

2001 HOUSE APPROPRIATIONS

HB 1010

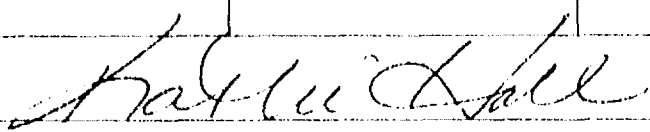
2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1010

House Appropriations Committee  
Government Operations Division

☐ Conference Committee

Hearing Date January 17, 2001

Tape Number	Side A	Side B	Meter #
01-17-01 tape #2	0 - 6216	0 - 1030	
Committee Clerk Signature 			

Minutes:

The committee was called to order, and opened the hearing on HB 1010, the Insurance Commissioner's appropriations budget. Vice-chairman Carlisle called the meeting to order. The committee had a quorum, and Chairman Byerly was excused for the beginning of the hearing.

Jim Poolman: North Dakota Insurance Commissioner. He had written testimony. There are appendixes attached to the written testimony that will be referred to as he speaks.

Commissioner Poolman introduced the members of his staff with him. The staff will be available during the session. The deputy commissioner could not be here, he went home sick this morning. Appendix A is the organizational chart. Gave a brief introduction about the department and his goals for the department. Believes the Insurance Department is a consumer protection division. They try to preserve a balance of competition in the market but still protect consumers on the agent and company sides. Have many functions within the department for protection. (see written testimony page 2) One of the positions eliminated in the budget is an

actuarial position, but we want to make sure our decisions are made on the facts, and not subjectively made, and we want to make sure we have all the actuarial information, to compare with the company actuarial information to make sure our decisions are the most informed and accurate. The agency also has a consumer hotline discussed on page 2 of the written testimony. The department received 12,384 consumer hotline telephone calls in 2000. In 1999, the department retrieved about 1.8 million in relief for consumers and we fined insurance company agents approximately 252,000. That is important because that 252,000 also helps run the department. I will explain that trust fund later. This is the proactive stance we take for consumers. We also believe that market conduct exams are very important and the legal department does that, to make sure the competition is fair between insurers and for the consumers.

The insurance industry in North Dakota is important to our economic landscape in the state. We think the industry is healthy, but I feel there needs to be a little more competition within the industry. In 1999 there were \$2.2 billion in paid premiums by insurance, and \$2.1 billion paid in claims. Appendix B shows a break down of how the premium is paid, and also shows paid losses and benefits. Premium taxes go into the general fund. This is a 2% premium tax on all life insurance premiums and a 1.75 % tax on property and casualty premiums. North Dakota is considered a retaliatory state which means we collect a higher rate on casualty because other states collect a higher premium tax than we do. On the life and health side our premium tax is a little higher than other states. In 1999 we collected \$21.4 million in premium taxes and in 2000 we collected \$26.6 million. This goes to the general fund. We also pay out \$5.2 million in payments to fire districts, which will be discussed later.

The Insurance Regulatory Trust Fund comes from license fees and fines collected from the agencies and companies. In the last legislative session there is a float of \$1 million, or a cash flow for the insurance department because we are collecting fines and fees from agents and companies that can change and so the statute provides a million dollar float, down from \$1.5 million. At the end of the fiscal year, anything over that million dollar level is transferred to the general fund. In fiscal year 2000, \$1.8 million was transferred to the general fund, after the million dollar float.

I think there are going to be big sweeping changes in regulating insurance. Believes in state regulation of insurance, and most people believe that local government can do a better job for the people than can a government that is not necessarily a hands-on. What is best in California, Florida, and Illinois is not the best for consumers of North Dakota. The passage of the Financial Services Modernization Act (Gramm-Leach-Bliley Act) softened the lines of definition between securities and banking and insurance. It is going to be very important for the insurance department and other regulatory agencies to enforce regulations and have a stronger set of regulations for enforcement of this Act. The department would like more uniformity across state lines in regulating insurance, and not let Congress usurp state powers. Privacy will be a big debate issue. Market Conduct Exams are going to become more necessary.

The department has several other functions, outside of just regulating insurance, that they do very well. They have a Senior Health Insurance Counseling Program (SHIC) (see page 4 of the written testimony); Fire and Tornado Fund; (see page 4 of the written testimony); State Bonding Fund (see page 4 of the written testimony); Petroleum Tank Fund (see page 4 of the written testimony); Boiler and Pressure Vessel Inspectors (see page 5 of the written testimony);



Anhydrous Ammonia Facility Inspection (see page 5 of the written testimony); and the

Unsatisfied Judgment Fund (see page 5 of the written testimony).

Page 5 begins testimony on the executive budget recommendations. SECTION 1: The Insurance Department currently employs 45.5 FTE's. 4 of the FTE's are currently vacant (see appendix to the vacant positions). The executive budget eliminates one of the FTE's, and this position was vacant because the former commissioner entered into a contract with a former employee who now works for the Kansas Insurance Dept to do rate and actuarial work. Commissioner asks that he be able to keep this position within the budget so he could review the contract and decide for himself. Remember his initial comments, that the decisions of the department should not be subjective and should be based upon actuarial analysis. With the reinstatement of this FTE this would be a no growth budget in terms of the number of FTE's and this has been the status quo on FTE's for past budget cycles. (see appendix C). He believes that part of the reason this position was eliminated by the executive recommendation was because this was one of the only elected officials offices that was not allowed a hearing before the OMB for budget preparation. Not really sure why this happened, but he believes that OMB did not have a rationale of why the position was open, and therefore just eliminated it. The other three positions have been vacated in the year 2000, and due to health problems the number is quite high this year. These were vacated in the middle of year 2000, and not filled because the exiting commissioner wanted the new commissioner to fill these, reclassify, or change the positions.

Rep. Carlisle: On this vacant actuarial position, it is still marketable, and high in demand?

Response: The position is budgeted for \$50,000 a year. He cannot guarantee that we could fill an actuarial position for \$50,000 per year. The deputy commissioner came from a life

insurance company and we have visited about that, and there is a possibility to fill that position is necessary. We want someone who is qualified.

Jim Poolman: continuing: The balance of the salary portion of the budget includes the executive recommendation of the salary package . And the operating line item of their budget there is a total increase of \$54,407 from the previous budget, due to increased assessments from the risk management fund, and due to increased costs from ITD. These are basically assessments from ITD.

SECTION 2: Provides the \$5.2 million appropriation for redistribution of a portion of the insurance premium tax to the local fire districts (see appendix D). This has not been changed since 1989.

SECTIONS 3, 4, 5, 6: provide the source of funding for the special funds that the Insurance Department administers. The figures in this section are also included in Section 1. They have adjusted slightly from the previous biennium, but the total administrative expenses for the department stays the same, except for the increases in ITD, and risk management, and software.

SECTION 7: Provides for the new salary for the commissioner.

Rep. Koppelman: Can you explain to me how the unfilled FTE and the services are provided by a contract fee. Are the dollars to pay the contract fee then taken from the appropriated position or from somewhere else?

Response: We have a line item in our budget for contract services. I have the numbers that I intend to pay the actuarial if you want to see these at some other time.

Rep. Koppelman: You mentioned the anhydrous tank inspection function, and our committee has discussed this. When that responsibility was placed in the insurance dept. In the 1995 session, was there an appropriation, or just the responsibility.

Response: This is a confusing issue for me. The anhydrous tank fund was created in 1995 session, and was placed in the agriculture department. What has happened is that our boiler inspectors in our department have done some of the inspection and examinations. I don't believe that it is written clearly in the law as to how the reimbursement was supposed to take place from the anhydrous tank fund to the insurance department. The Fire and Tornado fund gave some of the moneys to get this off the ground. The boiler examiners do the inspections, and we would like some reimbursement from the anhydrous tank fund.

Rep. Koppelman: His understanding is that the agriculture department does the licensing and clerical, supervisory functions, and your department does the inspection.

Response: I would encourage this committee to take a close look at this.

Rep. Skarphol: In regard to this same issue, how many boiler inspectors do you have in your department and what percentage of their time is spent on anhydrous inspections.

Response: I am going to have Jeff Bitz answer this.

Jeff Bitz: We have estimated that 30% of our boiler inspector time is spent on anhydrous inspection. We have 3 inspectors, and 1 administrative clerk. Probably a cost of \$84,000 per biennium.

Rep. Koppelman: Did your department have to add staff in order to undertake the anhydrous inspection functions, or are these the same persons, taking on new responsibility.

Response by Jeff Bitz: I am not sure if we added staff.

Jodi Burke, business manager: Has more history with the department, says that the department did hire 1 FTE to do these inspections.

Rep. Skarphol: Can you tell us the dollars in these various funds - Fire and Tornado, State Bonding, Petroleum Tank - and where is the dollar amount of the fees collected going?

Response, Jim Poolman: Reserve balances in funds - Unsatisfied Judgment has a \$307,000 balance, and there is a minimum balance required of \$150,000; the State Bonding Fund has a balance of \$4.9 million, with a minimum required of \$2.5 million; the Fire and Tornado Fund has a balance of \$15.8 million, with a minimum of \$12 million; the Petroleum Tank Fund has a balance of \$8.7 million, with a minimum of \$5 million. There is going to be legislation introduced to change some of the fees on the petroleum tank fund.

Rep. Skarphol: Are the fees the same for all tanks regardless of size?

Response, Jeff Bitz: Farmers are exempt, but the fees are the same regardless of size.

Rep. Skarphol: As far as the overage above the minimums in these funds, is there any obligation or provisions that these funds can be transferred to the general fund.

Response, Ken \_\_\_\_\_: His is the department auditor, and he does not have the actual dollars and maximum dollars. The intent of the overage, of the Fire and Tornado balance, they want to make sure there is enough funds to cover any outstanding claims in a catastrophic time.

Rep. Skarphol: Being enough funds is one thing, having redundant funds is another. What happens when this fund continues to build to a point where there is all this money laying there and cannot get used.

Response, Ken \_\_\_\_\_: That would be the decision of someone to set the maximums.

Response, Jeff Bitz: There must be a reasonable balance between the fund claims and premiums, and the law requires that a minimum be held. Lately we have had more claims than premiums.

Rep. Skarphol: Is there an industry standard that would reflect what would be appropriate if you have \$3.5 million in premiums, what would be the appropriate reserve.

Response, Jeff Bitz: I don't know if there is a standard. We can look into this.

Rep. Byerly: The committee would also be interested in these funds what sort of draw down there has been in the last four years. Would like a listing of funds coming in and funds drawn out.

Rep. Huetter: When we started the tank fund wasn't there a minimum and a cap on the fund.

Response, Jeff Bitz: There is a minimum of \$5 million, and the fund would reimburse the tank owner.

Response, Jim Poolman: Keep in mind the pending legislation in comparison with what you do with the tank fund.

Rep. Koppelman: What do these minimums mean, what if these funds fall below these amounts?

Response, Jim Poolman: In terms of some of them where there are premiums, we would have to adjust the premiums. For the State Bonding Fund ...

Response, Jeff Bitz: ... the statute sets forth that we would have to charge a certain dollar amount per employee per household to cover that until we exceed the cap.

Rep. Skarphol: On the underground tanks, what is the fee?

Response: \$50.00.

Rep. Skarphol: In regard to HS 1143 and the boiler inspection. What is that fee?

Response: That bill is being deliberated in IBL right now, and that increases the cap on standard boiler inspections and special boiler inspections. The special inspection goes to \$350 I believe per boiler and the certificate change for \$5.00. Our boiler inspection program cannot recoup its costs necessary to run the program, it has run basically \$100,000 behind, so we are making some changes to help increase the revenue. We are not going to the cap, but are going in like \$5 increments. Our intention is not to increase to the cap, just to recoup costs. Expect 4632 inspections every 2 years, the fee is incurred by the owner of the boiler at a fee, dependent on the size of the boiler, between \$35 and \$90.

Rep. Carlisle: On the actuarial contract, doe you have a flexibility to hire?

Response: If we were to terminate the contract with the person who holds the contract, we would give them notice.

Chairman Byerly: Has a handout from facilities management to the Insurance Department about doing some work up there. Chairman Timm and he toured the offices upstairs, and hopefully the rest of the committee can see the department. Read the handout.

Jim Poolman: We are planning an open house on Tuesday, next week, to take a look at the facilities.

Lois Hartman, Executive Director of the North Dakota Firefighter's Association: she had written testimony and handed it out. She is in support of HB 1010 and specifically Section 2 of the Insurance Department Budget. She also has a prepared proposed amendment to submit that deals with the appropriation for the 388 fire departments. In June of 2000, the Fireman's Association was changed to the Firefighter's Association. Another bill has been presented to do housekeeping to change the name. She is requesting an increase in the appropriation for the fire departments from 5,200,000 to 5,800,000 for the biennium, and an addition to line 20, at the

request of fire departments to drop the current rate structure and assess them differently. This change is part of the housekeeping bill, but the requested language in her amendment is necessary due to the lost revenues in that bill.

Chairman Byerly: Of the \$5.2 million in the Insurance Tax Distribution Fund, how much money has to remain in the fund at any given time?

Response: That fund has to maintain a zero balance at the end of the biennium. The practice has been that starting with the annual payments in June, when the annual reports come in, we have deposited everything into that fund. And then everything from that fund goes into the general fund.

Chairman Byerly: In a given year how much do we collect in fire insurance premiums above the \$5.2 million or \$5.8 million.

Response, Lois Hartman: If you calculate it on the five lines of insurance I do not have these numbers.

Response, Ken from the Insurance Commissioners Office: The \$5.2 million comes out of the insurance premiums collected each year. The first \$2.6 (year) go to the special fund for this purpose, and the balance goes into the general fund. The total of the premiums is averaging about \$21 million a year.

Chairman Byerly: Requests from the Insurance Department that they provide to the committee the amount of fire insurance premiums above the requested appropriation before the committee votes on the bill.

Arlo Briesbach, President of the ND Firefighter Association, and Fire Chief of Powers Lake Fire District: He has provided written testimony, that includes a profit and loss statement of the Powers Lake Fire District. They show a loss in the budget, because the costs are going up.

They have a 1974 and 1975 fire truck that need replacement. They do not have the funds. He supports HB 1010.

Rep. Skarphol: Why are your premium dollars going down in the fire districts?

Response: We understand that it has something to do with the poor farm economy.

Response, Lois Hartman: Part of that has to do with the migration out of the rural areas

Rep. Skarphol: Has the Association done an analysis as to what it would take to take on an annual or biannual basis to upgrade the equipment in these areas?

Response: (none discernible)

Rep. Huetter: Gave a hypothetical example of moving from rural area to urban area. Who gets the money?

Response, Lois Hartman: The Association has been looking into this, and the dollars would be split.

Gerald Rekow, 1st Vice President of the ND Fire Fighters Association and the Assistant Chief of the Ellendale Fire Protection District: He has provided written testimony, showing his support for HB 1010. He states that the Insurance Dept. Refund check is been 50% of their operating budget, but the checks have decreased and they must use equipment funds for operating expenses.

Rep. Glassheim: If you get this amendment, it still only gives you about \$50.

Response: It may calculate that way because of the formula. Some is better than none.

Leon Schlafmann, Fargo Fire Department: He has provided written testimony. He is in support of HB 1010. Discusses how the cities of ND are growing, but the fire departments are not prospering, and even the urban departments have concerns. They need extra funding for equipment and training.



Robert Wetzler, Fire Chief of the Minot Rural Fire Department, and Central Region

Trustee with the ND Firefighter's Association: He had written testimony, in support of HB 1010, specifically Section 2. There has been an increase in the cost of fire equipment of 15-18%, for items like fire hoses, clothing, breathing apparatus, etc. These increases raise the firefighter's expenses. In December the Minot department purchased a fire engine for \$294,000, and during the past 10-12 years, engines appreciated 4-6% annually.

Rep. Skarphol: The new truck you bought, did it replace something else?

Response: It was in addition to, we had one fire engine purchased in 1982, that was seeing some wear and tear. We had no back up engine if that one went down.

Rep. Skarphol: Do you typically replace the equipment on a rotating schedule? Do you have a practice that you have to follow?

Response: Nationally somewhere around 20-25 years is the average for rotation of structural equipment, probably other equipment sooner. Code on firefighter equipment changes all the time, so if you buy a truck today, in five years it may not meet the standard/code. When that happens, we use less than code equipment.

Joel Boespflug, Chief of the Bismarck Fire Inspections Department, Director of the North Dakota Fire Chief's Association: Today he is representing the Fire Chief's Association, not in competition with the Firefighter's Association, but rather works closely with them. Does support HB 1010, and the proposed amendment to Section 2 from Lois Hartman. The funds provided by the Insurance Department are looked at as a form of economic development, those funds are actually saving property in the communities. Bismarck has a save rate from fire of 96%. Have seen a move from rural to city and the city departments have had to add additional fire protection

areas. Only about 2% of the operating expenses are covered by the insurance premium funds.

He would certainly support any increase that the committee would look at.

Jerry Hjelmstad, North Dakota League of Cities: In support of Section 3 of the State Bonding Fund, and wants to emphasize the money in that fund is obtained from premiums from political subdivisions and state entities that pay premiums into that fund. The impact of transferring funds from that fund penalizes the entities. Notes that the premiums have not been raised for many years. They do not want the balance of this fund reduced, causing an increase in the premiums. Section 4 of the Fire and Tornado Fund can be similarly discussed. Anything that transfers from this fund below those minimums would be a penalty to those entities that pay the premiums. They support an increase in Section 2 of the bill to support the firefighters.

Gary Knutson, Executive Director ND Agriculture Association: Our membership consists of dealers that handle anhydrous ammonia. They support an additional inspector to cover the inspections and training of boiler inspectors. They feel for safety of the industry they need more inspections at least every five years. They believe there is money in the anhydrous fund to sustain an additional inspector. Not really sure how the department would handle this, but seeks the allocation of the inspector.

Rep. Skarphol: Are there any bills introduced in regard to this?

Response: No bill, they thought it might be more expedient to make the request here.

Patrick Ward, ND Domestic Insurance Companies and some Insurance Trade

Associations: He supports the bill.

Rep. Skarphol: For the Insurance Commissioner's office, when was the last time the premium tax was changed?

Response, Jim Poolman: Cannot remember any increase over the years.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1010

House Appropriations Committee  
Government Operations Division

☐ Conference Committee

Hearing Date January 25, 2001

Tape Number	Side A	Side B	Meter #
01-25-01 tape #1	1310 - 4550		
Committee Clerk Signature <i>Kathie Hall</i>			

Minutes:

The committee was called to order, and opened committee work on HB 1010, the Insurance Commissioner's budget.

Chairman Byerly: Handed out prepared proposed amendments. In this amendment there are three changes. The amendment increase the operating line item by \$67,000 which is the bid to remodel half of the office. The bid is from facilities management that needs to be done. The insurance agents agreed to the project, that comes all out of special funds, derived from the fees that the insurance agents pay. We also restored a non classified FTE position, which is an actuarial FTE that was contracted out. The Insurance Commissioner requested that the position be restored but may not fill it, but wants the option to renew the contract or hire an actuarial on staff. This FTE was there in the last biennium, but was removed to allow for the contract person, and now we are restoring the FTE position. Those are the basic changes as money is concerned.

The last change was to declassify the attorney positions, to be more like the other attorney positions in the state.

Rep. Koppelman: With the addition of the FTE which is the replacement of the contract person, is there money taken out currently spent on the contract person?

