

2025 HOUSE APPROPRIATIONS

HB 1010

DEPARTMENT 401 - INSURANCE COMMISSIONER 2025-27 BASE-LEVEL BUDGET

Base Budget - Summary

	<u>Base Level</u>
Salaries and wages	\$10,746,226
Operating expenses	2,637,667
Grants	<u>2,400,000</u>
Total all funds	\$15,783,893
Less other funds	<u>15,783,893</u>
Total general fund	\$0
Full-time equivalent (FTE) positions	47.00

Selected Base Budget Information

	General Fund	Other Funds	Total
1. Includes funding for state employee salaries and wages for 37 FTE positions	\$0	\$8,541,041	\$8,541,041
2. Includes funding for the State Fire Marshal, of which \$2,205,185 is for salaries and wages for 10 FTE positions and \$549,155 is for operating expenses	\$0	\$2,754,340	\$2,754,340
3. Includes funding for operating expenses, primarily related to travel (\$500,000), professional services (\$559,500), and IT costs (\$862,814)	\$0	\$2,088,512	\$2,088,512
4. Includes funding for payments to the North Dakota Firefighter's Association	\$0	\$2,400,000	\$2,400,000

Continuing Appropriations

State bonding fund - North Dakota Century Code Section 26.1-21-03 - This fund was created to provide fidelity bond coverage to the state and its political subdivisions to protect against the theft of money and property by public officials and employees. Administration of the fund is contracted with the North Dakota Insurance Reserve Fund. For the 2021-23 biennium, the fund had (\$107,436) of revenues, \$16,115 of expenditures, and a June 30, 2023, fund balance of \$3,807,543.

State fire and tornado fund - Section 26.1-22-03 - This fund was created to provide affordable building and business personal property insurance coverage to state entities and political subdivisions. Administration of the fund is contracted with the North Dakota Insurance Reserve Fund. For the 2021-23 biennium, the fund had \$15,682,301 of revenues, \$21,025,676 of expenditures, and a June 30, 2023, fund balance of \$16,300,447.

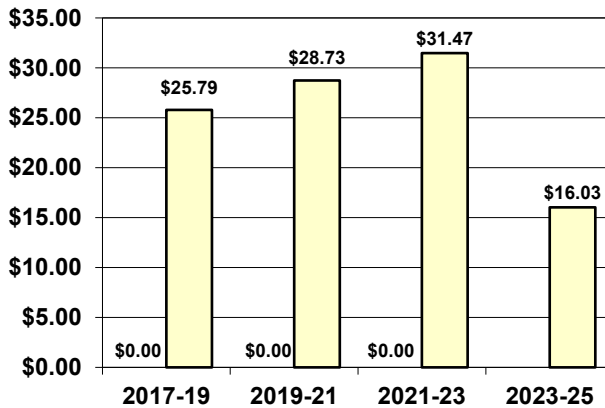
Reinsurance Association of North Dakota - Section 26.1-36.7-12 - Provides a continuing appropriation to the Insurance Commissioner for federal funding received by the Reinsurance Association of North Dakota to administer the invisible reinsurance pool. For the 2021-23 biennium, the Insurance Commissioner received and spent \$39,442,589 of federal funds.

Insurance tax distribution fund - Section 18-04-05 - Provides a continuing appropriation to the Insurance Commissioner for insurance premium taxes collected from the insurance lines identified in Section 18-04-04 and distributed to certified city fire departments, certified rural fire departments, and certified fire protection districts. For the 2021-23 biennium, the fund had \$21,867,640 of revenues, \$21,867,640 of expenditures, and a June 30, 2023, fund balance of \$0.

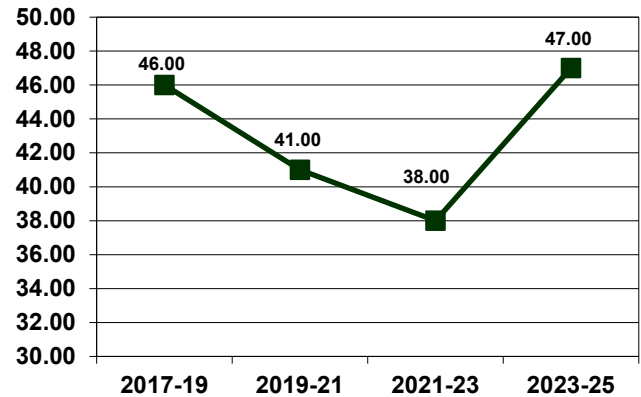
Historical Appropriations Information

Agency Appropriations and FTE Positions

Agency Funding (Millions)



FTE Positions



■ General Fund □ Other Funds

Ongoing Other Funds Appropriations

	2015-17	2017-19	2019-21	2021-23	2023-25
Ongoing other funds appropriations	\$28,026,346	\$25,793,430	\$28,534,703	\$30,312,180	\$15,783,893
Increase (decrease) from previous biennium	N/A	(\$2,232,916)	\$2,741,273	\$1,777,477	(\$14,528,287)
Percentage increase (decrease) from previous biennium	N/A	(8.0%)	10.6%	6.2%	(47.9%)
Cumulative percentage increase (decrease) from 2015-17 biennium	N/A	(8.0%)	1.8%	8.2%	(43.7%)

Major Increases (Decreases) in Ongoing Other Funds Appropriations

2017-19 Biennium

1. Removed 3.5 FTE positions (\$724,448)
2. Reduced funding for operating expenses (\$357,265)
3. Reduced grants to fire departments to provide total ongoing funding of \$14,235,561 from the insurance tax distribution fund (\$1,445,656)

2019-21 Biennium

1. Added 2 new FTE positions, including a consumer assistance outreach coordinator position and a high-risk pool and health care reform coordinator position \$382,502
2. Removed 2 FTE positions and authorized the Insurance Commissioner to contract for the administration of the state fire and tornado fund and the state bonding fund under continuing appropriation authority (\$610,352)
3. Transferred the boiler inspection program, including 4 FTE positions, to the Department of Environmental Quality (\$753,365)
4. Increased funding from the insurance tax distribution fund for grants to fire districts to provide a total of \$17,989,505 for grants to fire departments and \$328,525 to the North Dakota Firefighter's Association \$3,753,944

2021-23 Biennium

1. Added 1 new FTE position for an insurance adjuster \$115,276
2. Removed 4 FTE positions, including a producer licensing division director, senior insurance form rate analyst, insurance company financial analyst, and office assistant (\$786,636)
3. Increased funding from the insurance tax distribution fund for grants to fire districts to provide a total of \$19,588,470 for grants to fire departments and \$1,140,070 to the North Dakota Firefighter's Association \$1,910,510

2023-25 Biennium

- | | |
|---|----------------|
| 1. Transferred 1 FTE position to the Information Technology Department for IT unification, of which (\$226,656) is for decreases in salaries and wages and \$148,164 is for increases in operating expenses | (\$78,492) |
| 2. Added funding for additional operating expenses to provide a total of \$2,088,512 | \$666,505 |
| 3. Transferred funding for the State Fire Marshal from the Attorney General | \$2,162,899 |
| 4. Added 2 new FTE positions for deputy state fire marshals, of which \$407,380 is for salaries and benefits and \$184,061 is for related operating expenses | \$591,441 |
| 5. Removed funding for payments to fire departments now provided as a continuing appropriation | (\$19,588,470) |
| 6. Added funding for North Dakota Firefighter's Association to provide a total of \$2,400,000 | \$1,259,930 |

One-Time Other Funds Appropriations

	2015-17	2017-19	2019-21	2021-23	2023-25
One-time other funds appropriations	\$220,000	\$0	\$200,000	\$1,162,000	\$245,840

Major One-Time Other Funds Appropriations**2017-19 Biennium**

None	\$0
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2019-21 Biennium

- | | |
|-------------------------|-----------|
| 1. Health care analysis | \$200,000 |
|-------------------------|-----------|

2021-23 Biennium

- | | |
|--|-----------|
| 1. State flexibility to stabilize the market grant | \$662,000 |
| 2. Coal and fossil fuel industry insurance study | \$200,000 |
| 3. Reinsurance pool study (House Bill No. 1087) | \$200,000 |

2023-25 Biennium

- | | |
|--|----------|
| 1. Retirement leave payouts for five positions | \$98,300 |
| 2. Office remodel | \$75,000 |
| 3. State Fire Marshal equipment | \$72,540 |



**Insurance Commissioner
Department No. 401
2025 House Bill No. 1010**

**EXECUTIVE BUDGET RECOMMENDATION
2025-27 BIENNIUM**

Budget Summary

	FTE Positions	General Fund	Other Funds	Total
Executive budget recommendation	49.00	\$0	\$17,926,137	\$17,926,137
Base level	47.00	0	15,783,893	15,783,893
Increase (decrease)	2.00	\$0	\$2,142,244	\$2,142,244
Percentage increase (decrease)	4.3%	N/A	13.6%	13.6%

NOTE:

More detailed information on the executive budget recommendation is attached as Appendix A.

A copy of the draft appropriations bill reflecting the executive budget recommendation is attached as Appendix B.

Selected Highlights

- Salary increases of up to 4 percent effective July 1, 2025, and 3 percent effective July 1, 2026
- Health insurance increase of \$250 per month (15.2 percent), from \$1,643 to \$1,893 per employee
- Adds \$644,746 from special funds to replace the 2023-25 new and vacant FTE funding pool
- Adds \$54,018 from special funds for information technology rate increases
- Provides \$463,652 from special funds to add 1.00 FTE attorney position and 1.00 FTE company licensing position
- Adds \$90,000 of **one-time funding** from special funds for equipment
- Provides for a dedicated funding source for the State Fire Marshall's office from insurance premium tax revenue

Deficiency Appropriations

There are no deficiency appropriations for this agency.

Significant Audit Findings

There are no significant audit findings for this agency.

Agency Fees

As reported to the Legislative Management, pursuant to North Dakota Century Code Section 54-35-27, this agency has 52 fees. The agency did not recommend to the Legislative Management any changes to the fees.

Major Related Legislation

House Bill No. 1026 - Transfers the administration of the state bonding fund to the Office of Management and Budget.

House Bill No. 1027 - Transfers the administration of the state fire and tornado fund to the Office of Management and Budget.

House Bill No. 1123 - Increases certain fees by the Insurance Commissioner.

NOTE:

Please see the Fiscal Impact Report for additional information regarding bills under consideration which contain either a state revenue impact, an appropriation, or a state fiscal impact.



Insurance Commissioner - Budget No. 401

Agency Worksheet - House Bill No. 1010

	Executive Budget			
	FTE Positions	General Fund	Other Funds	Total
2025-27 Biennium Base Level	47.00	\$0	\$15,783,893	\$15,783,893
2025-27 Ongoing Funding Changes				
Adjust funding for salaries for cost to continue			\$36,757	\$36,757
Salary increase			556,812	556,812
Health insurance increase			294,259	294,259
Adds funding to replace 2023-25 new FTE pool			407,380	407,380
Adds funding to replace 2023-25 vacant FTE pool			237,366	237,366
Add 1 FTE Professional services position	1.00		263,238	263,238
Add 1 FTE Analyst IV position	1.00		200,414	200,414
Transfer \$83,497 from operating to salaries				0
Add funding for ITD rate increases			54,018	54,018
Total ongoing funding changes	2.00	\$0	\$2,050,244	\$2,050,244
One-Time Funding Items				
One-time FTE cost			\$2,000	\$2,000
Equipment including radios and an x-ray machine			90,000	90,000
Total one-time funding changes	0.00	\$0	\$92,000	\$92,000
Total Changes to Base Level Funding	2.00	\$0	\$2,142,244	\$2,142,244
2025-27 Total Funding	49.00	\$0	\$17,926,137	\$17,926,137
<i>Federal funds included in other funds</i>			\$728,516	

Total ongoing changes - Percentage of base level

4.3%

N/A

13.0%

13.0%

Total changes - Percentage of base level

4.3%

N/A

13.6%

13.6%

Other Sections in Insurance Commissioner - Budget No. 401

Section Description	Executive Budget
Additional income	Section 3 appropriates any additional federal funds that become available to the Insurance Commissioner for the 2025-27 biennium.
Insurance Commissioner salary	Section 5 increases the annual salary of the commissioner by 4 percent in the 1st year of the biennium and 3 percent in the 2nd year of the biennium.
Fire Marshal operating fund	Section 6 creates a special fund designated as the fire marshal operating fund with revenue from insurance premium tax revenue.
Exemption - FTE positions	Section 7 authorizes the insurance commissioner to increase or decrease authorized FTE positions as needed, subject to availability of funds during the biennium, and to report any adjustments to the Office of Management and Budget.

Sixty-ninth
Legislative Assembly
of North Dakota

HOUSE BILL NO.1010
(Governor's Recommendation)

Introduced by

Appropriations Committee

(At the request of the Governor)

A bill for an Act to provide an appropriation for defraying the expenses of the insurance commissioner; to provide an exemption; to enact a new section of North Dakota Century Code; to amend and reenact section 26.1-01-09 of the North Dakota Century Code, relating to the commissioner's salary; and to provide for a report to the legislature.

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, 2025 and ending June 30, 2027, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and Wages	\$10,746,226	\$2,068,015	\$ 12,814,241
Operating Expenses	2,637,667	(15,771)	2,621,896
Capital Assets	0	90,000	90,000
Grants	<u>2,400,000</u>	<u>0</u>	<u>2,400,000</u>
Total Special Funds	\$15,783,893	\$2,142,244	\$17,926,137
Full-time Equivalent Positions	47.00	2.00	49.00

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-NINTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-eighth legislative assembly for the 2023-25 biennium and the 2025-27 one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2023-25</u>	<u>2025-27</u>
Retirement payouts	\$98,300	\$0
Office remodel	75,000	0
State fire marshal equipment	72,540	0
New full time equivalent operating	0	2,000
Equipment	<u>0</u>	<u>90,000</u>
Total Special Funds	\$245,840	\$92,000

The 2025-27 one-time funding amounts are not a part of the entity's base budget for the 2027-29 biennium. The insurance commissioner shall report to the appropriations committees of the seventieth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2025, and ending June 30, 2027.

SECTION 3. ADDITIONAL INCOME – APPROPRIATION - REPORTING. In addition to the amounts appropriated in section 1 of this act, any federal funds that become available are appropriated to the insurance commissioner for the biennium beginning July 1, 2025, and ending June 30, 2027. The insurance commissioner shall report any additional federal funds under this section to the office of management and budget and the legislative council.

SECTION 5. 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 one hundred ~~thirty~~ forty thousand ~~two~~ six hundred and eight dollars through June 30, 2026, and one hundred ~~thirty-five~~ forty-four thousand ~~two~~ eight hundred twenty-six dollars thereafter.

SECTION 6. A new section to chapter 18-01 is created and enacted as follows:

Fire Marshals Operating Fund. There is hereby created a special fund in the state treasury designated “fire marshal operating fund”. Notwithstanding any other provision of law, a portion of the revenue provided in section 23.1-03-17 may be deposited in the fund not to exceed one fiscal year of legislative appropriation or as much needed for operation of the state fire marshal department. Any funds remaining unspent in the fund at the end of the fiscal year may be retained in the fund for future use subject to legislative appropriation.

SECTION 7. TRANSFER - EXEMPTION - FULL-TIME EQUIVALENT POSITION ADJUSTMENTS.

Notwithstanding any other provisions of law, the insurance commissioner may increase or decrease authorized full-time equivalent positions as needed, subject to availability of funds, during the biennium beginning July 1, 2025, and ending June 30, 2027. The insurance commissioner shall report to the office of management and budget and legislative council any adjustments made pursuant to this section.



**Insurance Commissioner
Department No. 401
2025 House Bill No. 1010**

**REVISED EXECUTIVE BUDGET RECOMMENDATION
2025-27 BIENNIUM**

Budget Summary

	FTE Positions	General Fund	Other Funds	Total
Burgum budget recommendation	49.00	\$0	\$17,926,137	\$17,926,137
Revisions - Increase (decrease)	0.00	0	(99,657)	(99,657)
Armstrong budget recommendation	49.00	\$0	\$17,826,480	\$17,826,480
Base level	47.00	0	15,783,893	15,783,893
Increase (decrease)	2.00	\$0	\$2,042,587	\$2,042,587
Percentage increase (decrease)	4.3%	0.0%	12.9%	12.9%

NOTE:

More detailed information on the revised executive budget recommendation is attached as an appendix.

Selected Highlights

- **Salary increases of up to 3 percent effective July 1, 2025, and 3 percent effective July 1, 2026**
- Health insurance increase of \$250 per month (15.23 percent), from \$1,643 to \$1,893, per employee
- Adds \$644,746 from special funds to replace the 2023-25 new and vacant FTE funding pool
- Adds \$54,018 from special funds for information technology rate increases
- Provides \$465,649 from special funds to add 1.00 FTE attorney position and 1.00 FTE company licensing position
- Adds \$90,000 of one-time funding from special funds for equipment

Deficiency Appropriations

There are no deficiency appropriations for this agency.

Significant Audit Findings

There are no significant audit findings for this agency.

Agency Fees

As reported to the Legislative Management, pursuant to North Dakota Century Code Section 54-35-27, this agency has 52 fees. The agency did not recommend any changes to the fees.

Major Related Legislation

House Bill No. 1026 - Transfers the administration of the state bonding fund to the Office of Management and Budget.

House Bill No. 1027 - Transfers the administration of the state fire and tornado fund to the Office of Management and Budget.

House Bill No. 1123 - Increases certain fees by the Insurance Commissioner.

NOTE:

Please see the Fiscal Impact Report for additional information regarding bills under consideration which contain either a state revenue impact, an appropriation, or a state fiscal impact.



Insurance Commissioner - Budget No. 401

Agency Worksheet - House Bill No. 1010

	Armstrong Executive Budget			
	FTE Positions	General Fund	Other Funds	Total
2025-27 Biennium Base Level	47.00	\$0	\$15,783,893	\$15,783,893
2025-27 Ongoing Funding Changes				
Adjust funding for salaries for cost to continue			\$36,700	\$36,700
Salary increase			455,215	455,215
Health insurance increase			294,259	294,259
Adds funding to replace 2023-25 new FTE pool			407,380	407,380
Adds funding to replace 2023-25 vacant FTE pool			237,366	237,366
Add 1 FTE Professional services position	1.00		263,238	263,238
Add 1 FTE Analyst IV position	1.00		202,411	202,411
Transfer \$83,497 from operating to salaries				0
Add funding for ITD rate increases			54,018	54,018
Total ongoing funding changes	2.00	\$0	\$1,950,587	\$1,950,587
One-Time Funding Items				
One-time FTE cost			\$2,000	\$2,000
Equipment including radios and an x-ray machine			90,000	90,000
Total one-time funding changes	0.00	\$0	\$92,000	\$92,000
Total Changes to Base Level Funding	2.00	\$0	\$2,042,587	\$2,042,587
2025-27 Total Funding	49.00	\$0	\$17,826,480	\$17,826,480

Federal funds included in other funds

\$723,685

Total ongoing changes - Percentage of base level

4.3%

N/A

12.4%

12.4%

Total changes - Percentage of base level

4.3%

N/A

12.9%

12.9%

2025 HOUSE STANDING COMMITTEE MINUTES

Appropriations - Government Operations Division Brynhild Haugland Room, State Capitol

HB 1010
1/14/2025

To provide an appropriation for defraying the expenses of the insurance commissioner.

2:21 p.m. Chairman Monson called the meeting to order.

Members Present: Chairman Monson, Vice Chairman Brandenburg, Representative Bosch, Representative Fischer, Representative Meier, Representative Pyle.

Members Absent: Representative Kempenich

Discussion Topics:

- North Dakota Insurance Department budget requests
- NDID FTE breakdown
- ND Fire Marshal Transitions
- Fire Marshal expectations and required training
- Insurance Attorney expectations and required training
- Williston Fire Marshal vacancy
- FTE funding pool
- State bonding fund

2:22 p.m. Jon Godfread, North Dakota Insurance Department, Insurance Commissioner, testified in favor and submitted testimony #29007, #29008, and #29009.

2:58 p.m. Chairman Monson closed the hearing.

Madaline Cooper, Committee Clerk



BUDGET REQUEST


2025-2027 Biennium



NORTH DAKOTA
Insurance Department

Jon Godfread, Commissioner

Insurance.ND.gov • (701) 328-2440 • 600 E Boulevard Ave, Bismarck, ND 58505



ABOUT OUR AGENCY

Our Mission

Safeguarding the promises made to North Dakotans and fostering a fair and thriving marketplace to meet the needs of our consumers and evolving insurance industry.

Our Core Functions



Consumer
Protection



Company &
Producer Licensing



Market Conduct &
Financial Regulation



Product
Regulation

Our Numbers

2,578

Companies
Licensed by the
Department

125,429

Producers
Licensed by the
Department

\$3.3
million

Consumer
Assistance Relief
in 2023

Our Divisions

Property & Casualty

Life & Health

Administrative

Producer Licensing

Fraud

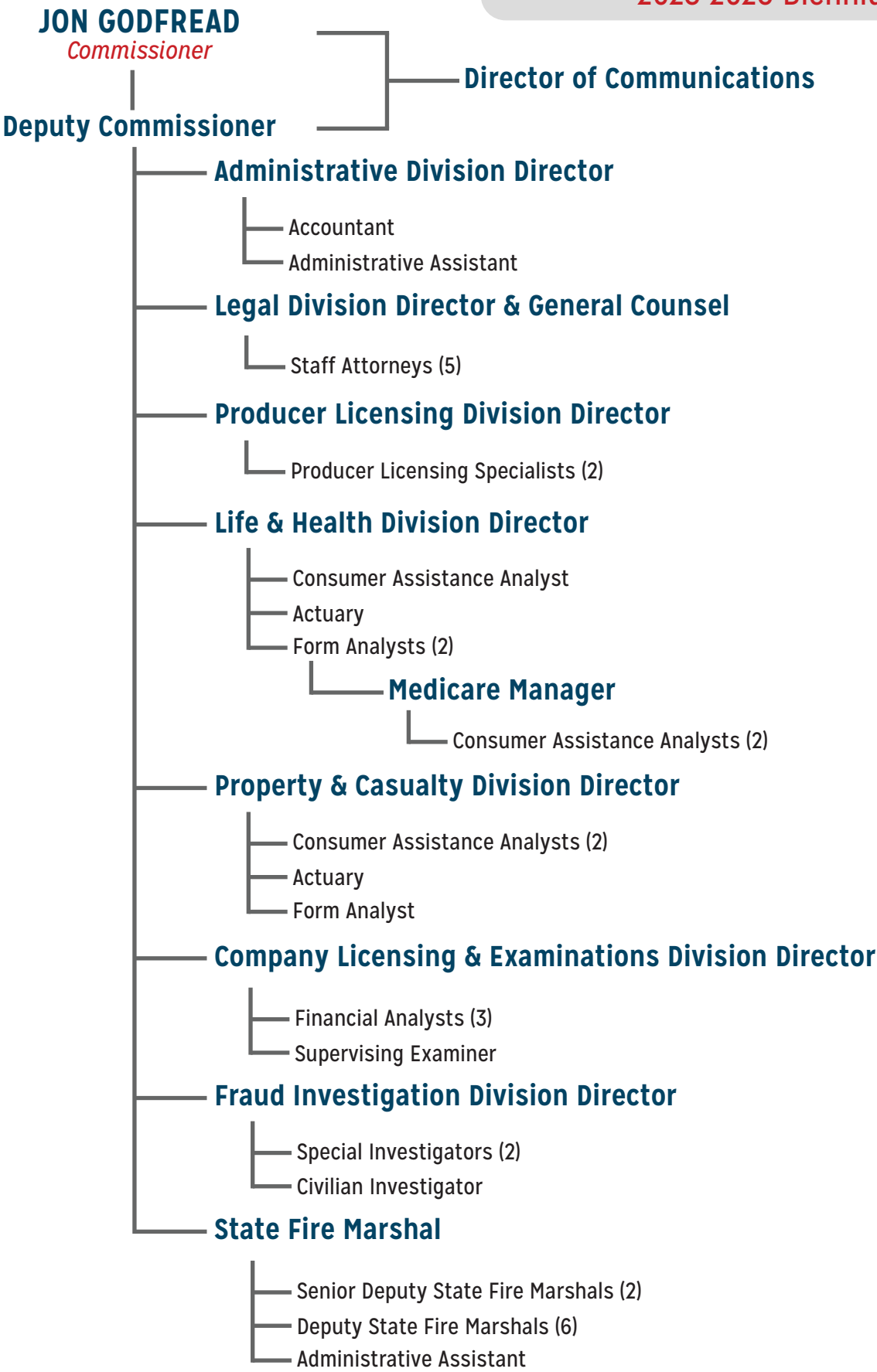
Legal

Company Licensing & Examinations

State Fire Marshal

ORGANIZATIONAL CHART

2023-2025 Biennium



BUDGET BY DIVISION



OFFICE OF THE STATE FIRE MARSHAL



Transition Successes

Increased focus on Community Risk Reduction (CRR) initiatives.

Launch of dedicated website and social media channels.

Integrated Deputy Fire Marshal offices into local fire halls.

7 of 8 Deputy positions have been filled.

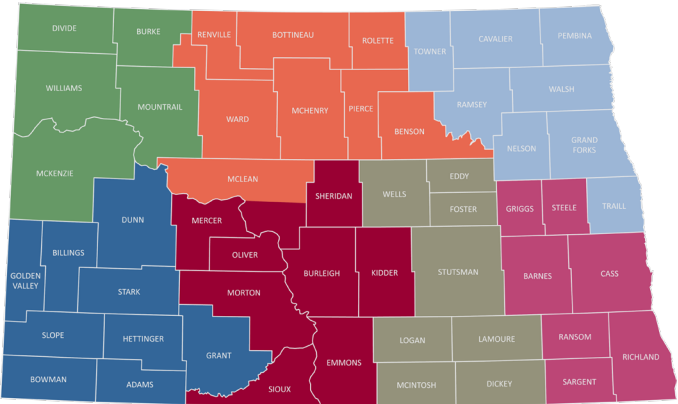
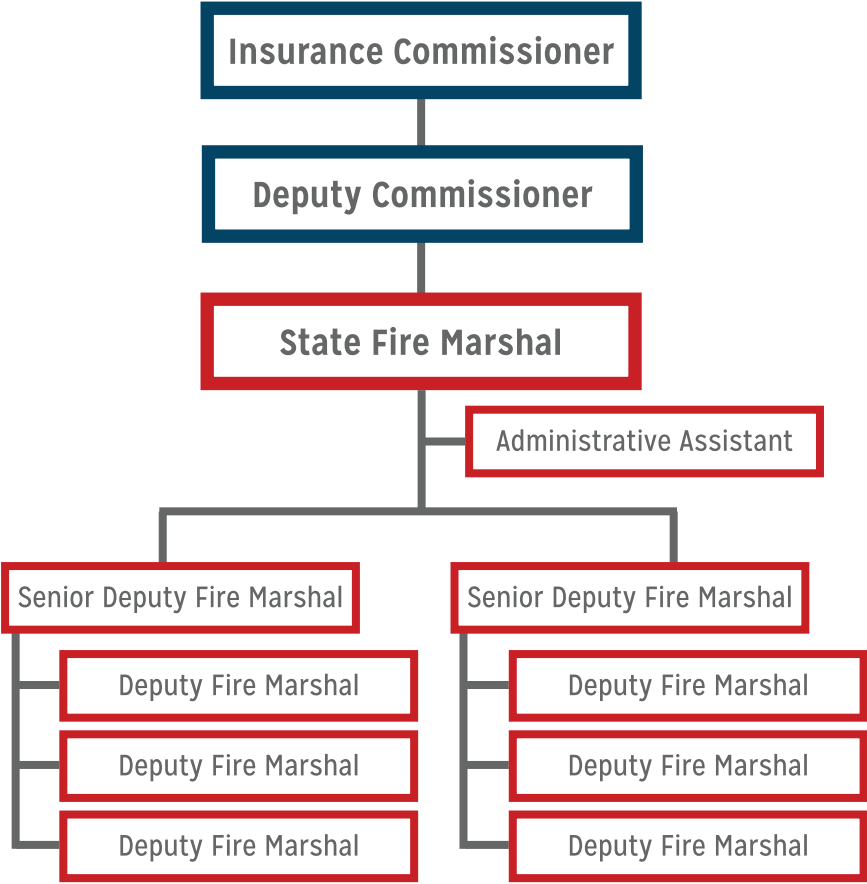
59% decrease in fire districts with ISO 10 ratings since 2023.

Increase in fire districts reporting incidents.

The State Fire Marshal is responsible for enforcing state laws relating to the storage, sale, and use of combustibles and explosives, installation and maintenance of automatic or other fire alarms and fire extinguishing equipment, and for inspections of State buildings, public and private schools, child care facilities, and licensed liquor establishments.

From statehood to the 1960s, the State Fire Marshal reported to the Insurance Commissioner. To focus on arson investigations and fire-related crimes, the Fire Marshal's office was moved to the Office of the Attorney General. In 2023, the 68th Legislative Assembly approved legislation (SB 2211) that moved the Office of the State Fire Marshal back to the Insurance Department.

Today, the State Fire Marshal is appointed by the Insurance Commissioner. The Office of the State Fire Marshal is a division within the North Dakota Insurance Department.



Deputy Fire Marshal Locations

- West Fargo
- Jamestown
- Bismarck
- Dickinson
- Williston
- Minot
- Grand Forks

BUDGET REQUEST AT-A-GLANCE

25-27 Budget Request

Description	Requested Amount	% Change from 23-25**
Salaries & Benefits	\$12,723,358*	11.83%
Operating	\$2,635,603	-0.08%
Capital Assets	\$90,000	-61%
NDFA Pass-through	\$2,400,000	0%

*Not accounting for legislative increases.

**Percentage changes are based on appropriated amounts.

Requested FTEs

Salary & fringe benefits included.




Company Financial Analyst

\$194,536



Communications Specialist

\$177,606



Staff Attorney

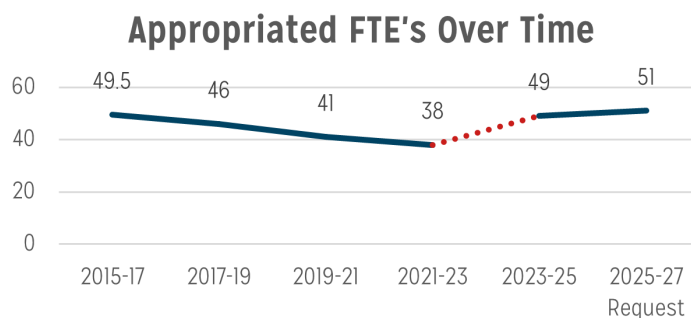
\$257,408



Consumer Assistance Analyst

\$199,370

Appropriated FTE History



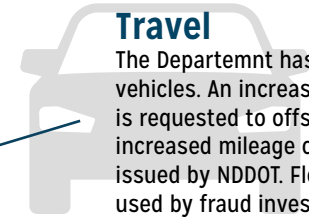
*Ten FTEs were added due to the transfer of the State Fire Marshal from the Attorney General.



Retirement & Overtime

Due to anticipated retirements by long-time team members and the overtime accrued by the State Fire Marshal division, \$83,250 is requested to meet those obligations.

OPERATIONS BREAKDOWN



Travel

The Departemnt has nine fleet vehicles. An increase in funds is requested to offset the 69% increased mileage charge being issued by NDDOT. Fleet vehicles are used by fraud investigators and deputy fire marshals.

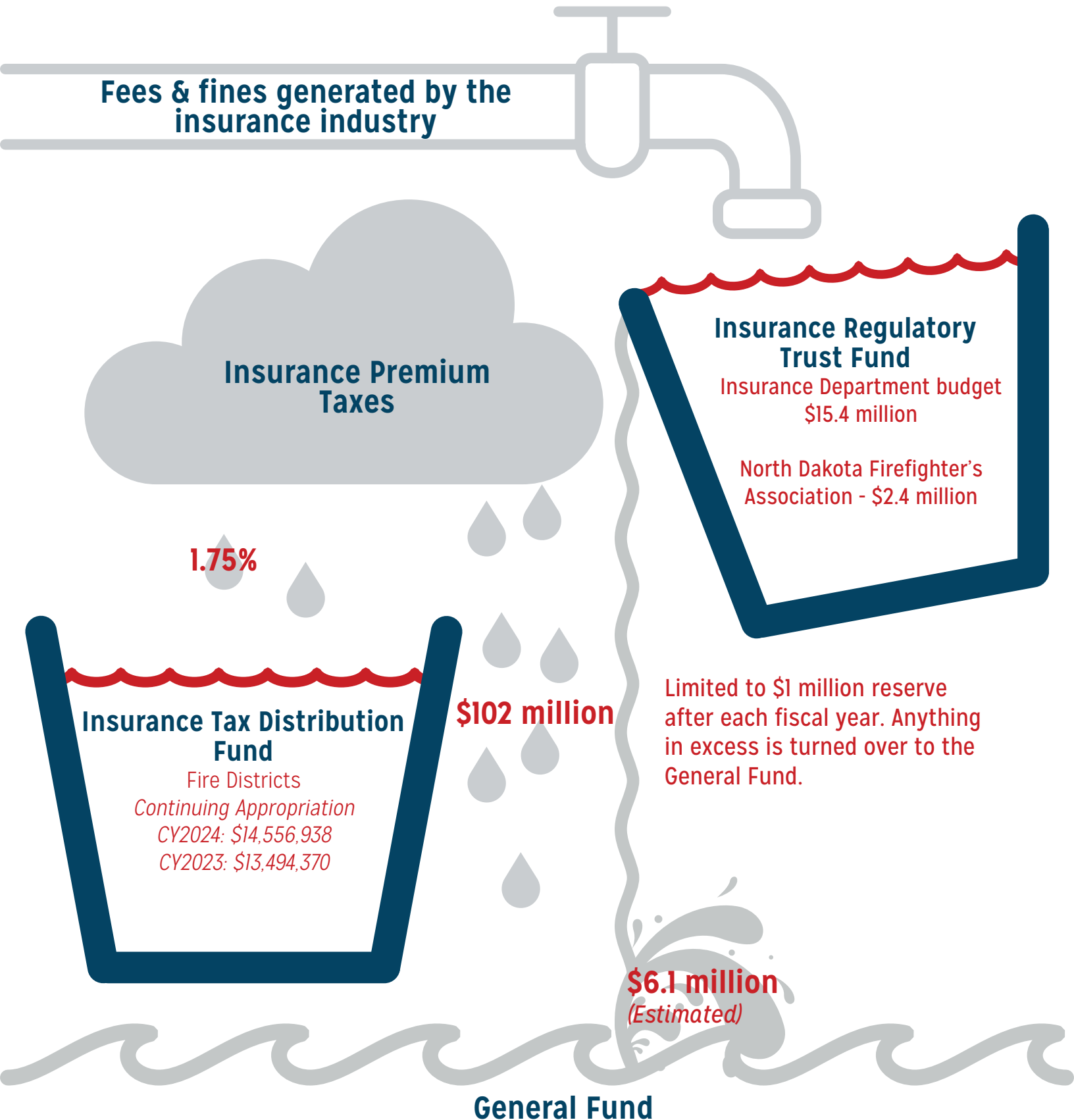
Travel	\$ 645,058
IT - Software/Supplies	\$ 37,150
Professional Supplies	\$ 33,222
Safety	\$ 35,001
Building Supplies	\$ 1,200
Miscellaneous Supplies	\$ 15,700
Office Supplies	\$ 10,080
Postage	\$ 2,959
Printing	\$ 17,098
IT Equipment under \$5,000	\$ 11,401
Other Equipment under \$5,000	\$ 15,600
Office Equipment/Furniture under \$5,000	\$ 19,651
Insurance	\$ 11,090
Rental/Leases - Equipment/Other	\$ 4,320
Rental/Leases - Building & Land	\$ 320,080
Repairs	\$ 6,959
IT - Data Processing	\$ 555,376
IT - Communications	\$ 108,396
IT - Contract Service/Repair	\$ 7,200
Professional Development	\$ 125,066
Operating Fees and Services	\$ 95,599
Professional Services	\$ 539,400

IT

The Department is seeking additional funds to offset the increased expenses from NDIT. This includes an 11% increase in data processing fees, 26% increase in phone usage fees, and 20% increase in technology support fees. These charges are required by NDIT.

