

March 7, 2007

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2010

Page 1, line 4, replace "section" with "sections" and after "26.1-01-09" insert "and 26.1-22-10"

Page 1, line 5, after "salary" insert "and insurance of personal property by the state fire and tornado fund"

Page 1, line 12, remove "to fire districts"

Page 1, line 20, remove "to fire districts" and replace "(100,000)" with "70,000"

Page 1, line 21, replace "611,324" with "781,324"

Page 2, line 5, replace "6,320,000" with "6,490,000"

Page 2, line 6, replace "14,290,979" with "14,460,979"

Page 2, line 9, replace "\$60,000" with "\$70,000"

Page 2, line 23, replace "\$1,003,804" with "\$1,173,804" and after "fund" insert ", including \$170,000 for a grant to the North Dakota firefighter's association and \$1,003,804"

Page 3, after line 13, insert:

"SECTION 12. AMENDMENT. Section 26.1-22-10 of the North Dakota Century Code is amended and reenacted as follows:

26.1-22-10. Commissioner to provide insurance on all buildings and personal property. Upon application the commissioner shall provide for insurance against loss by fire, lightning, inherent explosion, windstorm, cyclone, tornado and hail, explosions, riot attending a strike, aircraft, smoke, vehicles, or any other risks of direct physical loss, all in the manner and subject to the restrictions of the standard fire insurance policy and standard endorsement, and no other hazards, in the fund, on all buildings owned by the state, state industries, political subdivisions, international peace gardens, and winter shows, and the fixtures and permanent contents in such buildings, to the extent of not to exceed the insurable value of such property, as the value is agreed to between the commissioner and the officer or board having control of such property, or, in case of disagreement, by approval through arbitration. The commissioner may allow personal property to be insured on a blanket basis.

All buildings and the contents of the buildings owned by the state mill and elevator association, in lieu of coverage under this chapter, may, at the option of the industrial commission, be insured by private insurance companies licensed to do business in this state, against at least all the types of hazards insured against by the fund. If the industrial commission exercises the option provided in this section, the commission shall seek competitive sealed bids, shall invite the fund to submit a bid, and may reject any or all bids received.

All public buildings owned by a political subdivision, in lieu of coverage provided for in this section, may at the option of the governing body of the political subdivision be insured on the basis of competitive sealed bids, through the fund which must be invited to submit a sealed bid or private insurance companies licensed to do business in this state, against damage resulting from hazards, which include those types of hazards that may be insured against by the fund. The governing body may reject any or all such bids.

All public libraries owned by the state or political subdivisions may, in addition to the coverage provided for in this section, be covered against damage through vandalism. If this coverage cannot be extended to the public libraries situated within this state, the libraries may contract for this coverage with private insurance companies; provided, that this coverage meets the recommendations of the insurance code of the American library association."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2010 - Summary of House Action

| | EXECUTIVE BUDGET | SENATE VERSION | HOUSE CHANGES | HOUSE VERSION |
|-----------------------|-------------------|-------------------|----------------|-------------------|
| Legislative Council | | | | |
| Total all funds | \$0 | \$60,000 | \$10,000 | \$70,000 |
| Less estimated income | | <u>60,000</u> | <u>10,000</u> | <u>70,000</u> |
| General fund | \$0 | \$0 | \$0 | \$0 |
| Insurance Department | | | | |
| Total all funds | \$14,350,979 | \$14,290,979 | \$170,000 | \$14,460,979 |
| Less estimated income | <u>14,350,979</u> | <u>14,290,979</u> | <u>170,000</u> | <u>14,460,979</u> |
| General fund | \$0 | \$0 | \$0 | \$0 |
| Bill Total | | | | |
| Total all funds | \$14,350,979 | \$14,350,979 | \$180,000 | \$14,530,979 |
| Less estimated income | <u>14,350,979</u> | <u>14,350,979</u> | <u>180,000</u> | <u>14,530,979</u> |
| General fund | \$0 | \$0 | \$0 | \$0 |

Senate Bill No. 2010 - Legislative Council - House Action

| | EXECUTIVE BUDGET | SENATE VERSION | HOUSE CHANGES | HOUSE VERSION |
|-----------------------|------------------|-----------------|-----------------|-----------------|
| Operating expenses | | <u>\$60,000</u> | <u>\$10,000</u> | <u>\$70,000</u> |
| Total all funds | \$0 | \$60,000 | \$10,000 | \$70,000 |
| Less estimated income | | <u>60,000</u> | <u>10,000</u> | <u>70,000</u> |
| General fund | \$0 | \$0 | \$0 | \$0 |
| FTE | 0.00 | 0.00 | 0.00 | 0.00 |

Dept. 160 - Legislative Council - Detail of House Changes

| | INCREASES FUNDING FOR NATIONAL CONFERENCE OF INSURANCE LEGISLATORS 1 | TOTAL HOUSE CHANGES |
|-----------------------|--|---------------------|
| Operating expenses | <u>\$10,000</u> | <u>\$10,000</u> |
| 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 |

¹ This amendment increases the funding appropriated from the insurance regulatory trust fund to the Legislative Council for defraying expenses of legislative members attending functions of the National Conference of Insurance Legislators by \$10,000, from \$60,000 to \$70,000.

Senate Bill No. 2010 - Insurance Department - House Action

| | EXECUTIVE BUDGET | SENATE VERSION | HOUSE CHANGES | HOUSE VERSION |
|---|---------------------|-------------------|------------------|-------------------|
| Salaries and wages | \$5,792,602 | \$5,792,602 | | \$5,792,602 |
| Operating expenses | 2,178,377 | 2,178,377 | | 2,178,377 |
| Grants | 6,320,000 | 6,320,000 | \$170,000 | 6,490,000 |
| National Conference of Insurance Legislators | 60,000 | | | |
| Total all funds | \$14,350,979 | \$14,290,979 | \$170,000 | \$14,460,979 |
| Less estimated income | <u>14,350,979</u> | <u>14,290,979</u> | <u>170,000</u> | <u>14,460,979</u> |
| General fund | \$0 | \$0 | \$0 | \$0 |
| FTE | 46.50 | 46.50 | 0.00 | 46.50 |

Dept. 401 - Insurance Department - Detail of House Changes

| | PROVIDES FUNDING FOR GRANT TO NORTH DAKOTA FIREFIGHTER'S ASSOCIATION ¹ | TOTAL HOUSE CHANGES |
|---|---|---------------------------|
| Salaries and wages | | |
| Operating expenses | | |
| Grants | \$170,000 | \$170,000 |
| National Conference of Insurance Legislators | | |
| Total all funds | \$170,000 | \$170,000 |
| Less estimated income | <u>170,000</u> | <u>170,000</u> |
| General fund | \$0 | \$0 |
| FTE | 0.00 | 0.00 |

¹ This amendment appropriates funding of \$170,000 from the fire and tornado fund for a grant to the North Dakota Firefighter's Association. In previous bienniums, the Legislative Assembly appropriated this funding to the Office of Management and Budget. The Senate removed this funding from Senate Bill No. 2015.

This amendment also amends North Dakota Century Code Section 26.1-22-10 to allow personal property to be insured on a blanket basis by the state fire and tornado fund.