Chairman Byerly: We didn't take any money out for the contract out at this time, and the Commissioner assured me that by the time we get to conference committee that he would have some more firm numbers. At that time we would take a look at this.

Rep. Glassheim: Would you expect that this would be done at this time

Chairman Byerly: Yes.

Rep. Skarphol: moves to adopt the amendments. Rep. Koppelman seconds.

(Some general discussion as to the needs of the department as to remodeling, and that other departments probably need work done also, but that this department has these special fund dollars and a really bad need for the work to be done).

Vote on adopting amendments, 7 yes, 0 no. The amendments are adopted.

Rep. Skarphol: Has some concern and questions whether it is more appropriate to discuss the anhydrous tank inspection here or with the Agriculture Commissioner's budget.

(The committee has some general discussion regarding which budget would be better to amend to deal with the issue of anhydrous tank inspections performed by the insurance commissioners inspectors but not reimbursed. They discussed this matter with Sheila Peterson from OMB, who stated that she thought the Insurance Commissioner needed authority to accept reimbursement, but the proceeds need to come out of the Anhydrous Tank Fund.)

Rep. Koppelman: Believes that this could be a chance for the state to save some money. That moneys are coming into the anhydrous tank fund for this service, but the investigations are being

done by the Insurance Commissioner's investigators without being reimbursed, and this amount of reimbursement could be saved in the Insurance Commissioner's budget. The difference could be deposited into the general fund.

Chairman Byerly: We need to be able to quantify this. We have to come up with a dollar value. We could put in a section that allows the collection of funds from the Fund.

(General discussion again in regard to this transfer of funds by Sheila Peterson from OMB, as to avoiding a specific dollar amount. Committee members were concerned to express some legislative intent. The moneys are accumulating in the anhydrous tank fund, which is not being spent on anything. The moneys are deposited into the fund on tonnage sales fees of anhydrous. The money is just sitting there, and not being used or spent on anything. If the anhydrous tank fund now pays the Insurance Commissioner's office for these inspections into the Insurance Regulatory Trust Fund. Some of the funds (those over \$1.5 million) left in the Insurance Regulatory Trust Fund will go back into the general fund.)

Rep. Koppelman: moves to further amend the bill, to allow for the Insurance Commissioner to receive funds from the Anhydrous Trust Fund to reimburse for anhydrous tank inspections performed by the boiler inspectors from that office. Rep. Skarphol seconded.

(Discussion as to the amount of funds in the Anhydrous Tank Fund, how much would be expended and how much would be left in the fund. Rep. Byerly reads from the minutes of the Insurance Commissioner's office as to the amount attributed to the anhydrous inspections).

Vote on further amending, 6 yes, 1 no. Further amendment passes.

Rep. Skarphol: moves for DO PASS AS AMENDED. Rep. Carlisle seconded.

Vote on the motion to pass as amended, 7 yes, 0 no. Motion passed.

Rep. Byerly was assigned to carry the bill to the full committee.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB1010

House Appropriations Committee

☐ Conference Committee

Hearing Date January 31, 2001

Tape Number	Side A	Side B	Meter #
1	x		5070 - 6240
		x	0 - 267
Committee Clerk Signature <i>J. Jackson</i>			

Minutes:

**House Appropriations action on HB1010. (5070)**

**Rep. Rex Byerly:** I will be handling that bill. Basically what you have before you is the budget for the Insurance Commissioner, and the amendment that you will find in your books that applies is .0103 and if you kind of want to follow along, basically what we did was we went ahead with the Hoven/Schafer budget because they were the same effectively. There were no changes in any of it and it removed one FTE position and we had to increase some funding on the IC line item and I should mention that on all of these budgets there will be this adjustment to the salary and wages line item that is the correction numbers for the way that it was computed. For all intents and purposes there were no changes to that base budget, there were some other changes that occurred, and if you look in the middle of the page on amendment .0103 there is a section that were adding that deals with the anhydrous storage facility inspection, right now the Department of Agriculture is the one that oversees and receives the funds from the registration of anhydrous

facilities and the tonnage fees and everything, but it's the Boiler Inspectors in the Insurance Commissioner's Department that actually do the inspection. And when the anhydrous program was set up there was never a mechanism in place to pay the Insurance Commissioner for the inspectors time, and what this effectively does is this basically makes it so that the Insurance Commissioner can be reimbursed for those inspections. The Insurance Commissioner estimated in the last biennium that they had spent the equivalent of \$84,000 worth of inspector's time inspecting these facilities, but we felt that we had to come up with a number to cap this so that it wasn't something that would go through the roof and impact the anhydrous fund, so we capped this at \$75,000. The single line that's in section 9, right below that, basically what that does is that makes the Attorneys in the Insurance Department non-classified employees like attorney's are in virtually in every other agency. This was one of those things that came up that nobody paid any attention to in the past, and what this will do is this just makes those lawyers in the Insurance Department non-classified employees. The only other significant change to this budget was that we increased his budget by \$67,000, again all special funds so that he could complete the remodeling that was started by his predecessor, and if you have ever been up to the Insurance Commissioner's office one half of the office space had been remodeled the other half is pretty tacky, and this \$67,000, I talked with Rep. Wald and other Representatives who are insurance agents pay the fees that ultimately go to funding this \$67,000 and they were all in agreement that they had absolutely no problem with the commissioner finishing that job up there. The last change is the change we talked about on most of these budgets, there were some recomputation's on pay plan and those amendments are in here also. I would move to adopt amendment .0103

**Rep. Mike Timm:** Is there a second? Seconded by Rep. Carlisle.

**Rep. Pam Guleson:** A question on that FTE, you said that this position had been an unfilled position and that was removed from both of the governor's budgets? How did that come to be?

**Rep. Rex Byerly:** This FTE was indeed removed and I believe that it was vacant at the time, and it had been vacant for some time. I misspoke, we did put that FTE in but we unfunded it.

**Rep. Keith Kempenich:** Your not going to hire much of an actuary for \$60,000 a year.

**Rep. Pam Guleson:** Is the Fire and Tornado fund the place where the dollars came out to settle the dispute in Richland County? Response was No. Which fund did that come out of?

**Rep. Francis Wald:** That came out of the North Dakota Insurance Reserve Fund.

**Rep. Ole Aarsvold:** I guess just an observation and correction. Insurance agents do not pay for the costs of maintaining an apartment. Those of us who buy insurance policies do.

**Rep. Rex Byerly:** It is a combination.

**Rep. Francis Wald:** How much money had been put in for a life actuary? Answer: Currently their putting in amount of \$131,712, and even the commissioner understands that, your not going to get much of an actuary for that, but we decided to put it back in at that level so that he could have the option of finding somebody or continuing the contract with the fellow he has in the State of Kansas. Rep. Wald: I would hope and pray that he would terminate the contract with Mr. Folley as soon as practicable, because that guy was an absolute abomination and caused more havoc up there and thank God he's gone.

**Rep. Mike Timm:** The question would be, is did you leave the commissioner enough money to a competent person?

**Rep. Pam Guleson:** I'm reading \$131,000 in that line. Response: The commissioner could come to the budget committee if he needed more funds than the \$131,000, we would just transfer some of his operating funds.



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House Appropriations Committee  
Bill/Resolution Number HB1010  
Hearing Date January 31, 2001

**Rep. Mike Timm:** Any other discussion on the amendment? All those in favor of adopting the amendment .0103 signify by saying AYE. Voice vote. Motion carried. The amendment is adopted.

**Rep. Rex Byerly:** I would move HB1010 as amended. Seconded by Rep. Skarphol.

**Rep. Mike Timm:** Any discussion? Clerk will call the roll. (20) YES (0) NO (1) Absent and not voting. Motion passed. Rep Byerly will carry the bill to the floor. (266)

# FISCAL NOTE

Requested by Legislative Council

04/02/2001

Bill/Resolution No.:

Amendment to: Engrossed  
HB 1010

1A. **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.*

	1999-2001 Biennium		2001-2003 Biennium		2003-2005 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	(\$104,000)	\$0	\$0	\$0
Expenditures	\$0	\$0	\$9,906	\$104,000	\$9,906	\$0
Appropriations	\$0	\$0	\$9,906	\$104,000	\$9,906	\$0

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

1999-2001 Biennium			2001-2003 Biennium			2003-2005 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

2. **Narrative:** *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

HB 1010 contains the appropriation for the Insurance Department. Section 8 of the bill amends the provision of the law which sets out the salary of the Insurance Commissioner. The Department estimates that the fiscal impact of Section 7 will be an increase in expenditures from the Insurance Regulatory Trust Fund of \$9,906, including salary and benefits, for each of the next two bienniums. This is the amount that exceeds the amount included in Section 1 for the Commissioner's salary and benefits.

Engrossed HB 1010 First Engrossment with Senate Amendments authorizes a payment of \$104,000 from the Insurance Tax Distribution Fund to the Firemen's Association during the 2001-2003 biennium. This appropriation will increase the expenses of the Insurance Tax Distribution Fund by \$104,000. This appropriation will also decrease the revenues to the general fund during the 2001-2003 biennium by \$104,000 because any nonappropriated revenues received by the Insurance Tax Distribution Fund during the 2001-2003 biennium are transferred to the General Fund during the 2001-2003 biennium. Thus, there will be \$104,000 less in the Insurance Tax Distribution Fund during the 2001-2003 biennium to transfer to the General Fund during that biennium.

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.*

See No. 2 above.

**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.*

See No. 2 above.

**C. Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

See No. 2 above.

<b>Name:</b>	Charles E. Johnson	<b>Agency:</b>	Insurance Department
<b>Phone Number:</b>	328-2440	<b>Date Prepared:</b>	04/03/2001

**FISCAL NOTE**  
Requested by Legislative Council  
12/14/2000

Bill/Resolution No.: HB 1010

Amendment to:

**1A. 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.*

	1999-2001 Biennium		2001-2003 Biennium		2003-2005 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
<b>Revenues</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>Expenditures</b>	\$0	\$0	\$9,906	\$0	\$9,906	\$0
<b>Appropriations</b>	\$0	\$0	\$9,906	\$0	\$9,906	\$0

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

1999-2001 Biennium			2001-2003 Biennium			2003-2005 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**2. Narrative:** *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

HB 1010 contains the appropriation for the Insurance Department. Section 7 of the bill amends the provision of the law which sets out the salary of the Insurance Commissioner. The Department estimates that the fiscal impact of Section 7 will be an increase in expenditures from the Insurance Regulatory Trust Fund of \$9,906, including salary and benefits, for each of the next two bienniums. This is the amount that exceeds the amount included in Section 1 for the Commissioner's salary and benefits.

**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.*

N/A

**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.*

See No. 2 above.

**C. Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

See No. 2 above.

<b>Name:</b>	Charles E. Johnson	<b>Agency:</b>	Insurance Department
<b>Phone Number:</b>	328-2440	<b>Date Prepared:</b>	01/08/2001

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1010

Page 1, line 2, after the semicolon insert "to create and enact a new subsection to section 54-44.3-20 of the North Dakota Century Code, relating to employees exempt from the state classified service;"

Page 1, line 11, replace "4,387,527" with "4,513,847"

Page 1, line 12, replace "1,560,196" with "1,627,196"

Page 1, line 14, replace "6,067,078" with "6,260,398"

Page 2, after line 19, insert:

**"SECTION 8.** A new subsection to section 54-44.3-20 of the 1999 Supplement to the North Dakota Century Code is created and enacted as follows:

Attorneys employed by the insurance commissioner."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1010 - Summary of House Action

	EXECUTIVE BUDGET	HOUSE CHANGES	HOUSE VERSION
Insurance Tax to Fire Department			
Total all funds	\$5,200,000	\$0	\$5,200,000
Less estimated income	5,200,000		5,200,000
General fund	\$0	\$0	\$0
Insurance Department			
Total all funds	\$6,067,078	\$193,320	\$6,260,398
Less estimated income	6,067,078	193,320	6,260,398
General fund	\$0	\$0	\$0
Bill Total			
Total all funds	\$11,267,078	\$193,320	\$11,460,398
Less estimated income	11,267,078	193,320	11,460,398
General fund	\$0	\$0	\$0

House Bill No. 1010 - Insurance Department - House Action

	EXECUTIVE BUDGET	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$4,387,527	\$126,320	\$4,513,847
Operating expenses	1,560,196	67,000	1,627,196
Equipment	119,355		119,355
Total all funds	\$6,067,078	\$193,320	\$6,260,398
Less estimated income	6,067,078	193,320	6,260,398
General fund	\$0	\$0	\$0
FTE	44.50	1.00	45.50

# Dept. 401 - Insurance Department - Detail of House Changes

	RESTORE FUNDING FOR NONCLASSIFIED PROFESSIONAL POSITION	INCREASE OPERATING FOR REMODELING COSTS	ADJUST MARKET EQUITY SALARY INCREASE <sup>1</sup>	TOTAL HOUSE CHANGES
Salaries and wages	\$131,721		(\$5,401)	\$126,320
Operating expenses		\$67,000		67,000
Equipment				
Total all funds	\$131,721	\$67,000	(\$5,401)	\$193,320
Less estimated income	<u>131,721</u>	<u>67,000</u>	<u>(\$5,401)</u>	<u>193,320</u>
General fund	\$0	\$0	\$0	\$0
FTE	1.00	0.00	0.00	1.00

<sup>1</sup> This amendment reduces, from \$8,802 to \$3,401, the amount provided for a market equity salary increase for the director. The amount included in the bill will provide for a monthly increase of \$162 and related fringe benefits for the last 18 months of the biennium.

The amendment also adds a new subsection to North Dakota Century Code Section 54-44.3-20 excepting legal positions of the Insurance commissioner from the state classified service.

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1010

Page 1, line 2, after the semicolon insert "to create and enact a new subsection to section 54-44.3-20 of the North Dakota Century Code, relating to employees exempt from the state classified service;"

Page 1, line 11, replace "4,387,527" with "4,513,847"

Page 1, line 12, replace "1,560,196" with "1,627,196"

Page 1, line 14, replace "6,067,078" with "6,260,398"

Page 2, after line 12, insert:

**"SECTION 7. ANHYDROUS AMMONIA STORAGE FACILITY INSPECTION FUND.** Section 1 of this Act includes the sum of \$75,000, or so much of the sum as may be necessary, from the anhydrous ammonia storage facility inspection fund to pay for anhydrous ammonia tank inspection costs, for the biennium beginning July 1, 2001, and ending June 30, 2003."

Page 2, after line 19, insert:

**"SECTION 9.** A new subsection to section 54-44.3-20 of the 1999 Supplement to the North Dakota Century Code is created and enacted as follows:

Attorneys employed by the Insurance commissioner."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**House Bill No. 1010 - Summary of House Action**

	EXECUTIVE BUDGET	HOUSE CHANGES	HOUSE VERSION
Insurance Tax to Fire Department			
Total all funds	\$5,200,000	\$0	\$5,200,000
Less estimated income	5,200,000		5,200,000
General fund	\$0	\$0	\$0
Insurance Department			
Total all funds	\$6,087,078	\$193,320	\$6,260,398
Less estimated income	6,067,078	193,320	6,260,398
General fund	\$0	\$0	\$0
Bill Total			
Total all funds	\$11,287,078	\$193,320	\$11,460,398
Less estimated income	11,267,078	193,320	11,460,398
General fund	\$0	\$0	\$0

**House Bill No. 1010 - Insurance Department - House Action**

	EXECUTIVE BUDGET	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$4,387,527	\$126,320	\$4,513,847
Operating expenses	1,560,196	67,000	1,627,196
Equipment	119,355		119,355
Total all funds	\$6,087,078	\$193,320	\$6,260,398



Less estimated income	6,067,078	193,320	6,260,398
General fund	\$0	\$0	\$0
FTE	44.50	1.00	45.50

# Dept. 401 - Insurance Department - Detail of House Changes

	RESTORE FUNDING FOR NONCLASSIFIED PROFESSIONAL POSITION	INCREASE OPERATING FOR REMODELING COSTS	ADJUST MARKET EQUITY SALARY INCREASE <sup>1</sup>	TOTAL HOUSE CHANGES
Salaries and wages	\$131,721		(\$5,401)	\$126,320
Operating expenses		\$67,000		67,000
Equipment				
Total all funds	\$131,721	\$67,000	(\$5,401)	\$193,320
Less estimated income	<u>131,721</u>	<u>67,000</u>	<u>(5,401)</u>	<u>193,320</u>
General fund	\$0	\$0	\$0	\$0
FTE	1.00	0.00	0.00	1.00

<sup>1</sup> This amendment reduces, from \$8,802 to \$3,401, the amount provided for a market equity salary increase for the director. The amount included in the bill will provide for a monthly increase of \$162 and related fringe benefits for the last 18 months of the biennium.

The amendment also adds a new subsection to North Dakota Century Code Section 54-44.3-20 excepting legal positions of the Insurance Commissioner from the state classified service and adds a new section that provides that up to \$75,000 is available from the anhydrous ammonia storage facility inspection fund to pay for anhydrous ammonia tank inspections done by the Insurance Department.

Date: 1-25-01  
Roll Call Vote #: 1

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 1010

House Appropriations - Government Operations Division Committee

☒ Subcommittee on Government Operations  
or  
☐ Conference Committee

Legislative Council Amendment Number 18010.0103

Action Taken Motion to adopt amendment.

Motion Made By Rep. Skarphol Seconded By Rep. Koppelman

Representatives	Yes	No	Representatives	Yes	No
Rep. Rex R. Byerly - Chairman	✓		Rep. Eliot Glassheim	✓	
Rep. Ron Carlisle - Vice Chairman	✓		Rep. Robert Huether	✓	
Rep. Kim Koppelman	✓				
Rep. Bob Skarphol	✓				
Rep. Blair Thoreson	✓				

Total (Yes) 7 No 0

Absent 0

Floor Assignment

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

add funds for remodeling, adding in an actuarial position; to declassify atty positions.

Date: 1-25-01  
Roll Call Vote #: 2

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 1010

House Appropriations - Government Operations Division Committee

☒ Subcommittee on Government Operations  
or  
☐ Conference Committee

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

Action Taken

Motion to further amend.

Motion Made By

Rep Koppelman

Seconded  
By

Rep. Skarphol

Representatives	Yes	No	Representatives	Yes	No
Rep. Rox R. Byerly - Chairman	✓		Rep. Eliot Glassheim		✓
Rep. Ron Carlisle - Vice Chairman	✓		Rep. Robert Huether	✓	
Rep. Kim Koppelman	✓				
Rep. Bob Skarphol	✓				
Rep. Blair Thoreson	✓				

Total (Yes) 6 No 1

Absent Ø

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

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

to further amend to receive reimbursement from the Anhydrous Trust Fund to the INS. Commissioner for anhydrous tank inspection.

Date: 1-25-01  
Roll Call Vote #: 3

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 1010

House Appropriations - Government Operations Division Committee

☒ Subcommittee on Government Operations  
or  
☐ Conference Committee

Legislative Council Amendment Number 18010.0103

Action Taken DO PASS AS AMENDED.