Total	\$ 2,635,603
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FUNDING SOURCES



BUDGET REQUEST

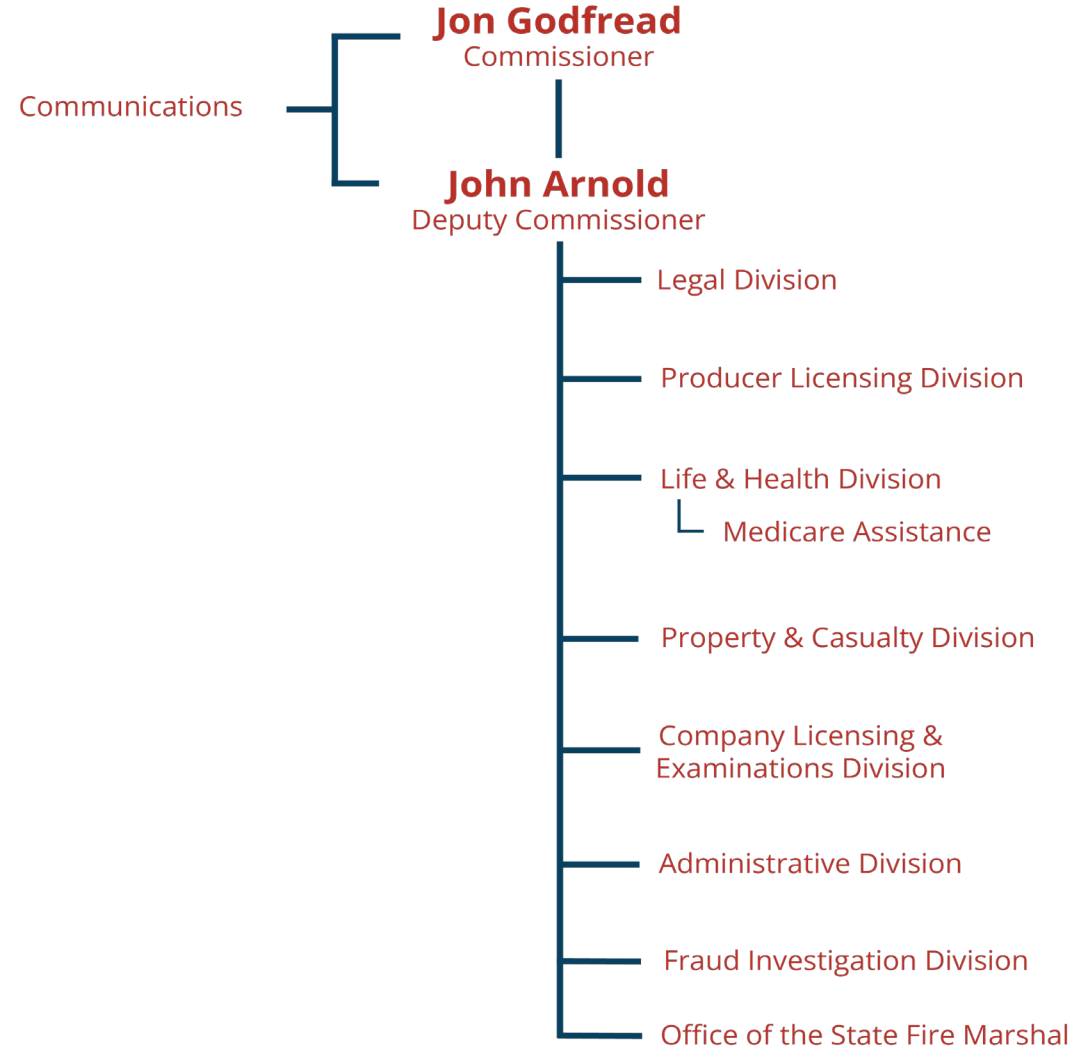
2025-2027 Biennium



NORTH DAKOTA
Insurance Department

Jon Godfread, Commissioner

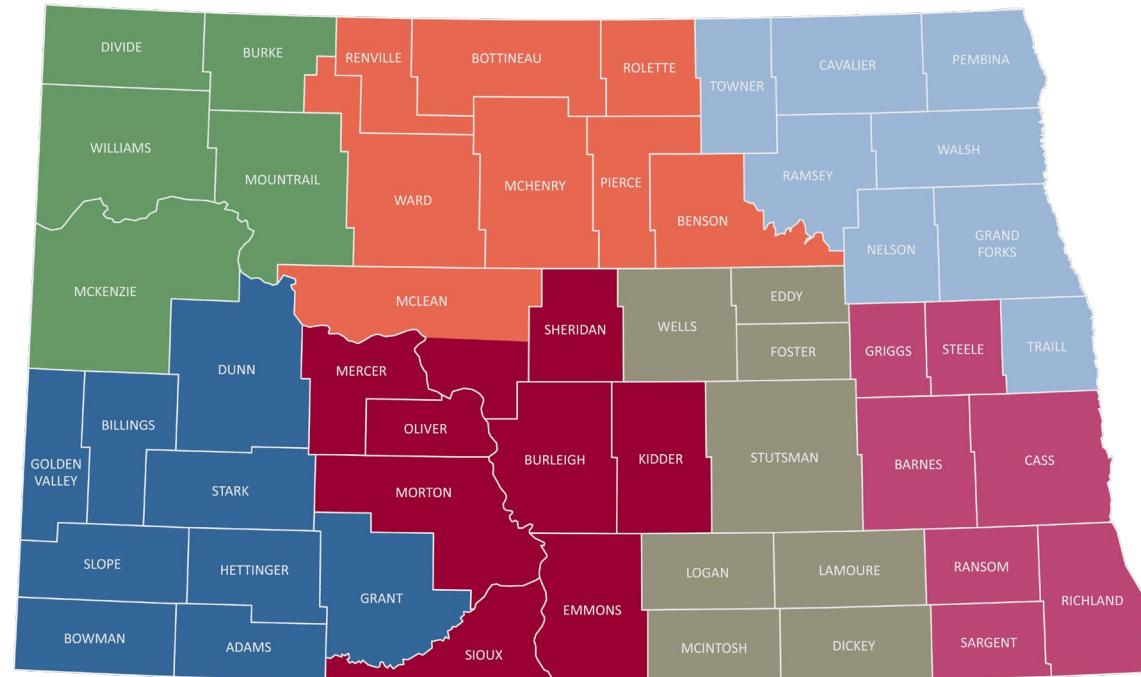
Organizational Chart



State Fire Marshal Transition



Deputy FM Districts



Targeted Salary Equity



**Deputy Fire
Marshals**

\$45,000*

included in executive budget



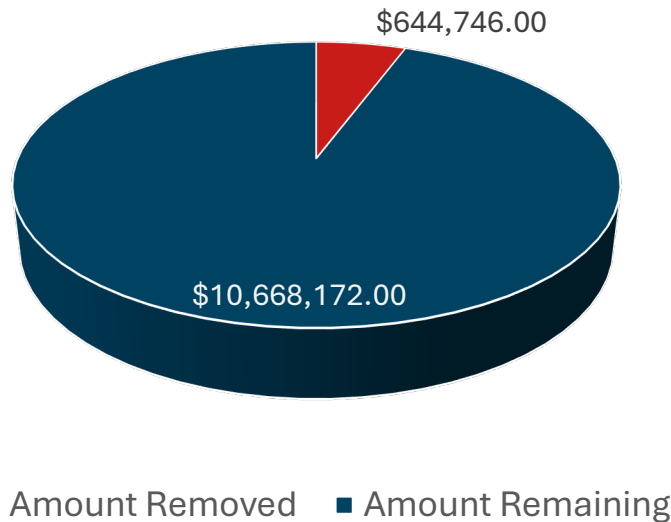
Attorneys

\$255,000*

not included in executive budget



FTE Funding Pool



Reconsideration Requests

- › Address specific agency concerns
- › Exempt independently elected agencies from FTE Funding Pool.

Practical Reality

- › 3 positions approved in Summer 2023
- › If all positions were filled, there would be a shortfall
- › Interpretation discrepancies by Legislative Council & OMB

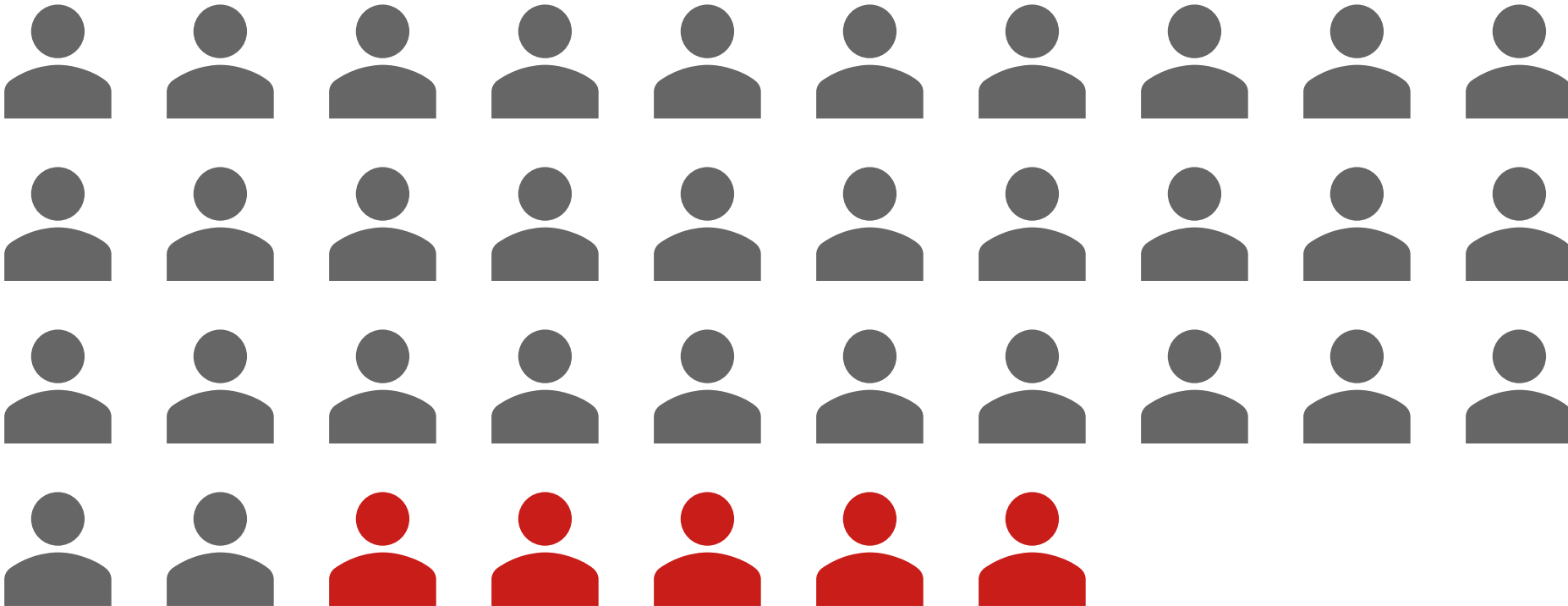
Existing Safeguards

- › Reporting salary increases over 15%.
- › Disclosure of bonuses to the Employee Benefits Committee.
- › Legislative increase averages for state agencies.



FTE Count

47 FTEs 5 Vacancies* 11% Vacancy Rate



*As of 1/14/2025

Budget Request



Description	Requested Amount	Change from 23-25**
Salaries & Benefits	\$12,723,358*	11.83%
Operating	\$2,635,603	-0.08%
Capital Assets	\$90,000	-61%
NDFA Funding	\$2,400,000	0%
FTEs	51	+4

*Not accounting for legislative increases.

**percentage changes are based on appropriated amounts.



Fire & Tornado Fund & Bonding Fund



Prior to 2019:

Department
administered both
programs.



Since 2019:

NDIRF administered
both programs with
Department oversight.



Proposed this session:

Transfer oversight to
OMB.



Property Insurance Market Study



ND Incentive
Program

ND Purchasing
Group Statutes

Large
Commercial
Risks Rebates

Delegation Agreement for Insurance
Holding Company Statements

ND Surplus Lines
Laws

Property Insurance Reforms to Address Social Inflation





NORTH DAKOTA

Insurance Department

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TESTIMONY

Jon Godfread, Insurance Commissioner

House Appropriations Committee, Government Operations Division

January 14, 2025

Good Afternoon, Chairman Monson, and members of the Government Operations Budget Section. For the record, my name is Jon Godfread, Insurance Commissioner for the State of North Dakota. Thank you for the opportunity this afternoon to present our budget bill, we know that we are at the very beginning of this conversation but appreciate the opportunity to provide an overview of our Department and our 2025-27 budget request.

Agency Organizational Chart and Major Programs

To begin, let me provide an overview of our agency's organizational structure and the major programs we manage. The Insurance Department consists of eight divisions, each critical to fulfilling our mission of ensuring the insurance needs of North Dakotans are met. Below is a summary of these divisions and their respective FTEs:

- **Legal Division (6 FTEs):** Includes a General Counsel and five attorneys who provide legal support, enforce insurance laws, and handle administrative litigation.
- **Life and Health Division (8 FTEs):** Responsible for consumer assistance and rate/form filings. This division also administers the State Health Insurance Assistance Program (SHIP), offering Medicare counseling and resolving insurance issues while ensuring compliance with state laws.
- **Property and Casualty Division (5 FTEs):** Manages rate and form filings and assists consumers with property and casualty insurance matters.
- **Producer Licensing Division (3 FTEs):** Oversees licensing for over 114,000 insurance producers, ensuring regulatory compliance.
- **Company Licensing and Examinations Division (5 FTEs):** Monitors the financial health of more than 2,500 insurance entities.
- **Fraud Division (4 FTEs):** Includes peace officers and investigators dedicated to combating insurance fraud.
- **Administration Division (6 FTEs):** Handles internal operations, including budget management, accounting, and human resources.
- **State Fire Marshal's Office (10 FTEs):** Transferred from the Attorney General's office in 2023, this division focuses on fire safety enforcement and local fire department support.

Achievements and Challenges of the Fire Marshal's Office Transition:

Since the State Fire Marshal's Office transitioned to the Insurance Department in July 2023, we've made significant strides in operational efficiency and support for local fire departments. Two new Deputy Fire Marshal positions were successfully filled in Devils Lake and Jamestown. Despite challenges in hiring for Williston, we strategically addressed staffing needs by reclassifying the Chief Deputy Fire Marshal role into a Deputy Fire Marshal position in Jamestown. This adjustment also allowed for career growth with the creation of Senior Deputy Fire Marshal positions, enhancing coverage and response capabilities statewide.

Additionally, legislative changes under SB 2211 provided the North Dakota Firefighters Association (NDFA) with stable funding of \$2.4 million per biennium from the Insurance Regulatory Trust Fund. This has enabled NDFA to improve services, hire essential staff, expand regional fire schools, and develop advanced training opportunities, such as Officer I and Driver/Operator certifications. These advancements have elevated fire safety and preparedness across North Dakota.

In 2023, fire district funding from the Insurance Tax Distribution Fund increased to \$13.5 million—a 37.8% rise compared to the previous year—and grew further to \$14.5 million in 2024. While these investments are critical, they have highlighted the need for greater resources for equipment maintenance and instructor recruitment to meet rising demands.

Addressing Financial and Operational Inefficiencies:

Despite our successes, the combination of transitioning the Fire Marshal's Office and implementing NDFA funding created cash flow challenges due to the Insurance Regulatory Trust Fund's \$1 million reserve limit. Although we anticipated this issue, our initial request to increase the reserve level was removed early in the legislative process, given the complexities of SB 2211.

To address this, we have introduced HB 1123, which aims to modernize outdated fees and fines, ensuring they reflect the true administrative costs of regulatory functions. This bill was recently heard in the House Industry, Business, and Labor Committee where it received favorable support and is now set to move to appropriations.

In the event that HB 1123 does not pass, we will pursue an increase in the Insurance Regulatory Trust Fund reserve from \$1 million to \$3 million. However, we are optimistic that the amendments made to the bill will be acceptable to all interested parties, and we remain committed to finding a solution that aligns with the needs of both the department and the broader community.

Furthermore, we have introduced SB 2090 to eliminate redundant billing between state agencies and the State Fire Marshal, a system that creates inefficiencies and undermines operational effectiveness. Streamlining these financial operations will reduce duplications, resolve timing issues, and allow us to focus on our mission of protecting North Dakotans without being hampered by cash flow disruptions.

Targeted Salary Equity:

To attract and retain talent, the department has utilized the targeted market equity funding pool to adjust salaries for 11 key positions, addressing competitive disparities and ensuring staff are compensated fairly for their experience and responsibilities. For the upcoming biennium, we are requesting an additional equity package totaling \$300,000 to address salary gaps for Deputy Fire

Marshals (\$45,000) and attorneys (\$255,000). These adjustments are critical to maintaining a skilled workforce capable of meeting the department's increasing responsibilities.

High-quality Deputy Fire Marshals are essential to safeguarding the safety and well-being of North Dakota communities. These individuals perform a wide range of vital functions, including enforcing fire safety codes, conducting inspections of public and private facilities, investigating the causes of fires, and supporting local fire departments in training and preparedness. Their expertise not only helps prevent fires but also mitigates risks to life and property, ensuring a safer environment for all North Dakotans.

The role of a Deputy Fire Marshal demands a unique combination of technical knowledge, investigative skills, and an understanding of fire science and building codes. This specialization makes finding qualified candidates challenging, especially in rural or underserved areas of the state. Once hired, these professionals undergo extensive training to develop the expertise required to carry out their responsibilities effectively, making retention a top priority to avoid the costly and time-intensive process of training new personnel. The unique economic environment in Williston, particularly influenced by the cost of living and regional demand, has proven to be a significant hurdle in attracting qualified candidates. Despite our best efforts to offer competitive compensation, we've had two offers turned down due to the starting salary not aligning with the high living expenses associated with the area. This has led us to re-evaluate our approach to compensation in the area, considering how we can remain competitive and attract the right candidates, while still maintaining fiscal responsibility.

Similarly, the need for specialized attorneys within our department cannot be overstated. Insurance law is a complex and nuanced area, and attorneys who work in this space require extensive training and time to develop the expertise necessary to navigate regulatory frameworks, consumer protection issues, and market compliance. This training investment, combined with the attorneys' acquired expertise, makes them highly attractive to private market insurance companies, which are often able to offer more competitive salaries.

While we would never begrudge one of our state's insurance companies for recruiting the highly skilled and trained attorneys we produce, this dynamic places significant pressure on the department to remain competitive in terms of compensation. The private sector and other states often offer financial packages that far exceed what we can provide under current salary structures. If we are unable to offer competitive compensation, we risk losing these critical professionals to opportunities outside the department, resulting in operational disruptions and increased training costs for replacements.

Investing in an attorney equity package is not just about retaining staff; it is about ensuring continuity and maintaining the high standards of regulatory oversight and consumer protection that the people of North Dakota expect and deserve. Addressing these salary gaps will allow us to attract and retain attorneys who are not only knowledgeable but also dedicated to public service.

By addressing the salary needs of both Deputy Fire Marshals and attorneys, we aim to strengthen our workforce and ensure that the department remains capable of meeting its growing responsibilities. These investments in equity are an investment in public safety, consumer protection, and the overall well-being of North Dakotans.

FTE Funding Pool:

I'd like to take a moment to discuss the FTE Funding Pool, a program introduced with good intentions but one that has presented challenges for our agency. At the conclusion of the 68th legislative session, \$644,746 was removed from the Department's salary and benefits authority, leaving us with \$10,668,172 to operate—before accounting for additional salary items. We were informed that we could request the full amount back through the FTE Funding Pool, but only under specific stipulations.

Unfortunately, our experience with this process has not aligned with those initial expectations. We were able to request \$532,798 for three positions—two in July 2023 and one in August 2023—but discrepancies arose in the interpretation of the program between legislative council and the Office of Management and Budget (OMB). This left our agency caught in the middle, trying to navigate a process that was more restrictive than anticipated. We were effectively given a \$111,948 shortfall on July 1st, at the start of our budget if all our positions would've been filled. I do not think this was the intention of the legislature, but unfortunately it was the practical reality.

Thanks to savings achieved through vacancies and internal reorganization, we managed to avoid a potential shortfall by the end of the biennium. However, this situation has forced us to keep certain positions vacant just to maintain operational flexibility. While we've adapted, this is not a sustainable solution and detracts from our ability to fully meet the needs of North Dakotans.

Throughout this process, I have been transparent with the appropriations committees about our staffing decisions, including providing industry data to justify these moves. The Legislature has already implemented robust safeguards to ensure salary benefits are used appropriately, such as requiring reporting of cumulative salary increases over 15%, disclosing bonuses to the Employee Benefits Committee, and setting legislative increase averages for state agencies. In my view, these existing mechanisms are more than adequate to prevent any misuse of salary funds.

The FTE Funding Pool, while designed to address valid concerns, has not fully accounted for the unique needs of smaller agencies like ours or the operational realities of larger ones. This has placed additional constraints on our ability to manage staffing effectively, creating unnecessary challenges that could impact our long-term efficiency.

I would respectfully ask that the Legislature reconsider this approach during the upcoming session. If there are concerns about how certain agencies manage vacant positions or salary dollars, I encourage addressing those issues directly with the agencies involved, rather than implementing a one-size-fits-all solution that limits the flexibility of all state agencies.

As an elected official, I have a duty to uphold the responsibilities of this office and ensure our department operates effectively. I am accountable to this body and, ultimately, to the people of North Dakota. Given the structure of independently elected agencies, I would ask that they be exempted from the FTE Funding Pool. From my understanding, most of the concerns the program seeks to address stem from agencies without the same level of direct accountability to the public.

Budget Overview:

The North Dakota Insurance Department plays a vital role in protecting the financial and personal well-being of every resident, and our budget request is both measured and essential to sustaining that mission.

We currently operate with 47 FTEs, with five vacant positions as of today. We are in the process of hiring some of these positions. For the upcoming biennium, we are requesting an increase in our base budget for salaries and fringe benefits. This request reflects the evolving demands placed on our agency and is driven primarily by our proposal to add four new FTEs. These positions will strengthen key areas where our responsibilities have expanded, including support for the Fire Marshal's office, regulatory oversight, and consumer protection.

Our total salary and wage request of **\$12,723,358** includes necessary adjustments to ensure we can retain and attract skilled personnel, address critical reclassifications, anticipate retirements, and account for overtime—all essential for maintaining operational efficiency. Importantly, these numbers will need to reflect any legislative increases supported by this body, as well as any additional funding agreed upon for the proposed attorney equity adjustments.

I want to emphasize the steps we have taken to identify and implement cost-saving measures. On the operations side, we have slightly reduced our operational budget by .08% from the current biennium due to these efficiencies. However, certain cost drivers, such as fleet management and ITD data processing, continue to increase, and we must account for these rising expenses to avoid operational disruptions. In total, with the addition of the four new ftes, we are asking for \$2,635,603 in operating.

Additionally, we are requesting capital asset funding of \$90,000 to support critical upgrades in both the Fraud Division and the Fire Marshal's office. These investments are necessary to ensure our teams have the tools and resources to meet the demands of a modern regulatory environment.

In total, our budget request for the 2025–2027 biennium amounts to **\$17,848,961**, and 51 total ftes inclusive of all operational and personnel expenditures before incorporating any legislative increases or additional funding mechanisms. This is a lean, necessity-driven budget that prioritizes maintaining and enhancing the core functions of our department.

The Insurance Department's impact extends far beyond these numbers. Whether ensuring the financial solvency of insurance companies, combating fraud, or improving fire safety, our work touches every community in North Dakota. Meeting these challenges requires a commitment to attracting and retaining the best talent, especially in highly specialized areas like insurance law and fire safety.

We are deeply committed to maintaining the highest standards of service for the people of North Dakota. This budget reflects the resources needed to meet today's demands while preparing for the challenges of tomorrow. I respectfully urge your support as we work together to safeguard the people and assets of our great state.

Status of the State Fire and Tornado Fund and State Bonding Fund

The State Fire and Tornado Fund and the State Bonding Fund have been effectively administered through our partnership with the North Dakota Insurance Reserve Fund (NDRF) since changes

implemented during the 66th Legislative Assembly. This collaboration has successfully addressed potential conflicts of interest while enhancing coverage accuracy and reducing risks for public property.

Building on this success, two bills—**HB 1026 (Bonding)** and **HB 1027 (F&T)**—have been introduced at the request of the Government Finance Interim Committee to transfer oversight of these funds from the Insurance Department to the Office of Management and Budget (OMB), specifically under Risk Management. I support this move as it represents a logical next step in streamlining fund administration, removing regulatory conflicts, and aligning these functions more closely with OMB's core responsibilities.

The proposed transition would not only ensure continued efficient management but also maintain the integrity and effectiveness of these critical programs. We look forward to working with this body to make this shift a reality, as it will benefit all stakeholders involved.

Proactive Steps for a Stronger Insurance Market

In collaboration with this body, the Department has taken proactive measures to make North Dakota a more attractive state for insurance companies to invest capital. At the June 19 Budget Section meeting, we requested \$1.5 million to fund four studies aimed at strengthening the property and casualty insurance market in the state.

The proposed property insurance market reform study highlights potential legislative initiatives aimed at increasing access to capital in the insurance market. These changes are designed to attract more insurance activity, apply downward pressure on rates, and improve access to property insurance. Key proposals include:

1. **ND Incentive Program:** Introduces a clarification in the "Earned Capital" section to either include a hearing requirement or, preferably, state that no hearing is required and the Commissioner's determination is final. This would be addressed as a separate bill.
2. **Delegation Agreement for Insurance Holding Company Systems:** Adds a requirement for prior approval of delegation agreements by the Insurance Commissioner.
3. **Large Commercial Risks Rebates:** Allows rebates specifically for "large commercial risks," encouraging more flexibility in the market.
4. **ND Purchasing Group Statutes:** Proposes updates to enhance the functionality and effectiveness of the statutes.
5. **ND Surplus Lines Laws:** Seeks amendments to improve surplus lines regulations and increase market responsiveness.
6. **Property Insurance Reforms to Address Social Inflation:** Targets mandatory arbitration clauses by ensuring insured parties are informed about policies that do not require binding arbitration. Insurers would also be mandated to notify insureds that such alternative policies are available.

These reforms aim to foster a more competitive and accessible insurance environment while mitigating rising property insurance costs for consumers. Discussions with Senate and House IBC and IBL Committee leadership are ongoing to assess interest in advancing these bills.

While these initiatives offer long-term solutions, they do not provide immediate relief for County Mutuals currently facing reinsurance challenges. These companies still have tough decisions to make, but we are hopeful that the steps we are taking now will position North Dakota as an attractive and stable environment for insurance and reinsurance investment in the future.

I want to thank you for your engagement in this process. My team and I are ready to answer any questions, provide additional details, or delve into specific line items as needed. We recognize that this is just the beginning of the budget process, and we are committed to working collaboratively with you to ensure a clear understanding of our priorities and needs.

Trust and transparency are the cornerstones of effective governance, and that includes presenting a budget that is driven by necessity, not by desire. Throughout my tenure, I have demonstrated a steadfast commitment to fiscal responsibility. In the past, I have made significant voluntary cuts to our budget—not because they were mandated, but because they were the right thing to do. We identified and eliminated spending in areas where it wasn't essential, always keeping the efficient use of taxpayer dollars at the forefront of our decisions.

Now, as we seek to strategically grow our department in response to increased demands, I ask that you consider this history of prudence. Our request is not for more than what is necessary to meet the mission entrusted to us by this body and the people of North Dakota. It reflects a careful balance between maintaining operational efficiency and addressing the evolving needs of our state.

I appreciate your thoughtful consideration of the challenges and opportunities we've discussed today. I look forward to continuing this partnership as we work together to achieve our shared goal of serving North Dakota's citizens effectively and responsibly. Thank you for your time, your support, and your commitment to this process. I am happy to answer any questions or provide further details as needed.

2025 HOUSE STANDING COMMITTEE MINUTES

Appropriations - Government Operations Division Brynhild Haugland Room, State Capitol

HB 1010
1/22/2025

A BILL for an Act to provide an appropriation for defraying the expenses of the insurance commissioner.

8:34 a.m. Chairman Monson called the meeting to order.

Members Present: Chairman Monson, Vice Chairman Brandenburg, Representatives: Bosch, Fisher, Kempenich, Meier, Pyle.

Discussion Topics:

- Bill Carriers for Government Operations
- Insurance Commissioner Overview Budget
- Insurance Commissioner in FTE pool
- Insurance Commissioner attorney team
- Budget requests of Insurance Commissioner
- ND building insurance and process
- North Dakota Insurance Reserve Fund (NDIRF)
- Insurance Commissioner involvement with NDIRF

8:41 a.m. Jon Godfreed, Insurance Commissioner, North Dakota Insurance Department, testified in favor and submitted testimony #30701.

Additional written testimony:

Adam Mathiak, Fiscal Analyst, Legislative Council, submitted neutral testimony #30724.

10:05 a.m. Chairman Monson adjourned the meeting.

Madaline Cooper, Committee Clerk

BUDGET REQUEST

2025-2027 Biennium



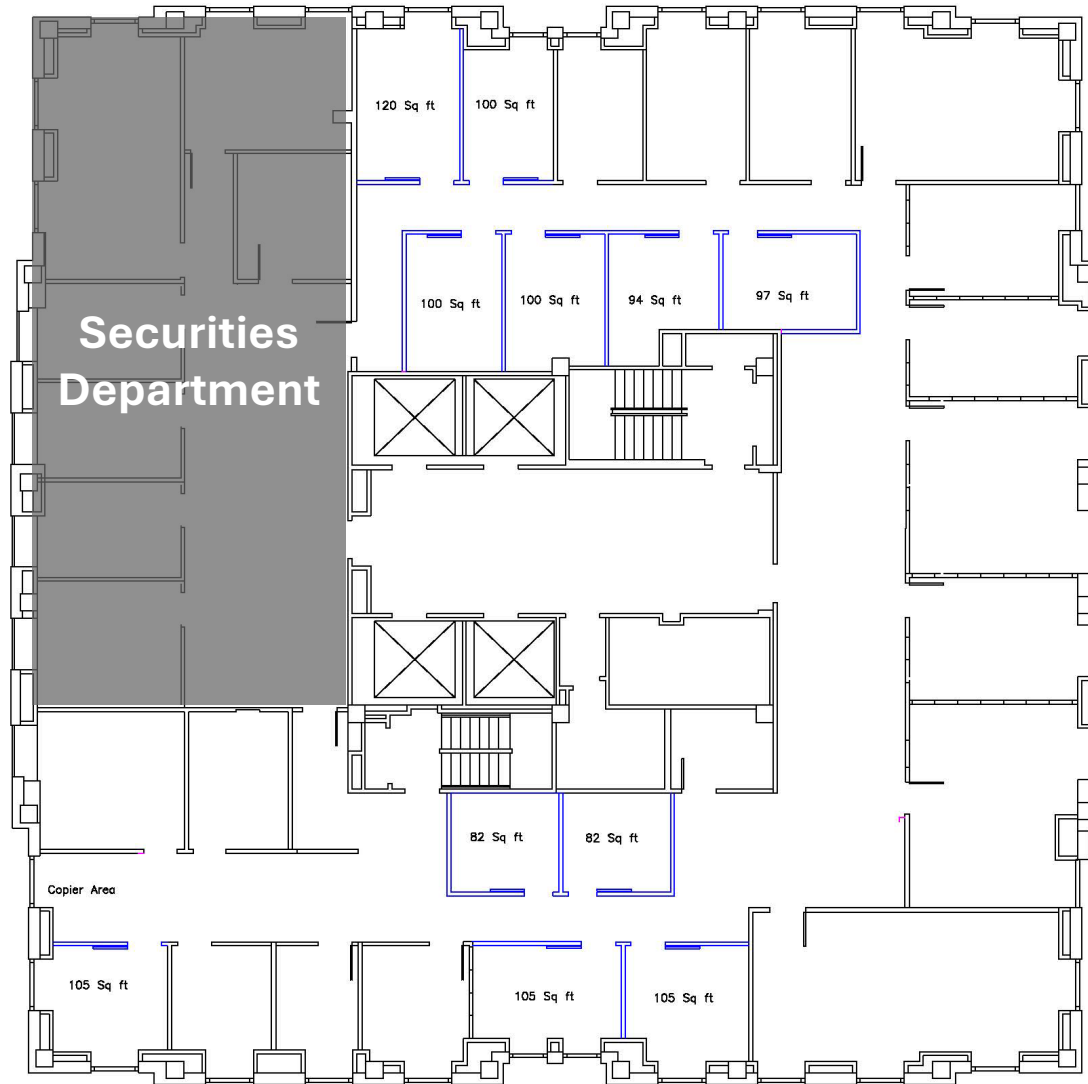
NORTH DAKOTA
Insurance Department

Jon Godfread, Commissioner

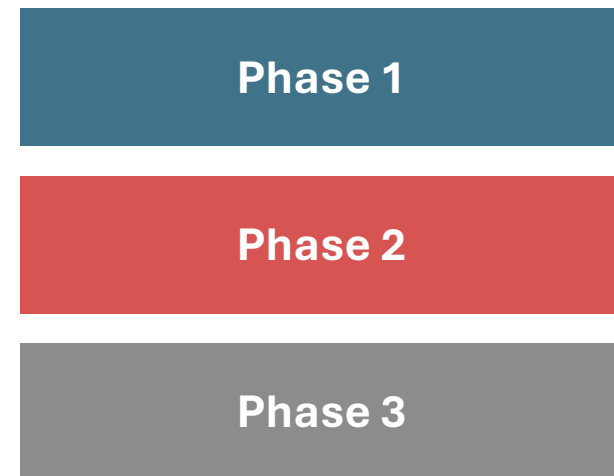
Budget Request

	68 th Legislative Session	Interim Appropriation Authority	Legislative Base	Executive Budget	Department Request	Difference
Salaries & Benefits	10,668,172.00	10,668,172.00	10,668,172.00	11,793,528.45	11,793,528.45	-
Operating	2,637,667.00	2,637,667.00	2,637,667.00	2,623,893.00	2,635,603.00	11,710.00
One-time	147,540.00	147,540.00		90,000.00	90,000.00	-
FTE Funding Pool		532,798.00				-
NDFA Funding	2,400,000.00	2,400,000.00	2,400,000.00	2,400,000.00	2,400,000.00	-
Emergency Com.		1,500,000.00				-
TME		125,314.08	125,314.08		300,000.00	300,000.00
1040 Retire Funding		51,040.00	51,040.00			-
One-time Retirement	98300 (included in \$10668172)		(98,300.00)		63,250.00	63,250.00
One-time CT/OT Pay					20,000.00	20,000.00
COLA				438,238.16	438,238.16	-
2 New FTES				480,882.95	884,213.14	403,330.19
Total FTEs	47	47	47	49	51	2
TOTAL	15,853,379.00	18,062,531.08	15,783,893.08	17,826,542.56	18,624,832.75	798,290.19

5th Floor – Prior to 2023



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Budget Request

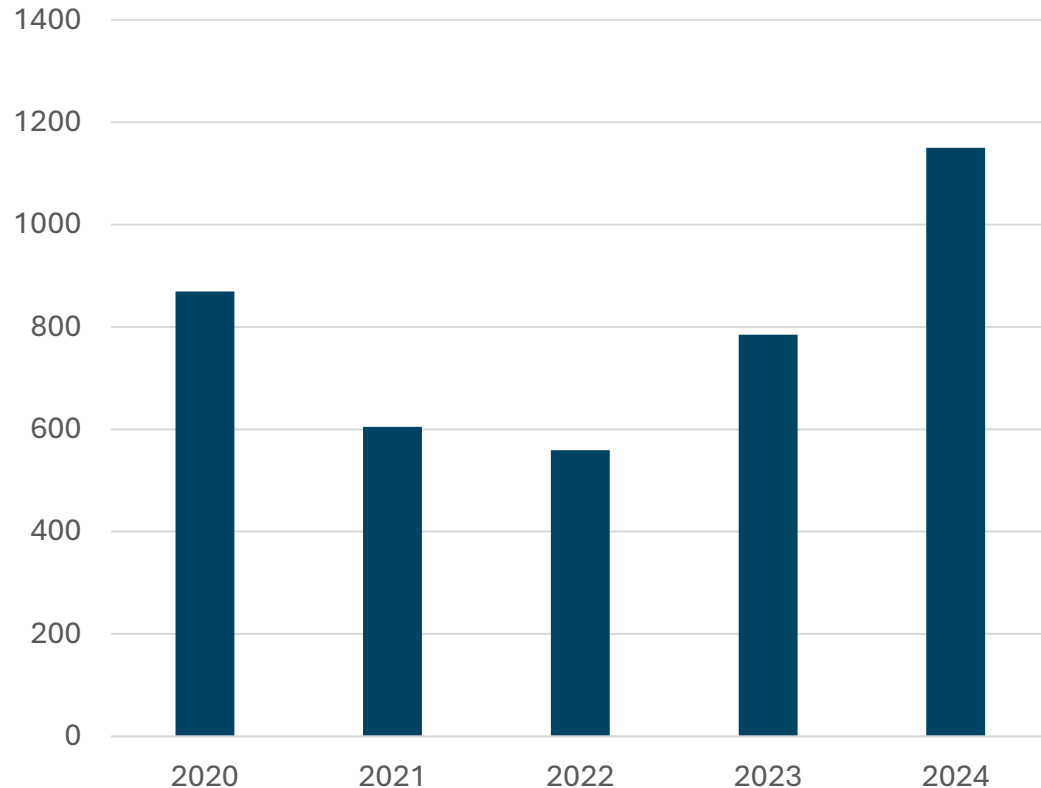


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FTE Funding Pool		532,798.00				-
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Property & Casualty Analyst



Consumer Inquiries



- › Answer consumer questions and complaints
- › Educate consumers on policies
- › Communicate with insurance companies regarding complaints



Communications Specialist

2024 compared to 2023...

104%

**Increase in
Website Visitors**

79%

**Increase in
Facebook reach**

25%

**Increase in email
subscribers**

- › Digitally-focused position
- › Expand the Department's reach through online presence
- › Provide more targeted content to North Dakotans
- › Serve as support before, during & after emergencies and natural disasters



Targeted Salary Equity



**Deputy Fire
Marshals**

\$45,000

not included in executive budget



Attorneys

\$255,000

not included in executive budget



Budget Request



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FTE Funding Pool		532,798.00				-
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Fire & Tornado Fund & Bonding Fund



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Department
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programs.



Since 2019:

NDIRF administered
both programs with
Department oversight.



Proposed this session:
Transfer oversight to OMB.



