

**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 group hospital,
5 surgical, and medical coverage after termination of employment; to amend and reenact section
6 26.1-01-09 of the North Dakota Century Code, relating to the commissioner's salary; and to
7 declare an emergency.

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

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

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

21 **SECTION 2. APPROPRIATION - TRANSFER - STATE BONDING FUND.** There is
22 appropriated out of any moneys in the insurance regulatory trust fund in the state treasury, not
23 otherwise appropriated, the sum of \$1,000,000, which the office of management and budget

1 shall transfer to the state bonding fund, for the period beginning with the effective date of this
2 Act and ending June 30, 2011.

3 **SECTION 3. INSURANCE PREMIUM TAX DISTRIBUTION FUND PAYMENTS -**

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

8 **SECTION 4. BONDING FUND.** Section 1 of this Act includes \$41,518 from the state
9 bonding fund to pay bonding fund administrative expenses for the biennium beginning July 1,
10 2009, and ending June 30, 2011.

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

15 **SECTION 6. UNSATISFIED JUDGMENT FUND.** Section 1 of this Act includes
16 \$24,087 from the state unsatisfied judgment fund to pay unsatisfied judgment fund
17 administrative expenses for the biennium beginning July 1, 2009, and ending June 30, 2011.

18 **SECTION 7. PETROLEUM TANK RELEASE COMPENSATION FUND.** Section 1 of
19 this Act includes \$96,238 from the petroleum tank release compensation fund to pay petroleum
20 tank release compensation fund administrative expenses for the biennium beginning July 1,
21 2009, and ending June 30, 2011.

22 **SECTION 8. ANHYDROUS AMMONIA STORAGE FACILITY INSPECTION FUND.**
23 Section 1 of this Act includes \$150,000 from the anhydrous ammonia storage facility inspection
24 fund to pay for anhydrous ammonia tank inspection costs for the biennium beginning July 1,
25 2009, and ending June 30, 2011.

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

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

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

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

1 policyholder or employer within thirty-one days of the date the employee's or
2 member's election of continuation coverage.

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

6 f. The notification described in subsection 7 is not required for continuation
7 coverage elected under this subsection.

8 g. Except as otherwise provided in this subsection, the provisions of this section
9 apply to an employee or member electing continuation coverage.

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