Motion Made By Rep Skarphol Seconded By Rep. Carlisle

Representatives	Yes	No	Representatives	Yes	No
Rep. Rex R. Byerly - Chairman	✓		Rep. Eliot Glassheim	✓	
Rep. Ron Carlisle - Vice Chairman	✓		Rep. Robert Huether	✓	
Rep. Kim Koppelman	✓				
Rep. Bob Skarphol	✓				
Rep. Blair Thoreson	✓				

Total (Yes) 7 No 0

Absent 0

Floor Assignment Rep. Byerly

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

Date: 1-31-01  
Roll Call Vote #: 1

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. HB1010

House APPROPRIATIONS Committee

☐ Subcommittee on \_\_\_\_\_  
or  
☐ Conference Committee

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

Action Taken DO PASS AS AMENDED

Motion Made By BYERLY Seconded By SKARPHOL

Representatives	Yes	No	Representatives	Yes	No
Timm - Chairman	✓				
Wald - Vice Chairman	✓				
Rep - Aarsvold	✓		Rep - Koppelman		
Rep - Boehm	✓		Rep - Martinson	✓	
Rep - Byerly	✓		Rep - Monson	✓	
Rep - Carlisle	✓		Rep - Skarphol	✓	
Rep - Delzer	✓		Rep - Svedjan	✓	
Rep - Glassheim	✓		Rep - Thoreson	✓	
Rep - Gulleson	✓		Rep - Warner	✓	
Rep - Huether	✓		Rep - Wentz	✓	
Rep - Kempenich	✓				
Rep - Kerzman	✓				
Rep - Kliniske	✓				

Total (Yes) 20 No 0

Absent 1

Floor Assignment Byerly

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

FTE

0.00 0.00

\* This amendment reduces, from \$11,284 to \$2,702, the amount provided for a market equity salary increase for the Deputy State Treasurer. The amount included in the bill will provide for a monthly fringe benefits for the last 18 months of the biennium.

Two sections are added requiring the State Treasurer to utilize the services of the Information Technology Department for electronic records and signatures and providing legislative intent regarding the use of state funds for activities related to National Association of State Treasurers.

#### REPORT OF STANDING COMMITTEE

**HB 1010: Appropriations Committee (Rep. Timm, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS (20 YEARS, 0 NAYS, 1 ABSENT AND NOT VOTING)**. HB 1010 was placed on the Sixth order on the calendar.

Page 1, line 2, after the semicolon insert "to create and enact a new subsection to section 54-44.3-20 of the North Dakota Century Code, relating to employees exempt from the state classified service."

Page 1, line 11, replace "4,387,527" with "4,513,847"

Page 1, line 12, replace "1,580,196" with "1,627,196"

Page 1, line 14, replace "6,067,078" with "6,260,398"

Page 2, after line 12, insert:

**"SECTION 7. ANHYDROUS AMMONIA STORAGE FACILITY INSPECTION FUND.** Section 1 of this Act includes the sum of \$75,000, or so much of the sum as may be necessary, from the anhydrous ammonia storage facility inspection fund to pay for anhydrous ammonia tank inspection costs, for the biennium beginning July 1, 2001, and ending June 30, 2003."

Page 2, after line 19, insert:

**"SECTION 9.** A new subsection to section 54-44.3-20 of the 1999 Supplement to the North Dakota Century Code is created and enacted as follows:

*Attorneys employed by the insurance commissioner.*"

Renumber accordingly

#### STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1010 - Summary of House Action

	EXECUTIVE BUDGET	HOUSE CHANGES	HOUSE VERSION
Insurance Tax to Fire Department	\$5,200,000	\$0	\$5,200,000
Less estimated income	2,200,000	0	2,200,000
General fund	\$3,000,000	\$0	\$3,000,000
Insurance Department	\$6,067,078	\$153,320	\$6,260,398
Total all funds	6,067,078	153,320	6,260,398
Less estimated income	\$0	\$0	\$0
General fund	\$6,067,078	\$153,320	\$6,260,398
Bill Total	\$11,287,078	\$153,320	\$11,450,398
Total all funds	11,287,078	153,320	11,450,398
Less estimated income	\$0	\$0	\$0
General fund	\$11,287,078	\$153,320	\$11,450,398

House Bill No. 1010 - Insurance Department - House Action

	EXECUTIVE BUDGET	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$4,387,527	\$176,320	\$4,513,847
Operating expenses	1,580,196	6,000	1,586,196
Equipment	119,255	0	119,255
Total all funds	\$4,067,078	\$182,320	\$4,260,398
Less estimated income	\$0	\$0	\$0
General fund	\$4,067,078	\$182,320	\$4,260,398
Bill	44,90	1,00	45,90

Dept. 401 - Insurance Department - Detail of House Changes

	RESTORE FUNDING FOR NONCLASSIFIED PROFESSIONAL POSITION	INCREASE OPERATING FOR REMODELING COSTS	ADJUST MARKET EQUITY SALARY INCREASE	TOTAL HOUSE CHANGES
Salaries and wages	\$131,721	\$67,000	(25,451)	\$173,270
Operating expenses				67,000
Equipment				
Total all funds	\$131,721	\$67,000	(25,451)	\$173,270
Less estimated income	131,721	67,000	(25,451)	173,270
General fund	\$0	\$0	\$0	\$0
FTE	1.00	0.00	0.00	1.00

\* This amendment reduces, from \$6,067 to \$5,451, the amount provided for a market equity salary increase for the director. The amount included in the bill will provide for a monthly fringe benefits for the last 18 months of the biennium.

The amendment also adds a new subsection to North Dakota Century Code Section 54-44.3-20 excepting legal positions of the Insurance Commissioner from the state classified service and adds a new section that provides that up to \$75,000 is available from the anhydrous ammonia storage facility inspection fund to pay for anhydrous ammonia tank inspections done by the Insurance Department.

#### REPORT OF STANDING COMMITTEE

**HB 1034: Agriculture Committee (Rep. Nicholas, Chairman)** recommends **DO PASS** and **BE REFERRED** to the Appropriations Committee (14 YEARS, 0 NAYS, 1 ABSENT AND NOT VOTING). HB 1034 was referred to the Appropriations Committee.

#### REPORT OF STANDING COMMITTEE

**HB 1086: Industry, Business and Labor Committee (Rep. Berg, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS (15 YEARS, 0 NAYS, 0 ABSENT AND NOT VOTING)**. HB 1086 was placed on the Sixth order on the calendar.

Page 1, line 11, remove "or a rate of one percent of the"

Page 1, line 12, remove "positive employer maximum rate in effect that year"

Renumber accordingly

#### REPORT OF STANDING COMMITTEE

**HB 1121: Finance and Taxation Committee (Rep. Carlson, Chairman)** recommends **DO NOT PASS (13 YEARS, 0 NAYS, 2 ABSENT AND NOT VOTING)**. HB 1121 was placed on the Eleventh order on the calendar.

#### REPORT OF STANDING COMMITTEE

**HB 1149: Education Committee (Rep. R. Kelsch, Chairman)** recommends **DO NOT PASS (14 YEARS, 0 NAYS, 1 ABSENT AND NOT VOTING)**. HB 1149 was placed on the Eleventh order on the calendar.

#### REPORT OF STANDING COMMITTEE

**HB 1172: Education Committee (Rep. R. Kelsch, Chairman)** recommends **DO NOT PASS (14 YEARS, 0 NAYS, 1 ABSENT AND NOT VOTING)**. HB 1172 was placed on the Eleventh order on the calendar.

#### REPORT OF STANDING COMMITTEE

**HB 1196: Human Services Committee (Rep. Price, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** and **BE REFERRED** to the Appropriations Committee (13 YEARS, 0 NAYS, 1 ABSENT AND NOT VOTING). HB 1196 was placed on the Sixth order on the calendar.

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create and enact section 23-27-04.5 and a new chapter to the 43 of the North Dakota Century Code, relating to the nursing facility nurses loan repayment program and a quick-response unit service pilot program to amend and reenact sections 6-09.16-01, 6-09.16-02, 6-09.16-03, 6-09.16-04, 6-09.16-05, 6-09.16-06, 23-09.3-01, 50-24.4-30, 50-30-01, 50-30-02, and 50-30-04 of the North Dakota Century Code, relating to the nursing facility alternative loan fund, the moratorium on the expansion of basic care bed capacity, the government nursing facility funding pool, and nursing facility loans to provide for a transfer from the nursing facility alternative grant fund, to provide for a

2001 SENATE APPROPRIATIONS

HB 1010

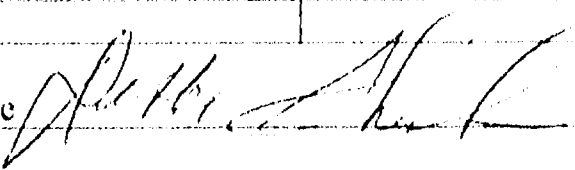
2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1010

Senate Appropriations Committee

☐ Conference Committee

Hearing Date February 14, 2001

Tape Number	Side A	Side B	Meter #
2		X	2.5-25.6
Committee Clerk Signature 			

Minutes:

Senator Nething opened the hearing on HB 1010.

Jim Poolman, ND Insurance Commissioner, (testimony attached). He asked for the committee to concur with the House Appropriation and to include the vacant FTE position.

Senator Nething: Are you getting an analysis for this position?

Jim Poolman: No as this will be filled with an actuarial position. It is our belief the Insurance Department needs facts and not someone from out of state to market the conditions.

Senator Nething: The \$5.2 million for fire departments; is this the same as last biennium?

Jim Poolman: Yes, this dollar amount has not changed.

Senator Thane: Is the \$50,000 enough to hire an actuarial position?

Jim Poolman: It is going to be hard to hire at this amount but we just need the position for now with the budgeted amount.



Lois Hartman, Executive Director of the ND Firefighter's Association, (testimony attached)

testified in support of Section 2 of this bill.

Senator Tallackson: Are the insurance companies cooperating in insuring farmers breaking down the premium?

Lois Hartman: It is better now but since I started in 1997 I haven't work with this.

Ken Rude, Insurance Department, responded stating yes more are complying and it is working with them; you can credit the people for this.

Arlo Grutne, ND Firefighter's Association, talked about the increase needed for fire departments with no money to replace trucks, etc., and urged committee to look at the amendments which are badly needed.

Senator Bowman: We have oil in our area and this does help a lot for rural areas.

Arlo Grutne: Yes it does have some impact for those areas.

Senator Andrist: Look at the figure formula; variation with amount back every biennium, different amounts received from others?

Lois Hartman: All based on the formula; when cap funds to cities increase, it doubles to the rural district areas.

Senator Andrist: Are firefighters looking to change formula to be fair to the rural areas?

Lois Hartman: This committee funds look all across the nation. Look at all states and a lot are not funded.

Senator Andrist: Has the department examined the whole formula for fairness?

Ken Rude: The allocation has been looked at. All insurances and amount of premium. The fairness has not been looked at by district.

Senator Tomac: Auto insurance is excluded from this formula. Why is hail included?

Ken Rude: Crop hail is included with the formula as federal crop insurance is not.

Gerald Rekow, ND Firefighter's Association from Ellendale, ND, testified in favor of the bill stating the proposed amendments are good for all fire departments and their day to day operations.

Joel Boespflug, City of Bismarek Fire and Inspections Chief, (testimony attached) asked the committee to adopt and support the amendments to Section 2.

With no opposition to the bill the hearing was closed. Tape #2, Side B, meter 25.6.

3-29-01 Full Committee Action (Tape #3, Side A, Meter # 3.5-11.2)

Senator Nething reopened the hearing on HB1010- Insurance Commissioner.

Senator Andrist, Subcommittee Chair presented the overview of the bill and the recommendations of the subcommittee. Discussion. Amendments #18010,0201 were presented; discussed. Senator Andrist moved the adoption of amendments; seconded by Senator Holmberg; voice call carried the amendments.

Discussion on the bill.

Senator Andrist made the motion DO PASS AS AMENDED; seconded by Senator Grindberg.

Discussion; call for the vote. Roll Call Vote: 14 yes; 0 no; 0 absent and not voting.

Senator Andrist accepted the floor assignment.

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1010

Page 1, line 14, replace "1,627,196" with "1,637,196"

Page 1, line 16, replace "Less estimated income" with "Total special funds appropriation" and  
 replace "6,260,398" with "6,270,398"

Page 1, line 18, after "DEPARTMENTS" insert "AND NORTH DAKOTA FIREMEN'S  
 ASSOCIATION"

Page 1, line 19, replace "\$5,200,000" with "\$5,304,000"

Page 1, line 20, after "commissioner" insert "of which \$5,200,000 is"

Page 1, line 21, after "departments" insert "and \$104,000 is for the purpose of making two  
 equal payments to the North Dakota firemen's association"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1010 - Summary of Senate Action

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES	SENATE VERSION
Insurance Tax to Fire Departments				
Total all funds	\$5,200,000	\$5,200,000	\$104,000	\$5,304,000
Less estimated income	<u>5,200,000</u>	<u>5,200,000</u>	<u>104,000</u>	<u>5,304,000</u>
General fund	\$0	\$0	\$0	\$0
Insurance Department				
Total all funds	\$6,067,078	\$6,260,398	\$10,000	\$6,270,398
Less estimated income	<u>6,067,078</u>	<u>6,260,398</u>	<u>10,000</u>	<u>6,270,398</u>
General fund	\$0	\$0	\$0	\$0
Bill Total				
Total all funds	\$11,267,078	\$11,460,398	\$114,000	\$11,574,398
Less estimated income	<u>11,267,078</u>	<u>11,460,398</u>	<u>114,000</u>	<u>11,574,398</u>
General fund	\$0	\$0	\$0	\$0

House Bill No. 1010 - Insurance Tax to Fire Departments - Senate Action

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES	SENATE VERSION
Grants	<u>\$5,200,000</u>	<u>\$5,200,000</u>	<u>\$104,000</u>	<u>\$5,304,000</u>
Total all funds	\$5,200,000	\$5,200,000	\$104,000	\$5,304,000
Less estimated income	<u>5,200,000</u>	<u>5,200,000</u>	<u>104,000</u>	<u>5,304,000</u>
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

Dept. 35 - Insurance Tax to Fire Departments - Detail of Senate Changes

	FUNDING FOR NORTH DAKOTA FIREMEN'S ASSOCIATION	TOTAL SENATE CHANGES
Grants	<u>\$104,000</u>	<u>\$104,000</u>
Total all funds	\$104,000	\$104,000
Less estimated income	<u>104,000</u>	<u>104,000</u>
General fund	\$0	\$0

FTE

0 00

0 00

<sup>1</sup> This amendment provides an appropriation of \$104,000 from the insurance tax distilled upon fund for two equal payments to the North Dakota Firemen's Association. This funding is in addition to the funding of \$5.2 million from the insurance tax distilled upon fund for insurance tax payments to fire districts.

### House Bill No. 1010 - Insurance Department - Senate Action

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES	SENATE VERSION
Salaries and wages	\$4,387,527	\$4,513,847		\$4,513,847
Operating expenses	1,660,196	1,627,196	\$10,000	1,637,196
Equipment	119,355	119,355		119,355
Total all funds	\$6,067,078	\$6,260,398	\$10,000	\$6,270,398
Less estimated income	<u>6,067,078</u>	<u>6,260,398</u>	<u>10,000</u>	<u>6,270,398</u>
General fund	\$0	\$0	\$0	\$0
FTE	44.50	45.50	0.00	45.50

### Dept. 401 - Insurance Department - Detail of Senate Changes

	PROVIDE ADDITIONAL FUNDING FOR DUES <sup>1</sup>	TOTAL SENATE CHANGES
Salaries and wages		
Operating expenses	\$10,000	\$10,000
Equipment		
Total all funds	\$10,000	\$10,000
Less estimated income	<u>10,000</u>	<u>10,000</u>
General fund	\$0	\$0
FTE	0.00	0.00

<sup>1</sup> This amendment increases funding for operating expenses by \$10,000 for an increase in annual dues for the National Conference of Insurance Legislators.

Date: 3-29-01

Roll Call Vote #: \_\_\_\_\_

**2001 SENATE STANDING COMMITTEE ROLL CALL VOTES**  
**BILL/RESOLUTION NO. LB 1010**

Senate Appropriations Committee

☐ Subcommittee on \_\_\_\_\_  
or

☐ Conference Committee

Legislative Council Amendment Number 18010.0201

Action Taken Do pass as amended

Motion Made By Senator Andrist Seconded By Senator Grindberg

Senators	Yes	No	Senators	Yes	No
Dave Nothing, Chairman	✓				
Ken Solberg, Vice-Chairman	✓				
Randy A. Schobinger	✓				
Elroy N. Lindans	✓				
Harvey Tallackson	✓				
Larry J. Robinson	✓				
Steven W. Tomac	✓				
Joel C. Heitkamp	✓				
Tony Grindberg	✓				
Russell T. Thane	✓				
Ed Kringstad	✓				
Ray Holmberg	✓				
Bill Bowman	✓				
John M. Andrist	✓				

Total Yes 14 No 0

Absent 0

Floor Assignment Senator Andrist

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

**REPORT OF STANDING COMMITTEE**

**HB 1010, as engrossed: Appropriations Committee (Sen. Nething, Chairman)**  
recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends  
**DO PASS** (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1010  
was placed on the Sixth order on the calendar.

Page 1, line 14, replace "1,627,196" with "1,637,196"

Page 1, line 16, replace "Less estimated income" with "Total special funds appropriation" and  
replace "6,260,398" with "6,270,398"

Page 1, line 18, after "DEPARTMENTS" insert "AND NORTH DAKOTA FIREMEN'S  
ASSOCIATION"

Page 1, line 19, replace "\$5,200,000" with "\$5,304,000"

Page 1, line 20, after "commissioner" insert "of which \$5,200,000 is"

Page 1, line 21, after "departments" insert "and \$104,000 is for the purpose of making two  
equal payments to the North Dakota firemen's association"

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**House Bill No. 1010 - Summary of Senate Action**

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES	SENATE VERSION
Insurance Tax to Fire Departments				
Total all funds	\$5,200,000	\$5,200,000	\$104,000	\$5,304,000
Less estimated income	<u>5,200,000</u>	<u>5,200,000</u>	<u>104,000</u>	<u>5,304,000</u>
General fund	\$0	\$0	\$0	\$0
Insurance Department				
Total all funds	\$8,067,078	\$8,260,398	\$10,000	\$8,270,398
Less estimated income	<u>8,067,078</u>	<u>8,260,398</u>	<u>10,000</u>	<u>8,270,398</u>
General fund	\$0	\$0	\$0	\$0
Bill Total				
Total all funds	\$11,267,078	\$11,460,398	\$114,000	\$11,574,398
Less estimated income	<u>11,267,078</u>	<u>11,460,398</u>	<u>114,000</u>	<u>11,574,398</u>
General fund	\$0	\$0	\$0	\$0

**House Bill No. 1010 - Insurance Tax to Fire Departments - Senate Action**

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES	SENATE VERSION
Grants	<u>\$5,200,000</u>	<u>\$5,200,000</u>	<u>\$104,000</u>	<u>\$5,304,000</u>
Total all funds	\$5,200,000	\$5,200,000	\$104,000	\$5,304,000
Less estimated income	<u>5,200,000</u>	<u>5,200,000</u>	<u>104,000</u>	<u>5,304,000</u>
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

**Dept. 35 - Insurance Tax to Fire Departments - Detail of Senate Changes**

**REPORT OF STANDING COMMITTEE (410)**  
**March 30, 2001 9:10 a.m.**

**Module No: SR-56-7236**  
**Carrier: Andrist**  
**Insert LC: 18010.0201 Title: .0300**

	NORTH DAKOTA FIREMEN'S ASSOCIATION <sup>1</sup>	TOTAL SENATE CHANGES
Grants	<u>\$104,000</u>	<u>\$104,000</u>
Total all funds	\$104,000	\$104,000
Less estimated income	<u>104,000</u>	<u>104,000</u>
General fund	\$0	\$0
FTE	0.00	0.00

<sup>1</sup> This amendment provides an appropriation of \$104,000 from the insurance tax distribution fund for two equal payments to the North Dakota Firemen's Association. This funding is in addition to the funding of \$5.2 million from the insurance tax distribution fund for insurance tax payments to fire districts.