Property Insurance Market Study



ND Incentive
Program

ND Purchasing
Group Statutes

Large
Commercial
Risks Rebates

Delegation Agreement for Insurance
Holding Company Statements

ND Surplus Lines
Laws

Property Insurance Reforms to Address Social Inflation





NORTH DAKOTA

Insurance Department

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Insurance Commissioner - Budget No. 401
Agency Worksheet - House Bill No. 1010

	Burgum Budget				Armstrong Budget				Armstrong Budget Compared to Burgum Budget			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total	Increase (Decrease)			
									FTE Positions	General Fund	Other Funds	Total
2025-27 Biennium Base Level	47.00	\$0	\$15,783,893	\$15,783,893	47.00	\$0	\$15,783,893	\$15,783,893	0.00	\$0	\$0	\$0
2025-27 Ongoing Funding Changes												
Adjust funding for salaries for cost to continue			\$36,757	\$36,757			\$36,700	\$36,700			(\$57)	(\$57)
Salary increase			556,812	556,812			455,215	455,215			(101,597)	(101,597)
Health insurance increase			294,259	294,259			294,259	294,259				0
Adds funding to replace 2023-25 new FTE pool			407,380	407,380			407,380	407,380				0
Adds funding to replace 2023-25 vacant FTE pool			237,366	237,366			237,366	237,366				0
Add 1 FTE Professional services position	1.00		263,238	263,238	1.00		263,238	263,238				0
Add 1 FTE Analyst IV position	1.00		200,414	200,414	1.00		202,411	202,411			1,997	1,997
Transfer \$83,497 from operating to salaries				0				0				0
Add funding for ITD rate increases			54,018	54,018			54,018	54,018				0
Total ongoing funding changes	2.00	\$0	\$2,050,244	\$2,050,244	2.00	\$0	\$1,950,587	\$1,950,587	0.00	\$0	(\$99,657)	(\$99,657)
One-Time Funding Items												
One-time FTE cost			\$2,000	\$2,000			\$2,000	\$2,000				\$0
Equipment including radios and an x-ray machine			90,000	90,000			90,000	90,000				0
Total one-time funding changes	0.00	\$0	\$92,000	\$92,000	0.00	\$0	\$92,000	\$92,000	0.00	\$0	\$0	\$0
Total Changes to Base Level Funding	2.00	\$0	\$2,142,244	\$2,142,244	2.00	\$0	\$2,042,587	\$2,042,587	0.00	\$0	(\$99,657)	(\$99,657)
2025-27 Total Funding	49.00	\$0	\$17,926,137	\$17,926,137	49.00	\$0	\$17,826,480	\$17,826,480	0.00	\$0	(\$99,657)	(\$99,657)
Federal funds included in other funds			\$728,516				\$723,685				(\$4,831)	
Total ongoing changes - Percentage of base level	4.3%	N/A	13.0%	13.0%	4.3%	N/A	12.4%	12.4%	N/A	N/A	N/A	N/A
Total changes - Percentage of base level	4.3%	N/A	13.6%	13.6%	4.3%	N/A	12.9%	12.9%	N/A	N/A	N/A	N/A

2025 HOUSE STANDING COMMITTEE MINUTES

Appropriations - Government Operations Division

Brynhild Haugland Room, State Capitol

HB 1010

1/29/2025

A BILL to provide an appropriation for defraying the expenses of the insurance commissioner; relating to a government self-insurance pool report, relating to the salary of the insurance commissioner; and to provide a legislative management report.

8:31 a.m. Chairman Monson called the meeting to order.

Members Present: Chairman Monson, Vice Chairman Brandenburg, Representatives: Bosch, Fischer, Kempenich, Meier, Pyle.

Discussion Topics:

- North Dakota Insurance Reserve Fund (NDIRF)
- Overview of NDIRF
- Market Conduct Examination Findings for NDIRF
- Defense Research Institute
- Insurance Claims and Coverage
- Medicare Improvement and
- State Health Insurance Program (SHIP)
- Medicare Improvement for patients Are and providers Act (MIPPA)
- State Government Agencies Salary increases

8:32 a.m. Jon Godfread, Insurance Commissioner, North Dakota Insurance Department, testified in favor.

8:37 a.m. Keith Pic, CEO, North Dakota Insurance Reserve Fund, testified in neutral and submitted testimony #32408 and #32409.

9:15 a.m. Jon Godfread, Insurance Commissioner, North Dakota Fund, testified in favor and provided testimony #32521.

9:22 a.m. Rachel Kriege, Administrative Division Director, North Dakota Insurance Department, testified in favor and provided testimony #32523.

9:47 a.m. Chairman Monson closed the meeting.

Madaline Cooper, Committee Clerk

Testimony of Keith Pic, CEO, North Dakota Insurance Reserve Fund (NDIRF)
House Appropriations Government Operations Division
Chairman David Monson

Introduction

Good morning, Chairman Monson, members of the House Appropriations Government Operations Division, and esteemed colleagues. My name is Keith Pic, and I serve as the Chief Executive Officer of the North Dakota Insurance Reserve Fund (NDIRF). I appreciate the opportunity to provide testimony today to clarify the mission and role of the NDIRF, address findings from the North Dakota Insurance Department's Market Conduct Examination, and provide context and responses to those findings.

The NDIRF was established in 1986 by North Dakota's political subdivisions to meet their unique insurance needs. We are a member-owned, nonprofit organization governed by our members, which include cities, counties, schools, and other political subdivisions across North Dakota. It is important to note that the NDIRF is not a state agency. The NDIRF is not required to exist statutorily or constitutionally. We operate independently as a self-insurance pool but are regulated by the North Dakota Insurance Department similar to insurance companies. Likewise, North Dakota's political subdivisions aren't required to be a member of the NDIRF and have the option of either self-insuring or purchasing insurance from the private marketplace.

Since our founding, the NDIRF has saved its members — and, by extension, North Dakota taxpayers — an estimated \$150 million. This is the true value of a self-insurance pool model. If our political subdivisions had to go out to the private market, there'd be \$150 million less in the pockets of our taxpayers.

This stability has enabled political subdivisions to allocate resources more effectively, benefiting the communities they serve. Over 25 years, we have demonstrated exceptional financial stewardship, with only one general rate increase during that time. As a nonprofit, member-owned organization, we exist solely to be the source of risk services for North Dakota's political subdivisions. This structure allows us to tailor coverage to meet their specific needs while ensuring stable, affordable rates and consistent service.

Additionally, we are committed to building strong relationships with our stakeholders through proactive communication and risk management education. For example, we offer online defensive driving courses, help sponsor POST-credited training opportunities for law enforcement across the state and provide scholarships to park districts to train playground safety inspectors to reduce playground accidents. We view education as an important tool to assist in risk management for our members. By providing regular updates and engaging directly with our members, we ensure a clear understanding of our mission and the value we provide. This approach has cemented our reputation as a trusted partner and steward of our political subdivisions' contributions to the pool.

Findings of the Market Conduct Examination

The recent Market Conduct Examination conducted by the North Dakota Insurance Department provided an opportunity to assess our operations and identify areas for improvement. If you haven't read the full report, I encourage you to do so. The examination focused on claims handling practices and compliance with regulatory standards. While it affirmed many of our strengths, it also highlighted specific areas requiring improvement:

1. **Claims Documentation:** Some claim files lacked sufficient detail, including adjuster reports and legal analyses, making it difficult for the Insurance Department to understand the decisions made.
2. **Equity in Claims Handling:** Variances were observed between the handling of first-party (member) and third-party claims, raising concerns about consistency.
3. **Communication on Claim Denials:** Denial letters often lacked detailed explanations, leaving claimants unclear about the reasoning behind decisions.

It is crucial to emphasize that the examination did not assess the correctness of claims approvals or denials but rather focused on the documentation supporting those decisions.

Providing Context for the Findings

While we take these findings seriously, I would like to provide important context:

- Many files closed without payment were “notice-only” files created to track potential claims that ultimately did not materialize. These closures are being misrepresented as liability denials.
- During the audit period, only 27% of third-party claim closures resulted from liability denials, a significantly lower rate than implied by recent media coverage.
- An independent claims audit by Farley Consulting reviewed some of the same files examined by the Insurance Department and found discrepancies. Specifically, some files labeled as deficient were determined to contain the required documentation.

The NDIRF's unique role as a nonprofit, member-owned pool requires balancing fairness to claimants with protecting the financial stability of our members' shared resources.

Steps Taken to Address the Findings

In response to the examination, we have implemented several measures to improve our operations:

1. **Complaint Policy:** We have implemented a complaint policy to better track and respond to written grievances by members and claimants.
2. **Engagement of Legal Expertise:** For complex cases, we will consult external legal counsel to ensure compliance with state laws and legal precedents. We have hired internal legal counsel who will provide an additional level of oversight of this process.

3. **Enhanced Claims Documentation:** We are developing standardized workflows and checklists for all claim files to ensure every decision is fully documented and easily understood.
4. **Consistent Claims Handling:** We are revising our claims philosophy to ensure equitable handling of first-party and third-party claims.
5. **Improved Communication:** Denial letters will include specific references to supporting evidence, providing greater clarity to claimants.

I have attached our Market Conduct Examination Response Plan, which includes more details about our response and its implementation.

Response to Broader Implications

The recent scrutiny of the NDIRF's operations has also brought attention to broader questions about the statutory framework for governmental liability in North Dakota. Legislative changes in this area could have significant fiscal implications for political subdivisions and taxpayers. We are committed to collaborating with lawmakers and stakeholders to ensure thoughtful, balanced discussions on these critical issues.

Conclusion

The NDIRF remains steadfast in its mission to serve North Dakota's political subdivisions with integrity and excellence. While we acknowledge the areas for improvement identified in the Market Conduct Examination, we are proud of our accomplishments and the value we provide to our members and the communities they serve.

I welcome any questions from the committee and look forward to continued collaboration to strengthen the NDIRF and its contributions to North Dakota.

Thank you.

NDIRF Market Conduct Examination Response Plan

Preparation and Planning

December 2024 – March 2025

Objective:

- Utilize the AGRiP Advisory Standards for Recognition as a roadmap to develop and implement policies and procedures intended to exceed the recommendations of the Insurance Department by January 2026.

Goal:

- Implement the recommendations outlined in the Market Conduct Examination Report intended to assist the Insurance Department in understanding the claims decision making process.

Engagement:

- The NDIRF will include all NDIRF employees, members, agents, and the Insurance Department as stakeholders in the process of implementing the recommendations.
- The Director of Claims and Assistant Director of Claims have the responsibility of developing the policies and procedures related to the claims department.

Policy Development:

- The Director of Claims and Assistant Director of Claims will review current policies and procedures.
- Draft new and updated policies and procedures.
- Compile current and draft policies and procedures.

Finalization:

- Draft policies and procedures are to be presented to stakeholders for feedback.
- Revise and finalize the policies for approval.

Communication and Training

April 2025 – June 2025

Communication Plan:

- New policies and procedures to be presented and explained in Department Staff meetings with follow-up communication through the intranet.

Training Development:

- Create training programs for each claims adjuster role.

- Build out and utilize guides, checklists, and other supporting materials.
- Identify opportunities in workflows for automated activities

Training Implementation:

- Conduct weekly training sessions.
- Allow for feedback on the effectiveness of the training.

Adjustments:

- Refine policies and procedures based on feedback and file reviews to address any unforeseen issues.

Monitoring and Maintenance

July 2025 – December 2025

Compliance:

- Utilize file reviews to track compliance.

Improvement:

- Review the effectiveness of policies and procedures.
- Compile policies and procedures into formal claims manual.
- Create improvement process for employees to provide ideas and suggestions.

Maintenance:

- Review claims manual yearly.
- Continually request feedback.
- Reinforce policies through feedback and claim file reviews



Testimony of Keith Pic, CEO, NDIRF

**House Appropriations
Government Operations Division
Chairman David Monson**

NORTH DAKOTA
NDIRF
INSURANCE
RESERVE FUND

Introduction

- Established in 1986 to meet unique insurance needs of ND political subdivisions.
- Member-owned, nonprofit self-insurance pool governed by cities, counties, and schools.
- Not a state agency.
- Operates independently, regulated by ND Insurance Department.
- Saved members an estimated \$150 million since founding.



Market Conduct Examination Findings

- Claims Documentation:
 - Insufficient detail in some files.
- Equity in Claims Handling:
 - Variances between first-party and third-party claims.
- Communication on Claim Denials:
 - Letters lacked detailed explanations.

Exam did not assess the correctness of claim approvals or denials, but rather focused on supporting documentation.

Providing Context for Findings

- Many files closed without payment were "notice-only" files.
- Only 27% of third-party closures were liability denials.
- Farley Consulting audit found discrepancies in Insurance Department conclusions.



Steps Taken to Address Findings

- Complaint policy:
 - Better tracking and response to written grievances.
- Engagement of Legal Expertise:
 - Legal counsel for complex cases and internal expertise.
- Enhanced Claims Documentation:
 - Standardized workflows/checklists for consistency.
- Consistent Claims Handling:
 - Revised philosophy for equitable treatment.
- Improved Communication:
 - Clear denial letters referencing evidence.



Response to Broader Implications

- Legislative changes in governmental liability may impact subdivisions.
- Collaboration with lawmakers is crucial for balanced discussions.
- Focused on protecting financial stability and public resources.



Conclusion

- NDIRF serves ND's political subdivisions with integrity and excellence.
- Acknowledge areas for improvement while proud of accomplishments.
- Committed to strengthening contributions to ND communities.

Attorney Equity Analysis

An Attorney salary analysis was conducted at the beginning of December of position titles that are or are similar to attorneys. As many options were included as possible. All North Dakota bar dates were then entered into the spreadsheet to compare bar entrance to salary.

Methodology:

Position and Salary Data Compilation

We included as many relevant attorney positions as possible in the analysis, focusing on both direct and comparable roles within the state. The dataset included information from attorney positions with varying bar dates, years of service, and job responsibilities.

Bar Entry Date Integration

For each attorney included in the study, we incorporated their respective bar entry dates to assess how salary correlates with the length of their legal careers. This allowed for a more granular comparison between experience and compensation.

General Counsel Analysis

In addition to examining individual attorneys, we conducted a more detailed review of the General Counsel position. For this, we averaged the salaries of five individuals currently serving in similar roles within state government, with differing bar entry dates, to establish an average to compare to.

Consideration of Additional Factors

The analysis also took into account factors such as years of service, potential job responsibilities, and the salary ranges presented in the most recent Insurance Department Resource Report (2022). This ensured that our analysis was comprehensive, factoring in both current compensation trends and future projections for similar roles.

We recognize that state agencies typically make equity adjustments over time and will likely continue to do so. However, given the need for accurate comparisons, we believe our analysis remains conservative, taking into consideration that adjustments may already have been made in some areas.

Salary Adjustment Requirements:

Year 1 Adjustment: To bring salaries into alignment with current benchmarks and reflect any gaps from prior compensation discrepancies, we estimate a salary adjustment of **\$91,102.38** for year one.

Year 2 Adjustment: Following the initial salary catch-up, we anticipate a corresponding 3% increase (or the legislated adjustment percentage) of **\$17,902.92** for year two. This adjustment will help maintain competitiveness and alignment with inflation and market trends.

Total salary requirement for year two would be **\$109,005.30**.

Fringe Benefits Calculation: We have also accounted for the associated fringe benefits, which we estimate at **40%** of the additional salary required. This brings the total fringe benefit cost to **\$152,607.42**.

Total Cost Estimate: Combining the salary and fringe benefits, the total calculated need for equity adjustments across the impacted attorney positions is approximately **\$261,612.72**.

It is important to note that any excess funds from the equity adjustment allocations—should any funds remain unallocated—would be redirected to support the hiring of new attorney positions. This would allow us to continue investing in the recruitment and retention of top legal talent while maintaining the long-term sustainability of the agency.

[illegible]

Expended

	21-23		23-25		25-27	
	FY22	FY23	FY24	FY25	FY26	FY27
MIPPA	\$ 22,678.63	\$ 39,160.29	\$ 44,736.42	\$ 57,591.17	\$ 50,000.00	\$ 50,000.00
SHIP	\$ 270,196.17	\$ 274,231.00	\$ 296,605.12	\$ 293,010.50	\$ 290,000.00	\$ 290,000.00

Red text are estimates

Total Awarded

MIPPA - Medicare Improvements for Patients & Providers Act of 2008			currently using
	9/1/24 - 8/31/25	\$ 59,242.00	(45k left)
	9/1/23 - 8/31/24	\$ 49,337.00	
We apply yearly, Most expenses	9/1/22 - 8/31/23	\$ 54,175.00	
are ITD costs, promotional items	9/1/21 - 8/31/22	\$ 46,988.00	
and advertisements	9/1/20 - 8/31/21	\$ 35,131.00	
	9/1/19 - 8/31/20	\$ 35,557.00	

SHIP - State Health Insurance Program			
	04/01/2025-06/30/2026	\$ 290,000.00	
			currently using
We apply on a 5 year basis. Most	04/01/2024-03/31/2025	\$ 294,014.00	(26k left)
expenses are Salary & Fringe,	04/01/2023-03/31/2024	\$ 295,121.00	
printing, postage	04/01/2022-03/31/2023	\$ 285,665.00	
	04/01/2021-03/31/2022	\$ 277,827.00	
	04/01/2020-03/31/2021	\$ 264,698.00	

SECTION XX. ADDITIONAL INCOME -

APPROPRIATION - REPORTING. In addition to the amounts appropriated in section 1 of this Act, any federal funds that become available are appropriated to the insurance commissioner for the biennium beginning July 1, 2025, and ending June 30, 2027. The insurance commissioner shall report any additional federal funds under this section to the office of management and budget and the legislative council.

2025 HOUSE STANDING COMMITTEE MINUTES

Appropriations - Government Operations Division

Brynhild Haugland Room, State Capitol

HB 1010

2/4/2025

BILL for an Act to provide an appropriation for defraying the expenses of the insurance commissioner; to create and enact a new section to chapter 26.1-23.1 of the North Dakota Century Code, relating to a government self-insurance pool report; to amend and reenact section 26.1-01-09 of the North Dakota Century Code, relating to the salary of the insurance commissioner; and to provide for a legislative management report

3:30 p.m. Chairman Monson called the meeting to order.

Members Present: Chairman Monson, Vice Chairman Brandenburg, Representatives: Bosch, Fischer, Kempenich, Meier, Pyle.

Discussion Topics:

- Proposed Amendment

3:32 p.m. Representative Meier made a motion to adopt Amendment 25.0154.01001.

3:33 p.m. Representative Brandenburg seconded the motion.

Representatives	Vote
Representative David Monson	Y
Representative Mike Brandenburg	Y
Representative Glenn Bosch	Y
Representative Jay Fisher	Y
Representative Keith Kempenich	Y
Representative Lisa Meier	Y
Representative Brandy L. Pyle	Y

Motion passed 7-0-0

3:34 p.m. Representative Meier motioned a Do Pass as Amended

3:34 p.m. Representative Pyle seconded the motion.

Representatives	Vote
Representative David Monson	Y
Representative Mike Brandenburg	Y
Representative Glenn Bosch	Y
Representative Jay Fisher	Y
Representative Keith Kempenich	Y
Representative Lisa Meier	Y
Representative Brandy L. Pyle	Y

Motion passed 7-0-0

Representative Meier will carry the bill.

Additional written testimony:

Adam Mathiak, Fiscal Analyst, Legislative Council, submitted neutral testimony #34539 and #34752.

3:36 p.m. Chairman Monson adjourned the meeting.

Madaline Cooper, Committee Clerk

25.0154.01001
Title.
Fiscal No. 1

Prepared by the Legislative Council
staff for House Appropriations -
Government Operations Division
Committee

February 3, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

PROPOSED AMENDMENTS TO

HOUSE BILL NO. 1010

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the insurance
2 commissioner; to create and enact a new section to chapter 26.1-23.1 of the North Dakota
3 Century Code, relating to a government self-insurance pool report; and to amend and reenact
4 section 26.1-01-09 of the North Dakota Century Code, relating to the salary of the insurance
5 commissioner.

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 other funds derived from special funds and federal
9 funds, to the insurance commissioner for the purpose of defraying the expenses of the
10 insurance commissioner, for the biennium beginning July 1, 2025, and ending June 30, 2027,
11 as follows:

		Adjustments or	
	Base Level	Enhancements	Appropriation
13			
14	Salaries and wages	\$10,746,226	\$0
15	Operating expenses	2,637,667	0
16	Grants	2,400,000	0
17	Total other funds	\$15,783,893	\$0
18	Full-time equivalent positions	47.00	0.00
19	<u>Salaries and wages</u>	<u>\$10,746,226</u>	<u>\$1,103,163</u>
			<u>\$11,849,389</u>

Sixty-ninth
Legislative Assembly

1	<u>New and vacant FTE pool</u>	0	266,964	266,964
2	<u>Operating expenses</u>	2,637,667	(29,479)	2,608,188
3	<u>Capital assets</u>	0	90,000	90,000
4	<u>Grants</u>	2,400,000	0	2,400,000
5	<u>Total other funds</u>	\$15,783,893	\$1,430,648	\$17,214,541
6	<u>Full-time equivalent positions</u>	47.00	0.00	47.00

7 **SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO THE**
8 **SEVENTIETH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding
9 items included in the appropriation in section 1 of this Act which are not included in the entity's
10 base budget for the 2027-29 biennium and which the entity shall report to the appropriations
11 committees of the seventieth legislative assembly regarding the use of this funding.

12	<u>One-Time Funding Description</u>	<u>Other Funds</u>
13	Radios and x-ray machine	\$90,000
14	Total other funds	\$90,000

15 **SECTION 3. NEW AND VACANT FTE POOL - LIMITATION - TRANSFER REQUEST.** The
16 insurance commissioner may not spend funds appropriated in the new and vacant FTE pool line
17 item in section 1 of this Act, but may request the office of management and budget to transfer
18 funds from the new and vacant FTE pool line item to the salaries and wages line item in
19 accordance with the guidelines and reporting provisions included in House Bill No. 1015, as
20 approved by the sixty-ninth legislative assembly.

21 **SECTION 4. ADDITIONAL INCOME - APPROPRIATION - REPORTING.** In addition to the
22 amounts appropriated in section 1 of this Act, any federal funds that become available are
23 appropriated to the insurance commissioner, for the biennium beginning July 1, 2025, and
24 ending June 30, 2027. The insurance commissioner shall report any additional federal funds
25 under this section to the office of management and budget and the legislative council.

26 **SECTION 5. 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.**

29 The annual salary of the commissioner is one hundred ~~thirty thousand dollars through~~
30 ~~June 30, 2024, and one hundred thirty-five thousand two hundred dollars~~ thirty-nine thousand

1 two hundred fifty-six dollars through June 30, 2026, and one hundred forty-three thousand four
2 hundred thirty-four dollars thereafter.

3 **SECTION 6.** A new section to chapter 26.1-23.1 of the North Dakota Century Code is
4 created and enacted as follows:

5 **Government self-insurance pool - Report.**

6 A government self-insurance pool organized under this chapter shall provide a report to the
7 legislative management by September thirtieth of each even-numbered year. The report must
8 include information on activities of the pool, including the claims activity, claims payment history,
9 balances, a history of complaints, and executive staff and board compensation.

STATEMENT OF PURPOSE OF AMENDMENT:**House Bill No. 1010 - Insurance Department - House Action**

	Base Budget	House Changes	House Version
Salaries and wages	\$10,746,226	\$1,103,163	\$11,849,389
New and vacant FTE pool		266,964	266,964
Operating expenses	2,637,667	(29,479)	2,608,188
Capital assets		90,000	90,000
Grants	2,400,000		2,400,000
Total all funds	\$15,783,893	\$1,430,648	\$17,214,541
Less estimated income	15,783,893	1,430,648	17,214,541
General fund	\$0	\$0	\$0
FTE	47.00	0.00	47.00

Department 401 - Insurance Department - Detail of House Changes

	Adjust Funding for Base Payroll Changes ¹	Adds Funding for Salary and Benefit Increases ²	Adds Funding to Replace 2023-25 New and Vacant FTE Pool ³	Transfers Funding for 2025-27 New and Vacant FTE Pool ⁴	Transfers Funding from Operating Expenses to Salaries and Wages ⁵	Adds Funding for IT Rate Increases ⁶
Salaries and wages	\$36,700	\$719,597	\$644,746	(\$381,377)	\$83,497	
New and vacant FTE pool				266,964		
Operating expenses					(83,497)	\$54,018
Capital assets						
Grants						
Total all funds	\$36,700	\$719,597	\$644,746	(\$114,413)	\$0	\$54,018
Less estimated income	36,700	719,597	644,746	(114,413)	0	54,018
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Adds One- Time Funding ⁷	Total House Changes
Salaries and wages		\$1,103,163
New and vacant FTE pool		266,964
Operating expenses		(29,479)
Capital assets	\$90,000	90,000
Grants		
Total all funds	\$90,000	\$1,430,648
Less estimated income	90,000	1,430,648
General fund	\$0	\$0
FTE	0.00	0.00

¹ Funding is adjusted for base payroll changes.

² The following funding is added for 2025-27 biennium salary adjustments of 3 percent on July 1, 2025, and 3 percent on July 1, 2026, and increases in health insurance premiums from \$1,643 to \$1,893 per month:

	Other Funds
Salary increase	\$437,348
Health insurance increase	282,249
Total	\$719,597

³ Funding is added to replace 2023-25 biennium new and vacant FTE pool funding as follows:

	Other Funds
Vacant FTE positions	\$237,366
New FTE positions	<u>407,380</u>
Total	\$644,746

⁴ Funding of \$381,377 is removed for estimated savings from vacant 2025-27 FTE positions and \$266,964 is added for a new and vacant FTE pool line item resulting in net savings of \$114,413.

⁵ Funding of \$83,497 from other funds is transferred from the operating expenses line item to the salaries and wages line item.

⁶ Funding of \$54,018 from other funds, including \$2,161 from federal funds and \$51,857 from special funds, is added for IT rate increases.

⁷ One-time funding of \$90,000 from the insurance regulatory trust fund is added for radios and an x-ray machine.

This amendment also adds sections to:

- Appropriate any additional federal funds that become available to the Insurance Commissioner for the 2025-27 biennium.
- Increase the annual salary of the commissioner by 3 percent in the 1st year of the biennium and 3 percent in the 2nd year of the biennium.
- Require a report to the Legislative Management on the North Dakota Insurance Reserve Fund including claims, balances, and complaints.
- Provide for the use of funding in the new and vacant FTE pool line item.



Insurance Commissioner - Budget No. 401
Agency Worksheet - House Bill No. 1010

	Armstrong Executive Budget				House Version				House Compared to Executive Budget			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total	Increase (Decrease)			
									FTE Positions	General Fund	Other Funds	Total
2025-27 Biennium Base Level	47.00	\$0	\$15,783,893	\$15,783,893	47.00	\$0	\$15,783,893	\$15,783,893	0.00	\$0	\$0	\$0
2025-27 Ongoing Funding Changes												
Adjust funding for salaries for cost to continue			\$36,700	\$36,700			\$36,700	\$36,700				\$0
Salary increase			455,215	455,215			437,348	437,348			(\$17,867)	(17,867)
Health insurance increase			294,259	294,259			282,249	282,249			(12,010)	(12,010)
Adds funding to replace 2023-25 new FTE pool			407,380	407,380			407,380	407,380				0
Adds funding to replace 2023-25 vacant FTE pool			237,366	237,366			237,366	237,366				0
Transfer funding for 2025-27 new and vacant FTE pool				0			(114,413)	(114,413)			(114,413)	(114,413)
Add 1 FTE Professional services position	1.00		263,238	263,238				0	(1.00)		(263,238)	(263,238)
Add 1 FTE Analyst IV position	1.00		202,411	202,411				0	(1.00)		(202,411)	(202,411)
Transfer \$83,497 from operating to salaries				0				0				0
Add funding for ITD rate increases			54,018	54,018			54,018	54,018				0
Total ongoing funding changes	2.00	\$0	\$1,950,587	\$1,950,587	0.00	\$0	\$1,340,648	\$1,340,648	(2.00)	\$0	(\$609,939)	(\$609,939)
One-Time Funding Items												
One-time FTE cost			\$2,000	\$2,000				\$0			(\$2,000)	(\$2,000)
Equipment including radios and an x-ray machine			90,000	90,000			\$90,000	90,000				0
Total one-time funding changes	0.00	\$0	\$92,000	\$92,000	0.00	\$0	\$90,000	\$90,000	0.00	\$0	(\$2,000)	(\$2,000)
Total Changes to Base Level Funding	2.00	\$0	\$2,042,587	\$2,042,587	0.00	\$0	\$1,430,648	\$1,430,648	(2.00)	\$0	(\$611,939)	(\$611,939)
2025-27 Total Funding	49.00	\$0	\$17,826,480	\$17,826,480	47.00	\$0	\$17,214,541	\$17,214,541	(2.00)	\$0	(\$611,939)	(\$611,939)
Federal funds included in other funds			\$723,685				\$717,971				(\$5,714)	
Total ongoing changes - Percentage of base level	4.3%	N/A	12.4%	12.4%	0.0%	N/A	8.5%	8.5%	N/A	N/A	N/A	N/A
Total changes - Percentage of base level	4.3%	N/A	12.9%	12.9%	0.0%	N/A	9.1%	9.1%	N/A	N/A	N/A	N/A

Other Sections in Insurance Commissioner - Budget No. 401

Section Description	Armstrong Executive Budget	House Version
New and vacant FTE Pool		Section 3 provides information regarding the use of funding in the new and vacant FTE pool line item.
Additional income		Section 4 appropriates any additional federal funds that become available to the Insurance Commissioner for the 2025-27 biennium.
Insurance Commissioner salary		Section 5 increases the annual salary of the commissioner by 3 percent in the 1st year of the biennium and 3 percent in the 2nd year of the biennium.
Report - NDIRF		Section 6 requires a report to legislative management on North Dakota Insurance Reserve Fund (NDIRF) including claims, balances, and complaints.

2025 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee Roughrider Room, State Capitol

HB 1010
2/10/2025

A BILL for an Act to provide an appropriation for defraying the expenses of the insurance commissioner.

9:29 a.m. Chairman Vigesaa called the meeting to order.

Members Present: Chairman Vigesaa, Vice Chairman Kempenich, Representatives Berg, Bosch, Brandenburg, Fisher, Hanson, Louser, Martinson, Meier, Monson, Murphy, Nathe, Nelson, O'Brien, Pyle, Richter, Sanford, Stemen, Swiontek, Wagner

Members Absent: Representatives Anderson, Mitskog

Discussion Topics:

- Fire Marshalls
- Insurance Commissioners
- Processes in Claims and Denials

9:30 a.m. Representative Meier introduced the Amendment LC #25.0154.01001, #36617.

9:48 a.m. Representative Meier motioned to move Amendment LC #25.0154.01001.

9:48 a.m. Representative Monson seconded.

9:51 a.m. Roll Call Vote

Representatives	Vote
Representative Don Vigesaa	Y
Representative Keith Kempenich	Y
Representative Bert Anderson	A
Representative Mike Berg	Y
Representative Glenn Bosch	Y
Representative Mike Brandenburg	Y
Representative Jay Fisher	Y
Representative Karla Rose Hanson	Y
Representative Scott Louser	Y
Representative Bob Martinson	Y
Representative Lisa Meier	Y
Representative Alisa Mitskog	A
Representative David Monson	Y
Representative Eric J. Murphy	Y
Representative Mike Nathe	Y
Representative Jon O. Nelson	Y
Representative Emily O'Brien	Y

Representative Brandy L. Pyle	Y
Representative David Richter	Y
Representative Mark Sanford	A
Representative Gregory Stemen	Y
Representative Steve Swiontek	Y
Representative Scott Wagner	Y

9:51 a.m. Motion passed 20-0-3.

9:52 a.m. Representative Meier moved a Do Pass as Amended.

9:52 a.m. Representative Monson seconded the motion.

9:52 a.m. Roll Call Vote

Representatives	Vote
Representative Don Vigesaa	Y
Representative Keith Kempenich	Y
Representative Bert Anderson	A
Representative Mike Berg	Y
Representative Glenn Bosch	Y
Representative Mike Brandenburg	Y
Representative Jay Fisher	Y
Representative Karla Rose Hanson	Y
Representative Scott Louser	Y
Representative Bob Martinson	Y
Representative Lisa Meier	Y
Representative Alisa Mitskog	A
Representative David Monson	Y
Representative Eric J. Murphy	Y
Representative Mike Nathe	Y
Representative Jon O. Nelson	Y
Representative Emily O'Brien	Y
Representative Brandy L. Pyle	Y
Representative David Richter	Y
Representative Mark Sanford	A
Representative Gregory Stemen	Y
Representative Steve Swiontek	Y
Representative Scott Wagner	Y

9:52 a.m. Motion passed 20-0-3.

9:52 a.m. Representative Meier will carry the bill.

9:57 a.m. Chairman Vigesaa adjourned the meeting.

Krystal Eberle for Sierra Schartz, Committee Clerk

February 3, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

PROPOSED AMENDMENTS TO

HOUSE BILL NO. 1010

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the insurance
2 commissioner; to create and enact a new section to chapter 26.1-23.1 of the North Dakota
3 Century Code, relating to a government self-insurance pool report; to amend and reenact
4 section 26.1-01-09 of the North Dakota Century Code, relating to the salary of the insurance
5 commissioner; and to provide 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 other funds derived from special funds and federal
9 funds, to the insurance commissioner for the purpose of defraying the expenses of the
10 insurance commissioner, for the biennium beginning July 1, 2025, and ending June 30, 2027,
11 as follows:

	Base Level	Adjustments or Enhancements	Appropriation
14 Salaries and wages	\$10,746,226	\$0	\$10,746,226
15 Operating expenses	2,637,667	0	2,637,667
16 Grants	2,400,000	0	2,400,000
17 Total other funds	\$15,783,893	\$0	\$15,783,893
18 Full-time equivalent positions	47.00	0.00	47.00
19 <u>Salaries and wages</u>	<u>\$10,746,226</u>	<u>\$1,103,163</u>	<u>\$11,849,389</u>

25
2023

Sixty-ninth
Legislative Assembly

1	New and vacant FTE pool	0	266,964	266,964
2	Operating expenses	2,637,667	(29,479)	2,608,188
3	Capital assets	0	90,000	90,000
4	Grants	2,400,000	0	2,400,000
5	Total other funds	\$15,783,893	\$1,430,648	\$17,214,541
6	Full-time equivalent positions	47.00	0.00	47.00

7 **SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO THE**
8 **SEVENTIETH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding
9 items included in the appropriation in section 1 of this Act which are not included in the entity's
10 base budget for the 2027-29 biennium and which the entity shall report to the appropriations
11 committees of the seventieth legislative assembly regarding the use of this funding.

12	<u>One-Time Funding Description</u>	<u>Other Funds</u>
13	Radios and x-ray machine	\$90,000
14	Total other funds	\$90,000

15 **SECTION 3. NEW AND VACANT FTE POOL - LIMITATION - TRANSFER REQUEST.** The
16 insurance commissioner may not spend funds appropriated in the new and vacant FTE pool line
17 item in section 1 of this Act, but may request the office of management and budget to transfer
18 funds from the new and vacant FTE pool line item to the salaries and wages line item in
19 accordance with the guidelines and reporting provisions included in House Bill No. 1015, as
20 approved by the sixty-ninth legislative assembly.

21 **SECTION 4. ADDITIONAL INCOME - APPROPRIATION - REPORTING.** In addition to the
22 amounts appropriated in section 1 of this Act, any federal funds that become available are
23 appropriated to the insurance commissioner, for the biennium beginning July 1, 2025, and
24 ending June 30, 2027. The insurance commissioner shall report any additional federal funds
25 under this section to the office of management and budget and the legislative council.

26 **SECTION 5. 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.**

29 The annual salary of the commissioner is one hundred ~~thirty thousand dollars through~~
30 ~~June 30, 2024, and one hundred thirty five thousand two hundred dollars~~ thirty-nine thousand

1 two hundred fifty-six dollars through June 30, 2026, and one hundred forty-three thousand four
2 hundred thirty-four dollars thereafter.

3 **SECTION 6.** A new section to chapter 26.1-23.1 of the North Dakota Century Code is
4 created and enacted as follows:

5 **Government self-insurance pool - Report.**

6 A government self-insurance pool organized under this chapter shall provide a report to the
7 legislative management by September thirtieth of each even-numbered year. The report must
8 include information on activities of the pool, including the claims activity, claims payment history,
9 balances, a history of complaints, and executive staff and board compensation.

**REPORT OF STANDING COMMITTEE
HB 1010**

Appropriations Committee (Rep. Vigesaa, Chairman) recommends **AMENDMENTS** ([25.0154.01001](#)) and when so amended, recommends **DO PASS** (20 YEAS, 0 NAYS, 3 ABSENT AND NOT VOTING). HB 1010 was placed on the Sixth order on the calendar.

25.0154.01001
Title.
Fiscal No. 1

Prepared by the Legislative Council
staff for House Appropriations -
Government Operations Division
Committee

February 3, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

PROPOSED AMENDMENTS TO

HOUSE BILL NO. 1010

Introduced by

Appropriations Committee

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		Adjustments or		
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19	Salaries and wages	\$10,746,226	\$1,103,163	\$11,849,389

Sixty-ninth
Legislative Assembly

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SEVENTIETH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items included in the appropriation in section 1 of this Act which are not included in the entity's base budget for the 2027-29 biennium and which the entity shall report to the appropriations committees of the seventieth legislative assembly regarding the use of this funding.

<u>One-Time Funding Description</u>	<u>Other Funds</u>
Radios and x-ray machine	\$90,000
Total other funds	\$90,000

SECTION 3. NEW AND VACANT FTE POOL - LIMITATION - TRANSFER REQUEST. The insurance commissioner may not spend funds appropriated in the new and vacant FTE pool line item in section 1 of this Act, but may request the office of management and budget to transfer funds from the new and vacant FTE pool line item to the salaries and wages line item in accordance with the guidelines and reporting provisions included in House Bill No. 1015, as approved by the sixty-ninth legislative assembly.

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7 legislative management by September thirtieth of each even-numbered year. The report must
8 include information on activities of the pool, including the claims activity, claims payment history,
9 balances, a history of complaints, and executive staff and board compensation.

STATEMENT OF PURPOSE OF AMENDMENT:**House Bill No. 1010 - Insurance Department - House Action**

	Base Budget	House Changes	House Version
Salaries and wages	\$10,746,226	\$1,103,163	\$11,849,389
New and vacant FTE pool		266,964	266,964
Operating expenses	2,637,667	(29,479)	2,608,188
Capital assets		90,000	90,000
Grants	2,400,000		2,400,000
Total all funds	\$15,783,893	\$1,430,648	\$17,214,541
Less estimated income	15,783,893	1,430,648	17,214,541
General fund	\$0	\$0	\$0
FTE	47.00	0.00	47.00

Department 401 - Insurance Department - Detail of House Changes

	Adjust Funding for Base Payroll Changes ¹	Adds Funding for Salary and Benefit Increases ²	Adds Funding to Replace 2023-25 New and Vacant FTE Pool ³	Transfers Funding for 2025-27 New and Vacant FTE Pool ⁴	Transfers Funding from Operating Expenses to Salaries and Wages ⁵	Adds Funding for IT Rate Increases ⁶
Salaries and wages	\$36,700	\$719,597	\$644,746	(\$381,377)	\$83,497	
New and vacant FTE pool				266,964		
Operating expenses					(83,497)	\$54,018
Capital assets						
Grants						
Total all funds	\$36,700	\$719,597	\$644,746	(\$114,413)	\$0	\$54,018
Less estimated income	36,700	719,597	644,746	(114,413)	0	54,018
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Adds One- Time Funding ⁷	Total House Changes
Salaries and wages		\$1,103,163
New and vacant FTE pool		266,964
Operating expenses		(29,479)
Capital assets	\$90,000	90,000
Grants		
Total all funds	\$90,000	\$1,430,648
Less estimated income	90,000	1,430,648
General fund	\$0	\$0
FTE	0.00	0.00

¹ Funding is adjusted for base payroll changes.² The following funding is added for 2025-27 biennium salary adjustments of 3 percent on July 1, 2025, and 3 percent on July 1, 2026, and increases in health insurance premiums from \$1,643 to \$1,893 per month:

	Other Funds
Salary increase	\$437,348
Health insurance increase	282,249
Total	\$719,597

³ Funding is added to replace 2023-25 biennium new and vacant FTE pool funding as follows:

	Other Funds
Vacant FTE positions	\$237,366
New FTE positions	<u>407,380</u>
Total	\$644,746

⁴ Funding of \$381,377 is removed for estimated savings from vacant 2025-27 FTE positions and \$266,964 is added for a new and vacant FTE pool line item resulting in net savings of \$114,413.

