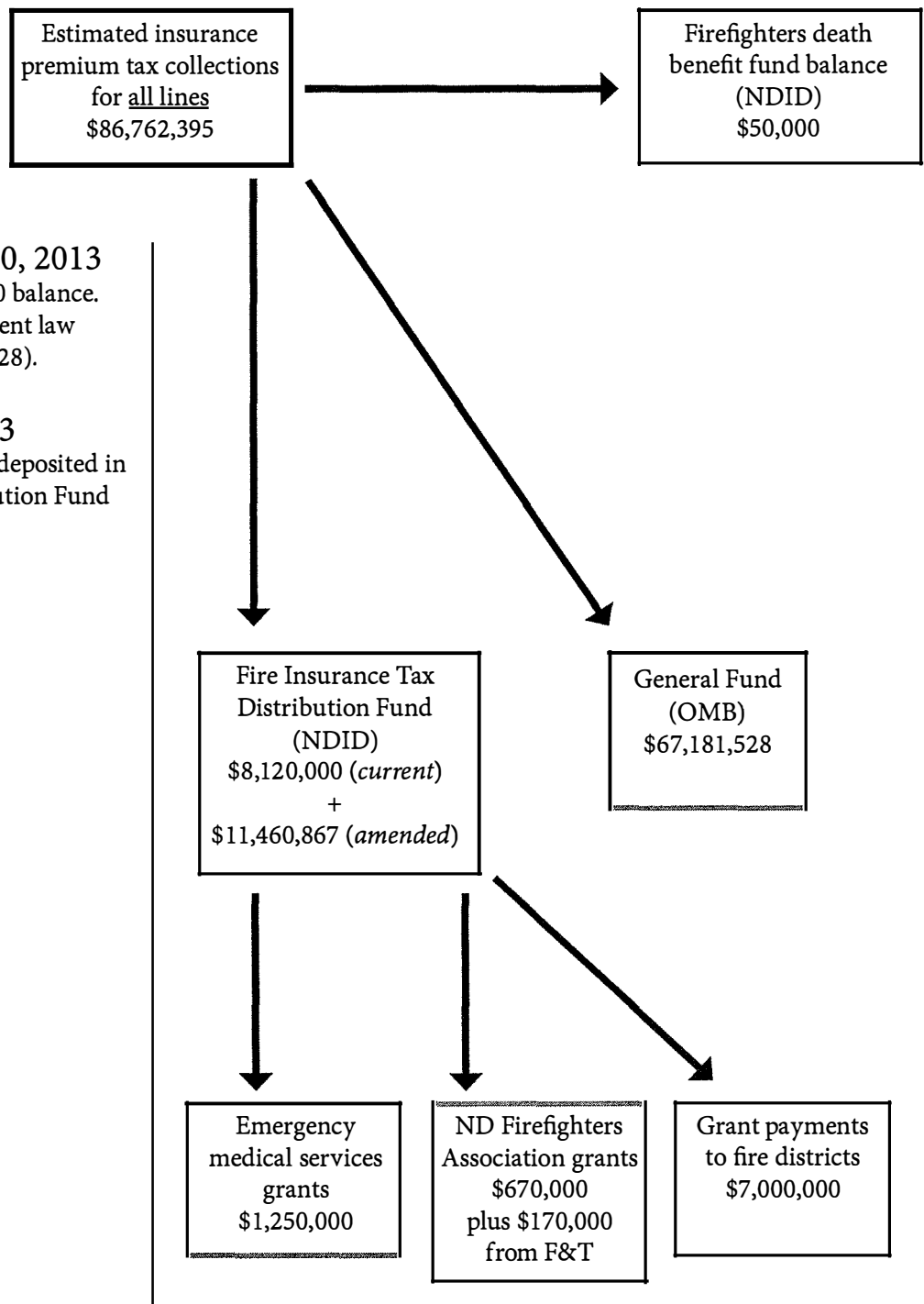


Process under HB 1145 with amendments (2011-2013 biennial numbers)