**House Bill No. 1010 - Insurance Department - Senate Action**

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES	SENATE VERSION
Salaries and wages	\$4,387,527	\$4,513,847		\$4,513,847
Operating expenses	1,560,196	1,627,196	\$10,000	1,637,196
Equipment	<u>119,355</u>	<u>119,355</u>		<u>119,355</u>
Total all funds	\$6,067,078	\$6,260,398	\$10,000	\$6,270,398
Less estimated income	<u>0,067,078</u>	<u>6,260,398</u>	<u>10,000</u>	<u>6,270,398</u>
General fund	\$0	\$0	\$0	\$0
FTE	44.50	45.50	0.00	45.50

**Dept. 401 - Insurance Department - Detail of Senate Changes**

	PROVIDE ADDITIONAL FUNDING FOR DUES <sup>1</sup>	TOTAL SENATE CHANGES
Salaries and wages		
Operating expenses	\$10,000	\$10,000
Equipment		
Total all funds	\$10,000	\$10,000
Less estimated income	<u>10,000</u>	<u>10,000</u>
General fund	\$0	\$0
FTE	0.00	0.00

<sup>1</sup> This amendment increases funding for operating expenses by \$10,000 for an increase in annual dues for the National Conference of Insurance Legislators.

2001 TESTIMONY

HB 1010



January 16, 2001

**Department 401 - Insurance Commissioner, including Insurance Tax Payments to Fire Departments**  
**House Bill No. 1010**

	FTE Positions	General Fund	Other Funds	Total
2001-03 Schafer Executive Budget	44.50		\$11,267,078	\$11,267,078
1999-2001 Legislative Appropriations	45.50		11,024,989	11,024,989 <sup>1</sup>
Increase (Decrease)	(1.00)	\$0	\$242,089	\$242,089

2001-03 Hoeven Executive Budget	44.50		\$11,267,078	\$11,267,078
Hoeven Increase (Decrease) to Schafer	0.00	\$0	\$0	\$0

<sup>1</sup> The 1999-2001 appropriation amounts include \$10,752 of other funds for the agency's share of the \$5.4 million funding pool appropriated to the Office of Management and Budget (OMB) for special market equity adjustments for classified employees and \$944 of other funds for the agency's share of the \$1.4 million funding pool appropriated to OMB for assisting agencies in providing the \$35 per month minimum salary increases in July 1999 and July 2000.

**Major Schafer Recommendations Affecting Insurance Commissioner 2001-03 Budget**

	General Fund	Other Funds	Total
1. Provides the commissioner a market equity salary increase of \$161.83 per month effective January 1, 2002 (the amount included in the executive budget is \$5,401 more than the required amount of \$3,401).		\$8,802	\$8,802
2. Removes funding for 1 FTE nonclassified professional position.		(\$127,015)	(\$127,015)
3. Increases funding for operating line for data processing (\$29,863), software (\$16,043), and insurance (\$14,001).		\$61,907	\$61,907
4. Includes \$5.2 million from the insurance tax distribution fund for payments to fire departments, the same level of funding provided for the 1999-2001 biennium.			
5. Includes the statutory changes necessary to increase the commissioner's salary as follows:			

Annual Salary Authorized by the 1999 Legislative Assembly

July 1999 - June 2000 \$58,262  
July 2000 - December 2000 \$59,428  
January 2001 - June 2001 \$62,855

Proposed Annual Salary Recommended in the 2001-03 Executive Budget

July 2001 - December 2001 \$64,742  
January 2002 - June 2002 \$66,684  
July 2002 - June 2003 \$68,018

**Major Hoeven Recommendations Affecting Insurance Commissioner 2001-03 Budget**  
**Compared to the Bill as Introduced (Schafer Budget)**

The Hoeven executive budget did not change the Schafer executive budget recommendation.

**Major Legislation Affecting the Insurance Commissioner**

House Bill No. 1143 provides the commissioner with the authority to determine and adjust a fee schedule for boiler inspections.

**Department 401 - Insurance Commissioner, Including Insurance Tax Payments to Fire Departments**  
**House Bill No. 1010**

	FTE Positions	General Fund	Other Funds	Total
2001-03 Schafer Executive Budget	44.50		\$11,267,078	\$11,267,078
1999-2001 Legislative Appropriations	45.50		11,024,989	11,024,989 <sup>1</sup>
Increase (Decrease)	(1.00)	\$0	\$242,089	\$242,089

2001-03 Hoeven Executive Budget	44.50		\$11,267,078	\$11,267,078
Hoeven Increase (Decrease) to Schafer	0.00	\$0	\$0	\$0

<sup>1</sup> The 1999-2001 appropriation amounts include \$10,752 of other funds for the agency's share of the \$5.4 million funding pool appropriated to the Office of Management and Budget (OMB) for special market equity adjustments for classified employees and \$944 of other funds for the agency's share of the \$1.4 million funding pool appropriated to OMB for assisting agencies in providing the \$35 per month minimum salary increases in July 1999 and July 2000.

**Major Schafer Recommendations Affecting Insurance Commissioner 2001-03 Budget**

	General Fund	Other Funds	Total
1. Provides the commissioner a market equity salary increase of \$161.83 per month effective January 1, 2002 (the amount included in the executive budget is \$5,401 more than the required amount of \$3,401). (The House reduced funding for the commissioner's market equity salary increase by \$5,401.)		\$8,802	\$8,802
2. Removes funding for 1 FTE nonclassified professional position. (The House restored funding for this position.)		(\$127,015)	(\$127,015)
3. Increases funding for operating line for data processing (\$29,863), software (\$18,043), and insurance (\$14,001).		\$61,907	\$61,907
4. Includes \$5.2 million from the insurance tax distribution fund for payments to fire departments, the same level of funding provided for the 1999-2001 biennium.			
5. Includes the statutory changes necessary to increase the commissioner's salary as follows:			

Annual Salary Authorized by the 1999 Legislative Assembly

July 1999 - June 2000 \$58,262  
July 2000 - December 2000 \$59,428  
January 2001 - June 2001 \$62,855

Proposed Annual Salary Recommended in the 2001-03 Executive Budget

July 2001 - December 2001 \$64,742  
January 2002 - June 2002 \$66,684  
July 2002 - June 2003 \$68,018

**Major Hoeven Recommendations Affecting Insurance Commissioner 2001-03 Budget  
Compared to the Bill as Introduced (Schafer Budget)**

The Hoeven executive budget did not change the Schafer executive budget recommendation.

**Major Legislation Affecting the Insurance Commissioner**

House Bill No. 1143 provides the commissioner with the authority to determine and adjust a fee schedule for boiler inspections. (This bill has passed the House.)

House Bill No. 1391 provides for changes relating to the membership of the petroleum tank board and the petroleum tank fund. (At the present time, the House has not yet acted upon this bill.)

House Bill No. 1419 provides an appropriation of \$150,000 from the workers' compensation fund to the Insurance Commissioner for conducting a study of workers' compensation insurance during the 2001-02 Interim. (At the present time, the House has not yet acted upon this bill.)

Senate Bill No. 2288 requires the Insurance Commissioner to establish a personal injury protection examination program. (At the present time, the Senate has not yet acted upon this bill.)

**Summary of Legislative Changes Resulting From First House Action**

See Statement of Purpose of Amendment (attached).

**STATEMENT OF PURPOSE OF AMENDMENT:****House Bill No. 1010 - Funding Summary**

	<b>Executive Budget</b>	<b>House Changes</b>	<b>House Version</b>
Insurance Tax to Fire Departments			
Grants	\$5,200,000		\$5,200,000
Total all funds	\$5,200,000	\$0	\$5,200,000
Less estimated income	5,200,000	0	5,200,000
General fund	\$0	\$0	\$0
FTE	0.00	0.00	0.00
Insurance Department			
Salaries and wages	\$4,387,527	\$126,320	\$4,513,847
Operating expenses	1,560,196	67,000	1,627,196
Equipment	119,355		119,355
Total all funds	\$6,067,078	\$193,320	\$6,260,398
Less estimated income	6,067,078	193,320	6,260,398
General fund	\$0	\$0	\$0
FTE	44.50	1.00	45.50
Bill total			
Total all funds	\$11,267,078	\$193,320	\$11,460,398
Less estimated income	11,267,078	193,320	11,460,398
General fund	\$0	\$0	\$0
FTE	44.50	1.00	45.50

**House Bill No. 1010 - Insurance Tax to Fire Departments - House Action**

The House did not change the Schafer executive budget recommendation for Insurance Tax to Fire Departments. Governor Hoeven did not propose any changes to the Schafer recommendation for Insurance Tax to Fire Departments.

**House Bill No. 1010 - Insurance Department - House Action**

	<b>Executive Budget</b>	<b>House Changes</b>	<b>House Version</b>
Salaries and wages	\$4,387,527	\$126,320	\$4,513,847
Operating expenses	1,560,196	67,000	1,627,196
Equipment	119,355		119,355
Total all funds	\$6,067,078	\$193,320	\$6,260,398
Less estimated income	6,067,078	193,320	6,260,398
General fund	\$0	\$0	\$0
FTE	44.50	1.00	45.50

**Department No. 401 - Insurance Department - Detail of House Changes**

	Restore Funding for Nonclassified Professional Position	Increase Operating for Remodelling Costs	Adjust Market Equity Salary Increase <sup>1</sup>	Total House Changes
Salaries and wages	\$131,721		(\$5,401)	\$126,320
Operating expenses		67,000		67,000
Equipment				
Total all funds	\$131,721	\$67,000	(\$5,401)	\$193,320
Less estimated income	131,721	67,000	(5,401)	193,320
General fund	\$0	\$0	\$0	\$0
FTE	1.00	0.00	0.00	1.00

<sup>1</sup> This amendment reduces, from \$8,802 to \$3,401, the amount provided for a market equity salary increase for the director. The amount included in the bill will provide for a monthly increase of \$162 and related fringe benefits for the last 18 months of the biennium.

The amendment also adds a new subsection to North Dakota Century Code Section 54-44.3-20 excepting legal positions of the Insurance Commissioner from the state classified service and adds a new section that provides that up to \$75,000 is available from the anhydrous ammonia storage facility inspection fund to pay for anhydrous ammonia tank inspections done by the Insurance Department.

# ***FACILITY MANAGEMENT***

*HB 1010  
1-17-01*  
A Division of the Office of Management and Budget

January 11, 2001

Jodee Buhr  
Personnel Officer/Office Manager  
North Dakota Insurance Department  
600 E Boulevard Ave, Dept. 401  
Bismarck, ND 58505

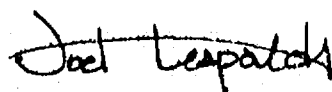
Dear Jodee:

I have completed a revised and updated cost estimate for remodeling the 5<sup>th</sup> floor offices of the North Dakota Insurance Department.

The complete, revised cost estimate for the project is \$67,000.

If I can be of any further assistance, please contact me.

Sincerely,



Joel Leapaldt, AIA, NCARB  
State Facility Planner



Jim Poolman  
Commissioner of Insurance

DEPARTMENT OF INSURANCE  
STATE OF NORTH DAKOTA

**H.B. 1010**

Presented by: **Jim Poolman**  
**ND Insurance Commissioner**

Before: **Senate Appropriations Committee**  
**Senator David Nething, Chairman**

Date: **February 14, 2001**

**INTRODUCTION**

Mr. Chairman and members of the Senate Appropriations Committee, I am pleased to appear before you today to review and discuss the provisions in HB 1010, which contains the executive recommendation for the budget of the North Dakota Insurance Department.

I plan to be very brief, covering the points I feel are necessary to make your deliberations on our budget as easy as possible. The Department staff looks forward, as I do, to working with all of you during this session, to answer your questions and be a resource for information, not only on our budget, but on any insurance issues you may deal with during your terms.

I will try to lay out in this written testimony; my thoughts on the future of the ND Insurance Department and how it relates to our budget for the next biennium.

We have included an organization chart of the department for your review (*appendix A*). From this organizational chart you will be able to tell the functions of the department, the staffing necessary to run the department, and how the department is organized.

*HB 1010  
Identified  
with  
Exception  
P. 6. (only House version)*

## CONSUMER PROTECTION

The North Dakota Insurance Department, first and foremost, is a consumer protection division. Virtually all our constituents are affected by the day to day activities of the Department.

North Dakota consumers deserve quality products at fair prices. They require an Insurance Department that will preserve the delicate balance of regulation versus competition. We intend to institute and maintain that balance by preserving proper consumer protections, while working to foster competition in the market place.

Our department protects consumers in many ways. We proactively review all rates and policies that insurance companies sell or wish to sell in the state of North Dakota. This is a very large job function for our department, and we want to make sure that our decisions are based on the best possible actuarial information available. We do not do the consumer justice if we approve premium rates or policy filings based solely on subjective information. We must maintain independent actuarial review of company filings if we are to adequately protect North Dakota consumers.

We have a toll-free consumer hotline where people from all over North Dakota can call to get help in working with their insurance company on a disputed claim. In fact, in the year 2000, our hotline personnel logged 11,145 telephone calls. We also recorded 218 people who walked in to our office for help with their claims. Many of these claims can be solved with a phone call, but many can not. We have complaint investigation staff that researches more detailed complaints and will work with the consumers to get what is rightfully theirs. As warranted, our Legal/Enforcement Division conducts market conduct examinations or initiates such enforcement proceedings as are necessary to protect our citizens, and to ensure that the competition that exists between agents and between companies remains fair.

## THE INSURANCE INDUSTRY IN NORTH DAKOTA

North Dakota's insurance industry is very important in creating a prosperous economic landscape of our state. In 1999, the people of North Dakota paid over \$2.2 billion in premiums for all types of insurance. This economic activity allowed the state to collect over \$21.4 million in premium taxes in 1999 and \$26.6 million in the year 2000 (*appendix B*). Please remember these are dollars that are deposited in the general fund of North Dakota to provide the services of state government. The insurance premium tax accounts for approximately 2.4% of the general fund revenues for the state



The insurance industry in North Dakota has also made an economic impact to North Dakota families and businesses. In 1999, there was almost \$2.1 billion paid out to North Dakotans in claims paid or benefits conferred. This is a very important point when you consider the number of dollars collected in premiums versus the numbers of dollars paid out to consumers.

Most people in the insurance industry want accountability. They want to be accountable to the consumer and want proper accountability to the regulators. Fair and vigorous competition in the marketplace requires a level playing field; it is the Department's job to maintain that level playing field.

In North Dakota, those that are involved in the industry financially support the functions of the Insurance Department. The North Dakota Insurance Department operates with funding from the Insurance Regulatory Trust Fund. This fund is composed of dollars paid for license fees and from fines collected from agencies and companies.

At the end of each fiscal year, any amount remaining in the Insurance Regulatory Trust fund that exceeds \$1 million is transferred into the general fund. In fiscal year ending 2000, the department transferred over \$1.8 million and in 1999 transferred over \$1.0 million to the general fund. This \$1 million dollar cash flow ceiling was reduced from \$1.5 million in the last session. These amounts transferred to the general fund are in addition to any premium tax generated from insurance policies held by North Dakotans. I am proud to say that the insurance industry in North Dakota pays to regulate itself and is generally supportive of the way the Insurance Regulatory Trust Fund is funded.

## **SWEEPING CHANGES IN REGULATING INSURANCE?**

States traditionally have held the power to regulate the insurance industry and have held taxing authority over premiums. As I think many of us believe, government is better when it is closer to the people. It is easier for one of your constituents to pick up the phone and call you or the North Dakota Insurance Department than talk directly to someone in Washington, DC, someone at the Office of the Comptroller of the Currency or a federal insurance regulatory agency. We need to preserve that system. Personally, I will be defender of the states right to regulate the insurance industry. Common sense tells us that what may be right for the consumers of California, Florida or New York may not be good for the consumers of North Dakota. We have a more fragile marketplace in North Dakota with a very limited number of consumers. We want to keep the marketplace attractive for companies to do business here so consumers have a choice, and companies have to compete for business, which will hopefully cause lower premiums.

With the passage of the Financial Services Modernization Act at the federal level (also known as Gramm-Leach-Bliley) the way states regulate insurance will be even more important. The lines of definition between banking, insurance and securities will soften, and strong regulation with uniformity between states will be more important. In my

opinion we will need to provide stronger consumers protections in many areas including, but not limited to privacy and market conduct. The legislature will be debating bills from our department on those and other issues. The passage of Gramm-Leach-Bliley will really force states to step up to the plate to protect consumers and bring about uniformity between states which will in turn, allow for continued state based regulation of insurance.

## **OTHER FUNCTIONS OF THE INSURANCE DEPARTMENT**

**Senior Health Insurance Counseling Program**--Funded entirely by a grant from the federal government, the Senior Health Insurance Counseling Program, or SHIC, trains volunteers throughout the state to help senior citizens sort through confusing medical bills and insurance paperwork. About 80 volunteers from 26 communities have been trained to help North Dakota seniors with complicated questions regarding their Medicare and health insurance issues. Since the program's inception in 1995, SHIC program volunteers have helped seniors save approximately \$1,057,458. The Department's budget request for 2001-2003 has 1 1/2 FTE's that would be federally funded for SHIC, which is consistent with prior budgets.

**Fire and Tornado Fund, Inspection and other special programs**--These are separate programs that have been assigned to the Insurance Department for management.

**Fire and Tornado Fund**--This fund insures buildings and contents belonging to North Dakota governmental entities and subdivisions. Created in 1919, the Fund today provides low-cost insurance for over 9,750 public buildings throughout the state with a combined insured value of \$4.9 billion.

**State Bonding Fund**--This Fund, established in 1919, provides a blanket fidelity bond for state agencies and political subdivisions providing coverage in the event of employee theft of property and money. Presently, nearly 2,900 bonds are in force with a total bonded amount of over \$550 million.

**Petroleum Tank Fund**--The federal government requires all owners of underground petroleum tanks to show proof that they have the financial ability to clean up petroleum contamination resulting from a leak. 1,741 tank owners pay into the fund an annual registration fee for 6,123 tanks and in return receive contamination clean-up coverage and third party liability coverage, thereby complying with federal requirements.

*Boiler and Pressure Vessel Inspectors*--This safety program ensures that all boilers in North Dakota are inspected every two years, with some inspections taking place on an annual basis. We also inspect new boilers for proper installation. Of the 8,401 boilers throughout the state; we inspect 4,632 and oversee the remaining 3,769 by their private insurance carrier.

*Anhydrous Ammonia Facility Inspection*--During the 1995 Legislative Session, an inspection program for anhydrous ammonia facilities was created and assigned to the Department.

*Unsatisfied Judgement Fund*--The Insurance Department carries out the operations of the Unsatisfied Judgement Fund. When a resident of North Dakota obtains a judgement for damages resulting from bodily injury to or death of a person which was caused by the use of a motor vehicle, and the judgement debtor has no assets with which to pay the judgement, the judgement creditor may apply to the court for an order directing payment from the Fund. This order can be for an amount of \$10,000 for the injury or death of one person, or \$20,000 for the injury or death of two or more persons.