⁵ Funding of \$83,497 from other funds is transferred from the operating expenses line item to the salaries and wages line item.

⁶ Funding of \$54,018 from other funds, including \$2,161 from federal funds and \$51,857 from special funds, is added for IT rate increases.

⁷ One-time funding of \$90,000 from the insurance regulatory trust fund is added for radios and an x-ray machine.

This amendment also adds sections to:

- Appropriate any additional federal funds that become available to the Insurance Commissioner for the 2025-27 biennium.
- Increase the annual salary of the commissioner by 3 percent in the 1st year of the biennium and 3 percent in the 2nd year of the biennium.
- Require a report to the Legislative Management on the North Dakota Insurance Reserve Fund including claims, balances, and complaints.
- Provide for the use of funding in the new and vacant FTE pool line item.

2025 SENATE APPROPRIATIONS

HB 1010

2025 SENATE STANDING COMMITTEE MINUTES

Appropriations - Government Operations Division Red River Room, State Capitol

HB 1010
3/6/2025

A BILL for an Act to provide an appropriation for defraying the expenses of the insurance commissioner; to create and enact a new section to chapter 26.1-23.1 of the North Dakota Century Code, relating to a government self-insurance pool report; to amend and reenact section 26.1-01-09 of the North Dakota Century Code, relating to the salary of the insurance commissioner; and to provide for a legislative management report.

10:32 a.m. Chairman Wanzek opened the meeting.

Members present: Chairman Wanzek, Vice-Chair Dwyer, Senator Burckhard, Senator Erbele, and Senator Sickler.

Discussion Topics:

- Organization Divisions
- 5th floor remodel
- Fire Marshall equipment and capital asset requests
- Legal services
- External contractors
- Consumer services
- Salaries and compensation
- Special funds support
- Absorption of Fire Marshall Office into Insurance Department
- Major related bills - testimony #39285
- Data processing and information technology costs
- Constitutionally required funds
- Transition of State Fire and Tornado Fund & State Bonding Fund
- Property market insurance studies
- Insurance and Securities merger
- Pharmacy Benefit Manager (PBM) regulation - drug costs - role of State

10:32 a.m. Keith Mantz, LC Fiscal Analyst, submitted budget information, testimony #39284 and #39285.

10:32 a.m. Jon Godfread, Commissioner, ND Insurance Department, testified in favor and submitted testimony #39243. #39244, and #39245.

11:29 a.m. Chairman Wanzek closed the meeting.

Carol Thompson, Committee Clerk

BUDGET REQUEST

2025-2027 Biennium



NORTH DAKOTA
Insurance Department

Jon Godfread, Commissioner

Insurance.ND.gov • (701) 328-2440 • 600 E Boulevard Ave, Bismarck, ND 58505

ABOUT OUR AGENCY

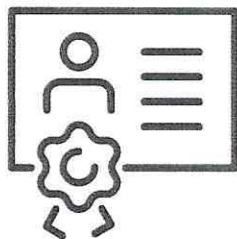
Our Mission

Safeguarding the promises made to North Dakotans and fostering a fair and thriving marketplace to meet the needs of our consumers and evolving insurance industry.

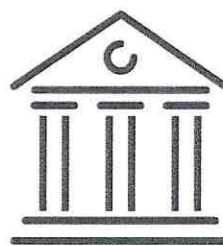
Our Core Functions



**Consumer
Protection**



**Company &
Producer Licensing**



**Market Conduct &
Financial Regulation**



**Product
Regulation**

Our Numbers

2,578

**Companies
Licensed by the
Department**

125,429

**Producers
Licensed by the
Department**

**\$3.3
million**

**Consumer
Assistance Relief
in 2023**

Our Divisions

Property & Casualty

Life & Health

Administrative

Producer Licensing

Fraud

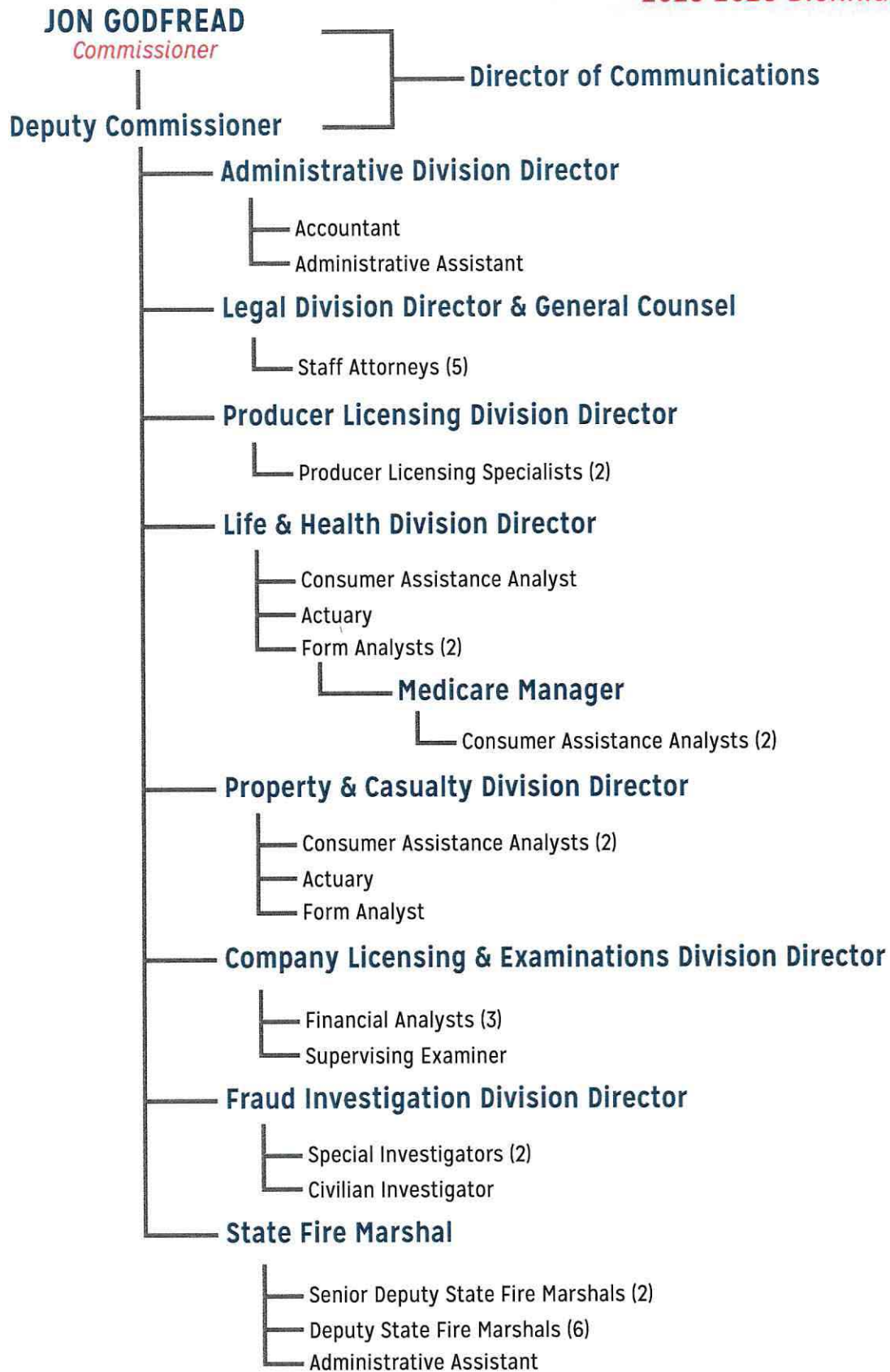
Legal

Company Licensing & Examinations

State Fire Marshal

ORGANIZATIONAL CHART

2023-2025 Biennium



BUDGET BY DIVISION



OFFICE OF THE STATE FIRE MARSHAL



Transition Successes

Increased focus on Community Risk Reduction (CRR) initiatives.

Launch of dedicated website and social media channels.

Integrated Deputy Fire Marshal offices into local fire halls.

7 of 8 Deputy positions have been filled.

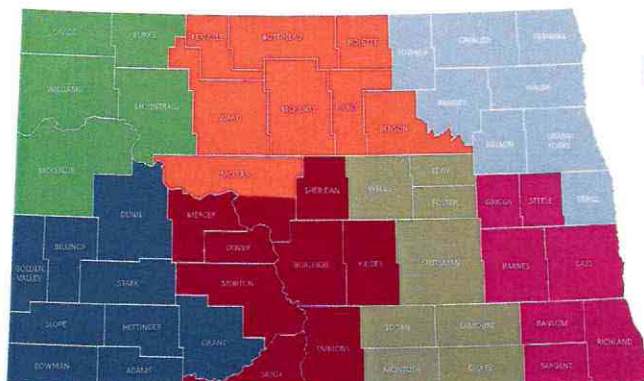
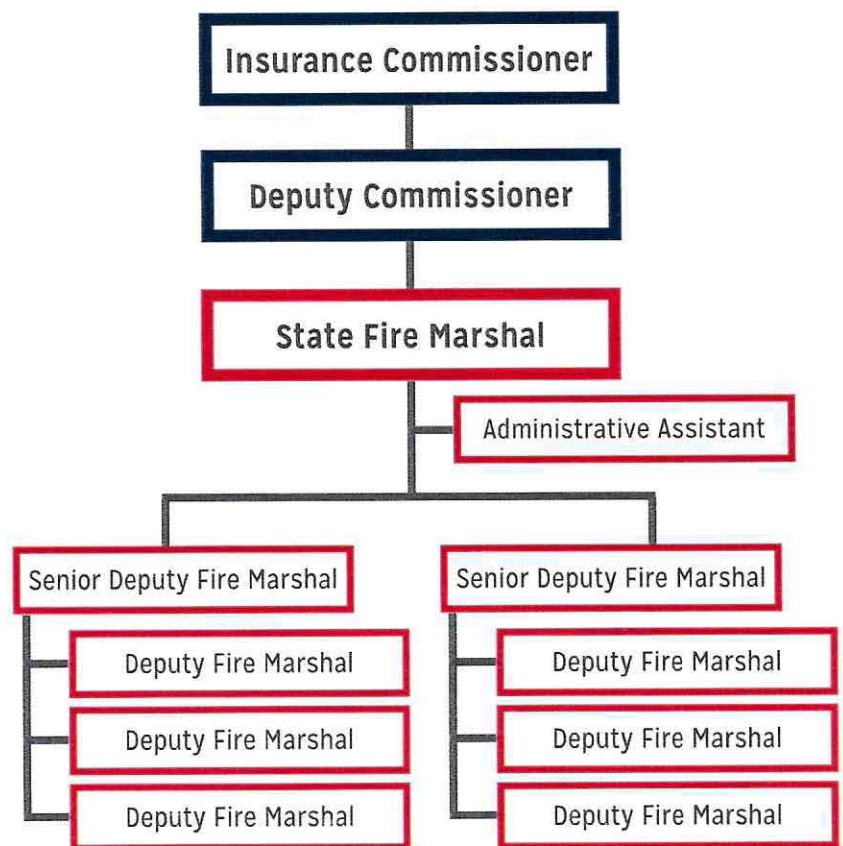
59% decrease in fire districts with ISO 10 ratings since 2023.

Increase in fire districts reporting incidents.

The State Fire Marshal is responsible for enforcing state laws relating to the storage, sale, and use of combustibles and explosives, installation and maintenance of automatic or other fire alarms and fire extinguishing equipment, and for inspections of State buildings, public and private schools, child care facilities, and licensed liquor establishments.

From statehood to the 1960s, the State Fire Marshal reported to the Insurance Commissioner. To focus on arson investigations and fire-related crimes, the Fire Marshal's office was moved to the Office of the Attorney General. In 2023, the 68th Legislative Assembly approved legislation (SB 2211) that moved the Office of the State Fire Marshal back to the Insurance Department.

Today, the State Fire Marshal is appointed by the Insurance Commissioner. The Office of the State Fire Marshal is a division within the North Dakota Insurance Department.



Deputy Fire Marshal Locations

- West Fargo
- Jamestown
- Bismarck
- Dickinson
- Williston
- Minot
- Grand Forks

BUDGET REQUEST AT-A-GLANCE

25-27 Budget Request

Description	Department Request	Armstrong Proposal	House Appropriations
Salaries & Benefits	\$13,116,852	\$12,712,587	\$11,849,389
Operating	\$2,635,603	\$2,623,893	\$2,608,188
Capital Assets	\$90,000	\$90,000	\$90,000
FTEs	51	49	47

Retirement & Overtime
Because of the implementation of the FTE Funding Pool, \$83,250 is requested to meet the obligations of our team members. This includes overtime accrued by the State Fire Marshal division and PTO payouts to long-time team members.

Requested FTEs

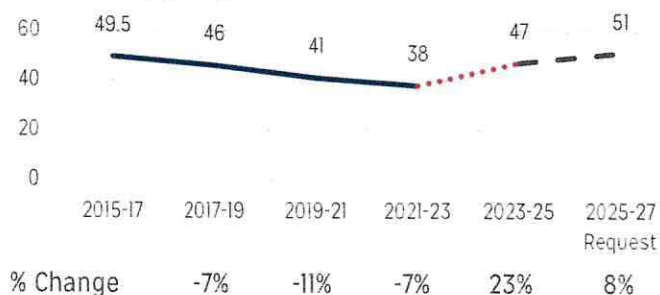
Salary & fringe benefits included.

**Indicates Department estimated figure.*

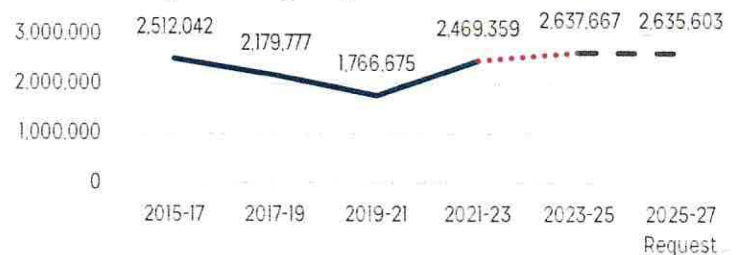
			
Company Financial Analyst	Communications Specialist	Staff Attorney	Consumer Assistance Analyst
\$207,577	\$190,258*	\$273,305	\$213,071*

Appropriated FTE History

Appropriated FTE's Over Time



Operating Expenses Over Time



Red dotted line indicates transfer of the State Fire Marshal from the Attorney General to the Insurance Commissioner.

OPERATIONS BREAKDOWN

Travel	\$ 645,058
IT - Software/Supplies	\$ 37,150
Professional Supplies	\$ 33,222
Safety	\$ 35,001
Building Supplies	\$ 1,200
Miscellaneous Supplies	\$ 15,700
Office Supplies	\$ 10,080
Postage	\$ 2,959
Printing	\$ 17,098
IT Equipment under \$5,000	\$ 11,401
Other Equipment under \$5,000	\$ 15,600
Office Equipment/Furniture under \$5,000	\$ 19,651
Insurance	\$ 11,090
Rental/Leases - Equipment/Other	\$ 4,320
Rental/Leases - Building & Land	\$ 320,080
Repairs	\$ 6,959
IT - Data Processing	\$ 555,376
IT - Communications	\$ 108,396
IT - Contract Service/Repair	\$ 7,200
Professional Development	\$ 125,066
Operating Fees and Services	\$ 95,599
Professional Services	\$ 539,400

Total **\$ 2,635,603**

Travel

The Departemnt has nine fleet vehicles. An increase in funds is requested to offset the 69% increased mileage charge being issued by NDDOT. Fleet vehicles are used by fraud investigators and deputy fire marshals.

IT

The Department is seeking additional funds to offset the increased expenses from NDIT. This includes an 11% increase in data processing fees, 26% increase in phone usage fees, and 20% increase in technology support fees. These charges are required by NDIT.

FUNDING SOURCES

Fees & fines generated by the insurance industry

Insurance Premium Taxes

1.75%

Insurance Tax Distribution Fund

Fire Districts
Continuing Appropriation
CY2024: \$14,556,938
CY2023: \$13,494,370

\$102 million

Insurance Regulatory Trust Fund

Insurance Department budget
\$15.4 million

North Dakota Firefighter's
Association - \$2.4 million

Limited to \$1 million reserve
after each fiscal year. Anything
in excess is turned over to the
General Fund.

\$6.1 million
(Estimated)

General Fund

BUDGET REQUEST

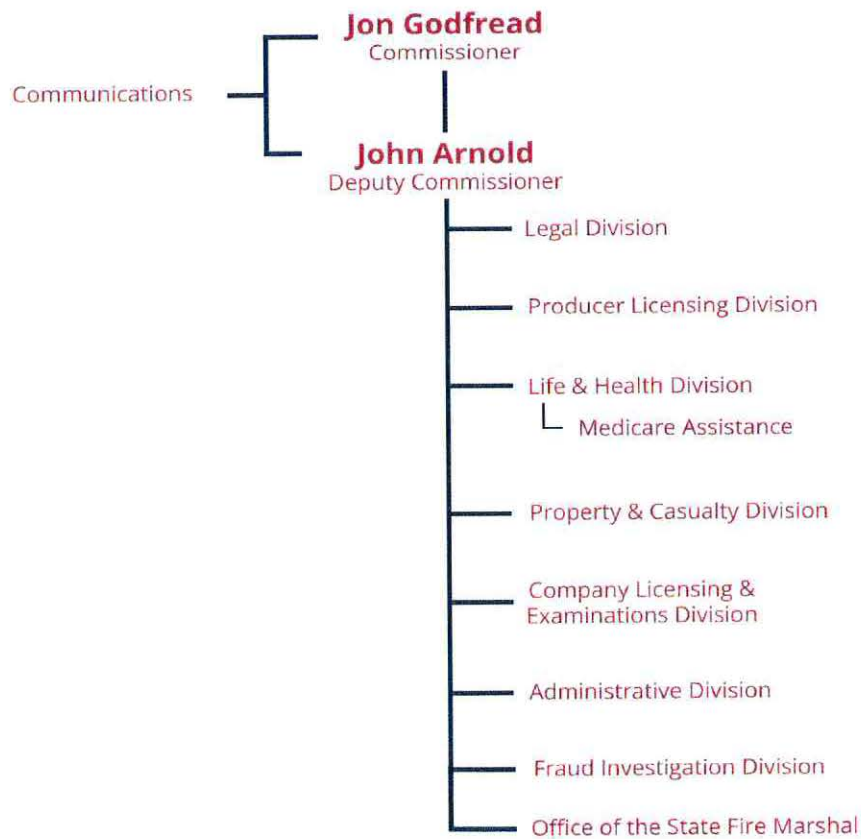
2025-2027 Biennium



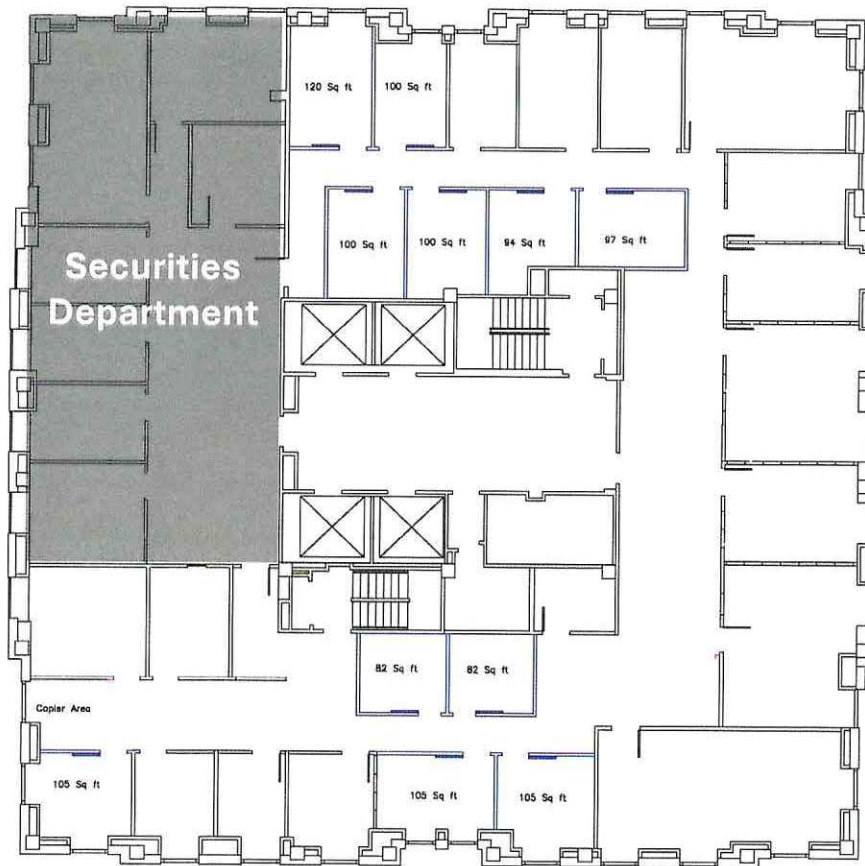
NORTH DAKOTA
Insurance Department

Jon Godfread, Commissioner

Organizational Chart



5th Floor – Prior to 2023



• • •



Phase 1

Phase 2

Phase 3



Governor's FTE Request



Company Licensing & Examination Analyst

- › Reduce need for external consultants
 - Estimated savings of \$360k-400k
- › Develop internal expertise
- › Reduce reliance on contractors
- › Increase efficiency



Staff Attorney

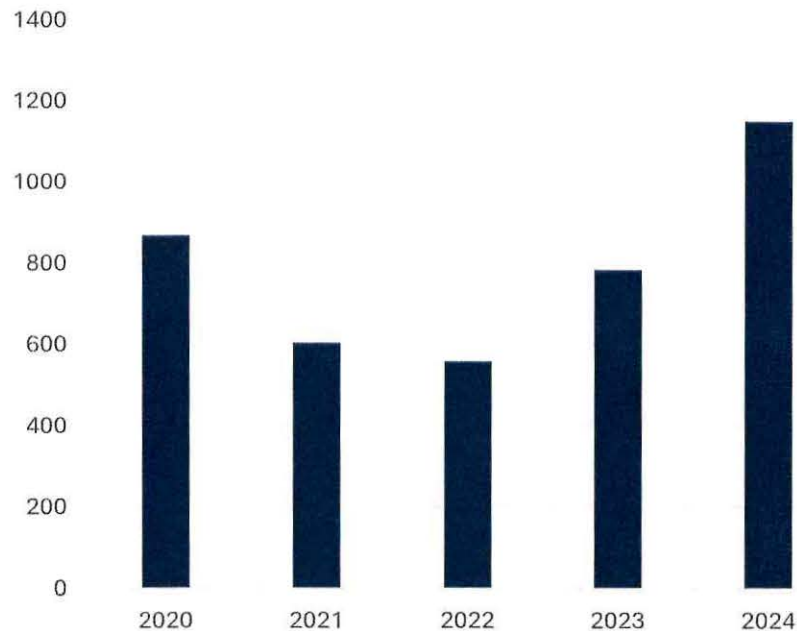
- › Support for Fire Marshal
- › Secondary Fraud Prosecution Attorney
- › Civil Fraud Enforcement
- › Administrative Rules
- › General Licensing



Property & Casualty Analyst



Consumer Inquiries



- › Answer consumer questions and complaints
- › Educate consumers on policies
- › Communicate with insurance companies regarding complaints



Communications Specialist



2024 compared to 2023...

104%

**Increase in
Website Visitors**

79%

**Increase in
Facebook reach**

25%

**Increase in email
subscribers**

- › Digitally-focused position
- › Expand the Department's reach through online presence
- › Provide more targeted content to North Dakotans
- › Serve as support before, during & after emergencies and natural disasters



Compensating our Team Members



**Deputy Fire
Marshals**

\$45,000

not included in executive budget



Attorneys

\$255,000

not included in executive budget

Targeted Salary Equity

\$63,250

**Retirement
Funding**

\$20,000

**Comp Time &
Overtime Payout**

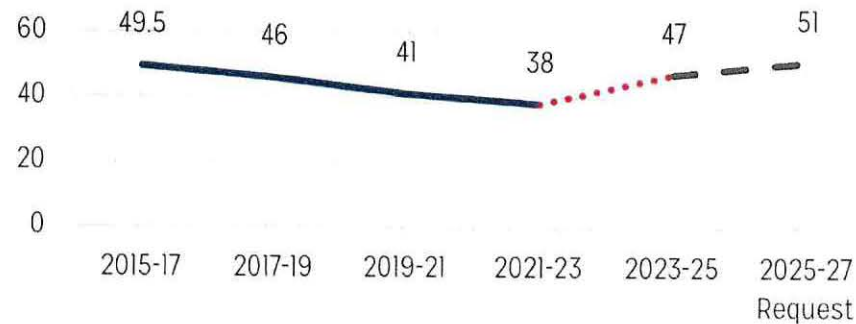
Retirement, OT & Comp Time



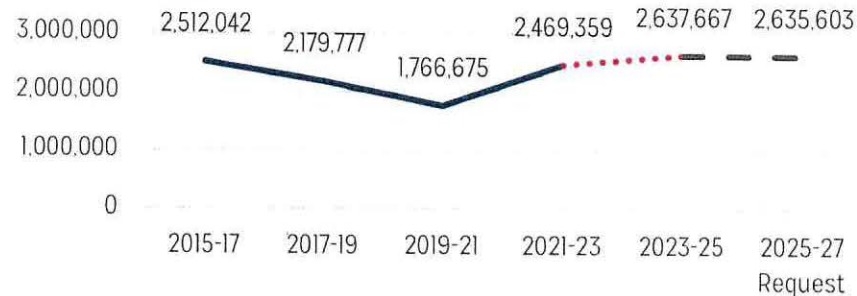
Responsible Stewards of Tax Dollars

- › Reduced our overall budget YOY
- › Requested needs-based budgets
- › Demonstrated history of lean operations

Appropriated FTE's Over Time

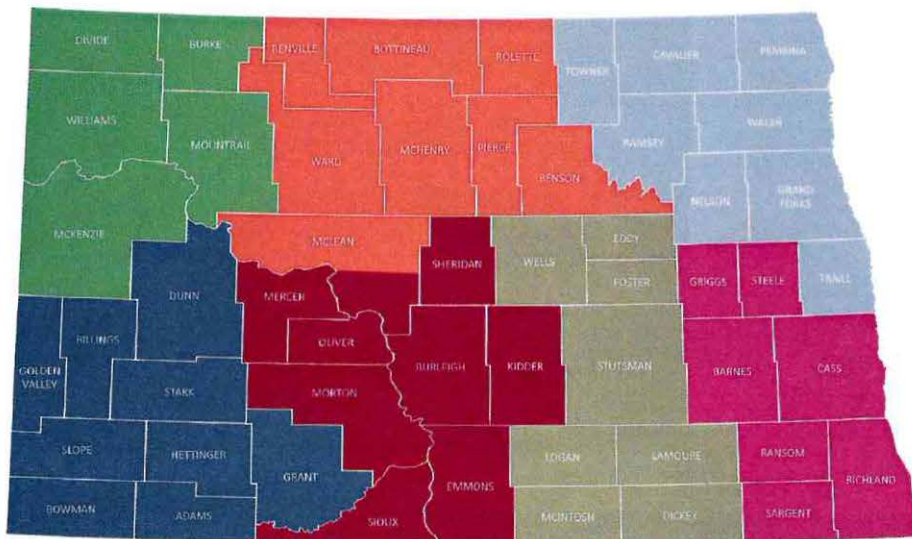


Operating Expenses Over Time

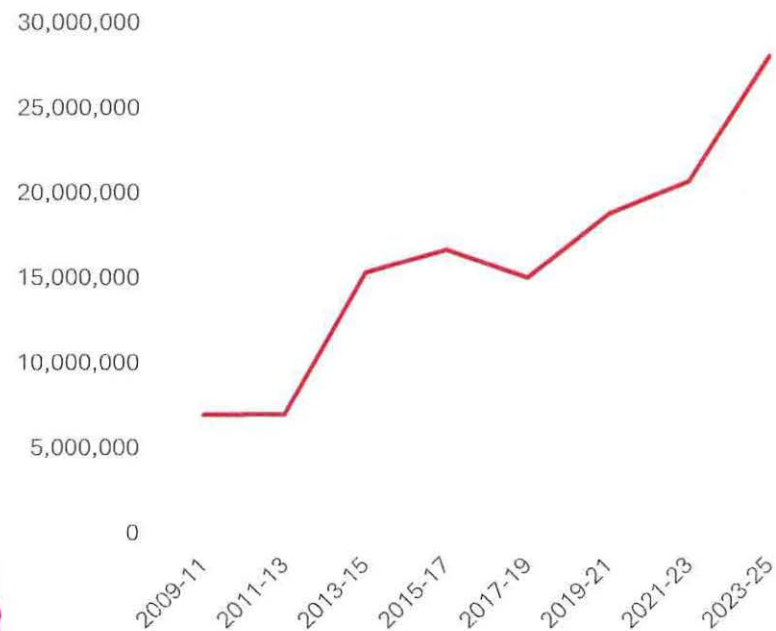


State Fire Marshal Transition

Deputy FM Districts



Distribution to Fire Districts



Requested FTEs



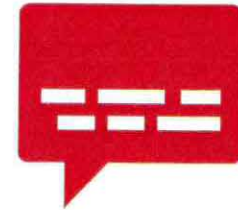
**Company Licensing
& Examination
Analyst**



Staff Attorney



**Property & Casualty
Consumer Analyst**



**Communications
Specialist**

Included in Executive Budget



Fire & Tornado Fund & Bonding Fund



Prior to 2019:

Department
administered both
programs.



Since 2019:

NDIRF administered
both programs with
Department oversight.



Proposed this session:

Transfer oversight to
OMB.



Property Insurance Market Study



ND Purchasing Group
Statutes

Large Commercial Risks
Rebates

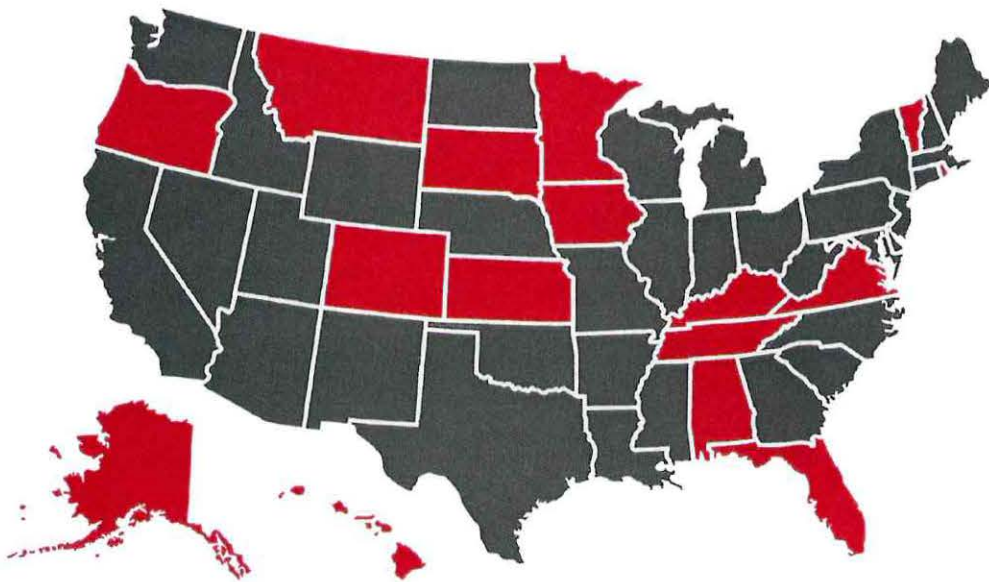
Delegation Agreement for
Insurance Holding
Company Statements

ND Surplus Lines Laws

Property Insurance Reforms to Address
Social Inflation



Insurance & Securities Merger



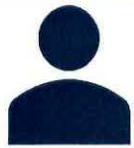
Shared Priorities & Responsibilities

- › Consumer Protection
- › Financial fraud investigation
- › Public education & awareness
- › Promoting financial stability
- › Professional licensing

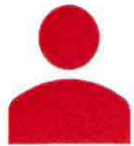
In the U.S., at least **16 states** have their securities regulatory agency under the same umbrella as their insurance department.



Pharmacy Benefit Manager Regulation



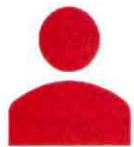
1 Pharmacist



2 Complaint Analysts



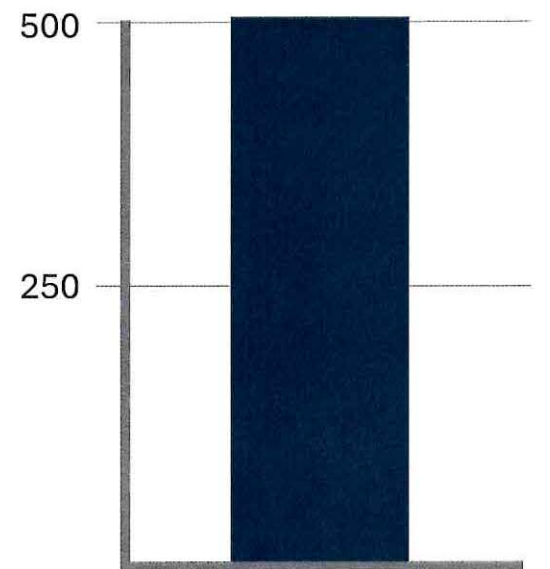
2 Attorneys



1 Company Analyst

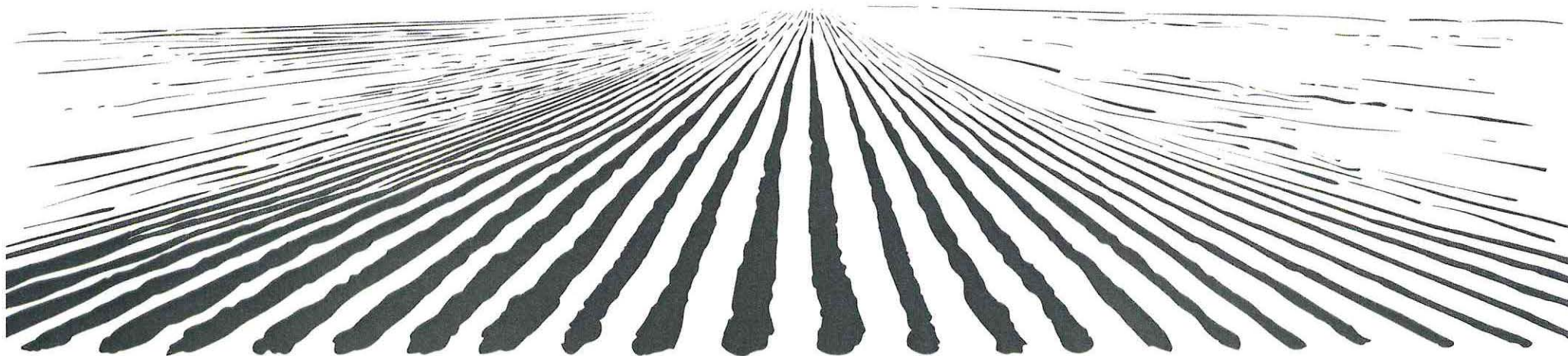


1 Fraud Investigator



Anticipated Monthly Complaints





NORTH DAKOTA

Insurance Department

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TESTIMONY

Jon Godfread, Insurance Commissioner

Senate Appropriations Committee, Government Operations Division

March 6, 2025

Good Morning, Chairman Wanzek, and members of the Government Operations Budget Section. For the record, my name is Jon Godfread, Insurance Commissioner for the State of North Dakota. Thank you for the opportunity this morning to present our budget bill, we know that we are at the very beginning of this conversation but appreciate the opportunity to provide an overview of our Department and our 2025-27 budget request.

Agency Organizational Chart and Major Programs

To begin, let me provide an overview of our agency's organizational structure and the major programs we manage. The Insurance Department consists of eight divisions, each critical to fulfilling our mission of ensuring the insurance needs of North Dakotans are met. Below is a summary of these divisions and their respective FTEs:

- Legal Division (6 FTEs): Includes a General Counsel and five attorneys who provide legal support, enforce insurance laws, and handle administrative litigation.
- Life and Health Division (8 FTEs): Responsible for consumer assistance and rate/form filings. This division also administers the State Health Insurance Assistance Program (SHIP), offering Medicare counseling and resolving insurance issues while ensuring compliance with state laws.
- Property and Casualty Division (5 FTEs): Manages rate and form filings and assists consumers with property and casualty insurance matters.
- Producer Licensing Division (3 FTEs): Oversees licensing for over 114,000 insurance producers, ensuring regulatory compliance.
- Company Licensing and Examinations Division (5 FTEs): Monitors the financial health of more than 2,500 insurance entities.
- Fraud Division (4 FTEs): Includes peace officers and investigators dedicated to combating insurance fraud.
- Administration Division (6 FTEs): Handles internal operations, including budget management, accounting, and human resources.
- State Fire Marshal's Office (10 FTEs): Transferred from the Attorney General's office in 2023, this division focuses on fire safety enforcement and local fire department support.

One-Time Funding and Office Space Improvements

We successfully utilized the \$75,000 allocated for our main entrance buildout, adding four new offices and reconfiguring space previously occupied by the Securities Commission. This renovation has been invaluable, providing a designated consumer assistance area with the necessary technology, additional

workspace for Fire Marshal staff, and accommodations for hybrid workers (currently 14). Importantly, we are not requesting additional construction funding for 2025-27, as the remodel was completed through the Capitol Space Utilization Improvements program in OMB's budget.