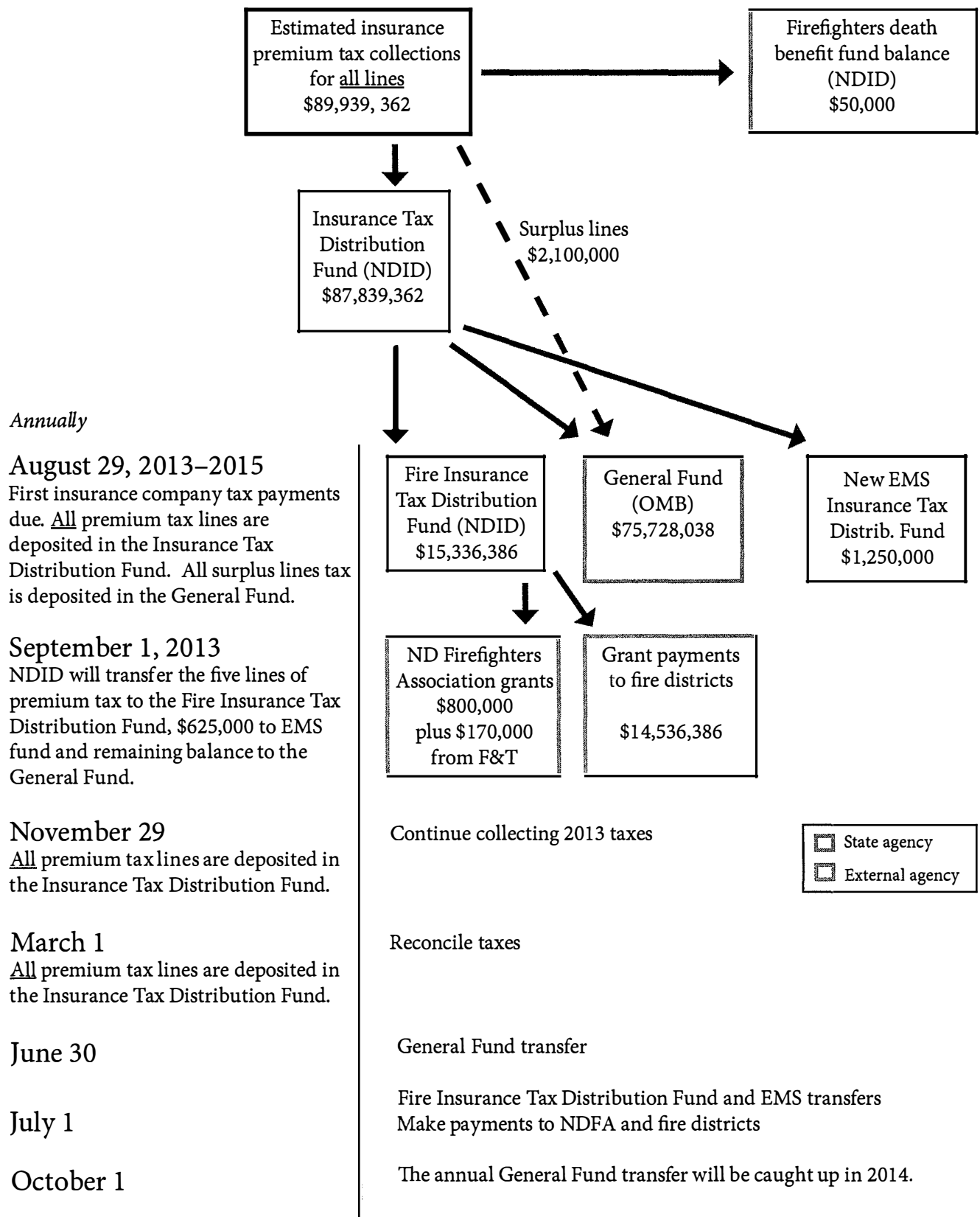
*Annually*

July 1, 2011–April 30, 2013  
Premium tax fund has a \$0 balance.  
Deposits made under current law  
(\$8,120,000 and \$67,181,528).

May 1–June 30, 2013  
All premium tax lines are deposited in  
the Insurance Tax Distribution Fund  
(\$11,460,867).



# Process under HB 1145 with amendments (2013-2015 biennial numbers)



PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1145

Page 1, line 1, remove "18-04-04.1,"

Page 1, line 3, remove "to provide a continuing appropriation; and to declare an"

Page 1, replace line 4 with "and to provide an appropriation."

Page 1, remove lines 23 and 24

Page 2, remove lines 1 through 5

Page 2, line 11, remove "fire"

Page 2, line 16, remove "eight hundred thousand dollars per"

Page 2, line 17, replace "biennium" with "funds"

Page 2, line 18, replace the seventh underscored period with ", subject to legislative appropriations."

Page 2, line 21, overstrike "October" and insert immediately thereafter "December"

Page 2, line 22, remove the overstrike over "~~one-half of the biennial legislative appropriation~~"

Page 2, line 22, after "appropriation" insert "which must be based on"

Page 2, line 30, overstrike "September" and insert immediately thereafter "December"

Page 3, remove lines 5 through 12

Page 3, line 15, remove "Emergency"

Page 3, line 16, remove "medical services insurance tax distribution fund -"

Page 3, remove lines 17 through 20

Page 4, line 15, remove "- Continuing appropriation"

Page 4, line 28, after the period insert "If the due date falls on a Saturday or legal holiday, the tax is payable on the next succeeding business day."

Page 4, line 30, remove the overstrike over "~~Collections from this tax,~~"

Page 4, line 29, remove the overstrike over "~~must be deposited in~~"

Page 4, line 29, remove "If the due date" and remove "falls on a Saturday"

Page 4, remove line 30

Page 5, remove lines 1 through 8

Page 5, line 9, remove "to"

Page 5, line 9, remove "emergency medical services"

Page 5, line 9, remove "for use as"

Page 5, line 10, remove "provided"

Page 5, line 10, remove the overstrike over "~~section 18-04-04.1 but not in~~"

Page 5, line 10, remove "chapter 23-46"

Page 5, line 11, remove the overstrike over "~~exceeding~~"

Page 5, line 11, remove "not to exceed"

Page 5, line 11, remove "from"

Page 5, line 12, remove "revenues collected under this subsection"

Page 5, line 12, after "~~sections~~" insert "section"

Page 5, line 12, remove the overstrike over "~~18-04-05~~"

Page 5, line 13, remove the overstrike over "~~and~~"

Page 5, line 13, remove the overstrike over "~~Collections~~"

Page 5, line 14, remove "d." and remove "Annually, collections"

Page 5, line 14, remove "collections transferred to the fire"

Page 5, line 15, remove "insurance tax distribution fund and the"

Page 5, line 15, remove the overstrike over "~~deposited in~~"

Page 5, line 15, remove "transferred"

Page 5, line 16, remove "to"

Page 5, line 16, remove "emergency medical services"

Page 5, line 18, remove the overstrike over "~~deposited in~~"

Page 5, line 18, remove "transferred from the insurance tax distribution fund to"

Page 7, replace line 3 with:

**"SECTION 6. APPROPRIATION.** There is appropriated out of any moneys in the insurance tax distribution fund in the state treasury, not otherwise appropriated, the sum of \$15,336,386 or so much of the sum as may be necessary, to the insurance commissioner fund for the purpose of providing payments, in accordance with provisions of section 18-04-05, to North Dakota fire departments in the amount of \$14,536,386 and payments to the North Dakota firefighter's association in the amount of \$800,000, for the biennium beginning July 1, 2013, and ending June 30, 2015."

Renumber accordingly

Sixty-third  
Legislative Assembly  
of North Dakota

## ENGROSSED HOUSE BILL NO. 1145

Introduced by

Representatives D. Johnson, Steiner, Guggisberg

Senators Oehlke, Wanzek, Robinson

1 A BILL for an Act to amend and reenact sections 18-04-02, ~~18-04-04.1~~, 18-04-05, 23-46-05,  
2 26.1-01-07.5, and 26.1-03-17 of the North Dakota Century Code, relating to use of insurance  
3 premium tax collections for firefighting; ~~to provide a continuing appropriation; and to declare an~~  
4 ~~emergency~~ and to provide an appropriation.

5 BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

6 SECTION 1. AMENDMENT. Section 18-04-02 of the North Dakota Century Code is  
7 amended and reenacted as follows:

8 18-04-02. City auditor or secretary of rural fire department to file certificate with state  
9 fire marshal and insurance commissioner - Report to budget section.