## **EXECUTIVE BUDGET RECOMMENDATION**

*Section 1*-- The North Dakota Insurance Department employees 45.5 FTE's. Currently 9 of those positions are designated to the special funds that the legislature has assigned to the Insurance Department for management. The rest serve the regulatory and administration functions of the department.

The executive budget eliminates one FTE equivalent which is a vacant actuarial position that has been vacant since mid 1999. The reason that this position has been vacant is that former Commissioner Pomeroy entered into a contract with a former Department employee who now works for the Kansas Insurance Department to do rate and form actuarial work. I would ask that I be given the opportunity to keep this position to allow me to review the contract, determine if this contract is fair and reasonable, and to determine if we should be filling this position on a full time basis, rather than an out of state contract. With the reinstatement of this FTE, this would be a no growth budget in terms of the number of employees. This has been the status quo for the past several budget cycles. (*please see assessment of vacant FTE's attached as Appendix C*).

The balance of salary portion includes the Executive recommended salary package.

In the operating line item of our budget, there is a total increase of \$54,407. These increases are due in part because of the increased assessments from the Risk Management Fund and due to increased costs with ITD. The increase in the software/supplies detail

line is consistent with our ITD plan for current and pending software maintenance. (This is on page 8 of our ITD plan.)

Section 2--Section two provides the \$5.2 million appropriation for redistribution of a portion of the insurance premium tax to the local fire districts (*see Appendix D*)

Sections 3, 4 5, 6--These particular sections provide the source of funding for the special funds that the Insurance Department administers. The figures in these sections are also included in section 1. These figures have been adjusted slightly from the previous biennium, but the total administrative expenses for the Insurance Department stays the same. In the past biennium the department has tracked the administrative expenses by fund to substantiate those minor changes.

Section 7--Provides for the new salary for the Commissioner

## **HOUSE CHANGES**

- 1) The House restored 1 FTE, which is the vacant actuarial position.
- 2) The House added \$67,000 in operating dollars to finish a remodeling project started by Commissioner Pomeroy.
- 3) The House changed the classification of the legal staff. If the Senate concurs with this amendment the two attorneys in the department will be non-classified employees.

## **CONCLUSION**

I look forward to answering your questions about our requested budget for the next biennium. We have exciting times ahead in the Insurance Department and with your support, we will be able to continue to protect consumers, promote competition within the industry and use the departments resources sparingly and as wisely as possible. This is "essentially" a no-growth budget, and has been for several years. Our requested budget will allow for flexibility to make necessary efficiency changes, and provide better services to the people of North Dakota. We are grateful for your time. My staff and I very much look forward to working with all of you.

# NORTH DAKOTA INSURANCE DEPARTMENT

**Commissioner**  
**Jim Poolman**

Deputy Commissioner, Doug Holloway  
Administrative Assistant, Jan Steinle

Legal/Enforcement Division	Consumer Protection Property/Casualty Division	Consumer Protection Life/Health Division and Senior Health Insurance Counseling Program	Examinations And Company Licensing Division
General Counsel, Chuck Johnson Legal Counsel, Susan Anderson Market Conduct Examiner, Sarah Smith Legal Assistant, Nancy Brady	Sr. Analyst & Director, Larry Maslowski Rate and Form Analyst, Jim Anderson Actuary, Mike Andring Complaint Investigator, Kathy Wolf	Director, Rate and Form Analyst, Vance Magnuson Rate and Form Analyst, Yuri Venjohn Complaint Investigator, Rate and Form Analyst, Beth Allen Senior Health Insurance Counseling Program Assistant, Rita Fuglie Hotline Specialist, Marion Price Hotline Specialist, Cydra Sauter Life/Health Actuary,	Chief Examiner & Director, Carole Kessel Sr. Examiner, David Weiss Examiner, Tom Bowman Financial Analyst, Tim Hill Company Licensing Administrator, Leona Fening
Agent Licensing & Investigation Division	Administration Division	Special Funds Division	
Director of Agent Licensing and Investigations, Laurie Wolf Agent Investigator, Rose Tibke Agent Licensing Specialist, Shauna Greff Agent Licensing Specialist, Peggy Brinnell Agent Licensing Specialist, Steph Butz Continuing Education Coordinator, William Lardy	Business Manager, Human Resources Director, Jodee Buhr Accountant, Ken Rood Computer Programmer/Operator, Laurie Scully Word Processing Operator/Form Filing Clerk, Elaine Moos Receptionist, Margo Huber Mail Clerk, Shelly Weisz Division Clerk, Jan Wolf Division Clerk, Stephanie Butz	State Insurance Programs Manager, Jeff Butz Underwriter, Barbara Mehlhoff Appraiser & Claims, Lee Lunde Secretary/Receptionist, Sharon Gross Chief Boiler/Anhydrous Ammonia Inspector, Bob Reetz Boiler/Anhydrous Ammonia Inspector, Nicolle McIntyre Boiler/Anhydrous Ammonia Inspector, Delton Doll Boiler/Anhydrous Ammonia Inspector, Administrative Clerk, Sylvia Vollen	

# 1999 WRITTEN PREMIUMS AND PAID LOSSES IN NORTH DAKOTA

	Written Premiums	Paid Losses/Benefits
Property Casualty: All Lines (incl A&H Business written by P&C Industry)	\$ 786,606,878	\$ 733,813,039
Life & Health: Life Insurance		
Life Premiums: \$ 218,249,884		Death benefits: \$ 82,965,318
Annuity Premiums*: \$ 100,026,478		Matured Endowments: \$ 1,425,322
Other: \$ 405,410,947		Annuity benefits: \$ 103,871,767
\$ 723,687,309		Surrender Values: \$ 459,841,341
		Other: \$ 11,733,581
		\$ 659,837,329
Life & Health: A&H	\$ 153,844,770	\$ 110,792,239
North Dakota Fraternal Orders: Life Insurance*		
Life Premiums: \$ 35,548,053		Death benefits: \$ 12,770,006
Annuity Premiums: \$ 32,623,054		Matured Endowments: \$ 263,242
Other: \$ -		Annuity benefits: \$ 31,289,220
\$ 68,171,107		Surrender Values: \$ 11,004,154
		Other: \$ 190,272
		\$ 55,516,894
North Dakota Fraternal Orders: A&H*	\$ 6,531,896	\$ 2,737,145
County Mutuals: All Lines	\$ 8,550,424	\$ 7,577,132
Noridian	\$ 444,409,048	\$ 456,441,896
HMDIs & HMOs	\$ 43,787,492	\$ 36,949,171
GRAND TOTAL	\$ 2,235,588,924	\$ 2,063,664,845
PREMIUM TAX PAID ON 1999 PREMIUMS	\$ 21,427,517	

\* Annuity Premiums and Premiums written by Fraternal Orders are not subject to State premium tax.

\* Tax paid is total tax liability, less authorized credits

## APPENDIX--C

### Vacant Positions

#### Position #13

Class Title: Clerk III, General Office, Salary Range: \$1,124 - \$1,873. This position became vacant on June 13, 2000. The employee who held this position experienced a serious medical condition and was on medical leave from December 27, 1999 until the termination date. The two main functions of this position are to review L/H complaints and L/H policy filings.

#### Position #40

Class Title: Training Officer III (Senior Health Insurance Counseling Program Director), Salary Range: \$2,439 - \$4,065. This position became vacant on November 17, 2000. Due to the timing of this vacancy, the previous Insurance Commissioner made the decision to let the new Commissioner hire for this position. The functions of this position are to oversee the Department's Senior Health Insurance Counseling (SHIC) Program, and to be the Director of the Life and Health Division.

#### Position #42

Class Title: Deputy Boiler Inspector, Salary Range: \$2,203 - \$3,671, Final Salary of employee in this position was \$3,008.50/month. The person in this position left employment due to a serious medical condition. The employee was on medical leave beginning in mid-December, 1999 and continued on medical leave until their last day of employment on July 17, 2000.

#### Position #45

Life & Health Actuary. This position is not classified so there is no set salary range. The position was budgeted at \$4,166.67/mo. (\$50,000/year). Again, we currently contract with the employee who held this position to perform the Life & Health actuarial services. The Department would appreciate opportunity to assess whether the current contract should be continued or if the Department would be better served by filling this position, as stated in written testimony.

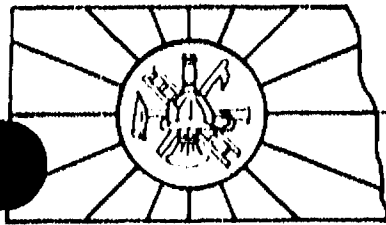
## APPENDIX D

### PAYMENTS TO FIRE DISTRICTS Calendar year 2000

<u>District</u>	<u>1999 Premium</u>	<u>2000 Payment</u>
Williston Fire Dept.	\$ 2,056,363	\$ 31,322.54
Willison F/P Dist.	\$ 766,909	\$ 11,681.56
Bismarck Fire Dept.	\$10,292,136	\$156,769.92
Bismarck F/P Dist.	\$ 1,375,751	\$ 20,955.45
Fargo	\$17,599,597	\$268,077.22
Tioga Fire Dept.	\$ 236,898	\$ 3,608.43
Tioga Rural Fire Dept.	\$ 239,592	\$ 3,649.47
Crosby Fire Dept.	\$ 216,895	\$ 3,303.75
Crosby Rural Fire Dept.	\$ 125,300	\$ 1,908.57
West Fargo Fire Dept.	\$ 2,020,272	\$ 30,772.80
West Fargo Rural Fire Dept.	\$ 464,129	\$ 7,069.62
Grand Forks Fire Dept.	\$ 7,940,030	\$120,942.61
Lisbon Fire Dept.	\$ 469,156	\$ 7,146.19
Lisbon F/P Dist.	\$ 741,883	\$ 11,300.37

\*\*Payments to fire districts are made using the previous year's premium data.





1/15/00  
1-17-01

## North Dakota Firefighter's Association

113 S. 5th St.  
P.O. Box 6127  
Bismarck, ND 58506-6127

Phone: 701-222-2799  
Fax: 701-222-2899

### Government Operations Appropriation Committee House Bill No. 1010 Insurance Department Budget

Mr. Chairman, and members of the Government Operations Appropriation Committee, My name is Lois Hartman. I am the Executive Director of the North Dakota Firefighter's Association. I appear before your committee today in support of HB 1010 and specifically Section 2 of the Insurance Department Budget. Due to requests of a number of the fire departments over the past two years, I would like to submit an amendment to this bill that deals with the appropriation for the 388 fire departments of the state.

Before I get into the funding issue, let me say that the amendment refers to the Firemen's Association and my testimony states Firefighter's Association. In June of 2000, the Association changed its name. After 116 years as the North Dakota Firemen's Association, the name was changed to the North Dakota Firefighter's Association. A housekeeping bill has been filed to change the Century Code to reflect the name change. But for the purposes of the amendment, the name Firemen's is appropriate because that is the way it is stated in the code.

Last session, when I gave testimony in favor of the Insurance Department Budget, I was asked by a member of this committee why I was not requesting an increase in the appropriation for the fire departments. My answer at that time was because I had not been convinced that it was necessary. I have since been convinced. The cost of providing service has continued to increase without a corresponding increase in funding for the fire departments. I will not give you specific cost increase examples because with me today are several representatives of fire departments that will do that.

I have provided for you a payment history of the insurance premium tax refund payments for all the fire departments since 1996. You will see that some departments have seen an increase in payments while the rural departments have seen a decrease in payments. This is due in part to the formula in which the payments are based. To refresh your memory, the payments to the fire departments are based on the amount of insurance premium that is sold in each district. The Insurance Departments calculates the percentage of the total premiums sold that is generated from each fire district or department. That percentage is applied to the appropriation to determine the amount of the refund to the fire department or district. As population shifts from the rural area to the urban area, more insurance is sold in and around the cities, thus reducing the amount of premium tax generated in the rural area. The Association is not asking for a large increase, only 300,000 annually. But this requested increase will help to ease this hardship to the fire departments that the reduction in funds is causing.

Fire Dept

Page 2

Testimony: HB 1010

North Dakota Firefighter's Association

Lois Hartman

The addition to line 20, is for the funding of the North Dakota Firefighter's Association. This request is necessary because the Association has been requested by some of its members, to drop the current dues structure which requires membership by all fire departments before the insurance premium tax refund checks could be distributed. The dues are assessed based on the amount of refund each department receives. This change will be apart of the Association's Housekeeping bill to update the Association name. But in order for the Association to meet it's mandated responsibility to provide training to all the fire departments in the state, the appropriation for the lost dues revenue needs to be included in this appropriation bill.

There are 388 fire departments in the state. Four (4) are full time career departments, eight (8) are combination paid and volunteer and the other 376 are 100% volunteer departments. The community service that the departments provide for their communities is very valuable. I asked a member of the Center Fire Department to give me the volunteer hours of their department over the past years. In 1993, they recorded 1458 volunteer hours by their department members. In 2000, 5,486 hours were recorded. The increase in responsibility requires more time on their part. I stand before you today asking for an increase in funding for departments that have increased their contribution to their communities. Your favorable support of House Bill No. 1010 and the amendment to Section 2 will be greatly appreciated by all those who provide fire and rescue service to your local areas.

Thank you, Mr. Chairman, that concludes my remarks. I will be glad to answer questions.

**Amendment to  
House Bill No. 1010**

**Page 1, Section 2, line 17, strike \$5,200,000 and replace with \$5,800,000**

**Page 1, Section 2, line 20, add after the "." An appropriation of \$104,000 of the \$5,800,000 shall be paid in two equal payments to the North Dakota Firemen's Association for the biennium beginning July 1, 2001 and ending June 30, 2003.**

**Renumber accordingly**

HB 1010  
1-17-01

Government Operation Appropriation Committee  
House Bill #1010  
Insurance Department Budget

Mr. Chairman and member of the Government Operation Appropriation Committee, my name is Arlo Griesbach, President of the North Dakota Firefighter Association and Fire Chief of Powers Lake Fire District.

Here is Powers Lake Fire District's profit and loss statement. 97-2000. It shows from 1997 - 2000 an insurance refund drop of \$2408.00. We have a loss in budget in the year 2000.

Cost of running a fire department is up. Training requirements have increased.

Our two main trucks are 1974 and 1975. The money isn't there to replace them.

This is just our department but there are many departments out there that are in about the same shape.

Government Operations Appropriations Committee  
House Bill #1010  
Insurance Department Budget

HB 1010  
1-17-01

Mr. Chairman and members of the Committee, Good Afternoon,  
I'm Gerald Rekow, 1<sup>st</sup> Vice President of the North Dakota  
Firefighters Association and the Assistant Chief of the Ellendale  
Fire Protection District.

From 1996 thru 2000 the Insurance refund to the Ellendale Fire  
Protection District has decreased by \$953.55. The Insurance  
refund check we receive has been 50% of our operating Budget but  
as our refund check has decreased we have been forced to use  
monies for Equipment replacement and personal protective  
clothing for our day-to-day operations.

I support this bill and the proposed amendment, as it will help all  
Fire Departments.

Thank you

Gerald Rekow

1<sup>st</sup> Vice President NDFA

Assistant Chief Ellendale Fire Protection District

HB 1010  
1-17-01

Government Operation Appropriation Committee  
Re: House Bill #1010  
Insurance Department Budget

Mr. Chairman and members of the Government Operation Appropriation Committee, as the Second Vice President of the North Dakota Firefighters Association I would like to introduce myself, I'm Leon Schlafmann of the Fargo Fire Department. I have worked in the fire service for fifteen years in the volunteer and paid departments.

I am here in support of bill #1010 and amendments, not only for the NDFA but also for the department I work for. As the city of Fargo grows so should the department, this not always the case. Funding is always an issue and the large departments are no different, but it is the smaller departments that are feeling the impact of our growth in Fargo. They still have the same concerns in running their departments, but with less money. This bill passing will not have a large effect on the operation of the Fargo fire department, but it will have a major impact on the operation of the small rural volunteer departments of North Dakota.

HB 1010  
1-17-01

**Government Operations Appropriations Committee  
House Bill No. 1010  
Insurance Department Budget**

Mr. Chairman and members of the Government Appropriation Committee, my name is Robert Wetzler. I am the Fire Chief of the Minot Rural Fire Department and serve as the Central Region Trustee with the North Dakota Firefighter's Association. I appear before your committee to support HB 1010 and Specifically Section 2 with the amendment that has been presented.

Based on information provided by fire equipment suppliers, an increase of fifteen to eighteen percent (15-18%) over the past ten to twelve (10-12) years has been realized in the cost of items such as fire hose, personal protective clothing, self contained breathing apparatus and other items necessary to functionally operate a fire department in North Dakota. Increased operating costs and a decrease in the amount received from the insurance premium tax refund due to the depressed farm economy has placed additional financial hardships on the local fire departments.

In December the Minot Rural Fire Department took delivery on a structural fire engine. It came with a price tag of two hundred ninety four thousand dollars (\$294,000.00). During the past ten to twelve (10-12) years the price of a fire truck has appreciated four to six (4-6%) annually. Based on a four percent (4%) increase the same truck would have cost approximately one hundred eighty seven thousand dollars (\$187,000.00) in 1989. Our department is using our Insurance premium tax refund towards an annual forty five thousand dollar (\$45,000.00) loan payment. Certainly the new truck was necessary, however we have reduced our usable income by this amount for the next seven (7) years.

Mr. Chairman, thank you for allowing me to speak before your committee today. I would appreciate your support of HB 1010 with the proposed amendment. I would be glad to answer any questions regarding my testimony.

HB 1010



## North Dakota Firefighter's Association

113 S. 5th St.  
P.O. Box 6127  
Bismarck, ND 58506-6127

Phone: 701-222-2799  
Fax: 701-222-2899

### Senate Appropriations Committee House Bill No. 1010 February 14, 2001

Mr. Chairman and members of the Senate Appropriations Committee, my name is Lois Hartman. I am the Executive Director of the North Dakota Firefighter's Association. I appear before you today in support of HB 1010 and request your continued support for the funding of the fire service of our state, which is contained in Section 2 of this bill.

Before I get into the funding issues, let me say that House Bill 1010 and the amendments that I will request refer to the Firemen's Association and my testimony states Firefighter's Association. In June 2000, at the 116<sup>th</sup> annual convention of The North Dakota Firemen's Association, the membership voted to change their name to the North Dakota Firefighter's Association. House Bill 1323 was introduced to update the Century Code and remove the requirement for membership in the Association. The House has approved the language change and soon the Senate will hear the bill. The language of this bill uses the name Firemen's as that name used in the Century Code.

When House Bill 1010 was heard in the House Appropriations Committee, I offered an amendment to increase the funding from \$5.2 Million to \$5.8 Million and to add an appropriation for the North Dakota Firefighter's Association from the money collected before it was distributed to the fire departments. The increase that we seek is small, only \$600,000, or 1.15%. Even though it is not much, it will help. In visiting with Representative Byerly after the committee did not attach the requested amendment, and after HB 1323 passed the House, he told me that I should present the amendments to the Senate Appropriations Committee and then the Conference Committee could deal with the issues.

So, for your consideration, I would offer two amendments, which is attached to my testimony. The first amendment is to raise the funding cap from \$5.2 Million to \$5.8 Million. The current cap was set in 1989. You all know that the cost of providing protection has increased and the rural fire departments have to struggle financially. Not only is their insurance premium tax refund decreasing, but also their charitable contributions decrease as people move away from the rural area. I have attached an Insurance Premium Tax Refund Distribution report from 1996 through 2000 for each fire department and district. For your convenience, the fire departments and districts in your



individual districts have been highlighted. You can see that funding in the rural area decreases while the funding for the urban area increases. This is due to a shift in population and insurance coverage. There are several people here today that will testify as to how this has effected their departments.

