

**SENATE BILL NO. 2103**

Introduced by

Industry, Business and Labor Committee

(At the request of the Insurance Commissioner)

1 A BILL for an Act to amend and reenact sections 26.1-01-04 and 26.1-01-07 and subsection 2  
2 of section 26.1-15.1-35 of the North Dakota Century Code, relating to fees chargeable by the  
3 insurance commissioner.

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

5 **SECTION 1. AMENDMENT.** Section 26.1-01-04 of the North Dakota Century Code is  
6 amended and reenacted as follows:

7 **26.1-01-04. Service of process upon commissioner - Procedure.**

8 When a consent to service of any process, notice, order, or demand upon the commissioner  
9 is provided under this title, the service is to be in duplicate. The commissioner immediately shall  
10 forward one copy by registered mail to the person against whom the process, notice, order, or  
11 demand is directed at that person's last reasonably ascertainable address and shall file the  
12 other copy in the office of the commissioner. ~~The person serving process upon the~~  
13 ~~commissioner shall pay the fee provided in section 26.1-01-07.~~ The commissioner shall keep a  
14 record of the date and hour of service.

15 **SECTION 2. AMENDMENT.** Section 26.1-01-07 of the North Dakota Century Code is  
16 amended and reenacted as follows:

17 **26.1-01-07. Fees chargeable by commissioner.**

18 1. The commissioner shall charge and collect the following fees:

19 ~~4.~~ a. For filing articles of incorporation, or copies, or amendments thereof, twenty-five  
20 dollars.

21 ~~2.~~ b. For each original certificate of authority issued upon admittance and for each  
22 annual renewal thereof, one hundred dollars and for ~~renewal of certificate of~~  
23 ~~authority~~, amendment to certificate of authority, or certified copy thereof, fifty  
24 dollars.

Sixty-fifth  
Legislative Assembly

- 1       ~~3.~~   c.   For issuing an annual reciprocal exchange license, the same fees as those  
2                   applicable to the issuance of a certificate of authority in subsection 2.
- 3       ~~4.~~   d.   For filing an annual report of a fraternal benefit society, and issuing a license or  
4                   permit to the society, and for each renewal thereof, ~~twenty-five~~one hundred  
5                   dollars.
- 6       ~~5.~~   For filing bylaws or amendments thereof, ~~ten~~ dollars.
- 7       ~~6.~~   For filing of articles of merger, or copies thereof, thirty dollars.
- 8       ~~7.~~   For receiving the service of process as attorney, whether the commissioner is served  
9                   with the process or admits service thereon, ~~ten~~ dollars.
- 10      ~~8.~~   For filing of power of attorney by nonadmitted insurer for conduct of business in  
11                  compliance with surplus lines laws of this state, ~~ten~~ dollars.
- 12      ~~9.~~   e.   For filing an annual statement, twenty-five dollars.
- 13      ~~10.~~ f.   For filing the abstract of the annual statement of an insurance company for  
14                  publication, thirty dollars.
- 15      ~~11.~~ g.   For an official examination, the expenses of the examination at the rate adopted  
16                  by the department. The rates must be reasonably related to the direct and  
17                  indirect costs of the examination, including actual travel expenses, including hotel  
18                  and other living expenses, compensation of the examiner and other persons  
19                  making the examination, and necessary attendant administrative costs of the  
20                  department directly related to the examination and must be paid by the examined  
21                  insurer together with compensation upon presentation by the department to the  
22                  insurer of a detailed account of the charges and expenses after a detailed  
23                  statement has been filed by the examiner and approved by the department.
- 24      ~~12.~~ h.   For issuing a certificate to a domestic insurance company showing a compliance  
25                  with the compulsory reserve provisions of this title and the maintenance of proper  
26                  security deposits and for any renewal of the certificate, ~~ten~~twenty-five dollars.
- 27      ~~13.~~ i.   For a written licensee's examination not administered by the office of the  
28                  commissioner under a contract with a testing service, the actual cost of the  
29                  examination, subject to approval of the commissioner, which must be paid to the  
30                  testing service.



1        3.    However, the commissioner may, after public notice and hearing, increase the fees  
2            authorized by this section for any year if it is determined necessary to generate the  
3            revenue appropriated by the legislative assembly from the insurance regulatory trust  
4            fund to fund budgeted operations for the insurance department. The insurance  
5            commissioner may not implement a fee increase pursuant to this section to enhance  
6            or in any manner add funds to the legislative appropriation for the insurance  
7            department.

8            **SECTION 3. AMENDMENT.** Subsection 2 of section 26.1-15.1-35 of the North Dakota  
9 Century Code is amended and reenacted as follows:

10        2.    Service may be made only upon the commissioner or upon any person in charge of  
11            the commissioner's office. It must be made in duplicate and constitutes sufficient  
12            service upon the society. When legal process against a society is served upon the  
13            commissioner, the commissioner shall forthwith forward one of the duplicate copies by  
14            registered mail, postage prepaid, directed to the secretary or corresponding officer. No  
15            service may require a society to file its answer, pleading, or defense in less than  
16            twenty days from the date of mailing the copy of the service to a society. Legal  
17            process may not be served upon a society except in the manner herein provided. ~~At~~  
18            ~~the time of serving any process upon the commissioner, the plaintiff or complainant in~~  
19            ~~the action shall pay to the commissioner the fee specified in section 26.1-01-07.~~