10 1. On or before the thirty-first day of October in each year, the auditor or secretary of any  
11 city or rural fire department that has an organized fire department shall file with the  
12 state fire marshal and with the insurance commissioner the auditor's or secretary's  
13 certificate stating the existence of the fire department, the date of its organization, the  
14 number of fire engines, hook and ladder trucks, and the system of water supply in use  
15 by the department, with such other facts as the state fire marshal or commissioner  
16 may require.

17 2. A certified city fire department, certified rural fire department, or certified fire protection  
18 district receiving funds under section 18-04-05 shall file an annual report with the state  
19 fire marshal detailing the expenditure of the funds. The state fire marshal shall present  
20 a biennial report to the budget section of the legislative management summarizing the  
21 expenditures by certified city fire departments, certified rural fire departments, and  
22 certified fire protection districts of funds received under section 18-04-05.

23 ~~SECTION 2. AMENDMENT. Section 18-04-04.1 of the North Dakota Century Code is~~  
24 ~~amended and reenacted as follows:~~



~~18-04-04.1. InsuranceFire insurance tax distribution fund – Continuing appropriation.~~  
~~The fire insurance tax distribution fund is a special fund in the state treasury. The portion of~~  
~~the revenue provided in sectiontransferred or deposited in this fund under sections 26.1-03-17-~~  
~~must be deposited in the fundand 26.1-01-07.5 is appropriated on a continuing basis for~~  
~~disbursement as provided in this chapter and chapter 23-46, subject to legislative appropriation.~~

**SECTION 2. AMENDMENT.** Section 18-04-05 of the North Dakota Century Code is  
amended and reenacted as follows:

**18-04-05. Amount due cities, rural fire protection districts, or rural fire departments -**  
**Transfer to firefighters death benefit fund - Disbursement to North Dakota firefighter's**  
**association - Payments by insurance commissioner.**

1. The insurance commissioner shall disburse funds in the ~~fire~~ insurance tax distribution fund as provided under this section.
2. The insurance commissioner shall transfer an amount of up to fifty thousand dollars per biennium, as may be necessary, to the firefighters death benefit fund for distribution under chapter 18-05.1.
3. The insurance commissioner shall disburse ~~eight hundred thousand dollars per biennium~~ funds to the North Dakota firefighter's association for uses authorized under chapter 18-03-, ~~subject to legislative appropriations.~~
4. The insurance commissioner shall compute the amounts due to the certified city fire departments, certified rural fire departments, or certified fire protection districts entitled to benefits under this chapter on or before ~~October~~December first of each year. The insurance commissioner shall allocate one-half of the biennial legislative appropriation which must be based on an amount equal to one hundred percent of the total premium tax collected for fire, allied lines, homeowner's multiple peril, farmowner's multiple peril, commercial multiple peril, and crop hail insurance, less the amount transferred to the firefighters death benefit fund and the amount distributed to the North Dakota firefighter's association for distribution under this sectionsubsection, to each eligible city not within a certified fire protection district, each certified rural fire protection district organized under this title, and each rural fire department certified by the state fire marshal, and pay the amount allocated in ~~September~~December of each year. The allocation must be made in proportion to the amount of insurance company premiums

received by insurance companies pursuant to section 26.1-03-17 for policies for fire, allied lines, homeowner's multiple peril, farmowner's multiple peril, commercial multiple peril, and crop hail insurance on property within the city, certified rural fire protection district, or area served by the certified rural fire department to the total of those premiums for those policies in the state.

~~5. After July 30, 2015, a certified city fire department, certified rural fire department, or certified fire protection district does not qualify for an allocation of a distribution under subsection 4 and must be excluded from that allocation for any taxable year during which the governing body of the certified fire department or certified fire protection district did not levy at least two mills for fire protection purposes or provide the certified fire department or certified fire protection district an equivalent amount of funding in dollars from property taxes levied within the service area of the certified fire department or certified fire protection district.~~

**SECTION 3. AMENDMENT.** Section 23-46-05 of the North Dakota Century Code is amended and reenacted as follows:

**23-46-05. State financial assistance for emergency medical services - ~~Emergency medical services insurance tax distribution fund~~ - Distribution limit.**

~~The emergency medical services insurance tax distribution fund is a special fund in the state treasury. Subject to legislative appropriation, the portion of revenue provided in section 26.1-03-17 must be transferred from the insurance tax distribution fund to the emergency medical services insurance tax distribution fund for disbursement as provided in this chapter.~~

During the first year of the biennium, the state department of health may not distribute more than ~~one million two hundred fifty thousand dollars~~ one-half of the biennial legislative appropriation for state financial assistance for emergency medical services.

**SECTION 4. AMENDMENT.** Section 26.1-01-07.5 of the North Dakota Century Code is amended and reenacted as follows:

**26.1-01-07.5. Fire district maps - Insurance applications to show fire district in which property is located - Penalty.**

Before December first of each year, the insurance commissioner shall publish maps of the fire districts of the state for use by insurers under this section for the following calendar year.

The state firefighter's association and the state fire marshal shall assist the insurance



1 commissioner in preparing the maps. After December 31, 1993, no insurer may issue or renew  
2 a policy for fire, allied lines, homeowner's multiple peril, farmowner's multiple peril, commercial  
3 multiple peril, or crop hail insurance coverage for property in this state unless the application  
4 identifies each fire district in which the insured property is located. The application must identify  
5 the property and insured value of the property located within each fire district if the policy  
6 provides coverage for property that is not all within a single district. For purposes of this section,  
7 "fire district" means rural fire protection district, city, or area served by a certified rural fire  
8 department. An insurer that is found by the commissioner to be in violation of this section is  
9 subject to a penalty of one hundred dollars for each violation to be deposited in the fire  
10 insurance tax distribution fund. The insurance commissioner may adopt rules necessary for  
11 administration of this section, including rules governing preparation, charges for, and use of  
12 maps under this section.