I have also attached a copy of a note from the Lansford Fire Protection District that was written on their dues notice. This is typical of the notes and comments that come into the office expressing frustration with the decrease in funding.

The second amendment is an appropriation from the insurance premium tax distribution fund (240) for the Association. This is necessary, because House Bill 1323 deletes the mandatory requirement for membership and payment of dues from the Century Code. This leaves the Association without secure funding, which is necessary in order to meet the responsibilities mandated by the Century Code. The appropriation of \$52,000 annually is the amount we currently receive in dues. The dues are assessed based on the amount of insurance premium tax that is refunded to each fire department or district. The funding for the Association is essentially pass-through funding from the insurance premium tax distribution fund to the fire departments and districts and then to the Association. We are asking that the funding for the Association be appropriated directly for the distribution funds before they are distributed to the fire departments and districts.

When House Bill 1323 was scheduled for hearing in the House, I went to Representative Byerly and asked him about the status of the amendment I had requested to this bill. He informed me that the amendment had not been attached and that I should address it in the Senate. He suggested that the issues could be dealt with in a Conference Committee. He also asked me to contact each of the County Auditors and get the amount of mill levy for each fire department and district. I have almost completed that project and will have the information ready for the Conference Committee.

Mr. Chairman and members of the committee, I ask for your support for both amendments to be attached to House Bill 1010. I would be happy to try and answer any questions of the committee.

**Amendment to  
House Bill No. 1010**

**Page 1, Section 2, line 17, strike \$5,200,000 and replace with \$5,800,000**

**Amendment No 02**  
**House Bill 1010**

**Page 1, Section 2, line 20**, add after the "." An appropriation of \$104,000 of the \$5,800,000 shall be paid in two equal payments to the North Dakota Firemen's Association for the biennium beginning July 1, 2001 and ending June 30, 2003.

Renumber accordingly

Please detach and return this portion of statement with payment for proper credit naming Department and signed by Chief or Secretary.  
Make check payable to North Dakota Firefighter's Association, and return to Lois Hartman, Executive Director, P.O. Box 6127,  
Bismarck, ND 58506-6127.

ANNUAL DUES Lansford F/P District \$ 100<sup>00</sup>

58750

*North Dakota  
Firefighter's  
Association*

OUR FUNDING FROM STATE HAS  
BEEN CUT BY 35% AND INSURANCE  
RATES HAVE NOT GONE DOWN

Name of Department

HAS NO FIREFIGHTERS ASSN. BEEN UNABLE TO STOP FUNDING  
CUTS BY THE STATE?

Chief or Secretary

DEPARTMENT:	INSURANCE PREMIUM TAX									
	PAYMENT HISTORY									
	1996	1997	1998	1999	2000	2001				
ABERCROMBIE F/P DIST	\$4,461.91	\$5,309.59	\$4,768.71	\$5,104.59	\$6,262.27					
ADAMS RURAL DEPT	\$5,992.54	\$5,924.37	\$6,347.34	\$5,323.54	\$4,706.39					
ALAMO F/P DIST	\$5,480.72	\$5,508.49	\$4,346.08	\$6,274.88	\$4,589.07					
ALEXANDER F/P DIST	\$4,668.49	\$6,010.36	\$4,130.22	\$4,520.53	\$3,871.44					
ALICE RURAL F/P DIST	\$3,219.49	\$2,877.72	\$3,178.80	\$2,807.39	\$2,544.72					
ALMONT RURAL F/P DIST	\$1,083.33	\$988.95	\$874.61	\$865.90	\$1,508.72					
AMBROSE FIRE DEPT	\$300.87	\$387.88	\$491.75	\$405.60	\$616.58					
AMIDON F/P DIST	\$1,360.03	\$1,686.75	\$1,597.88	\$1,858.21	\$1,344.41					
ANAMOOSE F/P DIST	\$5,029.95	\$4,826.80	\$5,067.70	\$4,721.52	\$4,901.22					
ANETA F/P DIST	\$6,452.55	\$7,092.94	\$6,642.20	\$6,645.43	\$5,061.73					
ANTLER FIRE DEPT	\$1,127.33	\$1,199.09	\$674.71	\$541.70	\$477.72					
ANTLER RURAL F/P DIST	\$2,939.22	\$2,501.16	\$2,721.88	\$3,480.75	\$1,885.20					
ARENEGARD F/P DIST	\$2,870.36	\$3,732.66	\$1,702.85	\$2,393.82	\$2,014.92					
ARGUSVILLE F/P DIST	\$3,303.91	\$3,070.33	\$3,686.75	\$2,487.86	\$3,089.36					
ARTHUR RURAL F/P DIST	\$4,819.89	\$5,307.43	\$5,230.00	\$3,765.15	\$5,303.54					
ASHLEY FIRE DEPT	\$2,796.72	\$2,415.57	\$2,266.79	\$2,218.50	\$2,290.97					
ASHLEY RURAL FIRE D	\$3,586.55	\$3,857.47	\$5,243.45	\$5,038.44	\$5,147.00					
BARNEY FIRE DIST	\$5,859.21	\$4,751.12	\$5,381.00	\$4,964.23	\$5,995.33					
BATHGATE FIRE DEPT	\$1,268.63	\$1,343.62	\$1,127.79	\$166.47	\$202.02					
BEACH CENTRAL F/P	\$2,293.18	\$2,223.61	\$2,560.87	\$2,074.07	\$1,887.73					
BEACH FIRE DEPT	\$3,347.44	\$4,238.75	\$4,408.38	\$4,029.95	\$3,155.58					
BELCOURT RURAL FIRE	\$6,029.42	\$3,871.69	\$4,104.23	\$4,478.83	\$5,152.67					
BELFIELD FIRE DEPT	\$3,565.63	\$3,237.90	\$3,131.16	\$2,527.09	\$2,814.81					
BERTHOLD FIRE DIST	\$5,713.15	\$7,195.25	\$4,734.00	\$6,205.63	\$7,531.21					
BEULAH F/P DIST	\$25,943.48	\$19,339.45	\$13,719.00	\$22,615.24	\$14,799.79					
BILLINGS COUNTY F/P	\$2,674.13	\$2,612.70	\$3,266.97	\$3,661.90	\$3,708.37					
BINFORD F/P DIST	\$3,957.66	\$4,218.70	\$3,512.04	\$3,691.43	\$3,039.32					
BISBEE F/P DIST	\$4,508.34	\$4,343.00	\$4,752.89	\$4,554.23	\$3,025.95					
BISMARCK FIRE DEPT	\$122,111.74	\$108,752.54	\$126,214.77	\$137,881.83	\$156,769.91					
BISMARCK RURAL DEPT	\$13,529.82	\$14,874.40	\$18,546.36	\$16,373.49	\$20,955.45					
BOTTINEAU FIRE DEPT	\$8,011.33	\$7,011.04	\$10,141.52	\$7,478.86	\$7,846.33					
BOTTINEAU RURAL DIST	\$8,057.55	\$9,820.99	\$7,047.53	\$9,085.65	\$8,891.81					

BOWBELLS F/P DIST	\$4,011.59	\$3,419.31	\$2,799.02	\$3,907.28	\$2,805.80
BOWDON FIRE DEPT	\$1,758.49	\$1,412.85	\$953.47	\$565.11	\$370.70
BOWDON RURAL FIRE	\$9,805.31	\$10,397.15	\$8,450.16	\$8,899.60	\$7,422.31
BOWMAN FIRE DEPT	\$6,281.81	\$4,928.87	\$5,784.94	\$5,802.70	\$6,520.32
BOWMAN RURAL F.D.	\$2,758.83	\$3,673.82	\$3,756.75	\$3,255.52	\$2,982.34
BRADDOCK F/P DIST	\$2,675.35	\$2,765.37	\$2,329.16	\$2,301.78	\$2,108.29
BROCKET/LAWTON F/P	\$7,015.42	\$6,518.59	\$7,003.55	\$6,467.16	\$4,757.66
BUFFALO RURAL F/P	\$6,759.44	\$6,357.97	\$7,223.06	\$6,375.42	\$5,430.50
BURLINGTON FIRE DEPT	\$1,727.90	\$1,976.77	\$2,465.43	\$2,853.34	\$2,721.29
BURLINGTON RURAL FD	\$2,896.46	\$2,632.87	\$2,630.26	\$3,051.71	\$3,262.57
BUTTE RURAL F/P	\$2,295.76	\$2,644.52	\$3,047.10	\$3,199.98	\$2,438.98
BUXTON F/P DIST	\$3,831.29	\$8,576.96	\$9,250.53	\$8,598.45	\$8,734.84
CALVIN RURAL F/P	\$5,636.19	\$5,873.50	\$4,491.36	\$5,169.01	\$3,566.29
CANDO FIRE DEPT	\$6,516.30	\$6,261.99	\$4,393.44	\$4,285.93	\$4,831.46
CANDO RURAL F/P DIST	\$6,476.64	\$7,013.38	\$8,700.54	\$9,299.51	\$6,408.08
CARPIO F/P DIST	\$6,152.56	\$6,390.42	\$4,967.14	\$6,990.18	\$5,907.34
CARRINGTON FIRE DEPT	\$14,140.72	\$10,122.37	\$9,315.78	\$7,974.01	\$8,340.21
CARRINGTON RURAL FD	\$10,067.36	\$12,867.31	\$13,700.64	\$13,990.55	\$10,496.97
CARSON F/P DIST	\$4,054.37	\$4,483.29	\$4,608.26	\$2,943.76	\$3,643.30
CASSELLTON FIRE DEPT	\$8,852.83	\$5,614.36	\$4,498.15	\$3,849.25	\$4,987.04
CASSELLTON RURAL FD	\$15,995.26	\$17,605.28	\$19,803.36	\$17,371.76	\$13,771.26
CATHAY F/P DIST	\$3,239.56	\$3,088.30	\$2,689.78	\$2,413.23	\$1,784.51
CAVALIER FIRE DEPT	\$8,847.67	\$9,332.24	\$9,501.53	\$6,419.94	\$7,368.03
CAVALIER RURAL FD	\$9,257.02	\$9,916.52	\$10,563.36	\$14,961.13	\$16,462.60
CEDAR VALLEY F/P DIS	\$790.04	\$1,300.89	\$879.59	\$997.97	\$977.01
CHRISTINE FIRE DIST	\$2,327.70	\$2,184.46	\$2,331.86	\$2,139.88	\$2,135.39
CHURCHES FERRY FIRE DIST	\$5,833.58	\$5,450.01	\$4,542.34	\$5,406.64	\$4,266.85
CLEVELAND RURAL FIRE DEPT	\$6,452.15	\$6,686.37	\$5,489.19	\$6,832.93	\$4,500.65
CLIFFORD RURAL F/P DIST	\$5,589.90	\$5,716.20	\$6,782.18	\$3,699.67	\$3,730.91
COGSWELL F/P DIST	\$3,894.37	\$3,905.24	\$4,275.03	\$3,647.60	\$3,958.66
COLUMBUS FIRE DEPT	\$1,331.90	\$608.59	\$456.18	\$452.13	\$498.01
COLUMBUS RURAL FIRE DEPT	\$1,679.34	\$2,715.10	\$1,332.40	\$2,261.03	\$1,435.80
COOPERSTOWN FIRE DEPT	\$5,501.62	\$4,641.85	\$4,285.77	\$4,862.09	\$4,021.94
COOPERSTOWN RURAL FIRE	\$4,962.78	\$,012.17	\$6,370.17	\$6,660.37	\$6,009.71
CONCRETE FIRE DEPT	\$0.00	\$0.00	\$0.00	\$0.00	
COURTENAY RURAL F/P DIST	\$5,030.66	\$5,464.93	\$4,647.32	\$4,755.48	\$3,654.95
CROSBY FIRE DEPT	\$3,059.91	\$2,969.79	\$2,992.38	\$2,887.59	\$3,303.75

CROSBY RURAL FIRE DEPT	\$2,624.89	\$3,058.28	\$2,078.05	\$4,071.52	\$1,908.57
CRYSTAL FIRE DIST	\$3,721.76	\$3,660.29	\$3,375.58	\$4,118.88	\$3,514.31
DAHLEN RURAL FIRE DEPT	\$1,436.42	\$1,348.45	\$1,565.15	\$1,931.50	\$1,684.78
DAVENPORT RURAL F/P DIST	\$3,554.88	\$3,406.18	\$3,599.82	\$2,683.96	\$2,907.67
DAWSON RURAL FIRE DEPT	\$1,426.78	\$1,401.24	\$1,469.18	\$1,919.69	\$2,305.94
DAZEY FIRE DEPT	\$1,157.85	\$1,587.43	\$1,165.83	\$277.45	\$285.45
DAZEY RURAL FIRE DIST	\$4,001.03	\$4,089.46	\$4,140.81	\$3,907.83	\$3,195.26
DEERING F/P DIST	\$1,928.48	\$2,025.97	\$2,156.39	\$2,752.42	\$2,346.78
DES LACS F/P DIST	\$2,941.80	\$3,575.11	\$3,427.18	\$4,351.83	\$4,355.56
DEVILS LAKE FIRE DEPT	\$27,014.69	\$21,607.48	\$23,491.71	\$22,189.40	\$23,967.70
DEVILS LAKE RURAL FIRE DEPT	\$23,378.60	\$26,250.76	\$26,498.66	\$24,463.36	\$13,797.18
DICKINSON FIRE DEPT	\$31,722.14	\$33,580.48	\$36,924.02	\$37,378.97	\$43,478.16
DICKINSON RURAL FIRE DIST	\$11,570.45	\$8,874.17	\$8,276.50	\$8,347.68	\$8,511.60
DONNYBROOK F/P DIST	\$5,173.63	\$5,068.11	\$3,374.26	\$3,479.26	\$2,828.55
DOUGLAS F/P DIST	\$705.63	\$708.10	\$722.55	\$735.95	\$804.46
DRAKE FIRE DEPT	\$1,480.11	\$1,607.18	\$1,628.50	\$1,089.21	\$875.25
DRAKE F/P DIST	\$3,625.15	\$4,144.82	\$5,955.43	\$3,468.28	\$3,248.82
DRAYTON FIRE DEPT	\$4,457.90	\$4,580.72	\$3,355.22	\$3,267.25	\$4,477.89
DRAYTON RURAL FIRE DEPT	\$5,848.60	\$6,438.16	\$6,226.72	\$7,580.22	\$7,565.75
DUNSEITH FIRE DEPT	\$1,106.73	\$1,014.63	\$1,260.52	\$1,312.48	\$1,322.47
DUNSEITH RURAL F/P DIST	\$2,497.80	\$2,386.74	\$2,376.21	\$3,015.86	\$2,237.00
DWIGHT RURAL F/P DIST	\$2,720.91	\$3,346.37	\$3,761.16	\$3,362.49	\$3,591.92
EAST ADAMS RURAL F/P DIST	\$1,894.48	\$1,643.47	\$1,076.75	\$1,360.75	\$1,374.96
EDGELEY FIRE DEPT	\$3,571.50	\$2,689.92	\$2,505.69	\$2,509.44	\$2,573.46
EDGELEY RURAL FIRE DEPT	\$8,628.05	\$9,037.61	\$7,405.32	\$8,941.64	\$8,357.53
EDINBURG FIRE DIST	\$4,400.05	\$4,389.72	\$4,013.41	\$4,005.31	\$4,258.44
EDMORE FIRE DEPT	\$1,282.65	\$1,166.40	\$962.84	\$986.83	\$733.06
EDMORE RURAL FIRE DEPT	\$7,394.93	\$7,045.37	\$7,236.62	\$8,181.52	\$6,496.88
EDNA RURAL FIRE DEPT	\$1,360.20	\$1,494.14	\$1,561.10	\$1,915.72	\$1,745.39
EGELAND F/P DIST	\$2,971.80	\$2,914.71	\$2,938.04	\$2,870.55	\$1,727.74
ELGIN F/P DIST	\$5,130.56	\$4,482.05	\$4,513.65	\$5,012.66	\$5,406.65
ELLENDALE F/P DIST	\$9,286.71	\$9,202.52	\$9,651.41	\$9,072.94	\$8,333.16
EMERADO FIRE DEPT	\$1,527.05	\$1,602.62	\$1,584.98	\$1,529.07	\$1,475.51
EMERADO RURAL FIRE DEPT	\$1,764.87	\$1,669.83	\$2,152.55	\$1,956.65	\$2,200.08
ENDERLIN F/P DIST	\$13,718.93	\$13,718.10	\$14,529.67	\$11,673.31	\$10,852.56
EPPING F/P DIST	\$3,702.25	\$4,283.44	\$2,978.87	\$4,189.24	\$5,119.60
ERIE RURAL FIRE DEPT	\$1,376.90	\$1,452.56	\$1,681.61	\$1,482.28	\$1,703.12

ESMOND RURAL F/P DIST	\$10,635.26	\$12,717.48	\$9,129.02	\$9,374.69	\$7,783.50
FAIRDALE RURAL F/P DIST	\$2,880.38	\$3,006.68	\$3,254.80	\$3,165.59	\$2,620.65
FAIRMOUNT F/P DIST	\$7,653.61	\$7,364.72	\$8,020.61	\$7,921.62	\$8,352.32
FARGO FIRE DEPT	\$184,890.18	\$172,881.81	\$203,532.08	\$204,190.40	\$268,077.22
FERRY TOWNSHIP F/P DIST	\$5,427.15	\$7,540.60	\$6,502.24	\$8,257.53	\$7,154.70
FESSENDEN F/P DIST	\$7,019.08	\$7,991.05	\$7,935.35	\$8,260.39	\$7,141.82
FINGAL F/P DISTRICT	\$2,897.23	\$2,332.70	\$2,717.20	\$2,365.57	\$2,302.32
FINLEY F/P DISTRICT	\$13,889.49	\$14,067.14	\$14,634.50	\$13,736.94	\$11,915.77
FLASHER F/P DIST	\$4,764.16	\$6,035.21	\$5,276.11	\$4,239.97	\$4,955.98
FLAXTON F/P DIST	\$1,900.70	\$1,207.92	\$869.80	\$2,326.24	\$1,242.86
FORBES RURAL F/P DIST	\$1,793.09	\$1,658.21	\$4,897.52	\$4,180.06	\$1,395.15
FORDVILLE F/P DIST	\$5,408.91	\$5,182.22	\$5,641.51	\$5,728.85	\$5,677.00
FOREST RIVER FIRE DEPT	\$1,828.36	\$1,793.74	\$1,594.49	\$887.90	\$959.97
FORMAN RURAL F/P DIST	\$4,753.96	\$4,742.25	\$5,203.58	\$4,549.09	\$5,280.15
FORT RANSOM RURAL FIRE DI	\$3,166.78	\$3,077.12	\$3,568.83	\$2,525.28	\$2,325.01
FORT TOTTEN	\$0.00	\$0.00	\$0.00	\$0.00	
FORT YATES FIRE DEPT	\$1,684.72	\$3,262.20	\$3,507.99	\$3,546.52	\$3,362.83
FORTUNA F/P DIST	\$1,874.80	\$1,916.31	\$1,551.11	\$2,977.67	\$1,054.56
FREDONIA FIRE DISTRICT	\$1,531.20	\$1,182.41	\$1,386.01	\$1,241.48	\$1,333.11
FULLERTON FIRE DEPT	\$3,581.12	\$5,057.26	\$3,816.13	\$4,214.07	\$2,954.32
GACKLE FIRE DEPT	\$1,527.10	\$1,301.32	\$1,082.22	\$1,108.22	\$1,132.87
GACKLE RURAL FIRE DEPT	\$1,525.52	\$1,884.31	\$1,929.36	\$2,264.82	\$1,806.96
GALESBURG F/P DIST	\$6,890.79	\$6,750.78	\$8,285.17	\$4,918.21	\$4,516.09
GARRISON FIRE DEPT	\$6,118.77	\$5,106.21	\$5,411.39	\$4,542.08	\$5,063.47
GARRISON F/P DIST	\$6,434.76	\$6,356.67	\$10,375.35	\$7,138.36	\$7,267.37
GILBY F/P DIST	\$4,926.15	\$4,264.62	\$5,109.82	\$5,649.23	\$5,705.76
GLADSTONE FIRE DIST	\$2,050.23	\$3,131.01	\$3,193.80	\$2,752.56	\$3,686.12
GLEN ULLIN F/P DIST	\$7,789.79	\$7,360.77	\$6,210.45	\$6,452.04	\$6,758.63
GLENBURN F/P DIST	\$6,409.55	\$5,602.19	\$4,754.67	\$5,581.29	\$3,919.76
GLENFIELD RURAL F/P DIST	\$6,887.44	\$7,110.52	\$5,482.74	\$7,051.24	\$6,020.94
GOLDEN VALLEY F/P DIST	\$1,003.80	\$1,115.47	\$1,036.83	\$1,091.04	\$1,092.84
GOLVA RURAL F/P DIST	\$2,155.61	\$2,286.95	\$1,721.48	\$2,384.08	\$1,610.25
GOODRICH FIRE DEPT	\$1,222.13	\$668.09	\$585.08	\$637.76	\$566.04
GOODRICH RURAL F/P DIST	\$4,585.39	\$4,940.40	\$2,501.28	\$3,529.64	\$4,751.06
GRAFTON FIRE DEPT	\$16,554.92	\$14,102.70	\$11,894.73	\$13,109.27	\$13,082.22
GRAFTON RURAL F/P DIST	\$15,249.18	\$15,210.24	\$15,712.51	\$17,479.65	\$14,621.81
GRAND FORKS FIRE DEPT	\$90,785.87	\$88,989.79	\$103,117.02	\$99,426.86	\$120,942.61