Since I took office eight years ago, we have expanded built-out offices from 17 to 37, eliminating two off-site leases and maximizing our 5th-floor space—a fiscally responsible move that has led to significant cost savings.

Fire Marshal Equipment and Capital Asset Requests:

Of the \$72,540 in one-time funding allocated to the Fire Marshal's Office, we have expended \$51,835, with \$20,704 remaining. These funds have been used to acquire essential investigative equipment, such as a trailer and sifter previously retained by the Attorney General's Office, and to outfit new vehicles for our growing Fire Marshal team.

For the 2025-27 biennium, we are requesting \$90,000 in capital asset funding, included in Governor Armstrong's Executive Budget and the House version. This funding will modernize critical equipment:

- \$10,000 to upgrade the Fraud Division's radios for full Statewide Interoperable Radio Network (SIRN) compatibility, ensuring seamless communication during investigations.
- \$80,000 for a second portable x-ray imager for the Fire Marshal's Office. Currently, we operate with only one, limiting investigative capacity due to distance and location constraints. A second unit will significantly enhance our ability to conduct fire cause investigations, improving efficiency and effectiveness.

Staffing Needs: Addressing Regulatory Growth

Governor Armstrong's budget includes two of our four requested FTEs:

- An additional Attorney to address growing legal and regulatory demands.
- A Company Licensing & Examination Analyst to manage compliance and oversight responsibilities.

Requested New Attorney Position: Expanding Legal Support for Regulatory Enforcement

Our department's legal responsibilities continue to expand as regulatory demands grow, particularly in areas such as fraud prosecution, fire investigation support, insurance licensing enforcement, and the oversight of domestic and unlicensed insurers. Our existing legal team is stretched thin, and without additional legal capacity, we risk delays in enforcement actions, compliance monitoring, and fraud prosecution—all of which could have significant consumer protection implications.

The requested attorney position would be responsible for six primary areas:

1. Primary Support for the Fire Marshal's Division:
 - This position would provide critical legal guidance on fire investigations, fire safety regulations, and enforcement actions, ensuring that our department is adequately equipped to uphold public safety standards.

- The increasing number of cases involving fire investigations and regulatory issues necessitates dedicated legal expertise to support compliance efforts and properly adjudicate disputes.
2. Secondary Fraud Prosecution Attorney:
- As fraud cases grow in complexity, our current legal team cannot efficiently handle both civil and criminal fraud cases without additional support.
 - This attorney would assist in coordinating with law enforcement agencies, reviewing fraud-related complaints, and pursuing legal action against fraudulent actors in the insurance market.
3. Civil Fraud Enforcement:
- This role would handle the growing number of consent orders, compliance investigations, and enforcement actions that require significant legal oversight.
 - Without proper staffing, we risk delays in fraud investigations, potentially allowing fraudulent activities to persist longer than necessary.
4. Administrative Rules Drafting & Hearing Representation:
- The department is responsible for drafting, updating, and enforcing administrative rules that regulate insurers and related entities.
 - As regulatory changes continue at both the state and federal levels, this attorney would assist in drafting legally sound regulations, supporting administrative hearings, and ensuring our rules align with legislative intent.
5. General Licensing Actions:
- This attorney would manage enforcement actions related to insurance company and producer licensing.
 - With increasing compliance issues among insurance entities, we must ensure due process in licensing actions and take enforcement measures when necessary.
6. Enforcement of Domestic and Unlicensed Companies:
- The attorney would serve as the primary legal resource for enforcing compliance among North Dakota-based insurers and taking action against unlicensed companies operating unlawfully in the state.
 - As new entities enter the market, this role will be crucial in maintaining a fair and competitive insurance environment while ensuring consumers are protected.

The Cost of Inaction

Without this additional legal capacity, fraud investigations will take longer, enforcement actions may stall, and regulatory compliance could suffer. The risk to consumers increases when enforcement actions are delayed, and the department's ability to respond effectively is compromised. By approving this

attorney position, the state will ensure its regulatory agency has the necessary tools to safeguard the insurance market and protect policyholders.

Additional Company Licensing Analyst: Enhancing Efficiency & Reducing Costs

Our second FTE request—a Company Licensing & Examination Analyst—is a financially responsible solution that will lead to long-term savings for the department and the state.

Currently, the department relies heavily on external consultants to conduct company examinations, IT reviews, and actuarial assessments. While necessary in some cases, this reliance has become an ongoing financial burden, resulting in substantial costs that could be significantly reduced with internal staffing.

Financial Impact of Consultant Costs

Since 2020, we have spent a significant amount on external consultants for examinations. Based on past expenditures and future projections:

- Total consultant expenses since 2020: \$458,925.60
- Estimated savings with an internal analyst: \$360,000–\$400,000
- Projected contractor costs for upcoming exams: \$180,000 over the next two years

Had we employed an additional Company Licensing Analyst over the past four years, we would have saved at least \$360,000 by performing much of the examination work in-house.

Upcoming Examination Needs & Projected Cost Savings

Looking ahead, we have five upcoming company examinations that will require external contractor support:

- Three examinations will require actuarial support, as our current team lacks the bandwidth to handle this workload.
- Three examinations will require IT support, as our limited staff cannot simultaneously conduct IT reviews while completing all exam work.

If this FTE is approved, we could eliminate \$50,000 of the projected \$180,000 in external consultant costs for these exams. Additionally, we have already spent \$130,000 this year alone on IT and actuarial contractors—costs that could be reduced with adequate internal staffing.

Long-Term Benefits of Internal Staffing

By hiring a Company Licensing Analyst, the department can:

- Reduce Reliance on Costly External Contractors – Long-term savings by shifting critical examination tasks in-house.
- Increase Efficiency in Company Licensing & Oversight – Allowing staff to focus on core compliance responsibilities.
- Train & Develop Internal Expertise – Enabling the department to reduce external support over time and maintain institutional knowledge.

- Enhance Consumer & Market Protection – Ensuring timely and thorough regulatory oversight.

The Cost of Inaction

If this position is not approved, the department will continue to spend hundreds of thousands of dollars on external consultants, rather than investing in permanent, cost-effective solutions. This is an opportunity to save taxpayer dollars, increase efficiency, and ensure the department has the expertise needed to regulate a rapidly evolving insurance market.

We are also requesting:

- A Property & Casualty Consumer Analyst to address the increasing volume of consumer inquiries and complaints since 2020. This role is essential to educating policyholders, clarifying coverage, and ensuring North Dakotans make well-informed decisions.
- A Communications Specialist to enhance public engagement, stakeholder outreach, and consumer education.

Property & Casualty Consumer Analyst: Addressing Increased Consumer Complaints

In recent years, the department has seen a significant rise in consumer inquiries and complaints related to property and casualty insurance, including homeowners, auto, and commercial policies.

Why This Position is Needed

- The volume of consumer complaints has increased by 30% since 2020, straining our existing consumer services team.
- Many inquiries involve complex policy disputes, requiring deeper analysis and regulatory intervention.
- Consumers need better education on coverage options, policyholder rights, and insurance regulations.

Role & Responsibilities

A Property & Casualty Consumer Analyst would:

- Investigate and resolve consumer complaints related to property and casualty insurance.
- Educate policyholders on their coverage rights and responsibilities.
- Ensure insurers comply with state regulations and consumer protection laws.

Without this position, consumer complaints will take longer to resolve, potentially leaving policyholders without timely assistance in navigating disputes with their insurers.

Communications Specialist: Expanding Public Engagement & Consumer Education

The department's communications team currently consists of just one person, responsible for both the Insurance Department and the Fire Marshal's Office. Given the increasing demand for public engagement, financial literacy efforts, and stakeholder outreach, this is unsustainable.

Why This Position is Needed

- Consumer engagement has surged in the past three years, with more inquiries and requests for guidance.
- Many North Dakotans remain unaware of their rights, available resources, and the department's role in consumer protection.

- A dedicated Communications Specialist would allow the department to:
 - Expand consumer protection initiatives and financial literacy efforts.
 - Improve public access to insurance and fire safety information.
 - Free up the Director of Communications to focus on strategic initiatives.

Without this position, public outreach efforts will be limited, and many North Dakotans may remain uninformed about critical consumer protections.

To keep pace with growing regulatory demands, protect consumers, and reduce financial inefficiencies, we urge the committee to support these staffing requests.

- **The additional attorney** will ensure that fraud, licensing, and enforcement actions remain timely and effective.
- **The Company Licensing Analyst** will save the state money by reducing reliance on external consultants.
- **The Property & Casualty Consumer Analyst** will ensure that policyholders receive timely assistance and protections.
- **The Communications Specialist** will expand public education efforts and improve consumer awareness.

These positions represent a fiscally responsible investment in ensuring North Dakota's insurance market remains fair, competitive, and consumer-friendly.

Financial Breakdown and Salary Adjustments

The four new FTEs—an Attorney, Company Financial Analyst, Consumer Analyst, and Communications Specialist—along with a 3% salary increase, would total \$911,628 (\$884,213 in salary/fringe benefits, \$27,415 in operating costs). This would increase our FTE count from 47 to 51, aligning staff levels with our expanding workload.

Addressing Salary Needs and the Loss of Budget Flexibility

The implementation of the FTE funding pool has effectively removed our ability to absorb necessary, yet unpredictable, costs—such as comptime, overtime, and retirements—within our existing budget. In the past, we were able to utilize salary savings to cover these expenses without issue. However, under the new funding structure, this flexibility no longer exists, meaning we must have a dedicated line items for these costs.

To be clear, we are not here to debate the implementation of the FTE funding pool—we recognize that decision has been made. However, as you move forward with this program, it is critical that agencies like ours have a designated funding mechanism to address these unavoidable and essential expenses.

This is especially true given the unpredictable nature of fire investigations and the responsibilities of the State Fire Marshal's Office. There will be times when our Deputy Fire Marshals must work overtime—fires don't happen on a schedule, and investigations don't always fit neatly into a standard workweek. Without the ability to cover these costs within our budget, we would be forced to approach the Emergency Commission or engage in deficiency spending—neither of which is a responsible or efficient solution.

To ensure we can properly compensate our staff for the work they do without unnecessary bureaucratic hurdles, we are requesting the following:

- \$45,000 for Fire Marshal salary adjustments—the Fire Marshal’s Office has not undergone an equity review in over 40 years, and these adjustments are necessary to remain competitive and retain experienced professionals.
 - Increasing the starting salary from \$5,431 to \$6,000–\$6,200 per month will allow us to attract and keep qualified personnel in this critical public safety role.
- \$255,000 for attorney salary equity—our legal team lags behind peers in state government, putting us at risk of losing top legal talent.
 - The \$125,000 equity pool allocated last session helped adjust salaries for five attorneys, but additional funding is needed to maintain a competitive pay structure.

Additionally, we are requesting:

- \$63,250 in retirement funding—to cover payouts for two long-tenured employees (30+ years of service), ensuring a smooth transition without causing budget strain.
- \$20,000 for compensatory time (comptime) and overtime payouts—particularly for Deputy Fire Marshals, who often accrue time due to long-distance travel and unpredictable fire investigations.

These requests are not about expanding our budget—they are about ensuring we can pay for work that has already been done. As this committee moves forward with implementing the FTE funding pool, we urge you to provide agencies like ours with the necessary tools to manage essential expenses without unnecessary administrative roadblocks. The unpredictability of our workload requires budget flexibility, and we must ensure our Deputy Fire Marshals and other staff are compensated fairly and promptly for their critical work.

The Bottom Line

We fully understand the reasoning behind the FTE funding pool and the effort to remove flexibility in seeking additional savings. However, if you examine our track record, the North Dakota Insurance Department remains 2.5 FTEs below where we were eight years ago—even after absorbing the State Fire Marshal’s Office with 10 additional FTEs. Over that same period, our operating budget has grown by only 4.5%, despite an increasingly complex regulatory landscape and additional responsibilities assigned by this chamber.

As a reminder, we are a 100% special-funded agency, meaning our budget does not draw from the General Fund but is derived from the industry we regulate. We have consistently brought forward needs-based budgets, and in years when reductions were neither requested nor required, we proactively cut our budget in good faith—believing that our conservative stewardship would be recognized when we presented legitimate, necessary requests in future cycles.

With the pending transfer of the Securities Department, we are already analyzing a reorganization plan to ensure this transition results in meaningful efficiencies and cost savings. More details will follow, but

our approach remains rooted in responsible fiscal management and ensuring we are structured effectively to meet our statutory obligations.

The reality is this: over the past eight years, we have reduced our budget, maintained lean operations, and only requested strategic, necessary growth. Our current request seeks to responsibly utilize the special funds available to us to ensure we have the resources to fulfill our duty to North Dakota consumers. We recognize that budgets are always tight, but our agency has demonstrated time and again that we do not ask for more than what is needed. This session's request is no different.

I respectfully ask that this body consider our budget in the full context of the past eight years, the expanding scope of our responsibilities, and the new duties assigned by this legislature. We are simply requesting the tools necessary to effectively manage and operate the Insurance Department. Ensuring we have adequate staffing and resources is not about expansion for expansion's sake—it is about meeting our obligations, serving North Dakota consumers, and maintaining a strong and responsive regulatory environment.

Fire Marshal's Office Transition: Progress, Challenges & Solutions

Operational Improvements

Since the State Fire Marshal's Office transitioned to the Insurance Department in July 2023, we have enhanced efficiency and expanded support for local fire departments. Key achievements include:

- New Deputy Fire Marshals hired in Devils Lake and Jamestown, improving statewide coverage.
- Strategic staffing adjustments in Jamestown, reclassifying the Chief Deputy Fire Marshal role into a Deputy Fire Marshal position, allowing for career growth with the creation of Senior Deputy Fire Marshal positions.
- Improved training and resources through SB 2211, providing the North Dakota Firefighters Association (NDFA) with \$2.4 million per biennium from the Insurance Regulatory Trust Fund. This funding has expanded regional fire schools, enhanced training programs, and strengthened fire safety preparedness statewide.

In 2023, fire district funding from the Insurance Tax Distribution Fund increased by 37.8% to \$13.5 million and rose further to \$14.5 million in 2024. However, growing demand for equipment maintenance and instructor recruitment underscores the need for additional resources to sustain and expand these advancements.

Financial & Operational Efficiencies

Despite these successes, the Fire Marshal's Office transition and NDFA funding shifts have created cash flow challenges due to the \$1 million reserve cap in the Insurance Regulatory Trust Fund. While this issue was anticipated, an earlier request to increase the reserve limit was removed during legislative negotiations over SB 2211.

To address this, we introduced:

- HB 1123, modernizing outdated fees and fines to ensure they reflect the true administrative costs of regulatory functions.

- HB 1086, which closes a stagnant fund, transfers its balance to the Insurance Regulatory Trust Fund, and redirects cigarette certification fees into the trust fund for long-term financial stability.

Both bills have received strong legislative support and moved forward in the process. However, if HB 1123 does not pass, we will pursue increasing the Insurance Regulatory Trust Fund reserve from \$1 million to \$3 million to prevent cash flow disruptions.

Additionally, SB 2090 seeks to eliminate redundant billing between state agencies and the Fire Marshal's Office, streamlining operations, reducing inefficiencies, and allowing our team to focus on fire prevention and enforcement rather than bureaucratic obstacles.

Budget Overview: A Responsible, Needs-Based Request

The North Dakota Insurance Department plays a critical role in protecting consumers, ensuring market stability, and supporting fire safety. Our 2025-27 biennium budget request of \$18,509,420 is a measured, necessity-driven proposal that reflects both responsible fiscal management and the evolving demands on our agency.

Staffing & Salary Adjustments: Addressing Critical Needs

We currently operate with 47 FTEs, with four vacancies in the hiring process. Our request includes funding for four new FTEs to strengthen key areas where our responsibilities have expanded:

- A Property & Casualty Consumer Analyst to address rising consumer inquiries and complaints.
- A Communications Specialist to improve public engagement and education efforts.
- A Company Licensing & Examination Analyst to enhance regulatory oversight.
- An Attorney to handle increasing legal and enforcement responsibilities.

Our total salary and wage request of \$13,116,852 includes essential adjustments for:

- Retaining and attracting skilled personnel in highly specialized roles.
- Critical reclassifications to align with industry standards.
- Anticipated retirements and necessary overtime and comp-time payouts.

Additionally, due to the FTE funding pool, we no longer have the flexibility to absorb salary savings to cover necessary costs. As a result, we must directly budget \$83,250 for overtime, comp-time payouts, and retirements—expenses we previously managed within our salary structure. While we recognize the intent of the FTE funding pool, it is critical that agencies like ours retain some flexibility to handle these operational realities.

Operational Budget: Efficiency Without Compromise

Despite inflationary pressures, we have reduced our operational budget by 0.08% from the current biennium. However, uncontrollable cost drivers, such as fleet management and ITD data processing, continue to rise. To ensure uninterrupted operations, our total operating request is \$2,635,603, which includes:

- Capital asset funding of \$90,000 (approved by the House) to support critical upgrades in the Fraud Division and Fire Marshal's Office.
- Necessary funding for regulatory and consumer protection efforts in an increasingly complex insurance market.

A Lean Budget That Protects North Dakotans

This request represents a modest, targeted investment to maintain and enhance core functions—not an expansion for expansion's sake. The Insurance Department's work touches every North Dakota community, from ensuring the solvency of insurers to fighting fraud and improving fire safety.

Meeting these challenges requires attracting and retaining top-tier talent, particularly in insurance law, regulatory enforcement, and fire safety. Our budget strikes a balance between fiscal responsibility and providing the tools necessary to meet our growing responsibilities.

Pending Legislation with Potential Budgetary Impacts

As this subcommittee considers our budget request, I want to highlight key pieces of legislation still under consideration that could impact the Insurance Department's budget and operations.

State Fire and Tornado Fund & State Bonding Fund Transition

Since the 66th Legislative Assembly, the State Fire and Tornado Fund and the State Bonding Fund have been successfully administered in partnership with the North Dakota Insurance Reserve Fund (NDRF). This arrangement has helped eliminate regulatory conflicts, improve coverage accuracy, and reduce public property risk exposure.

To further streamline fund administration, HB 1026 (Bonding) and HB 1027 (Fire & Tornado Fund) were introduced at the request of the Government Finance Interim Committee to transfer oversight of these funds from the Insurance Department to the Office of Management and Budget (OMB) under Risk Management.

I fully support this transition as it represents a logical next step—aligning fund management with OMB's core responsibilities while ensuring continued effective oversight. We will continue to work with this committee to ensure a smooth transition that maintains program integrity and efficiency.

Strengthening North Dakota's Insurance Market

The Insurance Department has taken proactive steps to attract capital investment and improve market conditions for insurance companies in North Dakota.

At the June 19 Budget Section meeting, we requested \$1.5 million to fund four studies focused on strengthening the state's property and casualty insurance market. These studies are designed to identify legislative and regulatory initiatives that will:

- Expand access to capital for insurance companies.
- Increase market participation, which in turn can apply downward pressure on rates.
- Improve availability of property insurance for North Dakotans.

Among the legislative initiatives under discussion are:

- **SB 2272 (Failed first half):**
 - **ND Incentive Program** – Clarifying the "Earned Capital" section to specify whether a hearing is required for determinations, or preferably, confirming the Commissioner's determination is final.
- **SB 2374**
 - **Insurance Holding Company Systems** – Requiring prior approval of delegation agreements by the Commissioner for better oversight.
 - **Large Commercial Risk Rebates** – Allowing rebates for large commercial risks, creating more flexibility in the market.
 - **ND Purchasing Group Statutes** – Updating statutes to enhance their functionality and effectiveness.
 - **Surplus Lines Laws** – Improving surplus lines regulations to increase market responsiveness.
 - **Property Insurance Reform to Address Social Inflation** – Ensuring insured parties are informed about arbitration clauses and offering alternative policy options that do not require binding arbitration.

These reforms are intended to foster a more competitive, responsive, and accessible insurance market while addressing rising property insurance costs. We are actively engaged with Senate and House IBC and IBL Committee leadership to gauge interest in moving these initiatives forward.

Addressing Immediate Challenges

While these legislative initiatives provide long-term market solutions, County Mutuals continue to face significant reinsurance challenges. There is no immediate relief, and these companies are facing difficult decisions. However, we believe the steps we are taking now will position North Dakota as an attractive and stable environment for future insurance and reinsurance investment.

As the budget process moves forward, we are committed to transparency, engagement, and working closely with this committee. My team and I stand ready to answer any questions, provide further details, or dive into specific line items as needed. Thank you for your time and attention to these critical issues.

Senate-Approved Merger of the Securities Department with the Insurance Department

I want to highlight the importance of SB 2214, which proposes merging the Securities Department with the Insurance Department—a bill rightfully passed by the Senate.

This is not a new concept. A similar proposal was introduced in 2017, leading to a study on merging the Securities Commission with the Department of Financial Institutions. However, given the persistent and significant challenges in securities regulation in our state, the Senate's approval of this merger is a necessary and overdue step toward ensuring stronger oversight and investor protection in North Dakota.

Why This Merger is Necessary

While we do not need to be overly critical of the Securities Department, the reality is that there have been serious failures in securities regulation—and issues continue to persist. These gaps in oversight have put investors at risk, and without decisive action, these challenges will only grow. The Insurance Department has a proven track record of effective regulation, and moving securities under our oversight is the first step in restoring confidence and ensuring investor protection in North Dakota.

This merger is about accountability, efficiency, and modernization. Insurance and securities share critical consumer protection responsibilities, and consolidating these functions will:

- Strengthen regulatory oversight, ensuring that investors receive the same level of protection that policyholders currently do.
- Reduce redundancies by streamlining administrative processes like licensing, compliance monitoring, and enforcement.
- Enhance coordination across cybersecurity risks, complex investment products, and consumer education efforts, where insurance and securities increasingly intersect.

Operational and Budgetary Considerations

From an operational standpoint, this merger will allow for better resource allocation. Currently, the Securities Department is facing significant legal expenses due to its lack of in-house legal representation, forcing them to rely on costly outside counsel. These legal expenses were not accounted for in their budget, creating an unsustainable financial burden.

Additionally, the department is struggling with staffing and salary deficiencies, which must be addressed to ensure it can fulfill its regulatory responsibilities. While our goal is to identify efficiencies and streamline costs, the reality is that additional funding will likely be necessary including a contingency line for unexpected expenses. Transparency is key, and as we move forward with this transition, we will work to ensure these fiscal adjustments are implemented responsibly and effectively.

A Step Toward a Stronger Regulatory Framework

The Senate made the right decision in approving this bill. This is not just an administrative realignment—it is a critical step toward fixing long-standing issues and ensuring that securities regulation in North Dakota is as strong as it needs to be. With this merger, we can protect investors more effectively, modernize oversight, and create a regulatory structure that serves North Dakota's financial markets well into the future.

We look forward to working through this transition and ensuring that the efficiency, transparency, and accountability that define the Insurance Department are extended to securities regulation as well.

HB 1584 – PBM Regulation

HB 1584 passed the House without a fiscal note or fiscal impact assessment. While this bill was drafted ahead of the deadline, we recommended attaching a fiscal note and were assured by the House sponsors that the fiscal impact will be discussed in the second half. Based on our analysis, implementing HB 1584 will require the creation of a new division within the Insurance Department dedicated to enforcing its PBM regulations.

Currently, the Insurance Department has significant expertise in regulating insurance and financial services but has no experience or expertise in regulating pharmaceuticals, manufacturers, or pharmacies. Properly enforcing HB 1584 would require an additional 5-7 full-time employees (FTEs). We anticipate handling over 500 complaints per month, necessitating at least one to two staff members dedicated solely to complaint intake and processing. Once sorted, these complaints would require review and action from a pharmacist, one or two attorneys specializing in this space, a company analyst, and a fraud investigator. This is a highly specialized and complex area of regulation that cannot be effectively managed by reallocating existing staff across multiple agencies.

Simply put, if we do not allocate the necessary resources to implement this bill, we should not pass it at all. Half-measures will only lead to frustration and consumer outcry when expected results—such as lower drug prices or better pharmacy reimbursement—fail to materialize. To date, it remains unclear whether PBM regulations in other states have delivered tangible benefits, as drug prices have not decreased for consumers, and the impact on pharmacies is uncertain. However, if this legislature chooses to regulate PBMs, we will enforce the laws passed—but we will need to be given the appropriate tools, funding, and personnel to do so. Without them, the effort will be ineffective and misleading to the public.

Trust and transparency are the cornerstones of effective governance, and that includes presenting a budget that is driven by necessity, not by desire. Throughout my tenure, I have demonstrated a steadfast commitment to fiscal responsibility. In the past, I have made significant voluntary cuts to our budget—not because they were mandated, but because they were the right thing to do. We identified and eliminated spending in areas where it wasn't essential, always keeping the efficient use of taxpayer dollars at the forefront of our decisions.

Now, as we seek to strategically grow our department in response to increased demands, I ask that you consider this history of prudence. Our request is not for more than what is necessary to meet the mission entrusted to us by this body and the people of North Dakota. It reflects a careful balance between maintaining operational efficiency and addressing the evolving needs of our state.

I appreciate your thoughtful consideration of the challenges and opportunities we've discussed today. I look forward to continuing this partnership as we work together to achieve our shared goal of serving North Dakota's citizens effectively and responsibly. Thank you for your time, your support, and your commitment to this process. I am happy to answer any questions or provide further details as needed.

O-D or
Keith

Insurance Commissioner - Budget No. 401
Agency Worksheet - House Bill No. 1010

	Armstrong Executive Budget				House Version				House Compared to Executive Budget			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total	Increase (Decrease)			
									FTE Positions	General Fund	Other Funds	Total
2025-27 Biennium Base Level	47.00	\$0	\$15,783,893	\$15,783,893	47.00	\$0	\$15,783,893	\$15,783,893	0.00	\$0	\$0	\$0
2025-27 Ongoing Funding Changes												
Adjust funding for salaries for cost to continue			\$36,700	\$36,700			\$36,700	\$36,700				\$0
Salary increase			455,215	455,215			437,348	437,348			(\$17,867)	(17,867)
Health insurance increase			294,259	294,259			282,249	282,249			(12,010)	(12,010)
Adds funding to replace 2023-25 new FTE pool			407,380	407,380			407,380	407,380				0
Adds funding to replace 2023-25 vacant FTE pool			237,366	237,366			237,366	237,366				0
Transfer funding for 2025-27 new and vacant FTE pool				0			(114,413)	(114,413)			(114,413)	(114,413)
Add 1 FTE Professional services position	1.00		263,238	263,238				0	(1.00)		(263,238)	(263,238)
Add 1 FTE Analyst IV position	1.00		202,411	202,411				0	(1.00)		(202,411)	(202,411)
Transfer \$83,497 from operating to salaries				0				0				0
Add funding for ITD rate increases			54,018	54,018			54,018	54,018				0
Total ongoing funding changes	2.00	\$0	\$1,950,587	\$1,950,587	0.00	\$0	\$1,340,648	\$1,340,648	(2.00)	\$0	(\$609,939)	(\$609,939)
One-Time Funding Items												
One-time FTE cost			\$2,000	\$2,000				\$0				
Equipment including radios and an x-ray machine			90,000	90,000			\$90,000	90,000			(\$2,000)	(\$2,000)
Total one-time funding changes	0.00	\$0	\$92,000	\$92,000	0.00	\$0	\$90,000	\$90,000	0.00	\$0	(\$2,000)	(\$2,000)
Total Changes to Base Level Funding	2.00	\$0	\$2,042,587	\$2,042,587	0.00	\$0	\$1,430,648	\$1,430,648	(2.00)	\$0	(\$611,939)	(\$611,939)
2025-27 Total Funding	49.00	\$0	\$17,826,480	\$17,826,480	47.00	\$0	\$17,214,541	\$17,214,541	(2.00)	\$0	(\$611,939)	(\$611,939)
Federal funds included in other funds			\$723,685				\$717,971				(\$5,714)	
Total ongoing changes - Percentage of base level	4.3%	N/A	12.4%	12.4%	0.0%	N/A	8.5%	8.5%	N/A	N/A	N/A	N/A
Total changes - Percentage of base level	4.3%	N/A	12.9%	12.9%	0.0%	N/A	9.1%	9.1%	N/A	N/A	N/A	N/A

Other Sections in Insurance Commissioner - Budget No. 401

Section Description	Armstrong Executive Budget	House Version
New and vacant FTE Pool		Section 3 provides information regarding the use of funding in the new and vacant FTE pool line item.
Additional income		Section 4 appropriates any additional federal funds that become available to the Insurance Commissioner for the 2025-27 biennium.
Insurance Commissioner salary		Section 5 increases the annual salary of the commissioner by 3 percent in the 1st year of the biennium and 3 percent in the 2nd year of the biennium.
Report - NDIRF		Section 6 requires a report to legislative management on North Dakota Insurance Reserve Fund (NDIRF) including claims, balances, and complaints.

5-6-25
Keith



North Dakota Legislative Council

Prepared for the Senate Appropriations Committee
March __, 2025

MAJOR RELATED LEGISLATION AFFECTING THE INSURANCE COMMISSIONER AS OF CROSSOVER

This memorandum provides information on major related legislation affecting the Insurance Commissioner as of Crossover:

House Bill No. 1026 - This bill transfers the administration of the state bonding fund from the Insurance Commissioner to the Office of Management and Budget.

House Bill No. 1027 - This bill transfers the administration of the state fire and tornado fund from the Insurance Commissioner to the Office of Management and Budget.

House Bill No. 1086 - This bill changes state fire marshal fees and deposits the revenue in the insurance regulatory trust fund rather than the reduced cigarette ignition propensity fund.

House Bill No. 1087 - This bill relates to the licensing for administrators of life and health insurance and pharmacy benefit managers.

House Bill No. 1123 - This bill increases fees charged by the Insurance Commissioner.

House Bill No. 1124 - This bill relates to the standards and management of an insurer with an insurance holding company and the confidential treatment of investigation and examination records of insurance holding companies.

Senate Bill No. 2214 - This bill provides for the transfer of duties and appropriation authority from the Securities Commissioner to the Insurance Commissioner.

Senate Bill No. 2218 - This bill provides a one-time appropriation of \$500,000 to defray costs associated with a new Firefighter's Association building.

2025 SENATE STANDING COMMITTEE MINUTES

Appropriations - Government Operations Division Red River Room, State Capitol

HB 1010
3/18/2025

A BILL for an Act to provide an appropriation for defraying the expenses of the insurance commissioner; to create and enact a new section to chapter 26.1-23.1 of the North Dakota Century Code, relating to a government self-insurance pool report; to amend and reenact section 26.1-01-09 of the North Dakota Century Code, relating to the salary of the insurance commissioner; and to provide for a legislative management report.

2:34 p.m. Chairman Wanzek opened the meeting.

Members present: Chairman Wanzek, Vice-Chair Dwyer, Senator Burckhard, Senator Erbele, and Senator Sickler.

Discussion Topics:

- New and vacant full-time employee (FTE) pool
- Technology requests
- Potential action relating to SB 2214, a bill to bring the Securities Department into the Insurance Department
- Security Department fee changes
- Potential efficiencies in agency merger
- Attorney positions in Securities Office

2:37 p.m. Levi Kinnischtzke, LC Senior Fiscal Analyst, supplied budget information and referenced testimony #39926.

2:39 p.m. Tim Karsky, ND Securities Commissioner answered questions.

2:44 p.m. Levi Kinnischtzke, LC Senior Fiscal Analyst, provided budget information.

2:48 p.m. Tim Karsky answered committee members' questions.

2:54 p.m. Rachel Krieg, Administrative Director/HR Manager, ND Insurance Department, responded to a question.

2:59 p.m. Levi Kinnischtzke, LC Senior Fiscal Analyst, referenced testimony #39284, the long sheet for the Insurance Department budget.

3:05 p.m. Rachel Kriege answered a question.

3:07 p.m. Tim Karsky answered a question about rental efficiency.

3:10 p.m. Senator Dwyer made a motion to amend HB 1010 to bring the Securities Department into the Insurance Department with just eight FTEs, minus the vacant position and an attorney position, but no other budget changes.

3:10 p.m. Senator Erbele seconded the motion.

3:10 p.m. Voice Vote - Motion Passed.

3:15 p.m. Chairman Wanzek closed the meeting.

Carol Thompson, Committee Clerk

2025 SENATE STANDING COMMITTEE MINUTES

Appropriations - Government Operations Division Red River Room, State Capitol

HB 1010
4/1/2025

A BILL for an Act to provide an appropriation for defraying the expenses of the insurance commissioner; to create and enact a new section to chapter 26.1-23.1 of the North Dakota Century Code, relating to a government self-insurance pool report; to amend and reenact section 26.1-01-09 of the North Dakota Century Code, relating to the salary of the insurance commissioner; and to provide for a legislative management report.

2:47 p.m. Chairman Wanzek opened the meeting.

Members present: Chairman Wanzek, Vice-Chair Dwyer, Senator Burckhard, Senator Erbele, and Senator Sickler.

Discussion Topics:

- SB 2215 passed the House
- Full-time employee (FTE) requests, related to Securities Department
- Efficiencies to be gained
- Operational issues
- Enforcement issues
- Insurance attorney duties
- Cost of contracted legal services
- Equity requests
- Insurance Regulatory Trust Fund
- Retirement and overtime payments
- Forensic examination kits
- Insurance Tax Distribution Fund
- Securities special funds
- Distributions to fire departments
- Pass-through funds
- Emergency clause
- Attorneys' salary comparisons
- Additional amendments relating to HB 1584 and tow trucks study

2:49 p.m. Jon Godfread, Commissioner, ND Insurance Department, testified in favor, addressed many questions from the committee, and submitted testimony #44535, #44545, #44544, and #44546.

3:14 p.m. Rachel Kriege, Administrative Director/HR Manager, ND Insurance Department, responded to committee questions.

3:20 p.m. Larry Martin, OMB Analyst, supplied budget information and submitted testimony #44542.

3:28 p.m. Brady Larson, Assistant Legislative Budget Analyst, answered a budget question.

3:46 Chairman Wanzek closed the meeting.

Carol Thompson, Committee Clerk

REQUESTED FTEs



Communications Specialist
\$190,258



Company Financial Analyst
\$207,577

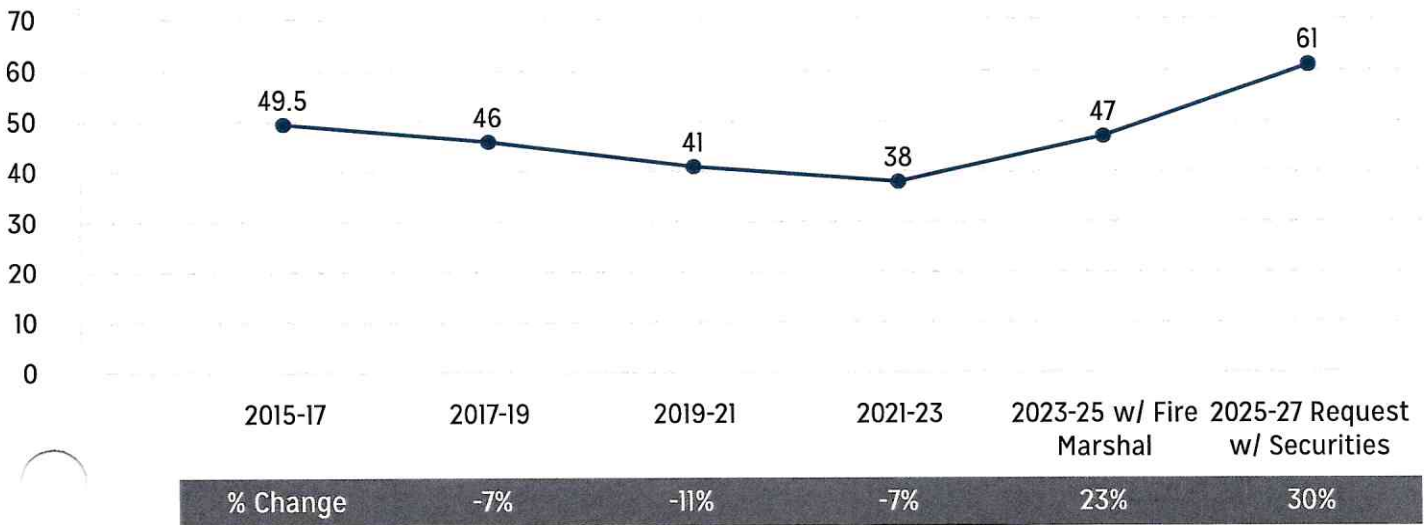


Staff Attorney
\$273,305



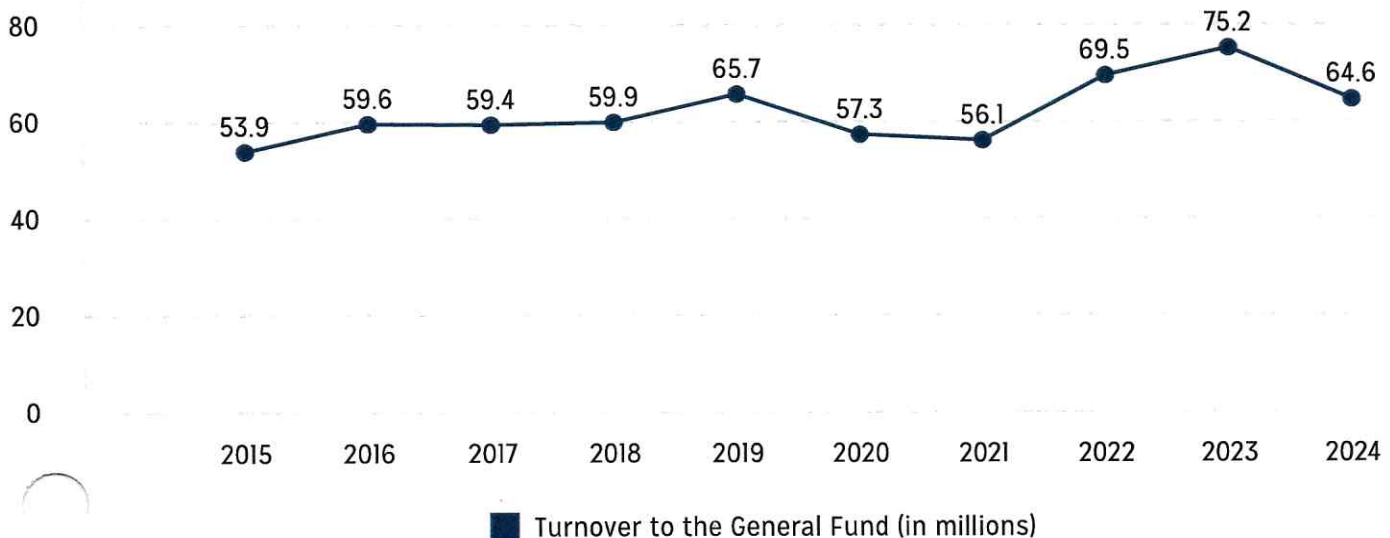
Property & Casualty Consumer Analyst
\$213,071

APPROPRIATED FTE'S OVER TIME



CONTRIBUTIONS TO THE GENERAL FUND

The Department turns over tens of millions of dollars each year to the General Fund from premium taxes collected from insurance companies based on the amount of premiums they collect and the funds generated by regulating the insurance industry (producer and company licensing fees, fines, etc.)