13 **SECTION 5. AMENDMENT.** Section 26.1-03-17 of the North Dakota Century Code is  
14 amended and reenacted as follows:

15 **26.1-03-17. Commissioner to collect premium tax - Insurance companies generally -**  
16 **Computation - Credits - Penalty - Estimated tax** ~~- Continuing appropriation.~~

- 17 1. Before issuing the annual certificate required by law, the commissioner shall collect  
18 from every stock and mutual insurance company, nonprofit health service corporation,  
19 health maintenance organization, and prepaid legal service organization, except  
20 fraternal benefit and benevolent societies, doing business in this state, a tax on the  
21 gross amount of premiums, assessments, membership fees, subscriber fees, policy  
22 fees, service fees collected by any third-party administrator providing administrative  
23 services to a group that is self-insured for health care benefits, and finance and  
24 service charges received in this state during the preceding calendar year, at the rate of  
25 two percent with respect to life insurance, one and three-fourths percent with respect  
26 to accident and health insurance, and one and three-fourths percent with respect to all  
27 other lines of insurance. This tax does not apply to considerations for annuities. The  
28 total tax is payable on or before March first following the year for which the tax is  
29 assessable. If the due date falls on a Saturday or legal holiday, the tax is payable on  
30 the next succeeding business day. Collections from this tax, except for collections  
31 deposited in the firefighters death benefit fund, must be deposited in ~~If the due date~~



~~falls on a Saturday or legal holiday, the tax is payable on the next succeeding business day.~~

~~a. The insurance tax distribution fund is a special fund in the state treasury. The insurance commissioner shall deposit in the insurance tax distribution fund the revenue provided in this section for disbursement as provided in this section.~~

~~b. Annually, the commissioner shall transfer from the insurance tax distribution fund to the fire insurance tax distribution fund created under section 18-04-04.1 all collections from this tax from the following policies: fire, allied lines, homeowner's multiple peril, farmowner's multiple peril, and commercial multiple peril.~~

~~c. Annually, the commissioner shall transfer from the insurance tax distribution fund to the emergency medical services insurance tax distribution fund for use as provided under section 18-04-04.1 but not in chapter 23-46 an amount exceeding not to exceed one-half of the biennial amount appropriated from revenues collected under this subsection for distribution under sections section 18-04-05 and 23-46-04 chapter 23-46 in any fiscal year. Collections~~

~~d. Annually, collections from this tax exceeding the collections transferred to the fire insurance tax distribution fund and the sum of the amount deposited in transferred to the emergency medical services insurance tax distribution fund and the amount deposited in the firefighters death benefit fund each fiscal year must be deposited in transferred from the insurance tax distribution fund to the general fund in the state treasury. If the due date falls on a Saturday or legal holiday, the tax is payable on the next succeeding business day.~~

2. An insurance company, nonprofit health service corporation, health maintenance organization, or prepaid legal service organization subject to the tax imposed by subsection 1 is entitled to a credit against the tax due for the amount of any assessment paid as a member of a comprehensive health association under subsection 3 of section 26.1-08-09 for which the member may be liable for the year in which the assessment was paid, a credit as provided under section 26.1-38.1-10, a credit against the tax due for an amount equal to the examination fees paid to the commissioner under sections 26.1-01-07, 26.1-02-02, 26.1-03-19.6, 26.1-03-22, 26.1-17-32, and 26.1-18.1-18, and a credit against the tax due for an amount equal to

the ad valorem taxes, whether direct or in the form of rent, on that proportion of premises occupied as the principal office in this state for over one-half of the year for which the tax is paid. The credits under this subsection must be prorated on a quarterly basis and may not exceed the total tax liability under subsection 1.

3. Any company failing to pay the tax imposed by subsection 1, within the time required, is subject to a penalty of one hundred dollars plus twenty-five dollars per day, excepting the first day after the tax became due. Any company failing to file the appropriate tax statement required by rule if the tax is zero is subject to a penalty of twenty-five dollars per day for each day's neglect not to exceed five hundred dollars. The commissioner, if satisfied that the delay was excusable, may waive, and if paid, issue a premium tax credit for all or any part of the penalty and interest.

4. Every stock and mutual insurance company, nonprofit health service corporation, health maintenance organization, and prepaid legal service organization, except fraternal benefit or benevolent societies, doing business in this state required to pay premium taxes in this state shall make and file a statement of estimated premium taxes. The statement and payment must be made on a quarterly basis as prescribed by the commissioner. Failure of a company to make payments of at least one-fourth of the total tax paid during the previous calendar year, or eighty percent of the actual tax for the quarter being reported of the current calendar year, shall subject the company to the penalty and interest provided in subsection 3.

5. If an amount of tax, penalty, or interest has been paid which was not due under the provisions of this section, a refund may be issued to the taxpayer who made the erroneous payment. The refund is allowed as a credit against any tax due or to become due under this section or as a cash refund, at the discretion of the commissioner. The taxpayer who made the erroneous payment shall present a claim for refund to the commissioner not later than two years after the due date of the return for the period for which the erroneous payment was made.

6. In lieu of the tax required by subsection 1, the commissioner shall collect from each entity subject to this section an annual filing fee in the amount of two hundred dollars, provided the total tax liability of the entity pursuant to subsection 1 is less than two hundred dollars. No annual filing fee is due or may be collected from an entity if its

1 total tax liability pursuant to subsection 1 is in excess of two hundred dollars. The  
2 annual filing fee may be reduced by any credits available pursuant to subsections 2  
3 and 5. Failure of a company to pay the two hundred dollar filing fee subjects the  
4 company to the penalty as provided in subsection 3.

5 ~~SECTION 6. EMERGENCY. This Act is declared to be an emergency measure.~~

6 **SECTION 6. APPROPRIATION.** There is appropriated out of any moneys in the insurance  
7 tax distribution fund in the state treasury, not otherwise appropriated, the sum of \$15,336,386 or  
8 so much of the sum as may be necessary, to the insurance commissioner for the purpose of  
9 providing payments, in accordance with provisions of section 18-04-05, to North Dakota fire  
10 departments in the amount of \$14,536,386 and payments to the North Dakota firefighter's  
11 association in the amount of \$800,000, for the biennium beginning July 1, 2013, and ending  
12 June 30, 2015.


Senator Cook, Members of the Senate Finance and Taxation Committee

My Name is C.J. Craven and I am The Fire Chief of the City of Minot and I have the honor of serving as the President of the North Dakota Fire Chiefs Association.


I am here today to speak in favor of House Bill 1145.