GRANDIN RURAL F/P DIST	\$10,940.30	\$10,186.12	\$10,679.85	\$9,945.28	\$9,418.68
GRANVILLE F/P DIST	\$3,456.14	\$4,238.99	\$3,487.18	\$3,785.45	\$3,510.98
GRASSY BUTTE F/P DIST	\$1,037.02	\$768.88	\$803.85	\$853.93	\$930.20
GREAT BEND RURAL F/P DIST	\$1,930.51	\$1,725.22	\$2,445.50	\$2,373.58	\$2,418.75
GRENORA F/P DIST	\$7,081.44	\$7,652.79	\$6,319.18	\$7,547.76	\$4,464.94
GWINNER FIRE DIST	\$9,157.37	\$8,281.39	\$10,506.27	\$6,110.15	\$6,756.60
HAGUE F/P DISTRICT	\$1,860.92	\$1,658.71	\$1,443.19	\$1,435.95	\$1,645.56
HALLIDAY F/P DIST	\$4,354.62	\$5,195.20	\$3,621.80	\$3,588.17	\$3,960.86
HAMPDEN FIRE DEPT	\$3,243.86	\$3,333.29	\$3,231.39	\$2,729.66	\$1,129.50
HANKINSON FIRE DEPT	\$7,328.96	\$7,560.40	\$8,425.63	\$10,350.70	\$20,510.40
HANNAH RURAL FIRE DIST	\$3,868.39	\$5,033.40	\$3,604.08	\$4,221.39	\$3,500.25
HANNAFORD RURAL FIRE DEPT	\$6,077.79	\$6,519.23	\$6,009.45	\$4,226.39	\$3,791.73
HARVEY FIRE DEPT	\$9,488.80	\$7,401.19	\$7,316.31	\$5,584.85	\$5,851.74
HARVEY RURAL F/P DIST	\$10,336.38	\$12,552.12	\$11,341.01	\$11,108.88	\$11,237.26
HARWOOD F/P DIST	\$2,549.68	\$2,642.50	\$2,949.41	\$2,431.11	\$2,533.14
HASTINGS FIRE DEPT	\$64.02	\$104.98	\$198.69	\$94.28	\$86.84
HATTON FIRE DEPT	\$6,049.16	\$3,214.71	\$3,387.58	\$2,519.85	\$3,158.94
HATTON RURAL FIRE DEPT	\$5,684.08	\$8,205.75	\$8,168.20	\$7,972.51	\$7,136.06
HAVANA F/P DISTRICT	\$2,408.76	\$2,671.91	\$2,557.12	\$1,886.44	\$2,335.54
HAZELTON F/P DIST	\$5,275.20	\$5,421.58	\$3,927.46	\$5,088.64	\$4,051.30
HAZEN FIRE DEPT	\$6,181.30	\$5,716.87	\$6,733.16	\$6,469.49	\$7,380.40
HAZEN RURAL FIRE DEPT	\$3,001.40	\$3,616.33	\$2,588.94	\$2,925.05	\$3,389.02
HEBRON FIRE DEPT	\$2,600.96	\$2,572.83	\$1,678.64	\$93.03	
HEBRON RURAL F/P DIST	\$2,411.01	\$3,590.66	\$3,061.97	\$4,609.64	\$5,141.10
HENSEL FIRE DEPT	\$866.59	\$913.94	\$834.46	\$552.90	\$482.82
HETTINGER F/P DISTRICT	\$9,114.32	\$8,961.46	\$6,548.61	\$8,231.89	\$9,083.06
HILLSBORO FIRE DEPT	\$13,692.02	\$12,939.43	\$13,689.51	\$13,295.69	\$15,406.63
HOOPLE FIRE DEPT	\$3,617.54	\$3,796.85	\$2,271.56	\$1,902.52	\$2,116.37
HOOPLE F/P DIST	\$5,140.14	\$4,491.81	\$6,030.02	\$7,601.47	\$6,801.38
HOPE F/P DIST	\$17,133.14	\$17,426.11	\$20,866.43	\$12,889.55	\$10,960.07
HORACE RURAL F/P DIST	\$6,968.45	\$7,580.55	\$8,239.24	\$7,924.51	\$9,021.14
HORSE CREEK FIRE DIST	\$90.58	\$285.49	\$456.17	\$723.54	\$498.47
HUNTER F/P DIST	\$5,903.90	\$5,723.72	\$5,603.88	\$4,973.00	\$4,797.12
INKSTER RURAL F/P DIST	\$4,243.89	\$3,333.85	\$3,040.34	\$3,544.46	\$3,685.51
JAMESTOWN FIRE DEPT	\$36,996.97	\$30,177.14	\$34,247.75	\$35,496.03	\$39,972.63
JAMESTOWN RURAL FIRE DEPT	\$24,572.78	\$30,105.84	\$30,174.42	\$30,016.33	\$22,945.97
JUD FIRE DEPT	\$4,243.89	\$4,648.27	\$3,344.93	\$3,046.99	\$2,168.43

KARLSRUHE FIRE DEPT	\$417.28	\$341.86	\$351.49	\$334.16	\$217.18
KARLSRUHE RURAL FIRE DEPT	\$1,905.76	\$1,888.52	\$2,290.91	\$2,752.32	\$3,027.12
KATHRYN RURAL F/P DIST	\$2,166.65	\$2,101.85	\$2,714.77	\$9,928.91	\$10,304.09
KENMARE FIRE DEPT	\$5,795.69	\$3,428.59	\$3,169.51	\$2,902.38	\$3,886.95
KENMARE RURAL FIRE DIST	\$10,514.21	\$10,140.66	\$6,266.11	\$9,395.00	\$6,233.99
KENSAL F/P DIST	\$5,447.54	\$5,770.46	\$5,446.74	\$6,480.81	\$5,616.41
KINDRED FIRE DEPT	\$3,769.57	\$3,306.00	\$3,114.15	\$3,032.99	\$3,044.15
KINDRED RURAL FIRE DEPT	\$3,045.69	\$3,817.56	\$4,961.31	\$4,187.62	\$2,921.44
KRAMER FIRE DEPT	\$777.17	\$834.63	\$624.85	\$385.07	\$343.71
KRAMER RURAL F/P DIST	\$2,983.10	\$2,862.51	\$2,556.61	\$3,794.04	\$1,130.73
KULM FIRE DEPT	\$1,516.96	\$1,105.77	\$1,437.82	\$1,226.69	\$1,221.07
KULM RURAL FIRE DEPT	\$2,304.54	\$3,079.93	\$1,920.52	\$2,935.46	\$3,317.61
LAKOTA F/P DIST	\$15,120.20	\$16,446.56	\$15,004.75	\$13,093.78	\$10,056.19
LA MOURE FIRE DEPT	\$4,592.67	\$3,573.03	\$3,944.47	\$2,843.18	\$2,471.70
LA MOURE RURAL FIRE DEPT	\$9,740.28	\$12,004.83	\$11,795.31	\$19,480.39	\$9,825.59
LANGDON FIRE DEPT	\$12,800.96	\$11,139.00	\$8,202.69	\$6,855.45	\$6,779.25
LANGDON F/P DIST	\$10,726.55	\$16,755.05	\$9,240.26	\$14,714.56	\$15,923.09
LANKIN FIRE DEPT	\$1,242.53	\$856.47	\$561.65	\$515.03	\$600.58
LANKIN RURAL FIRE DEPT	\$3,101.31	\$3,328.14	\$3,579.72	\$4,304.81	\$4,297.56
LANSFORD F/P DIST	\$5,309.98	\$5,700.47	\$5,175.35	\$4,700.87	\$3,077.12
LARIMORE FIRE DEPT	\$5,678.80	\$4,379.77	\$3,952.46	\$3,326.48	\$3,171.30
LARIMORE RURAL FIRE DEPT	\$9,545.31	\$8,257.31	\$10,428.15	\$9,672.83	\$9,155.00
LEEDS RURAL F/P DIST	\$16,571.94	\$16,546.46	\$18,736.19	\$18,328.55	\$12,908.14
LEHR FIRE DEPT	\$374.36	\$437.11	\$389.09	\$401.85	\$359.09
LEHR RURAL FIRE DEPT	\$1,348.39	\$1,164.64	\$1,393.26	\$1,577.11	\$1,689.41
LEONARD FIRE DIST	\$7,321.70	\$6,793.02	\$6,629.97	\$5,418.04	\$5,592.39
LIDGERWOOD F/P DIST	\$9,342.37	\$8,804.37	\$9,639.94	\$8,870.60	\$9,200.04
LIGNITE F/P DIST	\$2,642.97	\$2,524.56	\$1,544.29	\$2,378.75	\$1,744.67
LINTON FIRE DIST	\$11,864.20	\$12,508.95	\$13,629.28	\$11,708.39	\$11,479.97
LISBON FIRE DEPT	\$8,722.97	\$6,806.58	\$6,323.67	\$6,524.03	\$7,146.19
LISBON RURAL F/P DIST	\$10,024.94	\$12,384.68	\$13,985.03	\$11,683.51	\$11,300.37
LITCHVILLE FIRE DEPT	\$2,933.39	\$2,979.60	\$1,056.83	\$473.32	\$588.52
LITCHVILLE RURAL FIRE DEPT	\$4,165.80	\$4,514.40	\$6,609.71	\$6,909.32	\$5,921.57
MADDOCK RURAL F/P DIST	\$9,392.45	\$7,512.00	\$7,952.18	\$7,792.21	\$7,272.10
MANDAN FIRE DEPT	\$33,044.57	\$31,915.49	\$33,496.71	\$34,458.13	\$43,069.16
MANDAN RURAL F/P DIST	\$9,543.52	\$9,624.09	\$9,781.10	\$9,950.44	\$11,881.87
MANTADOR F/P DIST	\$3,644.47	\$3,379.54	\$3,923.26	\$3,795.33	\$4,220.07

MAPLETON FIRE DEPT	\$2,955.17	\$3,211.04	\$4,306.13	\$1,711.95	\$1,943.92
MARION FIRE DEPT	\$2,367.42	\$2,890.43	\$4,028.41	\$842.09	\$852.84
MARION RURAL FIRE DEPT	\$9,356.31	\$8,991.23	\$8,301.07	\$8,352.75	\$7,899.43
MARMARTH RURAL F/P DIST	\$267.21	\$267.62	\$410.27	\$559.80	\$474.75
MAX RURAL F/P DIST	\$4,959.35	\$6,476.66	\$6,006.36	\$5,472.80	\$5,356.98
MAXBASS RURAL F/P DIST	\$2,603.86	\$1,963.92	\$1,776.45	\$2,070.89	\$850.54
MAYVILLE FIRE DEPT	\$10,019.24	\$10,268.28	\$11,480.90	\$10,857.04	\$11,117.71
MCCLUSKY FIRE DEPT	\$1,423.19	\$1,137.76	\$1,241.29	\$1,236.90	\$1,414.52
MCCLUSKY RURAL F/P DIST	\$3,826.02	\$4,180.59	\$2,800.91	\$3,624.13	\$3,480.48
MCHEMRY RURAL FIRE DEPT	\$5,155.18	\$5,782.93	\$4,032.19	\$4,803.63	\$4,068.06
MCKENZIE RURAL F/P DIST	\$5,440.88	\$6,972.04	\$5,361.27	\$6,512.67	\$4,943.87
MCVILLE F/P DIST	\$6,318.28	\$6,406.84	\$5,837.96	\$6,222.50	\$3,557.47
MEDINA F/P DIST	\$3,101.32	\$2,930.31	\$2,798.39	\$2,879.98	\$2,848.72
MEDORA FIRE DEPT	\$660.69	\$646.29	\$714.81	\$884.28	\$858.57
MERCER RURAL F/P DIST	\$1,733.55	\$1,618.78	\$1,584.10	\$1,564.61	\$1,683.20
MERRICOURT FIRE DIST	\$966.17	\$791.48	\$802.45	\$946.99	\$911.70
MICHIGAN/WHITMAN F/P DIST	\$3,381.92	\$7,734.68	\$8,075.70	\$8,152.37	\$6,656.80
MILNOR F/P DIST	\$10,614.00	\$9,717.64	\$11,262.33	\$9,459.57	\$9,467.17
MILTON F/P DIST	\$2,353.86	\$2,497.17	\$1,868.37	\$2,794.56	\$2,515.69
MINNEWAUKAN FIRE DEPT	\$1,348.39	\$1,114.40	\$812.94	\$764.18	\$743.26
MINNEWAUKAN F/P DIST	\$4,778.40	\$5,505.89	\$5,294.50	\$4,864.16	\$3,028.47
MINOT FIRE DEPT	\$87,245.16	\$80,269.69	\$81,709.79	\$82,632.32	\$93,732.50
MINOT RURAL F/P DIST	\$10,708.18	\$12,919.23	\$15,915.32	\$15,378.18	\$21,341.52
MINTO F/P DIST	\$13,871.52	\$12,974.16	\$12,559.15	\$12,198.21	\$13,280.86
MOHALL FIRE DEPT	\$4,830.99	\$3,993.57	\$3,023.97	\$2,599.53	\$2,223.83
MOHALL F/P DISTRICT		\$2,690.24	\$2,728.45	\$2,283.19	\$1,816.81
MOORETON FIRE DEPT	\$2,152.61	\$2,062.59	\$2,139.13	\$1,166.22	\$862.30
MOORETON RURAL F/P DIST	\$3,906.04	\$3,054.64	\$4,339.57	\$4,212.47	\$4,228.16
MOTT F/P DIST	\$19,315.54	\$21,321.92	\$14,935.57	\$12,738.10	\$14,546.26
MOUNTAIN/THINGCALLA F/P DIS	\$1,502.07	\$1,466.14	\$1,515.52	\$1,969.92	\$1,590.07
MUNICH RURAL F/P DIST	\$13,272.81	\$15,452.61	\$14,279.28	\$10,095.45	\$7,821.59
MYLO RURAL F/P DIST	\$2,334.61	\$2,363.71	\$2,225.78	\$2,689.45	\$1,295.80
NAPOLEON F/P DIST	\$9,178.24	\$8,553.24	\$7,891.31	\$9,679.81	\$9,219.34
NECHE F/P DIST	\$2,577.22	\$2,887.84	\$2,789.51	\$6,221.61	\$5,391.31
NEKOMA F/P DIST	\$2,876.96	\$3,265.92	\$2,513.25	\$3,287.66	\$3,359.60
NEWBERG RURAL F/P DIST	\$4,301.74	\$5,064.61	\$4,685.36	\$5,401.65	\$2,769.59
NEW ENGLAND FIRE DEPT	\$3,666.41	\$2,711.86	\$2,679.32	\$1,989.90	\$1,815.66

