

STATE OF NORTH DAKOTA

BEFORE THE INSURANCE COMMISSIONER

In the Matter of the Promulgation	)	
Of Proposed Rules Regarding:	)	
Fire Marshal, Organization of	)	NOTICE OF PROPOSED
Department, Accounting Practices	)	RULEMAKING
And Procedures, Regulation to	)	
Implement the Small Employer	)	
Health Insurance Availability Act,	)	
Surplus Lines Insurance, Petroleum	)	
Tank Release Compensation Fund,	)	
North Dakota Boiler Rules, Fire	)	
Marshal	)	

FULL NOTICE OF INTENT TO AMEND ADMINISTRATIVE RULES AND NOTICE OF PUBLIC HEARING

PLEASE TAKE NOTICE that the North Dakota Insurance Department will hold a public hearing to address the proposed amendments to the following chapters of the North Dakota Administrative Code:

- 10-07 Fire Marshal
- 45-01-01 Organization of Department
- 45-03-15 Accounting Practices and Procedures
- 45-06-06.1 Regulation to Implement the Small Employer Health Insurance Availability Act
- 45-09-01 Surplus Lines Insurance
- 45-10 Petroleum Tank Release Compensation Fund
- 45-12 North Dakota Boiler Rules
- 45-18 Fire Marshal

The hearing will be held at 10:00 am, central time on July 12, 2023, in the Sakakawea room, State Capitol, Bismarck, North Dakota.

The Department proposes amendments to the following administrative rules:

- 1. N.D. Admin. Code ch. 10-07 – Fire Marshal.

This rule repeals the Fire Marshal Administrative Rules from the Attorney General’s section of the Administrative Rules. Paragraph 8 creates the Fire Marshal Administrative Rules in the Insurance Department’s section of the Administrative Rules. This is due to SB 2211 from the 2023 Legislative Session that moves the Fire Marshal’s office from the Attorney General’s Office to the Insurance Department.

2. N.D. Admin. Code ch. 45-01-01 – Organization of the Department.

This rule removes the petroleum tank release compensation fund and the unsatisfied judgment fund from the organization of the Insurance Department and adds the Fire Marshal. All three of these additions and subtractions have been due to Legislative Changes over the past few sessions.

3. N.D. Admin. Code ch. 45-03-15 – Accounting Practices and Procedures.

This rule updates the appropriate Accounting Practices and Procedures Manual to the 2023 version.

4. N.D. Admin. Code ch. 45-06-06.1– Regulation to Implement the Small Employer Health Insurance Availability Act.

This rule removes the market share reports previously required due to the legislative change associated with SB 2295 of the 2023 Legislative Session.

5. N.D. Admin. Code ch. 45-09-01 – Surplus Lines Insurance

This rule removes the guiding regulation surrounding the diligent search affidavit pursuant to the legislative change associated with SB 2305 of the 2023 Legislative Session. It also adds “Commercial Cyber Insurance (inclusive of first party and/or third party commercial cyber insurance coverage)” to the appendix listing the categories of acceptable surplus lines coverage.

6. N.D. Admin. Code ch. 45-10 – Petroleum Tank Release Compensation Fund

This rule removes the Petroleum Tank Release Compensation Fund rules from the Insurance Department’s section of the Administrative Rules. This was removed from the North Dakota Insurance Department’s purview during the 2019 session and was moved to the Department of Environmental Quality pursuant to HB 1024. They have established their rules, so these rules are no longer needed.

7. N.D. Admin. Code ch. 45-12 – North Dakota Boiler Rules

This rule removes the North Dakota Boiler rules from the Insurance Department’s section of the Administrative Rules. This was removed from the North Dakota Insurance Department’s purview during the 2019 session and was moved to the Department of Environmental Quality pursuant to HB 1024. They have established their rules, so these rules are no longer needed.

8. N.D. Admin. Code ch. 45-18 – Fire Marshal

This rule creates the Fire Marshall Administrative Rules within the North Dakota Insurance Department's section of Administrative Rules. This is due to SB 2211 from the 2023 Legislative Session that moves the Fire Marshal's office from the Attorney General's Office to the Insurance Department.

These rules are/are not expected to have an impact in excess of \$50,000 on the regulated community.

Any interested person may review the text of the proposed rules at, and written comments concerning the proposed rules may be sent to, the following address: North Dakota Insurance Department, 600 East Boulevard Ave, 5<sup>th</sup> Floor, Bismarck, ND 58505. The deadline for submission of written comments is **July 22, 2023**. A copy of the rules and the regulatory analysis may be reviewed on the Department's website at [www.insurance.nd.gov](http://www.insurance.nd.gov) or may be requested by telephoning (701) 328-2440.

If you plan to attend the public hearing and will need special facilities or assistance relating to a disability, please contact the North Dakota Insurance Department at the above telephone number or address at least seven days prior to the public hearing.

DATED this 12 day of June, 2023.

/s/ Helene J Herauf  
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