The Insurance Premium Tax that is distributed to all certified fire departments comes from taxes (1.75%) on five lines of insurance (Fire, Allied Lines, Homeowner's Multiple Peril, Farmowner's Multiple Peril, Commercial Multiple Peril) and is distributed according to the amount of this insurance sold in each city or fire district as long as the fire department has a certificate of existence on file with the State Fire Marshal. This system ensures that the tax on a building is returned to the fire department that is obligated to provide fire protection to that building so the tax on the insurance company helps protect the building they insure. This tax has been in existence in North Dakota since 1887 and I have provided a detailed history in my written testimony along with a chart showing the relationship between the amount of revenue generated by the tax and the amount distributed to fire departments since 1976. The percentage of the tax that is actually returned to the fire departments has been dropping steadily and will go below 50% in the near future. This is an unintended consequence of the explosive growth of our state along with the set dollar amount of \$6.2 million a biennium that was instituted to stabilize the disbursement of the fund but now acts as a cap. House Bill 1145 will remedy this situation by restoring the original funding mechanism which would return the premium tax to the fire service.

The North Dakota Fire Chiefs Association represents fire departments from all across North Dakota, volunteer departments, combination departments along with career departments and one thing we have in common is that we are all struggling to provide the needed public safety services to our communities. The need for our services increases each year with the unprecedented growth of our state, the large increases in rail and commercial traffic of hazardous materials, the well documented



increases in traffic accidents requiring responses from local fire departments and the rapidly increasing need for all emergency services in every corner of our state. At the same time the cost of providing these services increases each year, the rising cost of fuel alone can be an issue in providing services to the public. The cost to outfit one firefighter with protective gear and self contained breathing apparatus can exceed \$10,000. A new pumper truck can cost \$400,000 to \$500,000 and a Ladder Truck can cost \$1,000,000. Along with increased demand for our services and increasing operational costs we are also facing serious recruitment and retention issues throughout the fire service. Volunteers are becoming harder to find and difficult to retain, paid and combination departments are losing firefighters to higher paying oilfield jobs.



House Bill 1145 will restore a funding mechanism that provides needed funding to every department. The funding will help with training, operational expenses and recruitment and retention of firefighters. It will provide badly needed operational funding that is directly tied to the amount of growth in a city or fire district.



## History of Insurance Premium Tax and the Distribution to Fire Departments in North Dakota

The Insurance Premium Tax has been a source of revenue for fire department and fire districts for many years. Though every jurisdiction has a variety of funding options available and the distribution from the premium tax to the departments has historically been a significant component of that funding. The following is a brief history of the tax and distribution to the fire departments in the State of North Dakota.

The Insurance Premium Tax was established in 1887, before North Dakota was a state. Insurance Premiums were taxed at a rate of 2%. The revenue generated from the tax was distributed to city, town or village and passed on to qualified fire companies having at least 15 members and “having management of at least one steam, hand or other fire engine, hook and ladder truck or hose cart.” Insurance companies were required to record which fire district provided the fire protection for the insured property. When the premium tax was collected the money was distributed to the fire district where the insurance policies were sold.

For the almost 100 years, few significant changes were made. A couple of notable changes were, in 1949, the amount of the distribution was made into a continuing appropriation based on the amount of tax collected and in 1979, Farmer’s Multi-peril was added to the lines dedicated to the fire service.

In 1983, a major change was made to the Century Code. The way the state was doing all insurance premium taxes was challenged by foreign insurance companies. Until this time, foreign companies (out of state) were charge a premium tax and domestic companies (in state) were charged corporate income tax. A law suit by the foreign companies challenged this practice and a judge declared it unconstitutional. This ruling provided the impetus to overhaul all the laws related to the insurance industry. Title 26 Insurance and portions of Title 6 – Banks and Banking, which were related to insurance, were all repealed. These were replaced Title 26.1- Insurance, which was a rewrite of all the laws related to the insurance industry. 18-04-04.1 was added to reference the new law in 26.1-03-17 which dealt specifically with all Insurance Premium Taxes and 26.1-03-17 references 18-04-04 concerning the portion of the Insurance Premium Tax distributed to the fire departments.

The results from this change were twofold. First, this change added to the fluctuation in funding. The early 1980’s brought changes to the insurance industry and economy that impact the amount of premium tax collected. This legislation was another change that impacted the revenue. Second, the change in the law took what had basically been pass-through funding for the fire service and included it with all other Insurance Premium Taxes that were added to the State General Fund. It became much easier to see this funding as coming from the State General Fund.

Because of the fluctuations in the fund, changes were made to stabilize the fund. In 1985, the continuing appropriation was removed and the legislature agreed to stabilize the fund at \$5,200,000 per

biennium. In 1989, the payments were set at no more than \$2,600,000 per year instead of \$5,200,000 per biennium. During a couple of these years, the tax distributed actually exceeded the tax collected.

The early 1990s saw the amount of tax revenue steadily increase and in 1993, the fire service asked that the distribution again be connected to the amount of money collected from the premium tax. Due to state budgeting challenges, a compromise was made that returned the continuing appropriation but only at a level of 84% of the premium tax collected. The amount of the distributions at 84% was approximately the level of funding for the previous 10 years, but this change allowed for increases in the future.

The very next year, another change to the insurance industry impacted the Insurance Premium Tax. The Supreme Court of the United States ruled that Federal Crop Insurance could no longer be taxed. This resulted in 27% decrease in the tax collected in 1995. Because of this, the 1995 legislature again removed the continuing appropriation and returned to the annual legislative appropriation of \$2,600,000 per year, which equaled 101% of the revenue generated by the premium tax.

Since 1995, the only changes made to the law have dealt with funding. Though the amount of tax collected continued to increase over the next decade, the amount of the appropriation remained at \$2,600,000. The result of this practice adversely affected fire service funding in relation to the amount of premium tax collected. In 2001, the North Dakota Firefighter Association (NDFA) pushed through legislation that streamlined its funding. Up until this time, the association was funded by dues from the individual fire departments. This change removed the required dues and used some of the excess in premium tax revenue to fund NDFA in the amount of \$52,000 per year. In 2005, the fire service approached the legislature about increasing the distribution and the appropriation was increased to \$3,100,000 per year. In 2009, NDFA's funding was increased to \$310,000 per year and in 2011 it was increased to \$335,000 per year. Since 1995, the fire service distribution plummeted from 101% to 48% of the premium tax collected.

In summary, for almost 100 years, 100% of the amount of money collected from the Insurance Premium Tax on fire related insurance was distributed to fire departments and fire districts. For much of that time it was a continuing appropriation. When funding became unpredictable in the late 70s and early 80s the legislature stepped in to support the fund to provide the fire service with a reliable funding source. In the mid-90s, the legislature again stepped in to stabilize the fund so departments could have a dependable funding source. Since that time however, a large portion of the premium tax collected has not gone to the fire service. This history demonstrates the Insurance Premium Tax was intended to be collected for distribution to fire departments and fire districts to promote and maintain the fire service in North Dakota.

