

**FIRST ENGROSSMENT
with Conference Committee Amendments**

ENGROSSED HOUSE BILL NO. 1010

Introduced by

Appropriations Committee

(At the request of the Governor)

1 A BILL for an Act to provide an appropriation for defraying the expenses of the insurance
2 commissioner; to provide for fund transfers; to provide for making payments of insurance
3 premiums tax collections to fire departments; to provide for a legislative council study; and to
4 amend and reenact section 26.1-01-09 of the North Dakota Century Code, relating to the
5 commissioner's salary.

6 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

7 **SECTION 1. BASE LEVEL FUNDING INFORMATION.** The amounts identified in this
8 section represent the base level funding component appropriated to the insurance
9 commissioner in section 3 of this Act as follows:

10 Salaries and wages	\$4,698,378
11 Operating expenses	1,781,501
12 Capital assets	6,900
13 Pharmaceutical drug access program	100,000
14 Grants	<u>5,304,000</u>
15 Total all funds - Base level	\$11,890,779
16 Less estimated income - Base level	<u>11,790,779</u>
17 Total general fund - Base level	\$100,000

18 **SECTION 2. FUNDING ADJUSTMENTS OR ENHANCEMENTS INFORMATION.** The
19 amounts identified in this section represent the funding adjustments or enhancements to the
20 base funding level for the insurance commissioner which are included in the appropriation in
21 section 3 of this Act as follows:

22 Salaries and wages	\$355,279
23 Operating expenses	381,876
24 Capital assets	(6,900)

1	Pharmaceutical drug access program	(100,000)
2	Grants	<u>1,116,000</u>
3	Total all funds - Adjustments/enhancements	\$1,746,255
4	Less estimated income - Adjustments/enhancements	<u>1,846,255</u>
5	Total general fund - Adjustments/enhancements	(\$100,000)

6 **SECTION 3. APPROPRIATION.** The funds provided in this section, or so much of the
7 funds as may be necessary, are appropriated out of any moneys in the general fund in the state
8 treasury, not otherwise appropriated, and from special funds derived from federal funds and
9 other income, to the insurance commissioner for the purpose of defraying the expenses of that
10 agency, for the biennium beginning July 1, 2005, and ending June 30, 2007, as follows:

11	Salaries and wages	\$5,053,657
12	Operating expenses	2,163,377
13	Grants	<u>6,420,000</u>
14	Total special funds appropriation	\$13,637,034

15 **SECTION 4. INSURANCE PREMIUMS TAX COLLECTIONS PAYMENTS.** Section 3
16 of this Act includes the sum of \$6,420,000, or so much of the sum as may be necessary to the
17 insurance commissioner, of which \$6,200,000 is for the purpose of making payments of
18 insurance premiums tax collections to fire departments, \$120,000 is for the purpose of making
19 two equal payments to the North Dakota firefighter's association, and \$100,000 is for the
20 purpose of providing a grant to the North Dakota association of oil and gas producing counties
21 for the biennium beginning July 1, 2005, and ending June 30, 2007.

22 **SECTION 5. BONDING FUND.** Section 3 this Act includes the sum of \$35,000, or so
23 much of the sum as may be necessary, from the state bonding fund to pay bonding fund
24 administrative expenses for the biennium beginning July 1, 2005, and ending June 30, 2007.

25 **SECTION 6. FIRE AND TORNADO FUND.** Section 3 of this Act includes the sum of
26 \$988,576, or so much of the sum as may be necessary, from the state fire and tornado fund to
27 pay fire and tornado fund administrative expenses for the biennium beginning July 1, 2005, and
28 ending June 30, 2007.

29 **SECTION 7. UNSATISFIED JUDGMENT FUND.** Section 3 of this Act includes the
30 sum of \$35,000, or so much of the sum as may be necessary, from the state unsatisfied

1 judgment fund to pay unsatisfied judgment fund administrative expenses for the biennium
2 beginning July 1, 2005, and ending June 30, 2007.

3 **SECTION 8. PETROLEUM TANK RELEASE COMPENSATION FUND.** Section 3 of
4 this Act includes the sum of \$120,000, or so much of the sum as may be necessary, from the
5 petroleum tank release compensation fund to pay petroleum tank release compensation fund
6 administrative expenses for the biennium beginning July 1, 2005, and ending June 30, 2007.

7 **SECTION 9. ANHYDROUS AMMONIA STORAGE FACILITY INSPECTION FUND.**
8 Section 3 of this Act includes the sum of \$150,000, or so much of the sum as may be
9 necessary, from the anhydrous ammonia storage facility inspection fund to pay for anhydrous
10 ammonia tank inspection costs for the biennium beginning July 1, 2005, and ending June 30,
11 2007.

12 **SECTION 10. CRITICAL METHAMPHETAMINE-USE ZONE ADDITION.**
13 Notwithstanding rules adopted by the commissioner identifying a critical methamphetamine-use
14 zone, the commissioner shall designate the counties of Walsh, Cavalier, and Pembina as a
15 critical methamphetamine-use zone subject to section 19-20.2-11 and rules adopted pursuant
16 to that section. Section 3 of this Act includes the sum of \$50,000 from the insurance regulatory
17 trust fund, or so much of the sum as is necessary, to implement security measures established
18 by the commissioner, including the purchase and distribution of locking devices, in the counties
19 of Walsh, Cavalier, and Pembina, for the biennium beginning July 1, 2005, and ending June 30,
20 2007.

21 **SECTION 11. LEGISLATIVE COUNCIL STUDY - HEALTH CARE AND HEALTH**
22 **INSURANCE STUDY PROPOSAL.** During the 2005-06 interim, the legislative council shall
23 consider studying the desirability of proposing a comprehensive health care and health
24 insurance study to be performed during the 2007-08 interim. The 2005-06 interim study must
25 include consideration of whether there is a need for a comprehensive, long-range study of the
26 state's current and future health care needs in order to address issues such as the aging
27 population of the state, the phenomenon of health care cost-shifting to the private sector, the
28 trend of uncompensated health care services, shortages in the number of health care
29 professionals, duplication of technology and facilities, and any other factors that might affect the
30 health care system in North Dakota in the year 2020. If the study results in a proposal for a
31 comprehensive health care and health insurance study, the proposal must address the

1 parameters of the proposed study and how the proposed study will be designed in order to
2 allow for significant consumer input. The legislative council shall report its findings and
3 recommendations, together with any legislation required to implement the recommendations, to
4 the sixtieth legislative assembly.

5 **SECTION 12. LEGISLATIVE COUNCIL STUDY - ACCIDENT AND HEALTH**

6 **INSURANCE LOSS RATIOS.** During the 2005-06 interim, the legislative council shall study
7 the appropriate minimum standard of loss ratio for accident and health insurers and whether
8 that loss ratio is more appropriately set by statute or by rule. The legislative council shall report
9 its findings and recommendations, together with any legislation required to implement the
10 recommendations, to the sixtieth legislative assembly.

11 **SECTION 13. AMENDMENT.** Section 26.1-01-09 of the North Dakota Century Code is
12 amended and reenacted as follows:

13 **26.1-01-09. Salary of commissioner.** The annual salary of the commissioner is
14 ~~sixty four thousand seven hundred forty two dollars through December 31, 2001, sixty six~~
15 ~~seventy thousand six hundred eighty four~~ fifty-nine dollars through June 30, ~~2002~~ 2006, and
16 ~~sixty eight~~ seventy-two thousand eighteen eight hundred sixty-one dollars thereafter.