

**FIRST ENGROSSMENT
with Senate Amendments**

Sixty-first
Legislative Assembly
of North Dakota

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 create and enact a new subsection to section
4 26.1-36-23 of the North Dakota Century Code, relating to the continuation of insurance; to
5 amend and reenact section 26.1-01-09 of the North Dakota Century Code, relating to the
6 commissioner's salary; and to declare an emergency.

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

8 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the
9 funds as may be necessary, are appropriated from special funds derived from federal funds
10 and other income, to the insurance commissioner for the purpose of defraying the expenses of
11 that agency, for the biennium beginning July 1, 2009, and ending June 30, 2011, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
12			
13			
14 Salaries and wages	\$5,786,747	\$688,433	\$6,475,180
15 Operating expenses	2,178,377	(76,113)	2,102,264
16 Capital assets	0	170,000	170,000
17 Grants	<u>6,490,000</u>	<u>500,000</u>	<u>6,990,000</u>
18 Total special funds	\$14,455,124	\$1,282,320	\$15,737,444
19 Full-time equivalent positions	46.50	(1.00)	45.50

20 **SECTION 2. APPROPRIATION - TRANSFER - STATE BONDING FUND.** There is
21 appropriated out of any moneys in the insurance regulatory trust fund in the state treasury, not
22 otherwise appropriated, the sum of \$1,000,000, which the office of management and budget
23 shall transfer to the state bonding fund, for the biennium beginning July 1, 2009, and ending
24 June 30, 2011.

1 **SECTION 3. INSURANCE PREMIUM TAX DISTRIBUTION FUND PAYMENTS -**
2 **USES.** Section 1 of this Act includes \$6,820,000 from the insurance premium tax distribution
3 fund, of which \$6,200,000 is for the purpose of making payments to fire departments and
4 \$620,000 is for the purpose of making two equal payments to the North Dakota firefighter's
5 association, for the biennium beginning July 1, 2009, and ending June 30, 2011.

6 **SECTION 4. BONDING FUND.** Section 1 of this Act includes \$41,518 from the state
7 bonding fund to pay bonding fund administrative expenses for the biennium beginning July 1,
8 2009, and ending June 30, 2011.

9 **SECTION 5. FIRE AND TORNADO FUND.** Section 1 of this Act includes \$1,624,159
10 from the state fire and tornado fund, including \$170,000 for a grant to the North Dakota
11 firefighter's association and \$1,454,159 to pay fire and tornado fund administrative expenses,
12 for the biennium beginning July 1, 2009, and ending June 30, 2011.

13 **SECTION 6. UNSATISFIED JUDGMENT FUND.** Section 1 of this Act includes
14 \$24,087 from the state unsatisfied judgment fund to pay unsatisfied judgment fund
15 administrative expenses for the biennium beginning July 1, 2009, and ending June 30, 2011.

16 **SECTION 7. PETROLEUM TANK RELEASE COMPENSATION FUND.** Section 1 of
17 this Act includes \$96,238 from the petroleum tank release compensation fund to pay petroleum
18 tank release compensation fund administrative expenses for the biennium beginning July 1,
19 2009, and ending June 30, 2011.

20 **SECTION 8. ANHYDROUS AMMONIA STORAGE FACILITY INSPECTION FUND.**
21 Section 1 of this Act includes \$150,000 from the anhydrous ammonia storage facility inspection
22 fund to pay for anhydrous ammonia tank inspection costs for the biennium beginning July 1,
23 2009, and ending June 30, 2011.

24 **SECTION 9. AMENDMENT.** Section 26.1-01-09 of the North Dakota Century Code is
25 amended and reenacted as follows:

26 **26.1-01-09. Salary of commissioner.** The annual salary of the commissioner is
27 ~~seventy-six~~ eighty-three thousand five hundred ~~eleven~~ fifty dollars through June 30, ~~2008~~
28 2010, and ~~seventy-nine~~ eighty-seven thousand five ~~seven~~ hundred ~~seventy-one~~ twenty-eight
29 dollars thereafter.

30 **SECTION 10.** A new subsection to section 26.1-36-23 of the North Dakota Century
31 Code is created and enacted as follows:

- 1 a. Notwithstanding any other provision of this section, an employee or member
2 who does not have an election of continuation coverage as described in this
3 section in effect on the effective date of the American Recovery and
4 Reinvestment Act of 2009 [Pub. L. 111-5], but who would be an
5 assistance-eligible individual under title III of the Act if the election were in
6 effect, may elect continuation coverage. The employer or the group
7 policyholder shall provide employees or members with additional written
8 notice of the right to elect coverage under this subsection. The employer or
9 group policyholder shall provide the notice to the employee or member within
10 sixty days of the date of enactment of the American Recovery and
11 Reinvestment Act of 2009 or within fourteen days of the effective date of this
12 Act, whichever is later. The employee or member may make the election in
13 writing no later than sixty days after the date the employer or the group
14 policyholder provides the notice to the employee or member as required by
15 section 3001(a)(7) of the American Recovery and Reinvestment Act of 2009
16 or this subsection.
- 17 b. Continuation coverage elected under this subsection commences with the
18 first period of coverage beginning on or after the date of the reenactment of
19 the American Recovery and Reinvestment Act of 2009 and may not extend
20 beyond the period of continuation coverage that would have been required if
21 the coverage had instead been elected under subsection 4.
- 22 c. The period beginning on the date that the enrollee was involuntarily
23 terminated and ending when the coverage starts must be disregarded for the
24 purpose of determining whether a preexisting condition exclusion period
25 applies.
- 26 d. An employee or member electing continuation under this subsection shall pay
27 to the group policyholder or the employer, on a monthly basis in advance, the
28 amount of contribution required by the policyholder or employer, but not more
29 than the group rate for the insurance being continued under the group policy
30 on the due date of each payment. The employee's or member's written
31 election of continuation, together with the contribution required to establish

1 contributions on a monthly basis in advance, must be given to the
2 policyholder or employer within thirty-one days of the date the employee's or
3 member's insurance would otherwise terminate.

4 e. Continuation of insurance under this subsection terminates at the earlier of
5 the date when the employee or member fails to satisfy subsection 2 or when
6 the employee or member fails to satisfy any requirement of subsection 6.

7 f. Except as otherwise provided in this subsection, this section applies to an
8 employee or member electing continuation coverage.

9 **SECTION 11. EMERGENCY.** Sections 2 and 10 of this Act are declared to be an
10 emergency measure.