## Quick Reference Guide

1887 Tax established. Money distributed to city, town or village and passed on to qualified fire companies. Percentage established at 2.25 %

1899 Section added that directs warrant process for city or county auditors. A warrant is basically a bill sent by each jurisdiction to the State Treasurer for the amount of their distribution. (Repealed in 1971.)

1949 The amount of the distribution was made a continuing appropriation based on the amount of tax collected.

1979 Farmer's Multi-peril added.

1983 Premium Tax collection removed from Title 18-Fire and placed in Title 26.1-Insurance.

1985 Hail insurance excluded.

1985 Continuing appropriation removed. Payments not to exceed 5.2 million per biennium.

1989 Payments not to exceed 2.6 million per year. Negotiated between Earl Pomeroy and Monk Gilman.

1993 Payments set at 84% of tax collected. \$2,600,000 limit is removed.

1994 Supreme Court rules crop insurance cannot be taxed. Results in 27% decrease in tax collection in 1995.

1995 Returned to legislative appropriation set at \$2,600,000 annually.

2001 NDFA allotted \$52,000; NDFA dues from departments eliminated.

2005 Appropriation increased to \$3,100,000 annually. NDFA increased to \$60,000 Negotiated by Lois Hartman

2009 NDFA increased to \$310,000

2011 NDFA increased to \$335,000



I'm here today to testify on behalf of all fire departments in North Dakota. As many of you may already know from speaking with your local fire officials, financing our departments is becoming increasingly difficult.

The ever-increasing costs of equipment and supplies are making it hard to maintain a healthy and trained department.

Today it costs, per firefighter, approximately \$2000 for personal protective clothing, \$6000 for Self-Contained Breathing Apparatus (SCBA's), \$200 for boots and \$225 for helmets. Fire hose is \$150 per 50' length and nozzles are \$475. Training a firefighter to Levels I & II costs many hours of volunteer time and department dollars, only to have them leave the department within a 5-year period because of family commitments and time restraints.

Truck replacement for smaller rural departments is virtually impossible, due to the extreme costs of new equipment. Maintenance costs are on the rise and gas and oil prices continue to remain unstable.

In the last five years, several fire departments have disbanded. Churches Ferry and Hampden are just two examples of small-town departments that have had to close due to lack of funding and no membership.

## Insurance Premium Collections and Distributions 1976 to 2011



March 2013

HB 1145  
4-1-13**INSURANCE PREMIUM TAX REVENUE ALLOCATIONS**

This memorandum provides information regarding current and proposed funding allocations from insurance premium tax revenue collections.

**INSURANCE PREMIUM TAX**

North Dakota Century Code Section 26.1-03-17 requires the Insurance Commissioner to collect a premium tax on the gross amount of insurance premiums sold within the state at a rate of 2 percent with respect to life insurance policies and 1.75 percent with respect to all other types of policies. Under current law, insurance premium tax collections are allocated to the firefighters death benefit fund, the insurance tax distribution fund, and the general fund.

**FIREFIGHTERS DEATH BENEFIT FUND**

The firefighters death benefit fund is a special fund in the state treasury created in the 2007-09 biennium and provided for in Section 18-05.1-02. Money in the fund is appropriated on a continuing basis to the Insurance Commissioner for paying death benefits. The Insurance Commissioner may deposit insurance premium tax collections in the fund if death benefits are paid to maintain the fund balance at \$50,000. A firefighters death benefit has been paid once during the 2009-11 biennium. The fund balance remains at \$50,000.

**INSURANCE TAX DISTRIBUTION FUND**

Under current law, insurance premium tax collections are deposited in the insurance tax distribution fund in an amount equal to legislative appropriations from the fund for the biennium. For the 2011-13 biennium, the Legislative Assembly appropriated \$8,120,000 from the fund for insurance tax payments to fire departments, grants to the North Dakota Firefighter's Association, and for emergency medical services grants. The 2013-15 executive budget includes \$8,920,000 from the fund for these purposes.

**Payments to Fire Departments**

Section 18-04-05 provides the Insurance Commissioner shall allocate one-half of the biennial legislative appropriation for payments to fire departments in September of each year. Each fire department receives its prorated share of the total distribution based on the proportion of total insurance premiums collected relating to property in a particular fire district to the total premiums for the same type of coverage collected in the entire state. The distribution ratio is based on information submitted by insurance companies from the prior tax year. For the 2011-13 biennium, the Legislative Assembly appropriated \$6.2 million for these payments. The 2013-15

executive budget recommends increasing the amount for payments to fire departments to \$7 million.

**North Dakota Firefighter's Association Grants**

Provisions relating to grants to the North Dakota Firefighter's Association are included in the appropriation bill for the Insurance Commissioner. For the 2011-13 biennium and in the 2013-15 executive budget, \$670,000 is provided for these grants. In addition to the funding appropriated from the insurance tax distribution fund for these grants, in the 2011-13 biennium and in the 2013-15 executive budget recommendation, \$170,000 is provided from the fire and tornado fund for North Dakota Firefighter's Association grants.

**Emergency Medical Services Grants**

Provisions relating to grants to emergency medical services providers are included in Chapter 23-46. Funding for these grants is included in the State Department of Health budget and is from the insurance tax distribution fund and the general fund. For the 2011-13 biennium and in the 2013-15 executive budget recommendation, \$1,250,000 from the insurance tax distribution fund is provided for these grants. For the 2011-13 biennium, funding from the general fund for these grants totaled \$3,940,000, and the 2013-15 executive budget recommendation includes \$6,090,000 from the general fund for these grants.

**REENGROSSED HOUSE BILL NO. 1145**

The table below compares appropriations under Reengrossed House Bill No. 1145 for payments to the fire districts to the 2011-13 biennium and the 2013-15 executive budget recommendation.