North Dakota Insurance Department Insurance Premium Tax History as of June 30, 2022 and Projections Through June 30, 2023

Calendar Year	Fiscal Year	Gross Fire Premium Reported for Calendar Year *	Total Premium Tax Collected During Fiscal Year (Includes the Following Column)	Fire, Allied Lines, Homeowner's Peril, Farmowner's Peril, and Commercial Multiple Peril Premium Tax Collected **	Appropriated Grant to Fire Districts from Fund 240	Appropriated Grant to NDFA from Fund 240	Appropriated Grant for Stipends for Firefighter Training from Fund 240	Appropriated Grant to Oil/Gas Prod from Fund 240	Appropriated Grant to Emergency Medical Services from Fund 240	Appropriated Firefighter Death Benefit to Fund 249	Balance Deposited in the General Fund
1995	1997	\$ 157,217,737	\$ 20,796,910	\$ 2,751,310	\$ 2,600,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,196,910
1996	1998	185,221,314	19,957,573	3,241,373	2,600,000	-	-	-	-	-	17,357,573
1997	1999	173,337,518	20,975,742	3,033,406	2,600,000	-	-	-	-	-	18,375,742
1998	2000	181,779,209	21,893,086	3,180,996	2,600,000	-	-	-	-	-	19,293,086
1999	2001	170,693,175	22,419,513	2,987,131	2,600,000	-	-	-	-	-	19,819,513
2000	2002	194,626,506	25,999,204	3,405,964	2,600,000	52,000	-	-	-	-	23,347,204
2001	2003	211,549,219	28,294,823	3,702,111	2,600,000	52,000	-	-	-	-	25,642,823
2002	2004	239,182,413	30,928,373	4,185,692	2,600,000	52,000	-	-	-	-	28,276,373
2003	2005	279,024,462	30,671,102	4,882,928	2,600,000	52,000	-	-	-	-	28,019,102
2004	2006	269,876,034	29,124,817	4,722,831	3,100,000	60,000	-	100,000	-	-	25,864,817
2005	2007	292,456,078	30,168,197	5,117,964	3,100,000	60,000	-	-	-	-	27,008,197
2006	2008	290,322,343	37,425,546	5,080,641	3,100,000	60,000	-	-	625,000	50,000	33,590,546
2007	2009	306,862,744	34,583,055	5,370,098	3,100,000	60,000	-	-	625,000	-	30,798,055
2008	2010	328,770,097	35,893,902	5,753,477	3,100,000	310,000	-	-	1,375,000	10,000	31,098,902
2009	2011	351,089,411	36,686,391	6,144,065	3,100,000	310,000	-	-	1,375,000	-	31,901,391
2010	2012	371,993,871	42,818,733	6,509,893	3,100,000	335,000	-	-	625,000	-	38,758,733
2011	2013	396,747,255	47,866,948	6,943,077	3,100,000	335,000	-	-	625,000	-	43,806,948
2012	2014	456,634,313	51,047,337	7,991,100	7,268,193	400,000	-	-	625,000	-	42,754,144
2013	2015	466,161,049	58,027,424	8,157,818	7,268,193	400,000	-	-	625,000	-	49,734,231
2014	2016	523,403,441	65,112,590	9,159,560	7,590,604	575,000	500,000 ***	-	625,000	-	56,321,987
2015	2017	545,776,385	63,557,666	9,551,087	7,590,603	445,000	-	-	625,000	-	54,897,064
2016	2018	543,960,512	63,273,934	9,519,309	7,117,781	414,262	-	-	625,000	-	55,116,891
2017	2019	537,183,536	68,567,677	9,400,712	7,117,780	414,263	-	-	625,000	-	60,410,634
2018	2020	584,682,136	63,094,991	10,231,937	8,994,753	414,263	-	-	625,000	-	53,060,976
2019	2021	599,805,854	59,177,852	10,496,602	8,994,753	414,263	-	-	625,000	-	49,143,837
2020	2022	618,792,518	75,215,806	10,828,869	9,794,235	570,035	-	-	625,000	-	64,226,536
2021	2023	658,964,917	63,073,209	11,531,886	9,794,235	570,035	-	-	625,000	-	52,083,939
2022	2024	771,106,904	75,316,215	13,494,371	13,494,371	0	0	-	-	?	60,657,470

Notes:

* The gross premium amounts are taken from amounts reported by insurance companies. The tax collected is calculated at 1.75% of the gross premiums reported in accordance with NDCC 26.1-03-17. The above amounts do not include any adjustments or corrections made to submitted reconciled tax returns. The Department does not track tax collected on individual lines of insurance.

** The Fire, Allied Lines, Homeowner's Multiple Peril, Farmowner's Multiple Peril, and Commercial Multiple Peril lines data are from the previous calendar years' annual reports provided by the companies. For example, the money disbursed in fiscal year 2018 was based on the premiums reported for calendar year 2016. This delay is due to the timing of filing and disbursement deadlines. Fiscal year 2018 disbursements were made in November 2017 and based on the returns filed for calendar year 2016 that were due in March 2017.

*** Of this amount, only \$15,692.28 was used and the remaining \$484,307.72 was transferred to the General Fund in August 2017.

4-1-25 - HB1010 - C. Godfreed

Insurance Regulation for attorneys is a steep learning curve. Attorneys generally are in training for the first six months. We strive to have attorneys take at least three, two-week courses within the first 6 months: Introduction to Insurance Regulation, Insurance Regulation Core Legal, Fundamentals of Insurance Regulation. Realistically it takes attorneys a couple of years before they are proficient with Insurance Regulation concepts.

Legal Division Director & General Counsel

- Primary legal advisor to the Insurance Commissioner
- Legal Division Supervisor - Assign cases and projects, balance case loads, arrange and hold staff meetings, provide guidance on legal research, and provide final recommendations to commissioner; set schedules, approve leave, and approve travel; higher and train new attorneys; perform annual staff evaluations; project and manage the division budget, and manage staff resources
- Advisor to the Department's human resources officer
- Provide legal support for the State Bonding Fund, and Fire and Tornado Fund
- Primary representative of the Insurance Department in Civil Litigation (ND State and Federal Court)
- Backup for administrative hearings
- National Association of Insurance Commissioners (NAIC) Market Conduct Actions Working Group Member
- Primary legal representative at NAIC National Meetings
- Department's Chief Market Conduct Examiner – Oversee insurance company market conduct exams, calls exams, supervising examiners, reviewing exam reports and enforcing orders.
- Keep abreast on state and national insurance issues, laws, and practices.
- Approves final drafts of legislation
- Approves final drafts of all administrative orders
- Approves final press releases
- Approves final draft of bulletins
- Primary advisor and legal representation for the State Fire Marshal

Attorney Duties for All Attorney Positions

- All Attorneys are required as necessary to:
 - Provide legal advice and legal representation to the Insurance Department staff and participate in administrative enforcement actions by drafting letters, memos, complaints, findings of fact, conclusions of law, orders, cease and desist orders, briefs, settlements etc. and attending hearings, examine witnesses, and prepare arguments as necessary
 - Assist with the investigation of alleged or potential violations of applicable insurance laws and administrative rules
 - Attend hearings and examine witnesses as necessary
 - Participate in legislation and administrative rules processes by identifying necessary changes to laws, drafting bills and rules, and attended and testify at hearings. Keep abreast on state and national insurance issues, laws, and practices
 - Handle inquiries and provide assistance to the public, producers, insurance companies, and the Legislature regarding the Department interpretation of statutes and regulations

- Assisting staff with formal correspondence with insurance licensees

P&C Attorney, Position 1

- Property and Casualty (P&C) Insurance Company Market Conduct examination
- P&C Advisory Organization Market Conduct examinations
- Government Insurance Pool Market Conduct examinations
- P&C and L&H Market Conduct Analysis
- NAIC P&C Market Conduct Certification compliance
- Serves as the Department's NAIC Collaborative Market Conduct Action Designee (CAD)
- Serves as the Department's NAIC Market Analysis Chief alternate (MAC alternate)
- Serves as the Department's NAIC Market Actions Working Group (MAWG) member alternate
- Serves as the Department's representative on the NAIC Advisory Organization Working Group
- Multistate Data call coordinator
- Special Assistant Attorney General assigned to P&C administrative actions. (e.g. Insurance company, insurance producer, managing general agents, etc.)
 - Currently – Deceptive insurance advertisements by companies, producers, and lead generators administrative action, etc.
- P&C Legislation drafting and review of Department legislation, monitoring proposed legislation, analysis of proposed legislation impacting P&C insurance, representing the Department on P&C legislation.
- P&C statutory analysis and interpretation
- State and Federal policy research and approval
 - Social media post and constitutional issues
- Secondarily analyze L&H statutes and administrative law
- Primary procurement officer
- Primary attorney for drafting and overseeing contracts
- P&C and Fire Marshal's open record requests.

P&C Attorney, Position 2

- Records retention compliance and analysis
- Life Settlement Application Evaluations – Broker, Provider, Producer
- Company Licensing foreign enforcement actions and revocation orders
- Special Assistant Attorney General assigned to P&C administrative actions. (e.g. Insurance company, insurance producer, managing general agents, etc.)
 - Currently– Insurer failing to fulfill valid claim after insured sold business, misleading sales tactics by producer
- Secondary Fire Marshal representation
- Company Licensing cyber security representation
- Company Licensing regulatory compliance (e.g. company names, company advertisements, etc.)
- State Policy research and approval
 - Employee manual
 - Record Retention
- P&C and Fire Marshal's open record requests
- P&C Market conduct exam and L&H market conduct exam backup

- Primary P&C consumer and producer legal inquiry analysis and responses
- Primary Surplus Lines Insurance and Non-admitted Company research, analysis and responses to inquiries

L&H Attorney, Position 3

- Life & Health Insurance Company Market Conduct Examinations
- L&H Health Market Conduct Analysis
- Serves as the Department's NAIC Privacy Protections Working Group representative (PPWG)
- Serves as a Department representative on NAIC Federal Health Insurance Reg
- Serves as NAIC-CMS Health Ins. Network Adequacy, NAIC-CCIO Oversight
- Serves as Department support for NAIC B committee
- Serve as a Department representative on NAIC American Indian and Alaska Native Liaison Committee
- Serves as the Department representative FEMA and NFIP flood insurance insurance producer regulation and NFIP community participation.
- Special Assistant Attorney General assigned to primarily Life & Health administrative actions (e.g. Insurance company, insurance producer, managing general agents, etc.)
 - Currently – actions involving unlicensed entities (e.g. third-party administrators, producers, etc.); prohibited practices in insurance violations by companies and producers (rebating, unfair claims, etc)
- Life & Health legislation drafting and review of Department legislation, monitoring proposed legislation, analysis of proposed legislation impacting L&H insurance, representing the Department on L&H legislation
- Life & Health statutory analysis and interpretation
- Enforcement of state health insurance company actions against unlicensed insurance sales and solicitation outside of federal Indian lands.
- Life & Health open record requests.

L&H Attorney, Position 4

- Special Assistant Attorney General assigned to the areas of life and health
- L&H Legislation drafting, analysis and review
- L&H Secondary Open records
- Secondary Fire Marshal open records
- Primary Administrative Rules drafting and hearing representative
- Fraud Prosecution back-up
- Life and health statutory analysis and interpretation
- Participation in NAIC Conferences and Trainings
- Primary Surplus Lines Insurance and Non-admitted Company research, analysis and responses to inquiries
- L&H License actions (license suspension, probations and revocations)
- Backup to NAIC B (Health) Committee support
- Primary L&H consumer and producer legal inquiry analysis and responses

Insurance Fraud Attorney 5

- Coordinate with States Attorneys
- Maintain insurance fraud and criminal fraud caseload
- Engage State's Attorneys in Prosecution Agreements
- Represent the Department in administrative fraud actions and enforcements
- Prosecute Criminal Insurance Fraud
 - Prepare Criminal: Complaints, subpoenas, briefs, evidentiary disclosures, prosecution evidence, witnesses, settlement negotiations, etc.
 - Appear in preliminary hearings and trial
- Coordinate with Department Law Enforcement Officers for Fraud Prosecution

Requested Attorney Position

- Primary Attorney for Fire Marshal's division
- Secondary Fraud Prosecution Attorney
- Civil fraud enforcement of consent orders
- Secondary administrative rules drafting and hearing representative
- General licensing actions (insurance company and producer)
- Secondary company licensing enforcements
- Primary domestic company licensing enforcements
- Unlicensed company enforcements

Attorney Equity Analysis

An Attorney salary analysis was conducted at the beginning of December of position titles that are or are similar to attorneys. As many options were included as possible. All North Dakota bar dates were then entered into the spreadsheet to compare bar entrance to salary.

Methodology:

Position and Salary Data Compilation

We included as many relevant attorney positions as possible in the analysis, focusing on both direct and comparable roles within the state. The dataset included information from attorney positions with varying bar dates, years of service, and job responsibilities.

Bar Entry Date Integration

For each attorney included in the study, we incorporated their respective bar entry dates to assess how salary correlates with the length of their legal careers. This allowed for a more granular comparison between experience and compensation.

General Counsel Analysis

In addition to examining individual attorneys, we conducted a more detailed review of the General Counsel position. For this, we averaged the salaries of five individuals currently serving in similar roles within state government, with differing bar entry dates, to establish an average to compare to.

Consideration of Additional Factors

The analysis also took into account factors such as years of service, potential job responsibilities, and the salary ranges presented in the most recent Insurance Department Resource Report (2022). This ensured that our analysis was comprehensive, factoring in both current compensation trends and future projections for similar roles.

We recognize that state agencies typically make equity adjustments over time and will likely continue to do so. However, given the need for accurate comparisons, we believe our analysis remains conservative, taking into consideration that adjustments may already have been made in some areas.

Salary Adjustment Requirements:

Year 1 Adjustment: To bring salaries into alignment with current benchmarks and reflect any gaps from prior compensation discrepancies, we estimate a salary adjustment of **\$91,102.38** for year one.

Year 2 Adjustment: Following the initial salary catch-up, we anticipate a corresponding 3% increase (or the legislated adjustment percentage) of **\$17,902.92** for year two. This adjustment will help maintain competitiveness and alignment with inflation and market trends.

Total salary requirement for year two would be **\$109,005.30**.

Fringe Benefits Calculation: We have also accounted for the associated fringe benefits, which we estimate at 40% of the additional salary required. This brings the total fringe benefit cost to **\$152,607.42**.

Total Cost Estimate: Combining the salary and fringe benefits, the total calculated need for equity adjustments across the impacted attorney positions is approximately **\$261,612.72**.

It is important to note that any excess funds from the equity adjustment allocations—should any funds remain unallocated—would be redirected to support the hiring of new attorney positions. This would allow us to continue investing in the recruitment and retention of top legal talent while maintaining the long-term sustainability of the agency.

Employee	Current	Current Compar. Ave.	3%	3%
		\$ 12,844.98	\$ 13,230.33	\$ 13,627.24
Johnny	\$ 9,917.82		\$ 10,215.35	\$ 10,521.82

Tyler	\$ 8,358.18	\$ 9,300.00	\$ 8,608.93	\$ 9,579.00	\$ 8,867.19
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Santana	\$ 8,208.93	\$ 9,200.00	\$ 8,455.20	\$ 9,476.00	\$ 8,708.85
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Steve	\$ 7,971.60	\$ 9,000.00	\$ 8,210.75	\$ 9,270.00	\$ 8,457.07
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Jamie	\$ 7,681.93	\$ 9,000.00	\$ 7,912.39	\$ 9,270.00	\$ 8,149.76
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Year one	Year two	Total Salary	Estimated Fringe
\$ 3,312.51	\$ 396.91		
\$ 39,750.06	\$ 4,762.92	\$ 44,512.98	\$ 62,318.17
\$ 941.82	\$ 279.00		
\$ 11,301.84	\$ 3,348.00	\$ 14,649.84	\$ 20,509.78
\$ 991.07	\$ 276.00		
\$ 11,892.84	\$ 3,312.00	\$ 15,204.84	\$ 21,286.78
\$ 1,028.40	\$ 270.00		
\$ 12,340.80	\$ 3,240.00	\$ 15,580.80	\$ 21,813.12
\$ 1,318.07	\$ 270.00		
\$ 15,816.84	\$ 3,240.00	\$ 19,056.84	\$ 26,679.58

\$ 261,612.72

Agency	DeptID	Name	Effective Date	Start Date	Service Date	Job Code Description	Position Title	JOB_ENT RY_DT	Comp Rate	Comp Freq	Grade	FTE	Position Number	Bar admitted date
12500 Att 125105		Wrigley, Drew	7/1/24	12/15/00	5/1/15	ELECTED - Attorney General		2/9/22	\$15,540.38	M	099		1 00000571	6/27/1995
48500 Wc 485100		Bjornson, Jodi	8/1/24	7/3/00	7/1/00	Other Adm General Counsel		7/1/20	\$14,933.88	M	099		1 00005246	9/27/1996
12500 Att 125105		Ness, Clara	7/1/24	1/13/14	1/1/13	DEPUTY - Chief Deputy Attorney General		5/9/22	\$14,295.00	M	099		1 00000586	5/26/2011
12500 Att 125170		Kelsch, Mary	7/1/24	8/5/02	8/1/02	ASST ATT Assistant Attorney Gen Admin		11/1/12	\$13,268.00	M	099		1 00000600	9/27/1996
53000 Co 530		Mahoney, Michael	7/1/24	12/2/13	12/1/95	Professor Attorney III		5/1/23	\$12,677.60	M	108		1 000026354	9/29/1983
80100 De 801006		Kautzmann, Dreux	7/1/24	10/1/99	10/1/99	Professor General Counsel		7/1/20	\$11,774.00	M	108		1 000006830	5/1/2000
12500 Att 125150		Moragham, Andrew	7/1/24	1/21/92	1/1/92	ASST ATT Assistant Attorney General		1/21/92	\$11,748.00	M	099		1 000006611	9/23/1985
18000 Ste 180		Dorheim, Aaron	7/1/24	12/1/05	12/1/04	STAFF AT STAFF ATTORNEY-CENTRAL LEGAL		12/1/06	\$11,592.00	M	021		1 00001168	10/6/1997
40800 Pul 408		Schuh, John	7/1/24	6/1/04	1/1/15	Professor Attorney III		7/1/20	\$11,373.00	M	108		1 00004996	1/27/2015
12500 Att 125120		Spahr, Marina	7/1/24	10/21/19	12/1/15	ASST ATT Assistant Attorney General		10/21/19	\$11,283.00	M	099		1 000030202	2/24/1994
12500 Att 125160		Ensrud, Jeremy	7/1/24	2/1/12	4/1/12	ASST ATT Assistant Attorney Gen Admin		6/1/23	\$11,269.00	M	099		1 00000592	5/21/2012
12500 Att 125400		Alm, Elin	8/1/24	11/7/07	11/1/07	ASST ATT Assistant Attorney Gen Admin		8/1/24	\$11,250.00	M	099		1 00000682	10/6/2003
60200 De 602		Bialke, Joseph	7/1/24	7/21/14	7/1/14	Professor Attorney II		8/1/21	\$11,186.00	M	107		1 00006340	10/10/1991
18800 Leg 188		Mccabe, Kevin	7/1/24	1/2/02	5/1/03	Professor Attorney III		7/1/20	\$11,012.67	M	108		1 00024518	5/1/2000
12700 Ste 127		Dendy, Charles	7/1/24	8/25/14	8/1/14	Professor Attorney III		6/13/22	\$10,972.00	M	108		1 00000796	10/4/2002
12500 Att 125170		Hammer, Matthew	7/1/24	7/1/15	5/1/11	ASST ATT Assistant Attorney General		7/1/15	\$10,879.00	M	099		1 000029463	5/14/2012
12500 Att 125170		Byberg, Lori	7/1/24	8/7/06	11/1/04	ASST ATT Assistant Attorney General		8/7/06	\$10,681.00	M	099		1 000029044	10/5/1994
18800 Leg 188		Mertz, Monty	7/1/24	11/17/08	11/1/08	Professor Attorney III		7/1/20	\$10,535.38	M	108		1 00026266	9/14/1981
18800 Leg 188		Ogren, David	7/1/24	3/15/07	3/1/07	Professor Attorney III		7/1/20	\$10,435.98	M	108		1 00025286	9/22/1995
32500 ND 325111		Boening, Adair	7/1/24	7/1/07	7/1/90	Professor Lead Attorney		7/1/20	\$10,356.00	M	107		1 00025752	10/5/1981
48500 Wc 485400		Schaibley, Ann	7/1/24	10/3/12	10/1/12	Professor Attorney		7/1/20	\$10,258.49	M	107		1 00005121	2/19/2013
12500 Att 125170		Balliet, Laura	7/1/24	4/1/09	8/1/09	ASST ATT Assistant Attorney General		9/27/10	\$10,227.00	M	099		1 00000607	5/4/2010
12500 Att 125170		Hicks, Allyson	7/1/24	9/24/18	9/1/18	ASST ATT Assistant Attorney General		9/24/18	\$9,967.00	M	099		1 00000604	9/30/2013
12500 Att 125170		Yon, Nancy	7/1/24	2/25/19	7/1/00	ASST ATT Assistant Attorney General		2/25/19	\$9,944.00	M	099		1 00029464	9/24/1999
40100 Ins 401		Palsgraaf, Johannes	7/1/24	12/7/09	12/1/09	Other Prof General Counsel Insurance Dept		7/1/20	\$9,917.82	M	099		1 00004874	10/5/2009
18800 Leg 188		Baumann, Eric	7/1/24	4/1/06	4/1/06	Professor Attorney III		7/1/20	\$9,895.45	M	108		1 000024516	9/24/1999
18000 Ste 180		Forward, Andrew	7/1/24	8/1/07	1/1/15	STAFF AT STAFF ATTORNEY-STATE COURT ADM		8/15/23	\$9,857.00	M	021		1 00001191	10/8/2001
41400 Sei 414		Karpinski, Carl	7/1/24	8/3/20	8/1/20	Professor Attorney III		10/4/22	\$9,782.70	M	108		1 00005071	9/18/2020
80100 De 801006		Morgenstern, Clint	7/1/24	2/10/16	2/1/16	Professor Staff Attorney		7/1/20	\$9,769.00	M	107		1 00006624	9/24/2010
22600 ND 226		Wald, James	7/1/24	3/16/20	3/1/20	ASST ATT Assistant Attorney General		3/16/20	\$9,660.00	M	099		1 00030687	3/2/2006
12500 Att 125170		Larson, Meredith	7/1/24	12/27/22	9/1/06	ASST ATT Assistant Attorney General		12/27/22	\$9,546.00	M	099		1 00000593	9/25/2006
12500 Att 125150		Pitcher, Michael	7/1/24	9/12/07	9/1/07	ASST ATT Assistant Attorney General		9/12/07	\$9,625.00	M	099		1 00000608	10/8/2007
32500 ND 325111		Keller, Sheila	7/1/24	7/1/07	8/1/90	Professor Lead Attorney		7/1/20	\$9,312.00	M	107		1 00025718	10/6/1987
12500 Att 125120		Johnson, Sarah	9/9/24	8/1/24	8/1/24	ASST ATT Assistant Attorney General		9/9/24	\$9,166.66	M	099		1 00031482	10/4/2024
18800 Leg 188		Lundberg, Eric	7/1/24	8/1/16	12/1/23	Professor Attorney III		12/4/23	\$9,103.50	M	108		1 00024522	9/23/2016
12500 Att 125170		Johnson, Stephanie	7/1/24	8/24/04	9/1/10	ASST ATT Assistant Attorney General		2/3/20	\$9,100.00	M	099		1 00029461	10/4/2024
18000 Ste 180		Behrens, Sara	7/1/24	8/1/06	6/1/14	STAFF AT STAFF ATTORNEY-STATE COURT ADM		8/23/18	\$9,092.00	M	021		1 00001159	9/25/2006
18800 Leg 188		Balzer, Justin	7/1/24	10/1/18	10/1/18	Professor Attorney III		7/1/20	\$9,066.69	M	108		1 00026261	10/10/2011
12500 Att 125130		Garner, David	7/1/24	4/4/16	4/1/16	ASST ATT Assistant Attorney General		4/4/16	\$8,939.00	M	099		1 00028876	5/19/2011
18800 Leg 188		Ahrendt, Jessica	7/1/24	10/1/06	2/1/12	Professor Attorney II		7/1/20	\$8,907.96	M	107		1 00025288	9/25/2006
12500 Att 125170		Lockard, Annique	7/1/24	10/8/12	12/1/20	ASST ATT Assistant Attorney General		12/7/20	\$8,857.00	M	099		1 00000613	5/1/2017
19500 Etf 195		Carpenter, Logan	7/1/24	12/18/18	2/1/22	Professor Attorney II		9/5/23	\$8,840.00	M	107		1 00031532	9/18/2020
32500 ND 325122		Steffan, Beth	7/1/24	9/8/08	9/1/08	Professor Attorney II		7/1/20	\$8,795.00	M	107		1 00003811	7/15/2009
32500 ND 325122		Webb, Aaron	7/1/24	9/11/06	5/1/07	Professor Attorney II		7/1/20	\$8,752.00	M	107		1 00004314	10/6/2003
12500 Att 125160		Murray, Kathleen	6/10/24	6/10/24	6/1/24	ASST ATT Assistant Attorney General		6/10/24	\$8,750.00	M	099		1 00000588	9/22/1995
12500 Att 125150		Grossman, Tiffany	7/1/24	12/17/12	9/1/19	ASST ATT Assistant Attorney General		9/3/19	\$8,750.00	M	099		1 00000598	9/23/2016
12500 Att 125150		Sportiello, Jane	7/1/24	9/20/21	9/1/21	ASST ATT Assistant Attorney General		9/20/21	\$8,750.00	M	099		1 00000591	5/2/2018
12700 Ste 127		Danielson, Matthew	7/1/24	9/6/22	9/1/22	Professor Attorney III		8/7/23	\$8,750.00	M	108		1 00000787	4/20/2023
18000 Ste 180001		Samuelson, Ashley	7/1/24	8/1/07	1/1/10	STAFF AT STAFF ATTORNEY-DISTRICT COURT		6/1/20	\$8,730.00	M	021		1 00000961	10/8/2007
18000 Ste 180002		Froehlich, Lindsey	7/1/24	11/13/17	6/1/18	STAFF AT STAFF ATTORNEY-DISTRICT COURT		11/1/20	\$8,730.00	M	021		1 00030147	10/10/2011
18000 Ste 180003		Powell, Meagan	7/1/24	8/1/14	7/1/20	STAFF AT STAFF ATTORNEY-DISTRICT COURT		12/12/22	\$8,730.00	M	021		1 00001120	9/26/2014
18000 Ste 180001		Wollin, Brittany	7/1/24	7/20/20	8/1/20	STAFF AT STAFF ATTORNEY-DISTRICT COURT		7/20/20	\$8,730.00	M	021		1 00000977	5/15/2015
18000 Ste 180		Henes, Nicholas	7/1/24	8/1/15	1/1/19	STAFF AT STAFF ATTORNEY-CENTRAL LEGAL		1/1/20	\$8,730.00	M	021		1 00001173	9/28/2015
18000 Ste 180003		Thompson, Krista	7/1/24	8/1/15	3/1/17	STAFF AT STAFF ATTORNEY-DISTRICT COURT		11/13/23	\$8,730.00	M	021		1 00000492	9/28/2015
18000 Ste 180		Melvie, Connor	7/1/24	8/1/17	8/1/19	STAFF AT STAFF ATTORNEY-CENTRAL LEGAL		8/1/20	\$8,730.00	M	021		1 00001156	9/22/2017
18000 Ste 180001		Evenson, Courtney	7/1/24	8/15/16	2/1/17	STAFF AT STAFF ATTORNEY-DISTRICT COURT		10/1/21	\$8,730.00	M	021		1 00000945	9/22/2017
18000 Ste 180002		Wimpfheimer, Alison	7/1/24	11/9/20	11/1/20	STAFF AT STAFF ATTORNEY-DISTRICT COURT		3/1/21	\$8,730.00	M	021		1 00000909	9/29/2019
18000 Ste 180002		Hunt, Alexander	7/1/24	8/1/19	8/1/19	STAFF AT STAFF ATTORNEY-DISTRICT COURT		12/1/20	\$8,730.00	M	021		1 00000881	9/23/2019
18000 Ste 180002		Johansen, Robin	7/1/24	8/1/19	5/1/20	STAFF AT STAFF ATTORNEY-DISTRICT COURT		5/10/21	\$8,730.00	M	021		1 00028890	9/23/2019
18000 Ste 180002		Hestbeck, Ryan	7/1/24	8/3/20	7/1/21	STAFF AT STAFF ATTORNEY-DISTRICT COURT		7/1/21	\$8,730.00	M	021		1 00000893	7/7/2020
32500 ND 325111		Cannon, Sarah	7/1/24	6/1/01	11/1/07	Professor Lead Attorney		7/1/20	\$8,654.00	M	107		1 00025788	10/6/2003
36000 Prc 360		Peterson, Bradley	7/1/24	6/22/23	6/1/23	Professor Attorney III		9/1/23	\$8,587.30	M	108		1 00004459	10/10/1991
32500 ND 325122		Olson, Leisl	7/1/24	1/21/16	1/1/16	Professor SS - Attorney II		7/1/20	\$8,511.00	M	107		1 00030258	1/30/2015
12500 Att 125170		Sinness, Rachel	7/1/24	11/29/21	12/1/21	ASST ATT Assistant Attorney General		7/10/23	\$8,493.00	M	099		1 00000585	10/5/2009
32500 ND 325111		Breitwieser, Justin	7/1/24	6/9/14	6/1/14	Professor Lead Attorney		6/24/24	\$8,424.00	M	107		1 00028607	10/3/2005
18800 Leg 188		Loraas, James	7/1/24	1/17/14	1/1/14	Professor Attorney II		7/1/20	\$8,423.28	M	107		1 00026262	8/1/2014
18800 Leg 188		Bertsch, Daniel	7/1/24	7/18/19	7/1/19	Professor Attorney II		7/1/20	\$8,404.40	M	107		1 00026267	11/9/1988
18000 Ste 180001		Handy, Gretchen	7/1/24	3/6/23	3/1/23	STAFF AT STAFF ATTORNEY-DISTRICT COURT		3/6/23	\$8,385.00	M	021		1 00000975	10/6/1993
18000 Ste 180002		Lystad, Vanessa	7/1/24	10/9/23	10/1/23	STAFF AT STAFF ATTORNEY-DISTRICT COURT		10/9/23	\$8,385.00	M	021		1 00031631	9/17/2012
18000 Ste 180		Kinnischtzke, Erica	7/1/24	8/1/14	12/1/19	STAFF AT STAFF ATTORNEY-CENTRAL LEGAL		2/22/23	\$8,385.00	M	021		1 00001167	9/26/2014
18000 Ste 180003		Anderson, Mindy	7/1/24	8/1/16	11/1/21	STAFF AT STAFF ATTORNEY-DISTRICT COURT		11/1/21	\$8,385.00	M	021		1 00001056	9/23/2016
18000 Ste 180		Lovas, Alyssa	7/1/24	9/13/23	9/1/23	STAFF AT STAFF ATTORNEY-CENTRAL LEGAL		9/13/23	\$8,385.00	M	021		1 00001176	9/25/2017
18000 Ste 180002		Klosterman, Brittany	7/1/24	10/9/23	10/1/23	STAFF AT STAFF ATTORNEY-DISTRICT COURT		10/9/23	\$8,385.00	M	021		1 00031630	9/24/2018
18000 Ste 180004		Haraldson, Patrick	7/1/24	9/18/23	9/1/23	STAFF AT STAFF ATTORNEY-DISTRICT COURT		9/18/23	\$8,385.00	M	021		1 00031642	1/28/2019
18000 Ste 180001		Hewett, Elisabeth	9/1/24	3/1/24	3/1/24	STAFF AT STAFF ATTORNEY-DISTRICT COURT		3/1/24	\$8,385.00	M	021		1 00000941	4/29/2019
18000 Ste 180004		Bergstrom, Jacqueline	7/1/24	5/30/17	6/1/22	STAFF AT STAFF ATTORNEY-DISTRICT COURT		6/6/22	\$8,385.00	M	021		1 00030151	9/23/2019
18000 Ste 180002		Landenberger, Cameron	7/1/24	8/2/21	8/1/21	STAFF AT STAFF ATTORNEY-DISTRICT COURT		10/1/23	\$8,385.00	M	021		1 00000896	9/29/2021
18000 Ste 180004		Nelson, Loni	7/1/24	1/3/22	1/1/22	STAFF AT STAFF ATTORNEY-DISTRICT COURT		7/1/23	\$8,385.00	M	021		1 00001016	
40100 Ins 401		Erickson, Tyler	7/1/24	7/27/15	10/1/18	Other Prof Attorney Insurance Dept								

12500 Att 125170	Lafferty, Austin	7/1/24	6/3/13	8/1/23	ASST ATT Assistant Attorney General	8/9/23	\$7,973.00	M	099	1 00029467	9/28/2015
40100 Ins 401	Podoli, Steven	7/1/24	1/4/11	1/1/11	Other Prof Attorney Insurance Dept	12/11/23	\$7,971.60	M	099	1 00004885	9/27/2013
12500 Att 125170	DePountis, Constantinos	7/1/24	12/9/19	12/1/19	ASST ATT Assistant Attorney General	4/1/20	\$7,942.00	M	099	1 00000612	9/24/2010
18800 Ley 188	Carlson, Leah	8/1/24	7/29/16	4/1/24	Professor Attorney II	8/1/24	\$7,889.70	M	107	1 00026268	9/26/2014
32500 ND 325111	Naumann, Janet	7/1/24	7/1/07	5/1/06	Professor Attorney	7/1/20	\$7,863.00	M	106	1 00025765	10/3/2005
12500 Att 125400	Lindblad, Christopher	8/1/24	10/11/23	10/1/23	ASST ATT Assistant Attorney General	10/11/23	\$7,800.00	M	099	1 00000594	9/15/2008
12500 Att 125170	Menge, Matthew	7/1/24	4/3/23	4/1/23	ASST ATT Assistant Attorney General	4/3/23	\$7,800.00	M	099	1 00029462	9/23/2016
18000 Sts 180001	Borgen, Justin	7/1/24	1/1/21	2/1/23	STAFF AT STAFF ATTORNEY-DISTRICT COURT	1/2/24	\$7,734.00	M	021	1 00031626	4/20/2023
18000 Sts 180001	Lewis, Brittney	7/1/24	10/2/23	10/1/23	STAFF AT STAFF ATTORNEY-DISTRICT COURT	10/2/23	\$7,734.00	M	021	1 00000972	4/20/2023
18000 Sts 180003	Holland, Dixie	8/1/24	8/1/23	8/1/23	STAFF AT STAFF ATTORNEY-DISTRICT COURT	8/1/24	\$7,734.00	M	021	1 00001069	4/18/2024
40100 Ins 401	Struthers, Jamie	7/1/24	8/2/07	8/1/07	Other Prof Attorney Insurance Dept	7/1/24	\$7,681.93	M	099	1 00004887	9/18/2005
12500 Att 125170	Hanson, Stephen	4/15/24	4/15/24	4/1/24	ASST ATT Assistant Attorney General	4/15/24	\$7,666.66	M	099	1 00031484	10/6/2016
12500 Att 125170	Roll, Ashley	9/1/24	8/2/21	8/1/23	ASST ATT Assistant Attorney General	8/1/24	\$7,666.66	M	099	1 00031485	9/29/2021
12500 Att 125180	Wallevand, Erik	7/1/24	1/1/21	8/1/22	ASST ATT Assistant Attorney General	8/8/22	\$7,540.00	M	099	1 00000972	9/23/2022
18800 Ley 188	Thompson, Shelly	8/1/24	3/25/24	3/1/24	Professor Attorney II	8/1/24	\$7,514.00	M	107	1 00026263	10/10/2011
12500 Att 125160	Jensen, Paul	7/1/24	10/11/23	10/1/23	ASST ATT Assistant Attorney General	10/11/23	\$7,367.00	M	099	1 00000605	9/18/2020
10100 Go 101	Svihovec, Nathan	7/1/24	6/18/24	6/1/24	OTHER - N General Counsel Gov Office	6/18/24	\$7,366.67	M	099	0.3 00000013	9/23/2016
36000 Prc 360	Olson, Micah	7/1/24	1/3/23	1/1/23	Professor Attorney II	1/3/23	\$7,319.87	M	107	1 00004462	10/17/2019
18800 Ley 188	Clow, Kristen	8/1/24	11/15/21	11/1/21	Professor Attorney II	8/1/24	\$7,214.16	M	107	1 00025287	9/29/2021
36000 Prc 360	Rackley, Anna	9/5/24	9/3/24	9/1/24	Professor Attorney II	9/3/24	\$7,200.00	M	107	1 00004444	
12700 Sts 127	On, Helen	8/1/24	6/3/24	6/1/24	Professor Attorney I	6/3/24	\$7,125.00	M	106	1 00000797	9/25/2024
12500 Att 125150	Green, Sarah	7/4/24	1/3/24	1/1/24	ASST ATT Assistant Attorney General	1/3/24	\$7,020.00	M	099	1 00030125	9/23/2022
48500 Wc 485400	Ereth, Shawnda	7/1/24	6/3/14	6/1/14	Professor Attorney	7/1/20	\$6,982.93	M	107	0.65 00005189	9/24/1999
18800 Ley 188	Kardoust, Omid	8/1/24	4/15/24	4/1/24	Professor Attorney II	8/1/24	\$6,930.00	M	107	1 00024521	4/22/2021
12500 Att 125150	Carpenter, Katie	7/8/24	1/1/19	9/1/23	ASST ATT Assistant Attorney General	9/18/23	\$6,916.00	M	099	1 00031486	9/23/2019
32500 ND 325111	Ostdahl-Hedge, Cody	7/1/24	12/14/15	12/1/15	Professor Attorney	7/1/20	\$6,903.00	M	106	1 00025711	4/29/2019
18800 Ley 188	Bossert, Tia	7/1/24	8/1/19	10/1/22	Professor Attorney I	10/10/22	\$6,845.90	M	106	1 00024519	9/23/2022
12500 Att 125170	Openshaw, Mark	8/5/24	1/3/23	1/1/23	ASST ATT Assistant Attorney General	8/5/24	\$6,833.00	M	099	1 00029465	9/25/2024
32500 ND 325111	Holter, Chad	7/1/24	11/1/21	11/1/21	Professor Attorney	11/1/21	\$6,760.00	M	106	1 00004006	5/1/2017
12500 Att 125180	Heier, Zachary	8/26/24	1/1/23	8/1/24	ASST ATT Assistant Attorney General	8/26/24	\$6,750.00	M	099	1 00000603	9/25/2024
12500 Att 125150	Ellenson, Grant	8/1/24	8/1/24	8/1/24	ASST ATT Assistant Attorney General	8/1/24	\$6,750.00	M	099	1 00000595	
32500 ND 325111	Best, John	7/1/24	2/1/21	2/1/21	Professor Attorney	2/1/21	\$6,733.00	M	106	1 00025743	12/10/2014
32500 ND 325111	Ryland, Barret	9/3/24	9/3/24	9/1/24	Professor Attorney	9/3/24	\$6,650.00	M	106	1 00025770	9/24/2010
32500 ND 325111	Wendorf, Eva	8/1/24	4/15/24	4/1/24	Professor Attorney	4/15/24	\$6,600.00	M	106	1 00025720	9/15/2008
32500 ND 325111	Sontarre, Ethan	7/1/24	8/1/17	8/1/17	Professor Attorney	7/1/20	\$6,599.00	M	106	1 00025778	9/22/2017
32500 ND 325111	Block, Mallory	7/1/24	6/5/23	5/1/23	Professor Attorney	6/5/23	\$6,595.00	M	106	1 00025825	4/16/2020
32500 ND 325111	Christensen, Justin	8/31/24	8/28/24	8/1/24	Professor Attorney	8/28/24	\$6,550.00	M	106	1 00025751	9/28/2015
18800 Ley 188	Chilla, Brooke	7/1/24	12/5/22	12/1/22	Professor Attorney I	5/8/23	\$6,519.98	M	106	1 00029373	9/23/2022
18800 Ley 188	Bains, Gagandeep	7/1/24	8/3/22	9/1/23	Professor Attorney I	5/8/24	\$6,450.00	M	106	1 00024520	4/18/2024
32500 ND 325111	Schaar, Cynthia	9/2/24	1/2/09	1/1/09	Temp Prof Attorney	9/2/24	\$47.86	H	099	0 00031981	10/23/1990

