

FIRST ENGROSSMENT

Sixty-eighth  
Legislative Assembly  
of North Dakota

ENGROSSED SENATE BILL NO. 2010

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the insurance  
2 commissioner; to amend and reenact ~~sections~~ sections 26.1-01-09, 26.1-23.1-02, and  
3 26.1-23.1-06 of the North Dakota Century Code, relating to the salary of the insurance  
4 commissioner; ~~and to provide a transfer~~ and government self-insurance pools; and to provide  
5 for a legislative management report.

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

7 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds  
8 as may be necessary, are appropriated from special funds derived from federal funds and other  
9 income, to the insurance commissioner for the purpose of defraying the expenses of the  
10 insurance commissioner, for the biennium beginning July 1, 2023, and ending June 30, 2025,  
11 as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
14 <del>Salaries and wages</del>	<del>\$8,076,281</del>	<del>\$3,376,478</del>	<del>\$11,452,759</del>
15 <del>Operating expenses</del>	<del>1,507,359</del>	<del>1,396,627</del>	<del>2,903,986</del>
16 <del>Capital assets</del>	<del>0</del>	<del>75,000</del>	<del>75,000</del>
17 <del>Grants</del>	<del>0</del>	<del>2,400,000</del>	<del>2,400,000</del>
18 <del>Total special funds</del>	<del>\$9,583,640</del>	<del>\$7,248,105</del>	<del>\$16,831,745</del>
19 <del>Full-time equivalent positions</del>	<del>38.00</del>	<del>11.00</del>	<del>49.00</del>
20 <u>Salaries and wages</u>	<u>\$8,076,281</u>	<u>\$2,578,635</u>	<u>\$10,654,916</u>
21 <u>Operating expenses</u>	<u>1,507,359</u>	<u>938,278</u>	<u>2,445,637</u>
22 <u>Capital assets</u>	<u>0</u>	<u>147,540</u>	<u>147,540</u>
23 <u>Grants</u>	<u>0</u>	<u>2,400,000</u>	<u>2,400,000</u>

1	<u>Total special funds</u>	<u>\$9,583,640</u>	<u>\$6,064,453</u>	<u>\$15,648,093</u>
2	<u>Full-time equivalent positions</u>	<u>38.00</u>	<u>8.00</u>	<u>46.00</u>

3       **SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO THE**

4       **SIXTY-NINTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding  
5 items approved by the sixty-seventh legislative assembly for the 2021-23 biennium and the  
6 2023-25 biennium one-time funding items included in the appropriation in section 1 of this Act:

7	<u>One-Time Funding Description</u>	<u>2021-23</u>	<u>2023-25</u>
8	Office remodel	\$100,000	\$75,000
9	<u>State fire marshal equipment</u>	<u>0</u>	<u>72,540</u>
10	State flexibility to stabilize the market grant	662,000	0
11	Coal and fossil fuel industry insurance study	200,000	0
12	Reinsurance pool study	200,000	0
13	Retirement leave payouts	0	98,300
14	<del>Total special funds</del>	<del>\$1,162,000</del>	<del>\$173,300</del>
15	<u>Total special funds</u>	<u>\$1,162,000</u>	<u>\$245,840</u>

16       The 2023-25 biennium one-time funding amounts are not a part of the entity's base budget  
17 for the 2025-27 biennium. The insurance commissioner shall report to the appropriations  
18 committees of the sixty-ninth legislative assembly on the use of this one-time funding for the  
19 biennium beginning July 1, 2023, and ending June 30, 2025.

20       **SECTION 3. ADDITIONAL INCOME - APPROPRIATION - REPORTING.** In addition to the  
21 amounts appropriated in section 1 of this Act, any federal funds that become available are  
22 appropriated to the insurance commissioner for the biennium beginning July 1, 2023, and  
23 ending June 30, 2025. The insurance commissioner shall report any additional federal funds  
24 under this section to the office of management and budget and the legislative council.

25       **SECTION 4. AMENDMENT.** Section 26.1-01-09 of the North Dakota Century Code is  
26 amended and reenacted as follows:

27       **26.1-01-09. Salary of commissioner.**

28       The annual salary of the commissioner is one hundred ~~twelve~~thirty thousand ~~two hundred~~  
29 ~~forty-one~~ dollars through June 30, ~~2022~~2024, and one hundred ~~fourteen~~thirty-five thousand  
30 ~~four~~two hundred ~~eighty-six~~ dollars thereafter.

1 ~~—SECTION 5. TRANSFER -- UNSATISFIED JUDGMENT FUND.~~ The office of management  
2 and budget shall transfer any remaining balance from the unsatisfied judgment fund to the  
3 insurance regulatory trust fund on August 1, 2023.

4 ~~—SECTION 6. CONTINGENT EFFECTIVE DATE.~~ Section 5 of this Act is contingent on the  
5 passage of Senate Bill No. 2295 by the sixty-eighth legislative assembly. If this section takes  
6 effect, it becomes effective August 1, 2023.

7 **SECTION 5. AMENDMENT.** Section 26.1-23.1-02 of the North Dakota Century Code is  
8 amended and reenacted as follows:

9 **26.1-23.1-02. Government self-insurance pools not insurers.**

10 Any government self-insurance pool organized under chapter 32-12.1 is not an insurance  
11 company or insurer. The coverages provided by ~~such~~the pools and the administration of  
12 ~~such~~the pools do not constitute the transaction of insurance business. Participation in a  
13 government self-insurance pool under this chapter does not constitute a waiver of any existing  
14 immunities otherwise provided by the constitution or laws of this state. In all respects not  
15 specifically provided for under this chapter, a government self-insurance pool is subject to  
16 chapters 26.1-01, 26.1-02, 26.1-04, 26.1-25, and 26.1-26 relating to insurance companies  
17 generally.

18 **SECTION 6. AMENDMENT.** Section 26.1-23.1-06 of the North Dakota Century Code is  
19 amended and reenacted as follows:

20 **26.1-23.1-06. Pool reserve records confidential - Open records.**

21 1. Information regarding that portion of the funds or liability reserves of a government  
22 self-insured ~~government~~ pool established for purposes of satisfying a specific claim or  
23 cause of action is confidential. A person is not entitled to discover that portion of the  
24 funds or liability reserves established for purposes of satisfying a claim or cause of  
25 action, except that the reserve is discoverable in any supplementary or ancillary  
26 proceeding to enforce a judgment against the pool or a governmental entity  
27 participating in the pool.

28 2. Unless otherwise provided by law, a government self-insurance pool record, as  
29 defined under section 44-04-17.1, is subject to chapter 44-04.