Year	2011-13 Biennium	Reengrossed House Bill No. 1145 Provisions	2013-15 Executive Budget
First year	\$3,100,000	\$7,029,092	\$3,500,000
Second year	3,100,000	7,507,294	3,500,000
Total	\$6,200,000	\$14,536,386	\$7,000,000

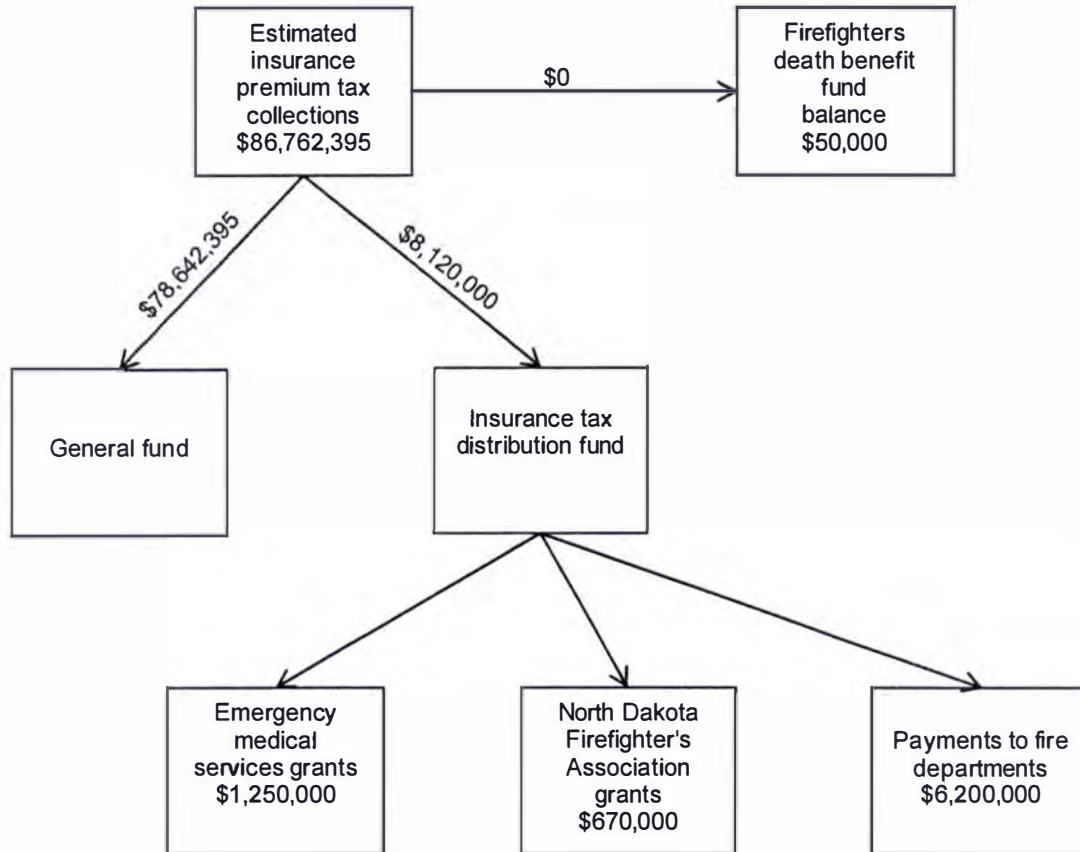
The table below compares funding for grants to the North Dakota Firefighter's Association for the 2011-13 biennium, the 2013-15 executive budget recommendation, and Reengrossed House Bill No. 1145.

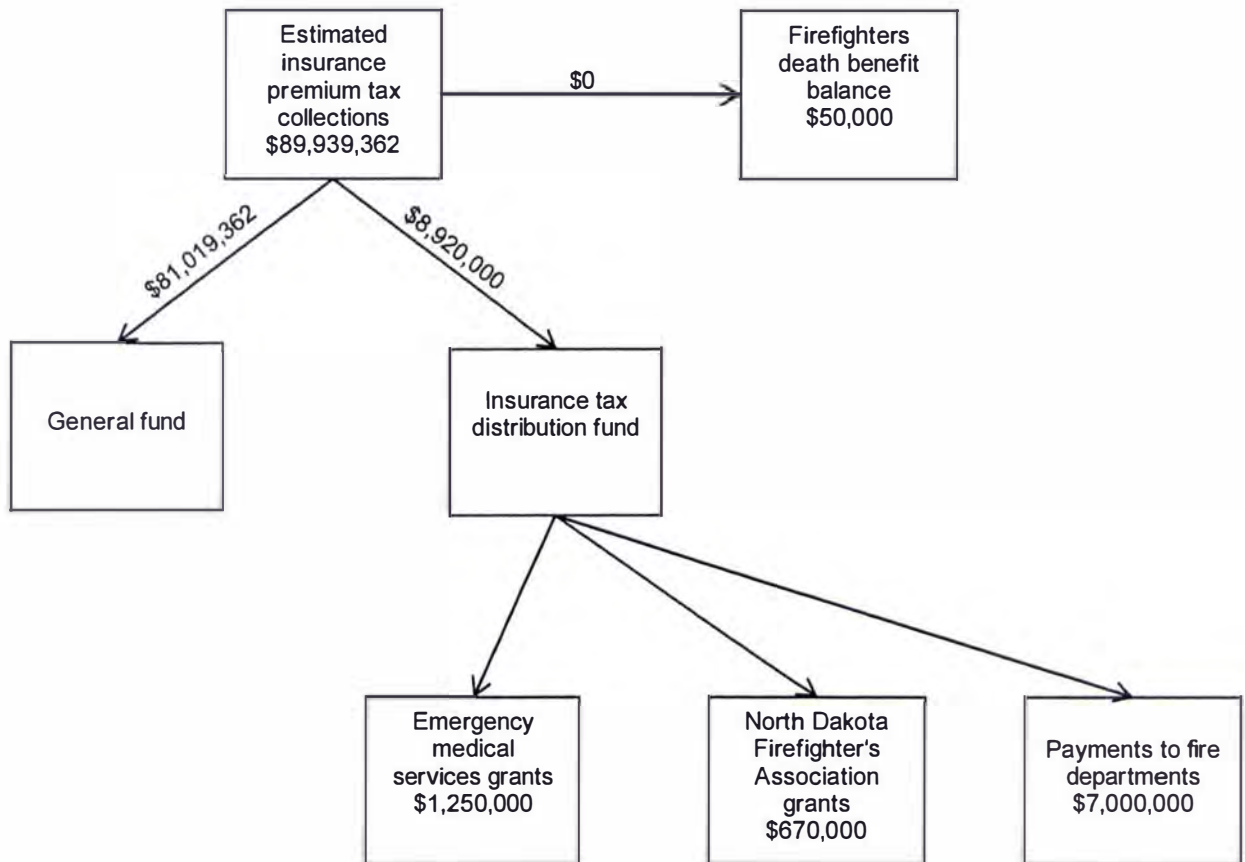
Funding Source	2011-13 Biennium	2013-15 Executive Budget Recommendation	Reengrossed House Bill No. 1145
Insurance tax distribution fund	\$670,000	\$670,000	\$800,000
Fire and tornado fund	170,000	170,000	0
Total	\$840,000	\$840,000	\$800,000

