

**Sixty-first Legislative Assembly of North Dakota
In Regular Session Commencing Tuesday, January 6, 2009**

HOUSE BILL NO. 1010
(Appropriations Committee)
(At the request of the Governor)

AN ACT to provide an appropriation for defraying the expenses of the insurance commissioner; to provide for fund transfers; to provide for making payments of insurance premiums tax collections to fire departments; to create and enact a new subsection to section 26.1-36-23 of the North Dakota Century Code, relating to the continuation of group hospital, surgical, and medical coverage after termination of employment; to amend and reenact section 26.1-01-09 of the North Dakota Century Code, relating to the commissioner's salary; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. 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, 2009, and ending June 30, 2011, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$5,786,747	\$548,923	\$6,335,670
Operating expenses	2,178,377	(115,113)	2,063,264
Capital assets	0	170,000	170,000
Grants	<u>6,490,000</u>	<u>500,000</u>	<u>6,990,000</u>
Total special funds	\$14,455,124	\$1,103,810	\$15,558,934
Full-time equivalent positions	46.50	(1.00)	45.50

SECTION 2. APPROPRIATION - TRANSFER - STATE BONDING FUND. There is appropriated out of any moneys in the insurance regulatory trust fund in the state treasury, not otherwise appropriated, the sum of \$500,000, which the office of management and budget shall transfer to the state bonding fund, for the period beginning with the effective date of this Act and ending June 30, 2011.

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

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

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

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

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

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

SECTION 9. 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-six~~ eighty-three thousand five hundred ~~eleven~~ fifty dollars through June 30, ~~2008~~ 2010, and ~~seventy-nine~~ eighty-seven thousand ~~five~~ seven hundred ~~seventy-one~~ twenty-eight dollars thereafter.

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

- a. Notwithstanding any other provision of this section, an employee or member who does not have an election of continuation coverage as described in this section in effect on the effective date of the American Recovery and Reinvestment Act of 2009 [Pub. L. 111-5], but who would be an assistance-eligible individual under title III of division B of the Act if the election were in effect, may elect continuation coverage. The employer or the group policyholder shall provide employees or members with additional written notice of the right to elect coverage under this subsection within sixty days of the date of enactment of the American Recovery and Reinvestment Act of 2009 or within fourteen days of the effective date of this Act, whichever is later. The employee or member may make the election in writing no later than sixty days after the date the employer or the group policyholder provides the notice to the employee or member.
- b. Continuation coverage elected under this subsection commences with the first period of coverage beginning after February 16, 2009, and may not extend beyond the period of continuation coverage that would have been required if the coverage had instead been elected under subsection 4.
- c. The period beginning on the date that the employee or member was involuntarily terminated and ending when the continuation coverage starts must be disregarded for the purpose of determining whether a preexisting condition exclusion period applies.
- d. An employee or member electing continuation under this subsection shall pay to the group policyholder or the employer, on a monthly basis in advance, the amount of contribution required by the policyholder or employer, but not more than the group rate for the insurance being continued under the group policy on the due date of each payment. The employee's or member's written election of continuation, together with the contribution required to establish contributions on a monthly basis in advance, must be given to the policyholder or employer within thirty-one days of the date the employee's or member's election of continuation coverage.
- e. Continuation of insurance under this subsection terminates at the earlier of the date when the person fails to satisfy subsection 2 or when the person fails to satisfy any requirement of subsection 6.
- f. The notification described in subsection 7 is not required for continuation coverage elected under this subsection.

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

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

Speaker of the House

President of the Senate

Chief Clerk of the House

Secretary of the Senate

This certifies that the within bill originated in the House of Representatives of the Sixty-first Legislative Assembly of North Dakota and is known on the records of that body as House Bill No. 1010 and that two-thirds of the members-elect of the House of Representatives voted in favor of said law.

Vote: Yeas 90 Nays 0 Absent 4

Speaker of the House

Chief Clerk of the House

This certifies that two-thirds of the members-elect of the Senate voted in favor of said law.

Vote: Yeas 47 Nays 0 Absent 0

President of the Senate

Secretary of the Senate

Received by the Governor at _____ M. on _____, 2009.

Approved at _____ M. on _____, 2009.

Governor

Filed in this office this _____ day of _____, 2009,
at _____ o'clock _____ M.

Secretary of State