Table 6

Insurance Department Salary Range - By Position - 2022

State	Executive						Legal	
	Deputy/Assistant Commissioners		Media		Public Policy		Lawyers	
	Low	High	Low	High	Low	High	Low	High
Alabama	50,710	170,089	35,984	60,176	61,662	93,923	50,710	158,017
Alaska	98,943	202,176	69,771	148,044	53,859	158,438	0	0
American Samoa	-	-	-	-	-	-	-	#DIV/0!
Arizona	70,511	143,000	40,496	72,410	47,564	87,570	60,723	109,451
Arkansas	68,000	147,484	56,039	81,257	0	0	62,531	112,900
California	78,756	234,756	66,216	102,324	68,928	109,860	85,836	191,880
Colorado	83,136	154,632	0	0	53,484	154,632	0	0
Connecticut	118,876	175,310	95,321	129,962	46,370	146,957	94,771	144,406
Delaware	54,750	137,458	42,320	93,412	58,392	87,544	90,387	171,218
Dist. of Columbia	127,030	199,684	87,339	129,671	108,996	141,678	91,650	214,450
Florida	47,604	175,280	48,876	118,938	38,429	139,807	41,186	187,728
Georgia	53,560	220,667	22,520	220,667	75,508	132,140	57,331	220,667
Guam	0	0	0	0	0	0	0	0
Hawaii	40,000	180,000	50,000	70,000	0	0	68,000	102,000
Idaho	59,800	173,500	37,900	67,700	54,200	96,700	0	0
Illinois	99,500	155,000	118,800	118,800	78,000	99,500	85,000	131,900
Indiana	93,002	168,454	53,222	123,812	0	0	85,020	140,344
Iowa	99,000	200,000	0	0	69,000	168,000	62,000	123,000
Kansas	77,086	142,034	58,131	71,925	77,975	86,182	66,782	93,560
Kentucky	77,910	95,400	0	0	75,600	75,600	55,661	91,800
Louisiana	135,000	198,900	25,895	95,493	69,000	97,000	51,917	133,931
Maine	77,563	105,914	49,837	67,205	0	0	61,402	105,914
Maryland	79,343	165,780	53,974	119,591	61,225	98,523	79,343	155,248
Massachusetts	96,597	162,812	0	0	0	0	77,888	131,471
Michigan	135,500	179,119	87,471	125,818	60,320	125,818	82,534	135,075
Minnesota	105,757	162,509	60,468	110,226	56,397	118,202	69,530	131,589
Mississippi	74,308	135,322	66,944	109,830	43,509	71,382	66,944	150,207
Missouri	82,584	135,000	47,480	80,554	85,000	85,000	43,000	126,000
Montana	101,144	134,586	72,000	72,000	105,000	105,000	81,169	129,933
Nebraska	110,335	110,335	41,800	61,618	0	0	71,760	102,509
Nevada	108,753	111,313	51,803	84,230	70,428	105,945	111,313	121,547
New Hampshire	79,430	120,562	68,822	95,862	86,502	120,562	67,509	97,110
New Jersey	138,000	160,000	74,906	103,620	70,725	70,725	95,496	145,321
New Mexico	56,430	132,557	0	0	0	0	71,061	121,831
New York	150,000	193,000	90,000	131,000	121,000	173,000	81,000	196,000
North Carolina	75,013	261,747	64,406	125,591	64,406	125,591	69,007	197,068
North Dakota	1	999,999	55,356	99,636	0	0	1	999,999
N. Mariana Islands	-	-	-	-	-	-	-	#DIV/0!
Ohio	106,779	181,568	59,550	86,964	63,229	131,563	79,310	114,691
Oklahoma	90,906	143,250	65,413	95,970	50,000	93,043	64,000	116,575
Oregon	116,616	180,552	0	0	69,252	128,640	0	0
Pennsylvania	86,064	152,001	70,651	77,145	109,692	109,692	65,076	147,267
Puerto Rico	81,996	95,040	0	0	60,000	60,000	35,400	74,520
Rhode Island	0	0	0	0	0	0	91,859	108,272
South Carolina	84,706	151,920	35,360	65,429	52,357	96,869	52,357	143,415
South Dakota	66,044	101,043	0	0	0	0	70,000	95,273
Tennessee	156,204	311,400	47,496	105,396	87,300	139,704	100,896	212,400
Texas	92,390	207,977	55,184	129,137	55,184	156,256	48,278	189,069
U.S. Virgin Islands	-	-	-	-	-	-	-	#DIV/0!
Utah	75,000	182,300	54,500	81,900	0	0	72,200	108,400
Vermont	126,111	133,073	0	0	0	0	0	0
Virginia	94,866	185,850	0	0	62,114	143,753	94,886	188,948
Washington	102,660	154,716	64,788	118,752	92,928	132,600	92,460	123,780
West Virginia	56,858	128,900	0	0	0	0	47,287	112,560
Wisconsin	66,726	156,686	31,824	118,934	66,726	138,861	55,536	149,885
Wyoming	82,814	128,062	0	0	0	0	69,352	107,245

\$ 113,231.20 \$9,435.93

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Fire Marshal Deputy Equity Justification

Summarizing some of the duties as Deputy Fire Marshal for the Insurance Department from approved JDQs as well as workload staffing documents from 2022, the role centers on the development, maintenance, and implementation of statewide fire prevention programs. This encompasses various responsibilities, including conducting fire prevention inspections as mandated by the North Dakota Century Code and local government agencies, as well as conducting fire and explosion origin and cause investigations. Additionally, Deputy Fire Marshals serve as a resource to local government agencies for fire code guidance and information, and assist with complex fire inspections and investigations when required. Duties also extend to advocating for fire safety within fire departments and the public, and providing court testimony as necessary in criminal or civil actions related to fire investigations or inspections.

After a thorough review of the Fair Labor Standards Act (FLSA) regarding overtime eligibility, it has been conclusively established that our State Deputy Fire Marshals do not meet the criteria outlined for Fire Protection Employees. Consequently, we have classified these positions as non-exempt, warranting the accrual of overtime and compensatory time after surpassing 40 hours per work week.

EXEMPTION REQUIREMENTS

§ 553.210 Fire protection activities.

- (a) As used in sections 7(k) and 13(b)(20) of the Act, the term "any employee * * * in fire protection activities" refers to "an employee, including a firefighter, paramedic, emergency medical technician, rescue worker, ambulance personnel, or hazardous materials worker, who
 - (1) is trained in fire suppression, has the legal authority and responsibility to engage in fire suppression, and is employed by a fire department of a municipality, county, fire district, or State; and
 - (2) is engaged in the prevention, control, and extinguishment of fires or response to emergency situations where life, property, or the environment is at risk."
- (b) Not included in the term "employee in fire protection activities" are the so-called "civilian" employees of a fire department, fire district, or forestry service who engage in such support activities as those performed by dispatchers, alarm operators, apparatus and equipment repair and maintenance workers, camp cooks, clerks, stenographers, etc.

[52 FR 2032, Jan. 16, 1987; 52 FR 2648, Jan. 23, 1987, as amended at 76 FR 18856, Apr. 5, 2011]

Considering the job descriptions of our state deputy fire marshal positions alongside those of four city deputy fire marshal roles and the criteria outlined by the Fair Labor Standards Act (FLSA), I would advise exercising caution when comparing our positions to the City Fire Marshal positions. The positions are alike but because of the reference of having fire suppression training or to provide back up to emergency services, along with some of the minimum qualifications, although not the main role, in their job descriptions, our state deputy positions operate with a different focus compared to the city positions.

We have utilized salary survey data from the National Compensation Association of State Governments (NCASG), which gathers information on comparable positions. I have identified two positions within this dataset that closely align with the Deputy Fire Marshal roles with emphasis of the underlined content being closely related.

8010-Arson Investigator - Journey-level work performing a variety of duties related to the enforcement of Arson Law and investigation of suspected arson cases. Duties include: Investigation of fires and explosions of suspect; investigations of deaths resulting from fires or explosions; gathers and prepares evidence for court proceedings; operates investigative tools such as polygraph, breath analysis, fingerprints, cameras, tape recorders, data processing output and chemical analysis to detect and document criminal evidence; Interrogates suspected arsonists and prepares subsequent statements; presents evidence to prosecutors in both written and oral form; testifies in court proceedings; arrests individuals when findings warrant; works with various federal, state and local law enforcement agencies as a team member in order to provide and gain collaborative information; exercises full police powers in assisting other law enforcement agencies in emergency situations. Requires completion of Law Enforcement training as mandated in state statute.

4600-Investigator - Journey-level administrative investigation work of suspected fraud, forgery, theft, etc., in public assistance programs. Conducts administrative investigations and evaluates evidence to determine its value in negotiating/securing repayment of funds, supporting administrative action or criminal prosecution.

The Arson Investigator has an actual average salary of 651 incumbents of \$73,986 annually or \$6,165.50 monthly. The Investigator position has an actual average salary of 1,978 incumbents of \$60,734 or \$5,061 monthly.

Based on the comprehensive data reviewed, I propose a reclassification of the Deputy Fire Marshal positions to better align with suitable job families as outlined by HRMS with OMB. These options include Compliance, Inspection, & Investigative Services (SC2001-2006) or Professional Services (SC1301-1304), both of which offer a more accurate reflection of the roles' responsibilities. Presently, Deputy Fire Marshals are categorized within the Program Management (SC1401-1405) job family at grade level 106, a classification that may not fully capture the essence of their duties.

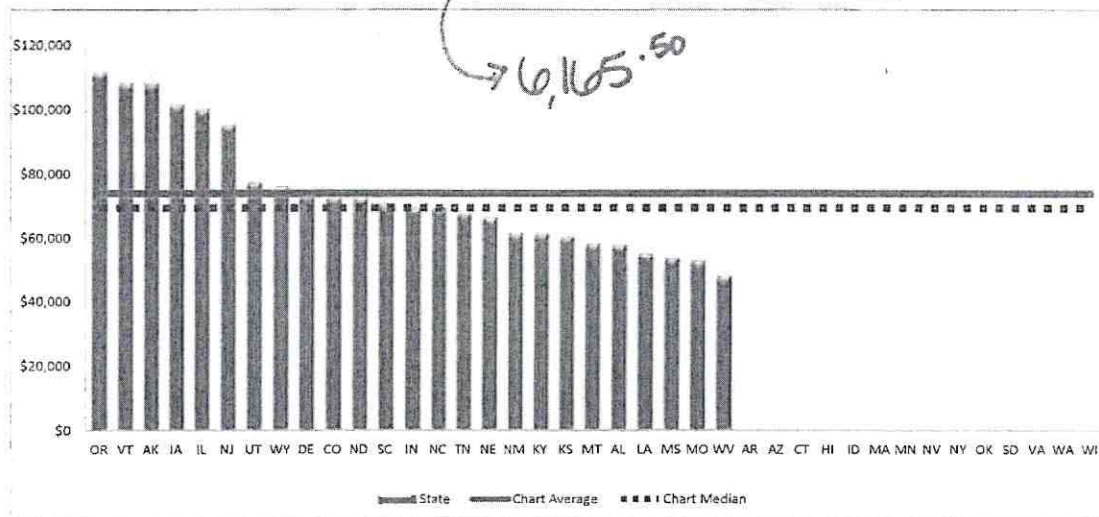
Furthermore, I recommend advancing the Deputy Fire Marshal positions to grade level 107 to provide increased flexibility. Grade level 107 presents a minimum salary range of \$5973, accommodating additional responsibilities while ensuring continuity for Senior Deputies.

To ensure fair and equitable compensation practices, I propose implementing a formula spread to determine potential offers for incoming new hires. This approach would consider various factors such as years of experience, education, certifications, and tenure as a Fire Marshal, thereby facilitating a comprehensive evaluation process.

Considering the higher level of responsibility associated with city positions, which typically command a minimum range value of \$6,267 monthly or \$75,207 annually, it is imperative to establish a competitive starting salary range of \$6,000-\$6,200 for newly appointed Deputy Fire Marshals. This range would reflect their qualifications and responsibilities, with minimal adjustments beyond meeting the prerequisites for the position.

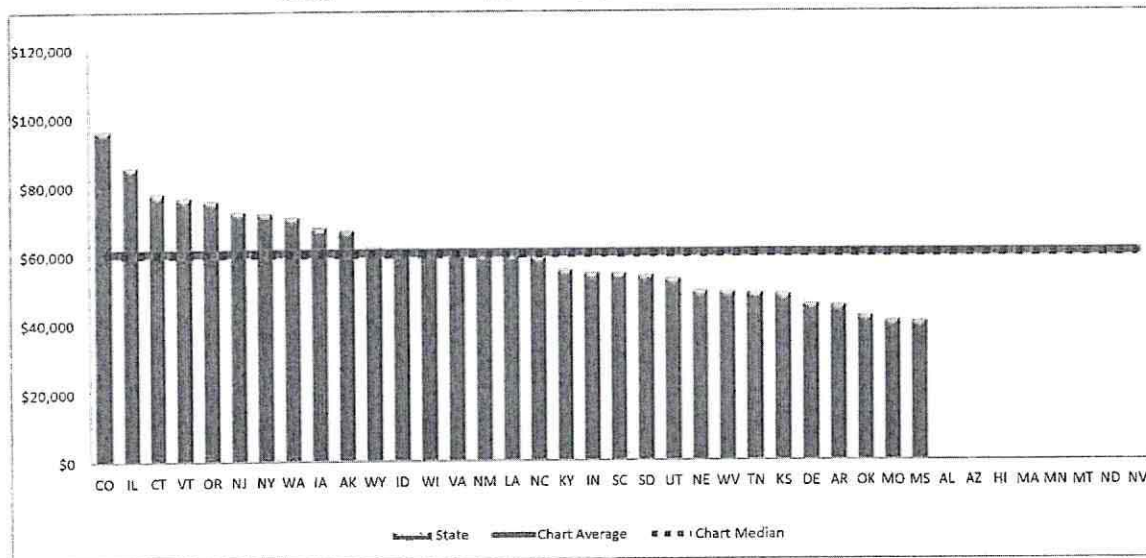
8010-Arson Investigator - Journey-level work performing a variety of duties related to the enforcement of Arson Law and investigation of suspected arson cases. Duties include: Investigation of fires and explosions of suspect; investigations of deaths resulting from fires or explosions; gathers and prepares evidence for court proceedings; operates investigative tools such as polygraph, breath analysis, fingerprints, cameras, tape recorders, data processing output and chemical analysis to detect and document criminal evidence; Interrogates suspected arsonists and prepares subsequent statements; presents evidence to prosecutors in both written and oral form; testifies in court proceedings; arrests individuals when findings warrant; works with various federal, state and local law enforcement agencies as a team member in order to provide and gain collaborative information; exercises full police powers in assisting other law enforcement agencies in emergency situations. Requires completion of Law Enforcement training as mandated in state statute.

Responding State's Job Title	# of Incumbents	Actual Average	Actual Lowest	Actual Highest	Pay Range Minimum	Pay Range Maximum	Match Level	State
DEP ST FIRE MARSHAL	19	\$111,579	\$101,184	\$116,496	\$92,076	\$116,496	E	OR
Sergeant	80	\$108,472	\$88,253	\$117,424	\$63,211	\$117,424	E	VT
Deputy Fire Marshall I	4	\$108,342	\$97,698	\$117,437	\$82,618	\$99,320	E	AK
Special Agent 2	153	\$101,652	\$72,738	\$104,645	\$69,618	\$104,645	L	IA
Arson Investigator II	7	\$100,308	\$99,924	\$102,576	\$62,580	\$98,628	H	IL
Fire Investigator	5	\$95,411	\$75,257	\$103,620	\$72,837	\$103,620	H	NJ
Fire Safety Specialist II	7	\$77,438	\$67,725	\$83,262	\$55,827	\$81,515	L	UT
Criminal Investigator	12	\$75,999	\$74,206	\$77,626	\$65,957	\$98,946	E	WY
Deputy Fire Marshall III G750 PG 15	9	\$73,599	\$69,071	\$77,739	\$67,059	\$120,864	E	DE
Criminal Investigator I	91	\$72,720	\$66,180	\$88,592	\$63,348	\$88,692	E	CO
Deputy Fire Marshal I	5	\$72,604	\$65,172	\$75,874	\$59,652	\$99,420	E	ND
Law Enforcement Officer III	5	\$70,702	\$66,700	\$73,370	\$45,530	\$84,241	E	SC
Arson Investigator	11	\$69,340	\$54,600	\$74,516	\$53,222	\$74,516	E	IN
SBI AGENT II	50	\$69,313	\$63,702	\$72,253	\$57,274	\$97,366	H	NC
TBI Fire Investigator	5	\$67,730	\$59,700	\$87,480	\$59,700	\$89,496	E	TN
Fire Marshal Deputy	28	\$66,309	\$49,400	\$85,571	\$49,400	\$85,571	E	NE
STATE FIRE INVESTIGATOR	7	\$61,472	\$31,406	\$75,721	\$31,406	\$85,064	E	NM
Arson Investigator II -CH16	2	\$61,450	\$61,450	\$61,450	\$37,596		E	KY
Fire Investigator - Unclassified	8	\$60,512	\$58,356	\$66,347			E	KS
Fire Inspector 1	9	\$58,136	\$58,136	\$58,136	\$49,227	\$73,840	E	MT
Deputy State Fire Marshal	18	\$57,687	\$48,300	\$75,086	\$48,300	\$81,007	E	AL
State Fire Marshal Senior Deputy	42	\$54,994	\$44,138	\$71,822	\$42,432	\$75,275	E	LA
Fire Marshal 2	16	\$53,537	\$46,342	\$56,555	\$40,286	\$68,739	E	MS
Senior Commissioned Investigator	46	\$52,598	\$50,298	\$62,089	\$33,912	\$75,360	E	MO
Assistant Fire Marshal 2	12	\$47,754	\$44,728	\$55,462	\$35,994	\$66,589	E	WV
STATE FIRE MARSHAL	0				\$69,776	\$101,175	H	AR
NCC								AZ
NCC								CT
NCC								HI
NCC								ID
NCC								MA
NCC								MN
NCC								NV
NCC								NY
NCC								OK
NCC								SD
NCC								VA
NCC								WA
NCC								WI
Incumbents & Averages	651	\$73,986	\$64,627	\$81,650	\$56,354	\$91,159		
Median		\$69,340	\$63,702	\$75,874	\$57,274	\$89,094		



4600-Investigator - Journey-level administrative investigation work of suspected fraud, forgery, theft, etc., in public assistance programs. Conducts administrative investigations and evaluates evidence to determine its value in negotiating/securing repayment of funds, supporting administrative action or criminal prosecution.

Responding State's Job Title	# of Incumbents	Actual Average	Actual Lowest	Actual Highest	Pay Range Minimum	Pay Range Maximum	Match Level	State
CRIMINAL INVESTIGATOR II	249	\$96,576	\$80,844	\$113,184	\$80,844	\$113,184	E	CO
Public Aid Investigator	17	\$86,076	\$65,472	\$97,680	\$65,472	\$103,332	E	IL
Social Services Investigator - Fraud and Resource	47	\$78,317	\$71,443	\$85,019	\$65,105	\$81,295	E	CT
Fraud Investigator II	4	\$77,132	\$71,822	\$82,576	\$52,894	\$82,576	E	VT
Investigator 2	1	\$76,200	\$76,200	\$76,200	\$49,860	\$76,200	E	OR
Investigator 2	57	\$73,069	\$59,601	\$84,454	\$59,601	\$84,454	E	NJ
Investigative Specialist 1	94	\$72,639	\$61,270	\$90,657	\$61,270	\$77,912	E	NY
INVESTIGATOR 2	52	\$71,408	\$64,092	\$78,120	\$53,964	\$72,552	E	WA
Investigator 2	57	\$68,296	\$51,272	\$76,336	\$50,253	\$76,336	H	IA
Investigator II	25	\$67,376	\$55,205	\$87,848	\$55,205	\$68,114	H	AK
Investigator	14	\$62,669	\$61,776	\$67,621	\$54,912	\$82,368	E	WY
Fraud Investigator	6	\$62,431	\$54,766	\$72,259	\$52,042	\$104,104	E	ID
Economic Support QA Specialist Advanced	28	\$62,066	\$58,635	\$70,200	\$45,011	\$121,140	E	WI
Claims Adjusters Examiners & Investigators/Com	484	\$61,826	\$31,835	\$124,971			E	VA
STATE INVESTIGATOR	73	\$60,426	\$52,957	\$69,970	\$46,591	\$74,545	E	NM
Fraud Investigator 2	14	\$60,412	\$51,210	\$69,638	\$43,784	\$78,790	E	LA
HUMAN SERVICES PROGRAM CONSULTANT I	240	\$59,719	\$47,959	\$70,041	\$49,158	\$86,026	H	NC
Program Investigative Officer II	30	\$55,930	\$50,401	\$62,034	\$41,872		E	KY
Program Director 2	9	\$54,973	\$49,588	\$59,972	\$47,320	\$66,222	E	IN
Investigator III	70	\$54,818	\$43,800	\$67,200	\$37,860	\$70,054	H	SC
Investigator	16	\$54,332	\$48,921	\$62,702	\$46,061	\$69,062	E	SD
Compliance Agent II	102	\$53,312	\$49,920	\$72,072	\$48,464	\$72,779	E	UT
DHHS Fraud Investigator	11	\$49,773	\$43,222	\$63,715	\$43,222	\$63,715	E	NE
Investigator 2	35	\$49,525	\$36,607	\$61,852	\$35,994	\$66,589	E	WV
DHS Investigative Specialist	24	\$49,163	\$42,924	\$55,476	\$42,504	\$63,600	E	TN
Special Investigator - Unclassified	120	\$48,771	\$34,398	\$84,161			E	KS
Investigator II 35 PG 11	38	\$45,967	\$45,453	\$49,835	\$39,654	\$59,480	E	DE
FRAUD INVESTIGATOR	3	\$45,541	\$40,781	\$49,339	\$36,155	\$52,425	H	AR
Social Services Inspector	38	\$42,357	\$41,875	\$48,380	\$33,440	\$61,307	E	OK
Non-Commissioned Investigator	4	\$40,933	\$40,933	\$40,933	\$33,912	\$57,984	E	MO
Investigator II	16	\$40,715	\$33,600	\$45,000	\$33,600	\$57,330	E	MS
NCC								AL
NCC								AZ
NCC								HI
NCC								MA
NCC								MN
NCC								MT
NCC								ND
NCC								NV
Incumbents & Averages	1,978	\$60,734	\$52,219	\$72,240	\$48,484	\$76,553		
Median		\$60,412	\$50,401	\$70,041	\$47,320	\$73,662		



JOB CLASS DESCRIPTION

63,63.08 monthly
Page 1 of 5



Job Class: Deputy Fire Marshal
Department: Fire Department
Supervisor: Assistant Fire Chief – Fire Marshal
FLSA Status: Nonexempt
Grade: 15
Revision Date: February 2018
Prepared by: Trusight – amended by Chief Dirksen

Job Summary:

Under limited supervision, performs arson investigations; new and existing construction inspections, performs reviews of building construction plans; investigates fires to determine cause and origin; educates the public in fire safety and fire prevention code requirements; presents educational programs at school and other events; may perform other duties as assigned. Incumbents are also responsible for instructing and leading others in taking corrective action to handle dangerous or potentially dangerous situations. Act as the department Public Information Officer.

Scope of Responsibility:

The Fire Inspector/Investigator works independently and as part of the Fire Prevention Bureau team. When acting in a back-up role for Assistant Fire Chief/Fire Marshal, incumbents may supervise other Fire Inspector/Investigators. Makes budget recommendations and is responsible for care and safe operation of the assigned office and department equipment of a high monetary value.

Essential Duties and Responsibilities:

Under supervision of the Assistant Chief/Fire Marshal, performs inspections of new construction and existing commercial and residential dwellings and provides information and advice to building/home owners, contractors, engineers, etc. to ensure compliance with the national and local fire safety standards, codes and laws. Provides public education regarding fire prevention.

Essential Duties

- 1 Reviews plans submitted for residential and commercial construction/remodel projects to ensure compliance with all applicable codes.
 - 1.1 Conducts in-depth research on hazards, storage, institutional requirements, and various specialized requirements;
 - 1.2 Provides advice to the public, contractors and designers on code and fire prevention related items.
 - 1.3 Participates and observes tests of alarms, sprinklers, and other fire protection systems and equipment to insure proper installation, operation and compliance with all applicable fire safety codes; resolve life safety issues and maintain documentation.
 - 1.4 Identify inadequacies found in construction plans, reports, and calculations, and require corrections.
- 2 During the absence of the Assistant Chief - Fire Marshal, the Fire Inspector/Investigator fills this Fire Prevention Bureau position; may fill in for Assistant Chief - Fire Marshal for a two month or other periods, or on a daily basis, depending on the assignments of the Assistant Chief - Fire Marshal
- 3 Conducts field inspections of existing occupancies on an annual or as needed basis as determined by the Assistant Chief - Fire Marshal, prepares reports of findings and issues

JOB CLASS DESCRIPTION

Page 2 of 5

violation notices as required. Receives and responds to complaints of code violations, conducts field inspection to verify and determine the nature of violation, prepares and issues violation notices as required.

- 3.1 Maintains records of field inspection activities, completes reports of inspected occupancies and all incidental enforcement work and submits reports to supervisor.
- 3.2 Enforces all laws, regulations and codes, to provide security, detect violators, and develop positive relationships with residents, business, schools, contractors, and vendors
- 4 Performs code development and interpretation of codes.
 - 4.1 Maintains expertise in codes;
 - 4.2 Responds to code questions from the city staff and general public
 - 4.3 Directs police and code enforcement personnel with the education of city fire ordinances.
- 5 Performs technical inspections of tanks (including underground), alarm systems, hazardous materials, college labs, and gas tests etc.
 - 5.1 Observes the installation and/or testing of equipment and systems to ensure proper and safe function;
 - 5.2 Informs contractor of deficiencies as necessary.
- 6 Performs follow-up inspections and communications in situations where firefighter crews do not obtain compliance from contractor or property owner.
 - 6.1 Discusses the situation and provides suggestions to the contractor/property owner;
 - 6.2 Continues to follow-up until situation is resolved, or if unresolved, turns the situation over to the City Attorney;
 - 6.3 Represents the Fire Department in Court when necessary.
- 7 Investigates cause and origin of fires at fire scenes.
 - 7.1 Conducts systematic investigation of origin of fire; directs crews at site to assist with investigations;
 - 7.2 Interviews witnesses, residents, etc.;
 - 7.3 Takes photographs and collects evidence ensuring chain-of-custody is preserved;
 - 7.4 Determines cause and prepares and submits report;
 - 7.5 Works with Police Department to send evidence to State Lab and to turn over arson cases to PD.
 - 7.6 Testifies in trials, hearings, and depositions;
- 8 Communicates and maintains working relationships with others in carrying out job functions.
 - 8.1 Frequently interacts with others in the work unit to exchange detailed and/or technical information;
 - 8.2 Frequently interacts with the public, vendors or across city departments to exchange detailed and/or technical information;
 - 8.3 Interaction with the public, vendors or across city departments occasionally includes negotiations involving convincing the other party to do something to achieve a basic work related objective;
 - 8.4 Represents the department in a variety of forums and initiatives, including regional fire department collaborations, city government committees and neighborhood projects;
 - 8.5 Participates as a team member with other department members, city departments, and citizens to identify and prioritize problems, develop and implement solutions, and evaluate results; organizes resources within the community, the fire department and other

JOB CLASS DESCRIPTION

Page 3 of 5

agencies to reduce risk and meet the appropriate needs of the community; works toward building partnerships with citizens, service providers, and other agencies;
8.6 Contacts complainants, victims, witnesses and other to get feedback and assess citizen satisfaction with services or treatment citizens and visitors received from the fire department.

- 9 Develops and conducts public education programs on Fire Prevention.
 - 9.1 Participates in developing public relations programs including videos and billboards;
 - 9.2 Develops and delivers school programs and other presentations to the public;
- 10 Meets with contractors, architects, others as issues come up at construction sites to provide advice on code requirements and fire prevention information.

Special Assignment Working Conditions

The position is exposed to potentially hazardous conditions such as electrical shock, explosions, toxic gases and chemicals at construction sites, underground tank removal sites, and during inspections of chemical labs, gas stations, etc.

Minimum Qualifications:

The job requires an associate's degree and five years' experience as a Fargo firefighter, or a bachelor degree from an accredited college/university with three years' experience as a Fargo Firefighter.

Incumbents are required to maintain specified continuing education training hours and ongoing certifications including annual physical agility test, medical/physical exams, Emergency Medical Technician, and others. A valid driver's license is also required.

Knowledge, skills and abilities include:

- Knowledge of current fire service/operation methods, techniques, procedures and concepts;
- Knowledge of current firefighting equipment and methods;
- Knowledge of local, state and federal laws rules, regulations and codes relating to fire suppression and prevention and emergency response activities;
- Knowledge of building construction techniques, methods and materials;
- Knowledge of national and state codes and laws such as International Fire Code, and other related codes to adequately interpret and apply it to inspection of buildings, etc.;
- Knowledge of human resource management practices such as training, discipline, delegation, etc.;
- Knowledge of fire investigation techniques and procedures;
- Knowledge of fire protection engineering relating to hydraulics and fire detection systems;
- Skills in oral and written communications
- Skill in performing fire suppression and emergency response activities including operation and maintenance of various firefighting equipment;
- Skill in organizing work and delegating assignments;
- Skill in performing manual tasks requiring mechanical aptitude such as minor repair to motorized equipment;
- Skill in manual tasks requiring strength, endurance and coordination;
- Skill in communications, interpersonal skills as applied to interaction with coworkers, supervisor, the public and elected officials;

JOB CLASS DESCRIPTION

Page 4 of 5

- Skill in performing inspections including using equipment, identifying deficiencies and interpreting and applying codes;
- Skill in written English sufficient to read manuals, code books and other printed materials and to write reports, complete documents and issue permits;
- Skill in basic mathematical computation sufficient to calculate fees, payments, etc.;
- Ability to operate office, photography and firefighting equipment;
- Ability to speak effectively before groups and to make favorable presentations,
- Ability to analyze computerized data and operate computerized data entry and retrieval systems.
- Ability to supervise personnel in a manner conducive to efficient performance and high morale;
- Ability to establish and maintain effective working relationships with others.
- Ability to perform hoseline operations, extensive crawling, lifting and carrying heavy objects, ventilate roofs or walls using power or hand tools, force entry while wearing protective ensembles including SCBA.
- Ability to climb ladders, operate from heights, walk or crawl in dark narrow and uneven surfaces that might be wet or icy, and operating in proximity to electrical power lines and other hazards.
- Ability to function as a team member, where sudden incapacitation of a member can result in mission failure or in risk of injury or death to civilians or other team members.
- Ability to communicate (give and comprehend verbal orders) while wearing personal protective ensembles and SCBA under conditions of high background noise, poor visibility, and drenching from hoselines and/or fixed protection systems (sprinklers).
- Ability to maintain certification through the National Registry of Emergency Medical Technicians.

Physical Demands & Working Conditions:

Work involves calls to emergency situations. There is regular exposure to very disagreeable working conditions such as fumes, fire, smoke, extreme weather conditions including ice, snow, extreme high and low temperatures, humidity, rain, dirt, mud. The work involves exposure to hazardous conditions such as toxic chemicals, slippery conditions, working in traffic areas and adverse road conditions. While at emergency scenes, incumbent may have exposure to injury, trauma, blood-borne pathogens, traffic accidents, and visual and emotional trauma. Incumbent is required to take appropriate safety precautions and wear protective equipment.

While wearing personal protective equipment, including SCBA, perform firefighting tasks (e.g. hoseline operations, extensive crawling, lifting and carrying heavy objects, ventilating roofs or walls using power or hand tools, forcible entry), rescue operations, and other emergency response actions under stressful conditions including working in extremely hot or cold environments for prolonged time periods. While wearing personal protective equipment, including SCBA incumbents must be able to stand, climb ladders, balance, kneel, stoop, crouch, crawl and reach; to walk or run on uneven surfaces; and to drag up to 200 pounds for a distance of 50 feet. There is fingering, grasping, feeling, talking, hearing/listening, seeing/observing, occasional lifting, pushing or pulling of up to 100 pounds, frequent lifting, pushing or pulling of up to 50 pounds and regular moving of objects up to 20 pounds. Moderate attention to detail and deadlines is required in completing reports and paperwork. Working 8 to 10 hour days is required, up to 40 hours a week, where sleep periods are subject to disruption.

Incumbents must be able to perform the following physical demands: climbing, balancing, stooping, kneeling, crouching, crawling, reaching, standing, walking, pushing, pulling, lifting, fingering, grasping, feeling, talking, hearing/listening, seeing/observing.

Very Heavy Work: Exerting in excess of 100 pounds of force occasionally, and/or in excess of 50 pounds of force frequently, and/or in excess of 20 pounds of force constantly to move objects.

JOB CLASS DESCRIPTION

Page 5 of 5

Some requirements in this job description may exclude individuals who pose a direct threat or significant risk to the health and safety of themselves or other employees. All requirements are subject to modification to reasonably accommodate individuals with disabilities.

Requirements are representative of minimum levels of knowledge, skills, and experience required. To perform this job successfully, the worker must possess the abilities and aptitudes to perform each duty proficiently.

This document does not create an employment contract, implied or otherwise, other than an "at will" employment relationship. The City Administrator retains the discretion to add duties or change the duties of this position at any time.

