

**Sixtieth Legislative Assembly of North Dakota
In Regular Session Commencing Wednesday, January 3, 2007**

SENATE BILL NO. 2010
(Appropriations Committee)
(At the request of the Governor)

AN ACT to provide an appropriation for defraying the expenses of the insurance commissioner; to provide an appropriation to the legislative council; to provide for fund transfers; to provide for making payments of insurance premiums tax collections to fire departments; and to amend and reenact sections 26.1-01-09 and 26.1-22-10 of the North Dakota Century Code, relating to the commissioner's salary and insurance of personal property by the state fire and tornado fund.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

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

Salaries and wages	\$5,096,278
Operating expenses	2,163,377
Grants	<u>6,420,000</u>
Total special funds appropriation - Base level	\$13,679,655

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

Salaries and wages	\$696,324
Operating expenses	15,000
Grants	<u>70,000</u>
Total special funds appropriation - Adjustments/enhancements	\$781,324

SECTION 3. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated from special funds derived from federal funds and other income, to the insurance commissioner for the purpose of defraying the expenses of that agency, for the biennium beginning July 1, 2007, and ending June 30, 2009, as follows:

Salaries and wages	\$5,792,602
Operating expenses	2,178,377
Grants	<u>6,490,000</u>
Total special funds appropriation	\$14,460,979

SECTION 4. APPROPRIATION - LEGISLATIVE COUNCIL. There is appropriated out of any moneys in the insurance regulatory trust fund in the state treasury, not otherwise appropriated, the sum of \$70,000, or so much of the sum as may be necessary, to the legislative council for the purpose of defraying expenses of legislative members attending functions of the national conference of insurance legislators, for the biennium beginning July 1, 2007, and ending June 30, 2009.

SECTION 5. INSURANCE PREMIUMS TAX COLLECTIONS PAYMENTS. Section 3 of this Act includes the sum of \$6,320,000, or so much of the sum as may be necessary to the insurance commissioner, of which \$6,200,000 is for the purpose of making payments of insurance premiums tax collections to fire departments and \$120,000 is for the purpose of making two equal payments to the

North Dakota firefighter's association for the biennium beginning July 1, 2007, and ending June 30, 2009.

SECTION 6. BONDING FUND. Section 3 of this Act includes the sum of \$44,131, or so much of the sum as may be necessary, from the state bonding fund to pay bonding fund administrative expenses for the biennium beginning July 1, 2007, and ending June 30, 2009.

SECTION 7. FIRE AND TORNADO FUND. Section 3 of this Act includes the sum of \$1,173,804, or so much of the sum as may be necessary, from the state fire and tornado fund, including \$170,000 for a grant to the North Dakota firefighter's association and \$1,003,804 to pay fire and tornado fund administrative expenses for the biennium beginning July 1, 2007, and ending June 30, 2009.

SECTION 8. UNSATISFIED JUDGMENT FUND. Section 3 of this Act includes the sum of \$16,546, or so much of the sum as may be necessary, from the state unsatisfied judgment fund to pay unsatisfied judgment fund administrative expenses for the biennium beginning July 1, 2007, and ending June 30, 2009.

SECTION 9. PETROLEUM TANK RELEASE COMPENSATION FUND. Section 3 of this Act includes the sum of \$108,674, or so much of the sum as may be necessary, from the petroleum tank release compensation fund to pay petroleum tank release compensation fund administrative expenses for the biennium beginning July 1, 2007, and ending June 30, 2009.

SECTION 10. ANHYDROUS AMMONIA STORAGE FACILITY INSPECTION FUND. Section 3 of this Act includes the sum of \$150,000, 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, 2007, and ending June 30, 2009.

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

26.1-01-09. Salary of commissioner. The annual salary of the commissioner is ~~seventy~~ ~~seventy-six thousand seven~~ ~~five hundred thirty-nine~~ ~~eleven~~ ~~dollars~~ through June 30, ~~2006~~ 2008, and ~~seventy-three~~ seventy-nine thousand five hundred sixty-eight seventy-one dollars thereafter.

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.

President of the Senate

Speaker of the House

Secretary of the Senate

Chief Clerk of the House

This certifies that the within bill originated in the Senate of the Sixtieth Legislative Assembly of North Dakota and is known on the records of that body as Senate Bill No. 2010.

Senate Vote: Yeas 45 Nays 0 Absent 2

House Vote: Yeas 88 Nays 0 Absent 6

Secretary of the Senate

Received by the Governor at _____ M. on _____, 2007.

Approved at _____ M. on _____, 2007.

Governor

Filed in this office this _____ day of _____, 2007,
at _____ o'clock _____ M.

Secretary of State