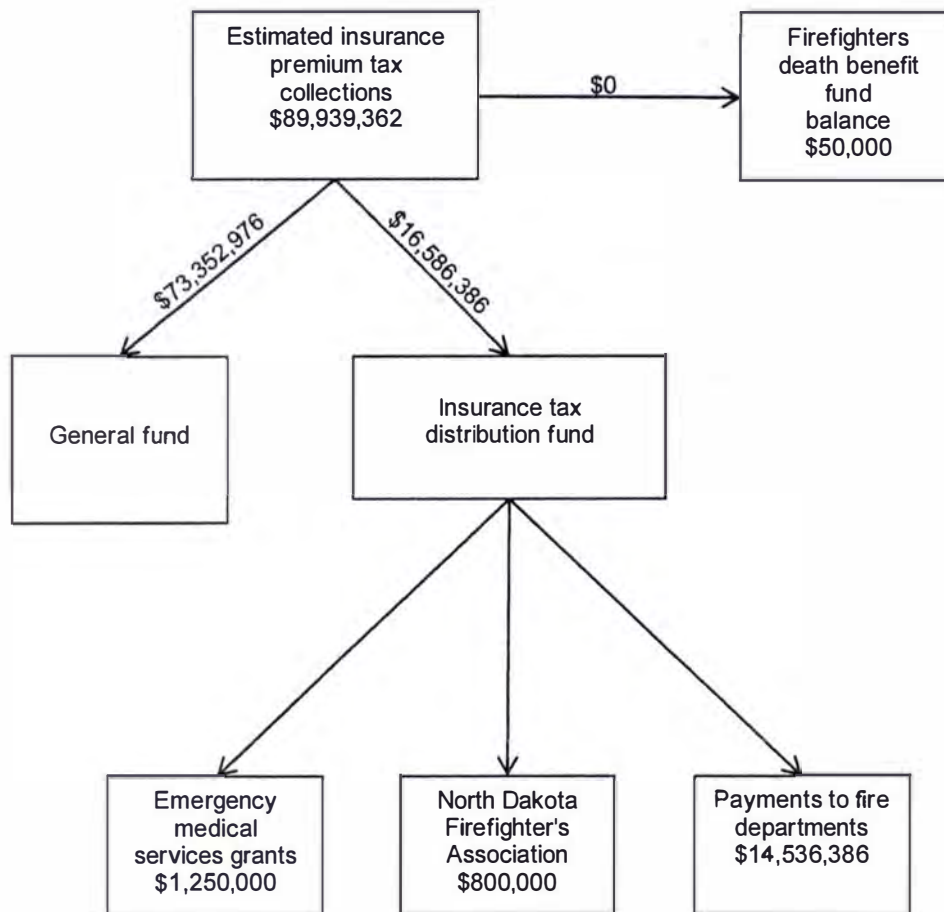
The following flowcharts present the allocation of insurance premium tax collections for the 2011-13 biennium and for the 2013-15 biennium based on the

executive budget recommendation and under provisions of Reengrossed House Bill No. 1145:

### CURRENT LAW - 2011-13 BIENNIUM



**EXECUTIVE BUDGET - 2013-15 BIENNIUM**

**REENGROSSED HOUSE BILL NO. 1145 - 2013-15 BIENNIUM**

Senator Holmberg, Members of the Senate Appropriations Committee

HB 1145  
4-1-13 2

My Name is C.J. Craven and I am The Fire Chief of the City of Minot and I have the honor of serving as the President of the North Dakota Fire Chiefs Association.

I am here today to speak in favor of House Bill 1145.

The Insurance Premium Tax that is distributed to all certified fire departments comes from taxes (1.75%) on five lines of insurance (Fire, Allied Lines, Homeowner's Multiple Peril, Farmowner's Multiple Peril, Commercial Multiple Peril) and is distributed according to the amount of this insurance sold in each city or fire district as long as the fire department has a certificate of existence on file with the State Fire Marshal. This system ensures that the tax on a building is returned to the fire department that is obligated to provide fire protection to that building so the tax on the insurance company helps protect the building they insure. This tax has been in existence in North Dakota since 1887 and I have provided a detailed history in my written testimony along with a chart showing the relationship between the amount of revenue generated by the tax and the amount distributed to fire departments since 1976. The percentage of the tax that is actually returned to the fire departments has been dropping steadily and will go below 50% in the near future. This is an unintended consequence of the explosive growth of our state along with the set dollar amount of \$6.2 million a biennium that was instituted to stabilize the disbursement of the fund but now acts as a cap. House Bill 1145 will remedy this situation by restoring the original funding mechanism which would return the premium tax to the fire service.

The North Dakota Fire Chiefs Association represents fire departments from all across North Dakota, volunteer departments, combination departments along with career departments and one thing we have in common is that we are all struggling to provide the needed public safety services to our communities. The need for our services increases each year with the unprecedented growth of our state, the large increases in rail and commercial traffic of hazardous materials, the well documented



increases in traffic accidents requiring responses from local fire departments and the rapidly increasing need for all emergency services in every corner of our state. At the same time the cost of providing these services increases each year, the rising cost of fuel alone can be an issue in providing services to the public. The cost to outfit one firefighter with protective gear and self contained breathing apparatus can exceed \$10,000. A new pumper truck can cost \$400,000 to \$500,000 and a Ladder Truck can cost \$1,000,000. Along with increased demand for our services and increasing operational costs we are also facing serious recruitment and retention issues throughout the fire service. Volunteers are becoming harder to find and difficult to retain, paid and combination departments are losing firefighters to higher paying oilfield jobs.

House Bill 1145 will restore a funding mechanism that provides needed funding to every department. The funding will help with training, operational expenses and recruitment and retention of firefighters. It will provide badly needed operational funding that is directly tied to the amount of growth in a city or fire district.