NEW ENGLAND F/P DIST	\$5,886.98	\$7,883.27	\$5,408.16	\$6,433.53	\$6,116.85
NEW LEIPZIG F/P DIST	\$2,832.31	\$3,282.04	\$2,625.69	\$3,249.13	\$3,069.27
NEW ROCKFORD FIRE DEPT	\$5,982.25	\$4,764.64	\$3,840.12	\$4,025.30	\$3,973.82
NEW ROCKFORD RURAL F.D.	\$6,965.23	\$7,652.96	\$8,691.52	\$8,302.63	\$8,590.15
NEW SALEM F/P DIST	\$7,545.12	\$8,718.89	\$7,909.37	\$8,102.26	\$8,436.99
NEW TOWN FIRE DEPT	\$4,213.06	\$2,999.02	\$2,961.54	\$2,958.53	\$2,725.86
NEW TOWN RURAL F/P DIST	\$3,888.92	\$5,908.25	\$5,446.92	\$5,860.76	\$3,226.69
NIAGRA RURAL F/P DIST	\$2,973.39	\$3,143.90	\$3,802.77	\$2,845.32	\$2,994.81
NOME F/P DIST	\$2,138.06	\$2,116.23	\$2,430.62	\$2,111.91	\$2,338.89
NOONAN FIRE DEPT	\$1,856.18	\$691.94	\$701.07	\$641.68	\$649.49
NOONAN RURAL FIRE DEPT	\$942.69	\$1,880.02	\$1,215.89	\$2,316.47	\$1,919.22
NORTHWOOD FIRE DEPT	\$4,451.09	\$2,831.83	\$2,550.31	\$2,589.60	\$3,189.08
NORTHWOOD RURAL FIRE DEPT	\$8,193.82	\$7,008.66	\$7,551.13	\$6,596.18	\$4,915.64
OAKES FIRE DEPT	\$18,271.26	\$18,424.20	\$18,385.94	\$18,970.08	\$17,192.48
OBERON FIRE DEPT	\$386.76	\$369.49	\$252.92	\$261.31	\$295.09
OBERON RURAL F.D.	\$2,386.21	\$2,437.26	\$2,400.21	\$2,296.59	\$2,289.33
OLIVER COUNTY F/P DIST	\$7,664.92	\$8,619.71	\$7,958.99	\$9,644.60	\$10,109.04
ORISKA FIRE DEPT	\$2,666.47	\$2,531.80	\$2,591.22	\$1,496.27	\$1,797.24
OSNABROCK FIRE DEPT	\$1,348.28	\$1,064.71	\$1,000.55	\$591.17	\$682.30
OSNABROCK F/P DIST	\$4,453.98	\$5,439.35	\$3,702.32	\$3,710.34	\$3,824.57
PAGE F/P DIST	\$13,043.23	\$12,913.90	\$12,251.84	\$10,677.68	\$7,088.38
PARK RIVER FIRE DEPT	\$4,318.29	\$3,858.86	\$4,233.29	\$3,714.94	\$4,215.44
PARK RIVER F/P DIST	\$3,848.89	\$3,978.37	\$4,515.12	\$4,472.62	\$3,859.17
PARSHALL RURAL F/P DIST	\$8,413.28	\$8,658.67	\$7,353.93	\$9,632.96	\$7,053.55
PEKIN FIRE DEPT	\$3,305.38	\$2,921.07	\$2,561.34	\$2,370.82	\$1,517.96
PEMINA FIRE DEPT	\$2,840.53	\$2,824.39	\$2,962.77	\$2,747.55	\$3,953.06
PETERSBURG RURAL F/P DIST	\$3,860.28	\$3,871.05	\$3,603.71	\$3,523.60	\$3,712.95
PETTIBONE FIRE DEPT	\$389.87	\$558.54	\$833.65	\$1,632.41	\$2,605.39
PETTIBONE RURAL FIRE DEPT	\$1,186.87	\$1,328.22	\$947.93	\$1,675.61	\$1,605.41
PICK CITY FIRE DEPT	\$602.86	\$553.48	\$698.76	\$752.95	\$898.03
PINGREE RURAL F/P DIST	\$2,191.91	\$2,436.76	\$2,201.54	\$1,976.63	\$1,828.36
PISE RURAL F/P DIST	\$2,372.60	\$2,273.61	\$1,813.83	\$1,589.58	\$1,545.30
PLATA F/P DIST	\$3,968.95	\$6,222.16	\$5,276.11	\$6,465.82	\$5,466.04
PORTAL RURAL FIRE DEPT	\$1,321.09	\$1,377.28	\$938.38	\$1,286.96	\$806.61
PORLAND F/P DIST	\$13,222.80	\$12,320.45	\$12,774.47	\$12,268.03	\$12,487.75
POCONO LAKE RURAL F/P	\$5,523.12	\$6,167.38	\$4,975.77	\$4,989.75	\$3,759.61
RANDOLPH DIST	\$4,203.32	\$6,210.95	\$4,247.25	\$6,777.89	\$5,074.30

REEDER F/P DIST	\$5,024.16	\$4,560.52	\$4,107.11	\$3,772.46	\$3,702.03
REGENT RURAL F/P DIST	\$11,866.88	\$13,193.65	\$6,695.75	\$7,180.20	\$7,965.67
REYNOLDS F/P DIST	\$7,222.50	\$5,916.23	\$5,908.31	\$7,500.16	\$6,102.66
RHAME F/P DIST	\$3,278.94	\$3,620.67	\$3,399.68	\$4,100.24	\$3,094.15
RICHARDTON FIRE DEPT	\$2,052.53	\$1,796.70	\$2,021.49	\$1,657.00	\$1,788.59
RICHARDTON RURAL F/P DIST	\$3,429.60	\$3,143.01	\$2,288.00	\$2,946.69	\$3,112.86
RIVERDALE FIRE DEPT	\$523.65	\$563.57	\$723.21	\$790.98	\$830.07
ROBINSON RURAL F/P DIST	\$1,546.33	\$1,210.59	\$1,198.04	\$1,297.67	\$1,311.10
ROCK LAKE F/P DIST	\$7,971.04	\$9,260.66	\$6,704.01	\$7,899.29	\$4,570.84
ROGERS FIRE DEPT	\$1,238.10	\$966.84	\$729.82	\$366.52	\$424.87
ROLETTE FIRE DEPT	\$3,932.20	\$2,529.82	\$2,550.78	\$2,177.61	\$2,370.76
ROLETTE RURAL F/P DIST	\$3,568.74	\$4,453.67	\$4,947.22	\$4,800.72	\$4,242.88
ROLLA FIRE DEPT	\$4,777.69	\$4,647.85	\$4,725.50	\$3,989.55	\$4,531.86
ROLLA RURAL F/P DIST	\$5,738.69	\$7,816.17	\$7,794.53	\$8,655.20	\$3,623.63
ROSS F/P DIST	\$1,989.80	\$2,585.14	\$0.00	\$0.00	
RUGBY FIRE DEPT	\$8,987.13	\$7,468.54	\$7,869.32	\$6,914.29	\$7,117.69
RUGBY F/P DIST	\$12,953.19	\$12,889.26	\$11,982.35	\$12,482.15	\$9,514.23
RUTLAND/CAYUGA F/P DIST	\$3,806.17	\$4,166.65	\$3,914.24	\$3,402.15	\$3,087.62
RYDER MAKOTI F/P DIST	\$4,667.17	\$5,148.96	\$5,168.23	\$5,385.79	\$5,029.40
SANBORN FIRE DEPT	\$829.54	\$2,420.88	\$443.21	\$437.61	\$448.34
SANBORN F/P DISTRICT	\$7,370.96	\$5,823.65	\$5,703.27	\$7,706.05	\$5,541.25
SARLES RURAL F/P DIST	\$5,160.73	\$5,589.31	\$5,271.98	\$3,678.30	\$2,978.56
SAWYER F/P DIST	\$3,320.17	\$3,854.18	\$3,788.47	\$4,448.89	\$3,848.96
SCRANTON F/P DIST	\$8,266.88	\$7,575.09	\$8,339.84	\$8,120.02	\$8,064.28
SELFRIEDGE RURAL FIRE DIST	\$2,535.04	\$2,398.15	\$1,971.72	\$2,133.18	\$2,092.33
SENTINEL BUTTE F/P DIST	\$1,182.47	\$1,719.83	\$1,205.07	\$1,883.28	\$862.33
SHARON FIRE DEPT	\$2,919.16	\$2,791.11	\$3,374.14	\$2,032.00	\$523.97
SHERWOOD F/P DIST	\$7,516.24	\$6,925.66	\$5,935.21	\$6,469.71	\$3,658.20
SHEYENNE FIRE DEPT	\$1,561.71	\$1,025.48	\$1,558.40	\$1,334.06	\$1,167.31
SHEYENNE RURAL FIRE DEPT	\$3,048.19	\$3,370.04	\$3,255.34	\$3,031.31	\$3,340.75
SIBLEY FIRE DEPT	\$91.24	\$86.26	\$103.38	\$90.44	\$100.52
SOLEN RURAL F/P DIST	\$1,505.50	\$1,502.51	\$997.31	\$884.47	\$1,203.94
SOURIS F/P DIST	\$4,119.28	\$3,967.55	\$4,671.91	\$4,639.36	\$2,350.53
SOUTH HEART F/P DIST	\$3,142.25	\$3,583.95	\$3,701.54	\$3,870.45	\$3,395.69
SOUTHWEST RURAL F/P DIST	\$0.00	\$148.07	\$302.59	\$220.62	\$212.40
ST JOHN FIRE DIST	\$2,459.17	\$2,428.57	\$2,568.85	\$2,668.94	\$2,237.86
ST THOMAS F/P DIST	\$10,698.85	\$10,438.79	\$7,984.23	\$9,805.07	\$10,311.20

STANLEY FIRE DEPT	\$3,948.35	\$3,207.65	\$3,620.06	\$2,861.33	\$4,147.34
STANLEY RURAL F/P DIST	\$4,898.28	\$7,627.87	\$7,606.59	\$8,753.99	\$6,274.25
STANTON FIRE DEPT	\$5,026.22	\$5,269.63	\$3,379.31	\$4,131.37	\$1,335.82
STANTON RURAL F/P DIST	\$1,085.66	\$1,097.62	\$796.41	\$871.88	\$648.01
STARKWEATHER F/P DIST	\$7,721.26	\$8,522.99	\$7,537.98	\$6,668.71	\$3,131.87
STEELE FIRE DEPT	\$2,991.42	\$3,140.49	\$3,428.29	\$2,075.20	\$1,994.86
STEELE FIRE PROT DIST	\$2,953.92	\$3,704.80	\$3,182.43	\$3,598.40	\$4,032.90
STERLING F/P DISTRICT	\$4,091.51	\$3,764.23	\$3,489.31	\$3,450.91	\$3,614.77
STRASBURG RURAL F/P DIST	\$5,041.81	\$4,543.69	\$4,531.73	\$4,930.74	\$4,953.85
STREETIER F/P DIST	\$2,954.67	\$2,601.58	\$2,779.01	\$3,124.19	\$2,849.79
SURREY RURAL F/P DIST	\$1,641.22	\$2,011.95	\$2,006.31	\$2,904.80	\$2,617.22
SYKESTON F/P DIST	\$5,483.59	\$6,254.71	\$4,825.53	\$4,627.45	\$4,145.92
TAPPEN FIRE DEPT	\$1,241.57	\$902.32	\$861.11	\$603.56	\$585.56
TAPPEN RURAL FIRE DEPT	\$1,751.59	\$1,948.67	\$2,139.53	\$2,844.38	\$3,552.03
TAYLOR RURAL F/P DIST	\$1,748.75	\$1,831.82	\$1,756.14	\$2,036.96	\$2,325.82
THOMPSON RURAL F/P DIST	\$10,533.54	\$10,763.77	\$11,616.21	\$10,745.71	\$10,816.23
TIOGA FIRE DEPT	\$2,962.61	\$2,731.97	\$3,106.24	\$2,975.30	\$3,608.43
TIOGA RURAL FIRE DEPT	\$4,295.30	\$5,648.46	\$3,762.21	\$4,545.77	\$3,649.47
TOLLEY FIRE DEPT	\$707.78	\$948.95	\$1,021.84	\$446.53	\$522.79
TOLNA RURAL F/P DIST	\$7,898.69	\$7,401.48	\$7,598.79	\$6,712.35	\$4,861.57
TOWER CITY F/P DIST	\$6,052.34	\$5,859.17	\$5,807.53	\$5,107.47	\$4,842.55
TOWNER FIRE DEPT	\$1,777.56	\$1,605.72	\$1,726.08	\$1,618.78	\$1,527.10
TOWNER RURAL F/P DIST	\$2,790.52	\$3,038.04	\$3,304.27	\$3,480.59	\$3,199.06
TRENTON F/P DIST	\$781.35	\$478.08	\$498.39	\$567.97	\$530.99
TURTLE LAKE RURAL F/P DIST	\$4,562.55	\$4,464.75	\$4,819.53	\$4,883.90	\$4,803.87
TUTTLE F/P DIST	\$1,895.62	\$2,051.94	\$1,790.10	\$1,741.02	\$2,382.74
UNDERWOOD F/P DIST	\$11,679.99	\$18,214.54	\$14,895.97	\$6,775.03	\$6,915.88
UPHAM F/P DIST	\$2,435.26	\$2,556.83	\$2,484.39	\$2,440.27	\$2,029.42
VALLEY CITY FIRE DEPT	\$18,359.12	\$17,843.71	\$23,524.87	\$27,566.79	\$27,216.28
VALLEY CITY RURAL FIRE DEPT	\$8,711.37	\$9,974.82	\$12,087.16	\$10,588.10	\$11,286.20
VELVA FIRE DEPT	\$2,962.23	\$2,976.66	\$2,733.01	\$2,501.40	\$2,590.02
VELVA RURAL F/P DIST	\$3,759.55	\$4,573.78	\$4,298.84	\$4,497.81	\$4,504.15
VERONA FIRE DEPT	\$1,934.75	\$2,532.01	\$1,920.09	\$523.11	\$462.82
VERONA RURAL F/P	\$3,148.16	\$3,264.15	\$4,628.84	\$4,027.02	\$4,480.01
WAHPETON FIRE DEPT	\$25,246.64	\$22,421.83	\$23,778.32	\$21,023.42	\$23,756.88
WALCOTT/COLFAX RURAL F/P	\$10,835.14	\$10,740.09	\$10,489.34	\$8,548.76	\$9,773.10
WALES FIRE DEPT	\$837.33	\$1,147.17	\$828.58	\$342.73	\$388.13





**Senate Appropriations Committee  
House Bill # 1010**

**Mr. Chairman and members of the Appropriation Committee, my name is Arlo Griesbach, President of the North Dakota Firefighters Association and Fire Chief of Powers Lake Fire District.**

**Here is a profit and loss statement from the Powers Lake Fire District, From 1997-2000. It shows from 1997-2000 an insurance refund drop of \$2408.00. We have a loss in the budget in the year 2000.**

**The cost of running a fire department is up and training requirements have increased.**

**Our two main trucks are 1974 and 1975 models. The money isn't there to replace them.**

**This is just our department but there are many other departments out there that are in about the same shape.**

**Thank you for hearing me, Mr. Chairman and committee. I would appreciate your support of HB 1010 with the two proposed amendments.**



# Profit & Loss Statement

1/10 Through 12/31/00

1/15/1

PLFDEPT-All Accounts

Page 20

Category Description	1/1/00- 12/31/00
<b>INCOME/EXPENSE</b>	
<b>INCOME</b>	
Ambul. Reimbur.	241.00
Dividen	50.17
Insur. Refund	3,759.61
Interest	2,878.11
Misc. Income	382.00
Oil Impact Fund	2,000.00
State Aid	404.30
Taxes	9,881.01
<b>TOTAL INCOME</b>	19,596.20
<b>EXPENSES</b>	
Annual meeting	44.00
Bulld. Expense	14.80
Confections	54.47
Dues	100.00
Equip. Purchase	13,458.66
Equip. Repairs	167.72
Finance Charge	5.30
Fire Ext. & Alr	397.50
Gasoline	208.30
Insurance	1,565.60
Misc. Exp.	110.50
Supplies	253.90
Training	1,950.00
Truck Repair	570.42
Utilities:	
Electricity	1,443.72
Propane	1,146.80
Telephone	491.19
<b>TOTAL Utilities</b>	3,081.71
<b>TOTAL EXPENSES</b>	21,982.88
<b>TOTAL INCOME/EXPENSE</b>	-2,386.68

Pickup. 10750 -  
PANTS 800 -  
RADIOS 1939 -

- 10850 -

11133 -

# Profit & Loss Statement

1/1/99 Through 12/31/99

1/15/1

PL DEPT-All Accounts

Page 1

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Category Description	1/1/99- 12/31/99
<b>INCOME/EXPENSE</b>	
<b>INCOME</b>	
Ambul. Reimbur.	241.00
Dividen	54.70
Insur. Refund	4,989.75
Interest	2,692.13
Misc. Income	718.00
Oil Impack Fund	1,500.00
Taxes	10,292.23
<b>TOTAL INCOME</b>	<b>20,487.83</b>
<b>EXPENSES</b>	
Annual meeting	48.00
Build. Expense	1,068.12
Confections	81.96
Dues	100.00
Equip. Purchase	4,879.57
Equip. Repairs	215.75
Finance Charge	3.39
Fire Ext. & Alr	1,202.10
Gasoline	239.38
Insurance	1,572.26
Misc. Exp.	686.00
Motels	114.42
Supplies	70.70
Training	3,128.76
Truck Repair	2,317.70
Utilities:	
Electricity	1,614.65
Propane	762.22
Telephone	565.71
<b>TOTAL Utilities</b>	<b>2,942.58</b>
<b>TOTAL EXPENSES</b>	<b>18,670.69</b>
<b>TOTAL INCOME/EXPENSE</b>	<b>1,817.14</b>

He. sum.  
Hose  
Dunkin' donuts 2640 -  
Radio's 2239 -

# Profit & Loss Statement

1/1/98 Through 12/31/98

1/15/1

PL DEPT-All Accounts

Page 1

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Category Description	1/1/98- 12/31/98
<b>INCOME/EXPENSE</b>	
<b>INCOME</b>	
Ambul. Reimbur.	831.00
Dividen	21.18
Game Refuge	250.00
Gaming Income.	750.00
Insur. Refund	4,975.77
Interest	2,514.66
Memorial Income	1,500.00
Misc. Income	644.00
Oil Impack Fund	1,300.00
Taxes	9,858.93
<b>TOTAL INCOME</b>	<b>22,645.54</b>
<b>EXPENSES</b>	
Annual meeting	44.50
Build. Expense	144.07
Confections	50.60
Dues	100.00
Equip. Purchase	1,801.29
Equip. Repairs	2,539.25
Finance Charge	0.57
Fire Ext. & Alr	95.40
Gasoline	192.67
Insurance	1,593.04
Misc. Exp.	172.80
Pre paid Exp.	28.32
Supplies	295.34
Training	2,500.00
Truck Repair	1,458.95
Utilities:	
Electricity	1,569.22
Propane	587.31
Telephone	480.65
<b>TOTAL Utilities</b>	<b>2,637.18</b>
<b>TOTAL EXPENSES</b>	<b>13,653.98</b>
<b>TOTAL INCOME/EXPENSE</b>	<b>8,991.56</b>

1801 -

# Profit & Loss Statement

1/1/97 Through 12/31/97

1/15/1

PLFDEPT-All Accounts

Page 1

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## Category Description

1/1/97-  
12/31/97

### INCOME/EXPENSE

#### INCOME

Ambul. Reimbur.	316.41
Dividen	16.88
Game Refuge	250.00
Gaming Income.	400.00
Insur. Refund	6,167.38
Interest	1,886.32
Misc. Income	1,060.00
Oil Impack Fund	1,800.00
Taxes	10,158.83

#### TOTAL INCOME

22,055.82

#### EXPENSES

Annual meeting	54.00
Build. Expense	316.63
Dues	200.00
Equip. Purchase	2,167.30
Fire Ext. & Air	437.42
Firemen	2,226.66
Gasoline	179.16
Insurance	1,593.26
Misc. Exp.	464.20
Supplies	410.87
Training	3,620.00
Truck Repair	609.10
Utilities:	
Electricity	1,605.98
Propane	1,617.77
Telephone	462.85

#### TOTAL Utilities

3,686.60

#### TOTAL EXPENSES

15,965.20

#### TOTAL INCOME/EXPENSE

6,090.62

*Fire Phone 160*  
*Redu. Air Pch - 1525*  
*Hose 60*  
*Flush hoses - 290*

HB 1010

**Testimony on House Bill 1010**  
**Senate Appropriations Committee**

By Joel Boespflug  
February 14, 2001

Mr. Chairman and members of the committee, my name is Joel Boespflug, City of Bismarek Fire and Inspections Chief and also a Director with the North Dakota Fire Chief's Association. I appear before you today in support of the amendments to section 2 as provided by the North Dakota Firefighter's Association. The Fire Chief's Association and the Firefighter's Association have two distinct missions that complement each other very well.

Payment to be made directly to the Firefighter's Association, as described in the amendment, will actually simplify the present process for fire departments. Currently, every fire department is billed by the Firefighter's Association for its annual dues

The insurance tax payments made to fire departments is greatly appreciated. An increase in the overall appropriation, as described in the amendment would certainly be utilized effectively throughout the state. The fire service is a good investment. Insurance tax payments provided to fire departments have a positive impact on the reduction of life and property losses from fire. The insurance industry gains from the improved service levels and lower losses. Another benefit of improved fire protection services is that the insurance premiums for the customer and citizen can be significantly reduced.

Mr. Chairman and members of the Committee, I urge you to adopt the amendments as provided to section 2. Thank you for your consideration and I will be happy to answer any questions that you might have.