2024
City of Fargo
Pay Ranges

	Point Min	Point Max		Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10	Step 11	Approx Step Value
1	125	133	Hourly	\$12.51	\$12.88	\$13.24	\$13.62	\$14.00	\$14.38	\$14.75	\$15.11	\$15.51	\$15.87	\$16.24	\$0.35
			Bi-weekly	1001	1030	1059	1090	1120	1150	1180	1209	1241	1270	1299	
			Monthly	2,168	2,233	2,295	2,361	2,427	2,493	2,557	2,619	2,688	2,751	2,815	
			Annual	26,021	26,790	27,539	28,330	29,120	29,910	30,680	31,429	32,261	33,010	33,779	
2	134	143	Hourly	\$13.50	\$13.88	\$14.31	\$14.73	\$15.11	\$15.54	\$15.92	\$16.35	\$16.75	\$17.13	\$17.54	\$0.39
			Bi-weekly	1,080	1,110	1,145	1,178	1,209	1,243	1,274	1,308	1,340	1,370	1,403	
			Monthly	2,340	2,406	2,480	2,553	2,619	2,694	2,759	2,834	2,903	2,969	3,040	
			Annual	28,080	28,870	29,765	30,638	31,429	32,323	33,114	34,008	34,840	35,630	36,483	
3	144	154	Hourly	\$14.59	\$15.02	\$15.47	\$15.88	\$16.32	\$16.77	\$17.20	\$17.63	\$18.07	\$18.50	\$18.95	\$0.42
			Bi-weekly	1,167	1,202	1,238	1,270	1,306	1,342	1,376	1,410	1,446	1,480	1,516	
			Monthly	2,529	2,603	2,681	2,753	2,829	2,907	2,981	3,056	3,132	3,207	3,285	
			Annual	30,347	31,242	32,178	33,030	33,946	34,882	35,776	36,670	37,586	38,480	39,416	
4	155	166	Hourly	\$15.75	\$16.22	\$16.69	\$17.14	\$17.63	\$18.09	\$18.60	\$19.04	\$19.54	\$19.99	\$20.47	\$0.46
			Bi-weekly	1,260	1,298	1,335	1,371	1,410	1,447	1,488	1,523	1,563	1,599	1,638	
			Monthly	2,730	2,811	2,893	2,971	3,056	3,136	3,224	3,300	3,387	3,465	3,548	
			Annual	32,760	33,738	34,715	35,651	36,670	37,627	38,688	39,603	40,643	41,579	42,578	
5	167	178	Hourly	\$16.99	\$17.51	\$18.03	\$18.52	\$19.02	\$19.56	\$20.04	\$20.58	\$21.08	\$21.60	\$22.10	\$0.48
			Bi-weekly	1,359	1,401	1,442	1,482	1,522	1,565	1,603	1,646	1,686	1,728	1,768	
			Monthly	2,945	3,035	3,125	3,210	3,297	3,390	3,474	3,567	3,654	3,744	3,831	
			Annual	35,339	36,421	37,502	38,522	39,562	40,685	41,683	42,806	43,846	44,928	45,968	
6	179	192	Hourly	\$18.37	\$18.91	\$19.44	\$20.01	\$20.57	\$21.12	\$21.66	\$22.24	\$22.78	\$23.32	\$23.86	\$0.52
			Bi-weekly	1,470	1,513	1,555	1,601	1,646	1,690	1,733	1,779	1,822	1,866	1,909	
			Monthly	3,184	3,278	3,370	3,468	3,565	3,661	3,754	3,855	3,949	4,042	4,136	
			Annual	38,210	39,333	40,435	41,621	42,786	43,930	45,053	46,259	47,382	48,506	49,629	
7	193	206	Hourly	\$19.84	\$20.43	\$21.02	\$21.62	\$22.22	\$22.81	\$23.41	\$24.00	\$24.60	\$25.19	\$25.78	\$0.57
			Bi-weekly	1,587	1,634	1,682	1,730	1,778	1,825	1,873	1,920	1,968	2,015	2,062	
			Monthly	3,439	3,541	3,643	3,747	3,851	3,954	4,058	4,160	4,264	4,366	4,469	
			Annual	41,267	42,494	43,722	44,970	46,218	47,445	48,693	49,920	51,168	52,395	53,622	
8	207	222	Hourly	\$21.43	\$22.06	\$22.71	\$23.35	\$24.00	\$24.63	\$25.28	\$25.93	\$26.57	\$27.21	\$27.86	\$0.62
			Bi-weekly	1,714	1,765	1,817	1,868	1,920	1,970	2,022	2,074	2,126	2,177	2,229	
			Monthly	3,715	3,824	3,936	4,047	4,160	4,269	4,382	4,495	4,605	4,716	4,829	
			Annual	44,574	45,885	47,237	48,568	49,920	51,230	52,582	53,934	55,266	56,597	57,949	
9	223	239	Hourly	\$23.15	\$23.82	\$24.52	\$25.22	\$25.91	\$26.61	\$27.33	\$28.01	\$28.67	\$29.36	\$30.09	\$0.67
			Bi-weekly	1,852	1,906	1,962	2,018	2,073	2,129	2,186	2,241	2,294	2,349	2,407	
			Monthly	4,013	4,129	4,250	4,371	4,491	4,612	4,737	4,855	4,969	5,089	5,216	
			Annual	48,152	49,546	51,002	52,458	53,893	55,349	56,846	58,261	59,634	61,069	62,587	
10	240	257	Hourly	\$24.98	\$25.71	\$26.48	\$27.25	\$27.99	\$28.71	\$29.49	\$30.22	\$30.99	\$31.73	\$32.50	\$0.72
			Bi-weekly	1,998	2,057	2,118	2,180	2,239	2,297	2,359	2,418	2,479	2,538	2,600	
			Monthly	4,330	4,456	4,590	4,723	4,852	4,976	5,112	5,238	5,372	5,500	5,633	
			Annual	51,958	53,477	55,078	56,680	58,219	59,717	61,339	62,858	64,459	65,998	67,600	

2024
City of Fargo
Pay Ranges

Grade	Point Min	Point Max		Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10	Step 11	Approx. Step Val.
11	258	276	Hourly	\$26.94	\$27.81	\$28.61	\$29.44	\$30.21	\$31.03	\$31.85	\$32.65	\$33.45	\$34.30	\$35.07	\$0.78
			Bi-weekly	2,155	2,225	2,289	2,355	2,417	2,482	2,548	2,612	2,676	2,744	2,806	
			Monthly	4,670	4,820	4,959	5,103	5,236	5,379	5,521	5,659	5,798	5,945	6,079	
			Annual	56,035	57,845	59,509	61,235	62,837	64,542	66,248	67,912	69,576	71,344	72,946	
12	277	297	Hourly	\$29.15	\$30.04	\$30.87	\$31.77	\$32.64	\$33.51	\$34.39	\$35.26	\$36.15	\$37.03	\$37.89	\$0.85
			Bi-weekly	2,332	2,403	2,470	2,542	2,611	2,681	2,751	2,821	2,892	2,962	3,031	
			Monthly	5,053	5,207	5,351	5,507	5,658	5,808	5,961	6,112	6,266	6,419	6,568	
			Annual	60,632	62,483	64,210	66,082	67,891	69,701	71,531	73,341	75,192	77,022	78,811	
13	298	319	Hourly	\$31.46	\$32.45	\$33.34	\$34.33	\$35.24	\$36.21	\$37.13	\$38.09	\$39.02	\$39.98	\$40.92	\$0.89
			Bi-weekly	2,517	2,596	2,667	2,746	2,819	2,897	2,970	3,047	3,122	3,198	3,274	
			Monthly	5,453	5,625	5,779	5,951	6,108	6,276	6,436	6,602	6,763	6,930	7,093	
			Annual	65,437	67,496	69,347	71,406	73,299	75,317	77,230	79,227	81,162	83,158	85,114	
14	320	343	Hourly	\$33.98	\$35.02	\$36.02	\$37.06	\$38.08	\$39.08	\$40.13	\$41.13	\$42.16	\$43.17	\$44.20	\$0.98
			Bi-weekly	2,718	2,802	2,882	2,965	3,046	3,126	3,210	3,290	3,373	3,454	3,536	
			Monthly	5,890	6,070	6,243	6,424	6,601	6,774	6,956	7,129	7,308	7,483	7,661	
			Annual	70,678	72,842	74,922	77,085	79,206	81,286	83,470	85,550	87,693	89,794	91,936	
15	344	369	Hourly	\$36.71	\$37.80	\$38.91	\$40.01	\$41.12	\$42.21	\$43.33	\$44.41	\$45.53	\$46.61	\$47.74	\$1.06
			Bi-weekly	2,937	3,024	3,113	3,201	3,290	3,377	3,466	3,553	3,642	3,729	3,819	
			Monthly	6,363	6,552	6,744	6,935	7,127	7,316	7,511	7,698	7,892	8,079	8,275	
			Annual	76,357	78,624	80,933	83,221	85,530	87,797	90,126	92,373	94,702	96,949	99,299	
16	370	397	Hourly	\$39.63	\$40.84	\$42.03	\$43.21	\$44.40	\$45.58	\$46.79	\$47.98	\$49.15	\$50.33	\$51.53	\$1.15
			Bi-weekly	3,170	3,267	3,362	3,457	3,552	3,646	3,743	3,838	3,932	4,026	4,122	
			Monthly	6,869	7,079	7,285	7,490	7,696	7,901	8,110	8,317	8,519	8,724	8,932	
			Annual	82,430	84,947	87,422	89,877	92,352	94,806	97,323	99,798	102,232	104,686	107,182	
17	398	426	Hourly	\$42.83	\$44.09	\$45.37	\$46.70	\$47.97	\$49.25	\$50.53	\$51.84	\$53.10	\$54.38	\$55.66	\$1.24
			Bi-weekly	3,426	3,527	3,630	3,736	3,838	3,940	4,042	4,147	4,248	4,350	4,453	
			Monthly	7,424	7,642	7,864	8,095	8,315	8,537	8,759	8,986	9,204	9,426	9,648	
			Annual	89,086	91,707	94,370	97,136	99,778	102,440	105,102	107,827	110,448	113,110	115,773	
18	427	458	Hourly	\$46.23	\$47.64	\$49.00	\$50.41	\$51.81	\$53.18	\$54.58	\$55.96	\$57.34	\$58.74	\$60.10	\$1.33
			Bi-weekly	3,698	3,811	3,920	4,033	4,145	4,254	4,366	4,477	4,587	4,699	4,808	
			Monthly	8,013	8,258	8,493	8,738	8,980	9,218	9,461	9,700	9,939	10,182	10,417	
			Annual	96,158	99,091	101,920	104,853	107,765	110,614	113,526	116,397	119,267	122,179	125,008	
19	459	493	Hourly	\$49.94	\$51.45	\$52.95	\$54.43	\$55.93	\$57.44	\$58.92	\$60.46	\$61.90	\$63.42	\$64.92	\$1.42
			Bi-weekly	3,995	4,116	4,236	4,354	4,474	4,595	4,714	4,837	4,952	5,074	5,194	
			Monthly	8,656	8,918	9,178	9,435	9,695	9,956	10,213	10,480	10,729	10,993	11,253	
			Annual	103,875	107,016	110,136	113,214	116,334	119,475	122,554	125,757	128,752	131,914	135,034	
20	494	530	Hourly	\$53.33	\$54.92	\$56.52	\$58.12	\$59.73	\$61.29	\$62.93	\$64.53	\$66.12	\$67.71	\$69.32	\$1.53
			Bi-weekly	4,266	4,394	4,522	4,650	4,778	4,903	5,034	5,162	5,290	5,417	5,546	
			Monthly	9,244	9,519	9,797	10,074	10,353	10,624	10,908	11,185	11,461	11,736	12,015	
			Annual	110,926	114,234	117,562	120,890	124,238	127,483	130,894	134,222	137,530	140,837	144,185	

2024
City of Fargo
Pay Ranges

DEPUTY FIRE MARSHAL & FIRE CAPTAIN - TRAINING

Grade	Point Min	Point Max		Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9
15F	344	369	Hourly	\$36.71	\$37.80	\$38.91	\$41.12	\$43.33	\$45.53	\$46.61	\$47.74	\$48.83
(2080 hrs)			Bi-weekly	2,937	3,024	3,113	3,290	3,466	3,642	3,729	3,819	3,906
			Monthly	6,363	6,552	6,744	7,127	7,511	7,892	8,079	8,275	8,464
			Annual	76,357	78,624	80,933	85,530	90,126	94,702	96,949	99,299	101,566

FIRE BATTALION CHIEF

Grade	Point Min	Point Max		Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9
17F	398	426	Hourly	\$42.83	\$44.09	\$45.37	\$47.97	\$50.53	\$53.10	\$55.66	\$58.24	\$60.82
(2080 hrs)			Bi-weekly	3,426	3,527	3,630	3,838	4,042	4,248	4,453	4,659	4,866
			Monthly	7,424	7,642	7,864	8,315	8,759	9,204	9,648	10,095	10,542
			Annual	89,086	91,707	94,370	99,778	105,102	110,448	115,773	121,139	126,506
17X	398	426	Hourly	\$30.57	\$31.49	\$32.45	\$34.28	\$36.12	\$37.94	\$39.76	\$41.60	\$43.43
(2912 hrs)			Bi-weekly	3,424	3,527	3,634	3,839	4,045	4,249	4,453	4,659	4,864
			Monthly	7,418	7,642	7,875	8,319	8,765	9,207	9,648	10,095	10,539
			Annual	89,020	91,699	94,494	99,823	105,181	110,481	115,781	121,139	126,468

ASSISTANT FIRE CHIEF

Grade	Point Min	Point Max		Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8
49A	530		Hourly	\$53.33	\$54.92	\$56.52	\$59.73	\$62.93	\$66.12	\$69.32	\$72.51
(2080 hrs)			Bi-weekly	4,266	4,394	4,522	4,778	5,034	5,290	5,546	5,801
			Monthly	9,244	9,519	9,797	10,353	10,908	11,461	12,015	12,568
			Annual	110,926	114,234	117,562	124,238	130,894	137,530	144,186	150,821

City of Grand Forks (ND)
Deputy Fire Marshal

CLASS CODE	2037	SALARY	\$77,214.02 Annually
REVISION DATE	December 15, 2023		61434

Definition

Under the direction of the fire marshal, conducts new construction and existing building inspections, performs reviews of building construction plans; investigates fires to determine cause and origin; performs arson investigations; educates the public in fire safety and fire prevention code requirements; presents educational programs at schools and other events; acts as the department public information officer; instructs and leads others in taking corrective action to handle dangerous or potentially dangerous situations. Performs other duties as assigned.

Essential and Marginal Function Statements and Scope of Work

Essential Functions:

1. Conducts field inspections of existing occupancies on an annual or as needed basis as determined by the fire marshal; enforces all regulations and codes and develops positive relationships with residents, businesses, schools, contractors and vendors; prepares reports of findings and issues violation notices as required; receives and responds to complaints of code violations, conducts field inspection to verify and determine the nature of violation, prepares and issues violation notices as required; maintains records of field inspection activities.
2. Reviews plans submitted for residential and commercial construction/remodel projects to ensure compliance with all applicable codes; identify inadequacies found in construction plans, reports, calculations, and requires corrections; conducts in-depth research on hazards, storage, institutional requirements, and various specialized requirements; provides advice to the public, contractors and designers on code and fire prevention related items; participates and observes tests of alarms, sprinklers, and other fire protection systems and equipment to ensure proper installation/operation and compliance with all applicable fire safety codes; resolve life safety issues and maintain documentation.
3. Assist with training fire suppression crew in conducting fire prevention inspections; performs follow-up inspections and communications in situations where firefighter crews do not obtain compliance from contractor or property owner; discusses the situation and provides suggestions to the contractor/property owner; continues to follow-up until situation is resolved, or if unresolved, turns the situation over to the fire marshal; represents the fire department in court when necessary.
4. Performs technical inspections of tanks (including underground), fire protection systems, hazardous materials, college labs, and gas tests etc.; observes the installation and/or testing of equipment and systems to ensure proper and safe function; informs contractor of deficiencies, as necessary.
5. Investigates cause and origin of fires at fire scenes; conducts systematic investigation of origin of fire; directs crews at site to assist with investigations; interviews witnesses, residents, etc.; takes photographs and collects evidence ensuring chain-of-custody is preserved; determines cause and prepares and submits report; works with

law enforcement to send evidence to the state lab and to turn over arson cases to law enforcement; testifies in trials, hearings, and depositions.

6. Develops and conducts public education programs on fire prevention; participates in developing public relations programs including social media, videos, and billboards; develops and delivers school programs and other presentations to the public.

7. Assists with code development and interpretation of codes; maintains expertise in codes; responds to code questions from city staff and the public; educates police and code enforcement personnel regarding city fire ordinances.

8. Communicates and maintains working relationships with others in carrying out job functions; frequently interacts with others in the work unit to exchange detailed and/or technical information; frequently interacts with the public, vendors or across city departments to exchange detailed and/or technical information.

9. Interaction with the public, vendors or across city departments; represents the department in a variety of forums and initiatives, including regional fire department collaborations, city government committees and neighborhood projects; participates as a team member with other department members, city departments, and citizens to identify and prioritize problems, develop and implement solutions, and evaluate results; organizes resources within the community, the fire department and other agencies to reduce risk and meet the appropriate needs of the community; works toward building partnerships with citizens, service providers, and other agencies; contacts complainants, victims, witnesses and others to get feedback and assess citizen satisfaction.

10. Wears proper protective equipment when policy requires, or conditions indicate a need exists and utilizes proper body mechanics and ergonomics while performing work; when potentially unsafe conditions are observed makes efforts to avoid or correct them if they are controllable and draws them to the attention of the responsible supervisor or safety representative in a timely manner; supplement fire suppression division in times of extreme staffing shortages and emergencies.

11. During the absence of the fire marshal, the deputy fire marshal fills this fire prevention bureau position.

Performs other duties and activities as assigned.

Marginal Functions:

1. During times of staffing shortages or large emergencies, deputy fire marshal position may be required to supplement the fire suppression division and function in a variety of capacities which includes those that require the use of structural firefighting PPE and a self-contained breathing apparatus (SCBA).

Qualifications (Knowledge, Skills, and Abilities)

Knowledge: Principles of current fire service/operation methods, techniques, procedures and concepts; knowledge of current firefighting equipment and methods; local, state and federal laws, rules, regulations and codes relating to fire suppression and prevention and emergency response activities; building construction techniques, methods and materials; national and state codes and laws such as International Fire Code, and other related codes to adequately interpret and apply it to inspection of buildings, etc.; human resource management practices such as training, discipline, delegation, etc.; fire investigation techniques and procedures; fire protection engineering relating to hydraulics and fire detection systems.

Skills: Communicate clearly and concisely, both orally and in writing utilizing the English language; establish and maintain effective working relationships with those contacted in the course of employment; computer skills including the ability to learn and understand current and new computer programs; basic mathematical computation sufficient to calculate fees, payments, etc.; maintain necessary skills to perform all tasks associated with the deputy fire marshal position; performing fire suppression and emergency response activities; performing manual tasks requiring mechanical aptitude such as minor repair to motorized equipment; manual tasks requiring strength, endurance and coordination.

Abilities: Maintain cooperative working relationships and function effectively as a member of a team; mechanical aptitude to understand a variety of firefighting equipment and apparatus; quickly respond and work productively under a variety of hazardous conditions; participate in public education and fire code enforcement activities; interpret, explain and enforce city and department policies and procedures; achieve and maintain appropriate certification levels; understand and follow oral and written instructions; understand the English language, written and spoken; work independently in the absence of supervision; maintain mental and physical conditioning to meet the environmental and physical working conditions; maintain effective audio/visual discrimination and perception to the degree necessary for the successful performance of assigned duties.

Experience and Training Guidelines

Experience:

Four years of service within the GFFD.

Education and Training:

Meet the education and training requirements for the deputy fire marshal as outlined by the GFFD's promotional matrix. Must have completed the ICC inspector II designation within two years of accepting the position.

License or Certificate:

Must have a valid driver's license.

Meet the appropriate certifications as defined in the GFFD's promotional matrix.

Other Requirements

Supervisory Controls:

The Fire Marshal assigns work in terms of very general instructions. The supervisor spot-checks completed work for compliance with procedures and the nature and propriety of the final results.

Guidelines:

Guidelines include the International Fire Code, NFPA codes, North Dakota Century Codes, city codes, ASME and ASTM codes, city and fire department policies and procedures. These guidelines require judgment, selection, and interpretation in application.

Complexity/Scope of Work:

The work consists of varied building inspection, code enforcement, fire investigation, and fire prevention functions. The necessity of responding to dangerous and complex fire scenes contributes to the complexity of the position. The purpose of this position is to participate in the department's fire prevention and code enforcement functions. Success in this position contributes to the safety of community life and property.

Contacts:

Contacts are typically with co-workers, other city personnel, architects, building contractors, state Fire Marshals, private fire investigators, building owners, developers, and members of the general public.

Contacts are typically to give or exchange information, to resolve problems, or to motivate or influence persons.

Physical Demands/Work Environment:

During normal station and working environments, flexible workdays are required typically 40 hours a week. Sleep periods are subject to disruption if an emergency call back is necessary. While at emergency scenes working conditions can include exposure to extreme heat, cold, hazardous or toxic atmospheres, noise, dust, grease, smoke, fumes, gases, explosives, potentially hazardous chemicals, electrical energy, potentially hostile environments, waste and infectious materials, human or animal body fluids; work at extreme heights; work in confined spaces; work in extremes of inclement weather; essential and marginal functions may require maintaining physical condition necessary for standing and walking for prolonged periods of time; heavy or moderate lifting; bending, stooping, kneeling, crawling; climbing with both legs and arms; operating motorized equipment and vehicle. While wearing personal protective equipment, including SCBA, perform firefighting tasks such as hose-line operations, extensive crawling, lifting and carrying heavy objects, ventilating roofs or walls using power or hand

tools, forcible entry), rescue operations, and other emergency response actions under stressful conditions including working in extremely hot or cold environments for prolonged time periods. While wearing personal protective equipment, including SCBA incumbents must be able to stand, climb ladders, balance, kneel, stoop, crouch, crawl, and reach; to walk or run on uneven surfaces; and to drag up to 200 pounds for extended distances.

Light Work: Physical demands are normally those associated with light work: Exerting up to 25 pounds of force occasionally and/or a negligible amount of force frequently or constantly to lift, carry, push, pull or otherwise move objects.

Supervisory Responsibilities:

This position may have functional supervision over assigned personnel.

FIRE MARSHAL

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POSITION SUMMARY

Under direction of the Fire Chief, supervises and coordinates the fire prevention and inspection activities of the Fire Department; including fire investigation activities; reviews plans and specifications for buildings and fire protection systems; coordinates assigned activities with other divisions, departments, outside agencies and the general public; provides highly responsible and complex staff assistance to the Fire Chief. This position serves as Officer in Charge (OIC) on a rotating basis and is subject to emergency call while on and off duty. Subject to staff assignment in training and operations.

RESPONSIBILITIES

Essential Duties (4D):

- Performs fire code compliance inspections and coordinates the fire inspection program. Provides technical assistance with field inspections. Interprets codes; determines how inspections will be conducted. Reviews plans for new construction and installation of fire protection equipment for compliance with fire and life safety regulations.
- Responsible as assigned for training of Fire Department personnel. Responsible for directing the activities of the Fire Department in the absence of the Fire Chief and Assistant Fire Chief.
- Develops, delivers, and coordinates fire prevention community programs.
- Updates fire code compliance files and records. Prepares reports of inspections and public education activities.
- Performs emergency response and fire investigation duties. Participates in night duty rotation, and performs officer in charge duties as assigned.
- Assures accurate completion of pre plans and field inspections.
- Maintains working knowledge of ISO rating system and the department's current rating criteria.
- Performs other duties of a similar nature or level.

Knowledge, Skills and Abilities: (position requirements at entry):

- Thorough knowledge of modern fire prevention, suppression, and Public Education Practices and Procedures.
- Knowledge of fire protection principles and systems.
- Knowledge of International Fire and Building Codes and Dickinson Municipal Code.
- Knowledge of education methodology;
- Ability to read and interpret schematic diagrams and blueprints;
- Ability to maintain accurate files and records;
- Knowledge of City geography and street locations;
- Skilled in interviewing and investigative techniques;
- Ability to use a variety of office equipment and related applications.

Judgment/Decision Making (5D):

FIRE MARSHAL

- Develops strategic direction, goals, plans and policies for the department with the final approval from the Fire Chief.
- Sets goals and objectives and is accountable for overall results in respective area of responsibility.
- Requires a high level of independent judgment and problem solving of complex problems. Errors in judgment could jeopardize the viability of one or more departments.

RELATIONSHIPS

Leadership/Supervisory Responsibilities (4D):

- Manages staff through supervisors and has some human resource responsibilities for direct reports. Organizes and directs the work activities of Fire Inspector(s) and Firefighters assigned inspection duties. Makes disciplinary and hiring recommendations.

Relation to Others (4D):

- Considerable and consistent contact with other in key positions within the community and state.
- Requires advanced interpersonal and communication skills to establish and maintain internal and external relationships.
- Likely to be involved in media related activities; background work/information gathering.

SKILLS

Education (5D) and Experience (5D) (position requirements at entry):

- Associates Degree, Bachelors Degree preferred. Course work in fire science, educational methodology and/or construction disciplines.
- Five years of progressively responsible experience in fire prevention/public education with a career or combination fire department. Completion of National Fire Academy coursework relating to Fire Inspection Practices, Fire Protection Systems and Public Education or, an equivalent combination of education and experience sufficient to successfully perform the essential duties of the job.

Special Requirements (position requirements at entry):

- Valid Drivers License
- Certification as a North Dakota Firefighter II, or equivalent nationally recognized certification;
- IS 700 and 800A and ICS 100, 200 300, & 400 Certification;
- Professional Rescuer CPR and First Aid;
- Weapons of mass destruction/Hazardous Materials Operations level certification.
- CPR and First Aid Instructor Certification – must obtain within one year of hire

WORKING CONDITIONS

FIRE MARSHAL

Environment (5D):

- Physical requirements: climbing, balancing, stooping, kneeling, crouching, crawling, reaching, standing, walking, driving, pushing, pulling, lifting, fingering, grasping, feeling, talking, hearing, seeing, and repetitive motions.
- May be subjected to hazardous conditions including but not limited to: fumes, odors, dusts, gases, chemicals, poor ventilation, body fluids, extreme temperatures, inadequate lighting, work space restrictions, intense noises, and travel.
- Heavy Work: Exerting up to 100 pounds of force occasionally, and/or up to 50 pounds of force frequently, and/or up to 20 pounds of forces constantly to move objects.
- Work involves episodes of strenuous physical activity, routine exposure to the threat of physical harm including the threat of loss of life, exposure to hazardous substances, unpleasant working conditions such as adverse weather conditions or the extreme risk of accident or ill health. Threats are difficult to identify or protect against.

Classification: Class V (1000 points)

FLSA: Exempt

Created and updated to new format: Changed title from Fire Prevention Specialist to Fire Marshal 5/22/14

Approved by CSC: 5/28/14, 3/23/16

Approved by City Commission: Reclassification from Class IV to Class V – 6/16/14

Updated by: Fire Chief Sivak, HR Coordinator Nameniuk 7/18/2019

Kriege, Rachel F.

From: Shelly Nameniuk <Shelly.Nameniuk@dickinsongov.com>
Sent: Tuesday, May 21, 2024 11:14 AM
To: Kriege, Rachel F.
Subject: RE: Job Description

***** **CAUTION:** This email originated from an outside source. Do not click links or open attachments unless you know they are safe. *****

Looking back at the 2021 payscale the Fire Marshal starting salary was 37.79/hour.

Annual
78603

SHELLY NAMENIUK, SHRM-CP
HUMAN RESOURCES DIRECTOR
HUMAN RESOURCES

Tel: 701.456.7744 O: 701.456.7801
C: 701.690.5805 F: 701.456.7015



From: Kriege, Rachel F. <rkriege@nd.gov>
Sent: Tuesday, May 21, 2024 10:11 AM
To: Shelly Nameniuk <Shelly.Nameniuk@dickinsongov.com>
Subject: RE: Job Description

I apologize for so many questions, but what was the salary range or the starting salary for this position?

When I searched your website it appears it was potentially discussed in 2021 for Class 20 in the new 2021 Pay scale.

Rachel Kriege | Division Director, Administration/HR
North Dakota Insurance Department

From: Shelly Nameniuk <Shelly.Nameniuk@dickinsongov.com>
Sent: Tuesday, May 21, 2024 10:27 AM
To: Kriege, Rachel F. <rkriege@nd.gov>
Subject: RE: Job Description

You don't often get email from shelly.nameniuk@dickinsongov.com. [Learn why this is important](#)

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Rachel,

Here is an old job description for Fire Marshal. We don't have this position anymore and never did have a Deputy Fire Marshal.

Thanks,

SHELLY NAMENIUK, SHRM-CP
HUMAN RESOURCES DIRECTOR
HUMAN RESOURCES

Tel: 701.456.7744 O: 701.456.7801
C: 701.690.5805 F: 701.456.7015



From: Kriege, Rachel F. <rkriege@nd.gov>
Sent: Tuesday, May 21, 2024 9:22 AM
To: Shelly Nameniuk <Shelly.Nameniuk@dickinsongov.com>
Subject: Re: Job Description

Do previously have the job descriptions?

Get [Outlook for iOS](#)

From: Shelly Nameniuk <Shelly.Nameniuk@dickinsongov.com>
Sent: Tuesday, May 21, 2024 10:16:17 AM
To: Kriege, Rachel F. <rkriege@nd.gov>
Subject: RE: Job Description

You don't often get email from shelly.nameniuk@dickinsongov.com. [Learn why this is important](#)

***** CAUTION: This email originated from an outside source. Do not click links or open attachments unless you know they are safe. *****

Hi Rachel,

We do not have either of those positions currently.

Thank you,

SHELLY NAMENIUK, SHRM-CP
HUMAN RESOURCES DIRECTOR
HUMAN RESOURCES

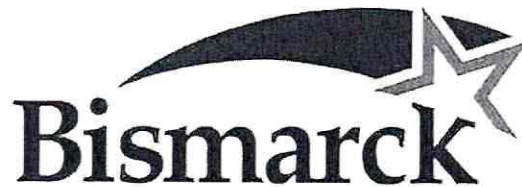
Tel: 701.456.7744 O: 701.456.7801
C: 701.690.5805 F: 701.456.7015



From: Kriege, Rachel F. <rkriege@nd.gov>
Sent: Monday, May 20, 2024 2:38 PM
To: Job Application <JobApplication@dickinsongov.com>
Subject: Job Description

Good Afternoon,

Could you please provide the most recent Job Description documents for a Fire Marshal and Deputy Fire Marshal along with annual salaries for both positions.



Deputy Fire Marshal
Fire

most relevant?

68,106.7
or 5,722

FD/5

Salary Grade 20

JOB SUMMARY

This position is responsible for conducting new construction and existing building inspections, performs reviews of building construction plans; investigating fires to determine cause and origin; educates the public in fire safety and fire prevention code requirements; presenting educational programs at school and other events; assists Fire Marshal with public information and media assignments; instructs and leads others in taking corrective action to handle dangerous or potentially dangerous situations. Performs other duties as assigned.

MAJOR DUTIES

- Conducts field inspections of existing occupancies on an annual or as needed basis as determined by the fire marshal; enforces all regulations and codes and develops positive relationships with residents, businesses, schools, contractors and vendors; prepares reports of findings and issues violation notices as required; receives and responds to complaints of code violations, conducts field inspection to verify and determine the nature of violation, prepares and issues violation notices as required; maintains records of field inspection activities.
- Reviews plans submitted for residential and commercial construction/remodel projects to ensure compliance with all applicable codes; identify inadequacies found in construction plans, reports, and calculations, and require corrections; conducts in-depth research on hazards, storage, institutional requirements, and various specialized requirements; provides advice to the public, contractors and designers on code and fire prevention related items; participates and observes tests of alarms, sprinklers, and other fire protection systems and equipment to insure proper installation/operation and compliance with all applicable fire safety codes; resolve life safety issues and maintain documentation.
- Assist with training fire suppression crew in conducting fire prevention inspections; performs follow-up inspections and communications in situations where firefighter crews do not obtain compliance from contractor or property owner; discusses the situation and provides suggestions to the contractor/property owner; continues to follow-up until situation is resolved, or if unresolved, turns the situation over to the fire marshal;
- Performs high risk inspections of assemblies, alarm systems, hazardous materials, college labs, and gas tests etc.; observes the installation and/or testing of equipment and systems to ensure proper and safe function; informs contractor of deficiencies, as necessary.

- Investigates cause and origin of fires at fire scenes; conducts systematic investigation of origin of fire; directs crews at site to assist with investigations; interviews witnesses, residents, etc.; takes photographs; determines cause and prepares and submits report; works with police department to send evidence to the state lab and to turn over arson cases to PD; testifies in trials, hearings, and depositions.
- Develops and conducts public education programs on fire prevention; participates in developing public relations programs including social media, videos, and billboards; develops and delivers school programs and other presentations to the public; assists Fire Marshal with Public Information Media.
- During the absence of the fire marshal, the deputy fire marshal fills in and assists with code development and interpretation of codes; maintains expertise in codes; responds to code questions from the city staff and general public; educates police and code enforcement personnel regarding of city fire ordinances.
- Performs other duties and activities as assigned.

KNOWLEDGE REQUIRED BY THE POSITION

- Knowledge of the principles, methods and techniques used in fire investigations.
- Knowledge of building and fire code enforcement principles.
- Knowledge of public education principles and practices.
- Knowledge of the Incident Command System.
- Knowledge of current and accepted fire prevention, firefighting, rescue, emergency medical, and hazardous materials procedures.
- Knowledge of fire and emergency response equipment, tools and vehicles.
- Knowledge of departmental and city policies and procedures and related national, state, and local guidelines.
- Knowledge of city streets and geography.
- Knowledge of supervisory principles and practices.
- Knowledge of computers and job-related software programs.
- Skill in reading construction blueprints.
- Skill in conducting fire investigations to determine the cause of fires.

- Skill in planning, organizing, directing and coordinating the work of personnel.
- Skill in the analysis of problems and the development and implementation of solutions.
- Skill in the preparation of clear and precise administrative reports.
- Skill in public information and all things related to this duty.
- Skill in oral and written communication.

SUPERVISORY CONTROLS

The Fire Marshal assigns work in terms of very general instructions. The supervisor spot-checks completed work for compliance with procedures and the nature and propriety of the final results.

GUIDELINES

Guidelines include National Fire Protection Association standards, International Code Council, Fire Prevention Code, arson investigation guidelines, state fire regulations, department and city policies and procedures, and various building, electrical and housing codes. These guidelines require judgment, selection, and interpretation in application.

COMPLEXITY/SCOPE OF WORK

- The work consists of varied administrative and technical duties. The necessity of interpreting and applying strict regulations to a diverse set of conditions contributes to the complexity of the position.
- The purpose of this position is to perform the department's fire inspection, code enforcement, fire investigation, and fire prevention activities. This position will also function as the department's public information officer if the Fire Marshal is absent. Success in this position contributes to the safety of life and property in the city.

CONTACTS

- Contacts are typically with coworkers, other city employees, elected and appointed officials, vendors, local business owners, non-profit organizations, representatives of other local fire departments, law enforcement personnel, court personnel, engineers and contractors, insurance company representatives, and the general public.
- Contacts are typically to exchange information, motivate persons, negotiate matters, resolve problems, and provide services.

PHYSICAL DEMANDS/ WORK ENVIRONMENT

- The work is typically performed while sitting, standing, walking, bending, crouching or stooping. The employee may climb stairs or ladders, uses tools or equipment requiring a

high degree of dexterity, distinguishes between shades of color, and utilizes the sense of smell.

- The work is typically performed in an office, except while at fire or other emergency scenes. The employee may be exposed to machinery with moving parts, irritating chemicals, extreme temperatures, hazardous situations, and inclement weather.
- Must participate in a physical fitness program on a regular basis either on-duty or off-duty so as to maintain a level of fitness appropriate to leadership in the fire service.

MINIMUM QUALIFICATIONS

- Knowledge and level of competency commonly associated with specialized training in the field of work, in addition to skills typically associated with a high school education.
- Experience sufficient to thoroughly understand the work of fire suppression personnel in company inspections to be able to answer questions and resolve problems, usually associated with one to three years' experience or service.
- Possession of or ability to readily obtain a valid driver's license issued by the State of North Dakota (or state equivalent) for the type of vehicle or equipment operated.
- A minimum of one year experience working with fire, building or life safety code application including field inspections.

Revised 5/2022

DEPT	POSITION	GRADE	
EC/1	Event Center Director	26	E
EC/2	Operations Manager	23	E
EC/3	Marketing and Sales Manager	21	E
EC/4	Event Finance Manager	21	E
EC/5	Food and Beverage Manager	18	E
EC/6	Event Center Maintenance Supervisor	18	E
EC/7	Audio Visual Production Supervisor	17	E
EC/8	Event Center Ticket Operations Supervisor	16	N
EC/9	Event Center HVAC Tradesperson	16	N
EC/10	Assistant Food and Beverage Manager	14	N
EC/11	Event Center Sales Associate	14	N
EC/12	Building Maintenance Technician	14	N
EC/13	Marketing Specialist	14	N
EC/14	Building Maintenance Worker	13	N
EC/15	Event Center Business Technician	12	N
EC/16	Office Assistant II	10	N
ENG/1	City Engineer	26	E
ENG/2	Assistant City Engineer	24	E
ENG/3	Design and Construction Engineer	23	E
ENG/4	Traffic Engineer	23	E
ENG/5	Senior Project Engineer	22	E
ENG/6	Project Engineer	21 ²	E
ENG/7	Engineering Operations Manager	22	E
ENG/8	Survey Manager	20	E
ENG/9	Principal Engineering Technician	18	N
ENG/10	Survey Crew Chief	17 ³	N
ENG/11	Traffic Engineering Technician III	17	N
ENG/12	Engineering Technician III	17	N
ENG/13	Survey Technician	14	N
ENG/14	Traffic Engineering Technician II	14	N
ENG/15	Engineering Technician II	14	N
ENG/16	Engineering Technician I	12	N
ENG/17	Administrative Assistant	12	N
ENG/18	Office Assistant II	10	N
FD/1	Fire Chief	27	E
FD/2	Deputy Fire Chief	24	E
FD/3	Fire Battalion Chief	23	E
FD/4	Fire Marshal	22	E
FD/5	Emergency Manager	21	E
FD/6	Fire Captain	21	N
FD/7	Fire Training Captain	21	N
FD/8	Deputy Fire Marshal	20	N
FD/9	Senior Firefighter	18	N
FD/10	Firefighter	17	N
FD/11	Fire Administrative Coordinator	14	N

² May be designated as Senior Project Engineer and placed at grade 22 with possession of a Professional Engineer License.

³ May be placed at grade 18 with possession of Professional Land Surveyor Intern License and additional qualifications. See job description.

City of Bismarck 2023 Salary Scale

Grade	Minimum	1 st Quartile	Mid-Point	3 rd Quartile	Maximum
1	26,868.61	30,227.19	33,585.76	36,944.34	40,302.92
2	28,228.84	31,757.44	35,286.05	38,814.65	42,343.25
3	29,657.92	33,365.16	37,072.40	40,779.64	44,486.88
4	31,159.35	35,054.27	38,949.19	42,844.11	46,739.03
5	32,736.80	36,828.89	40,920.99	45,013.09	49,105.20
6	34,394.10	38,693.36	42,992.62	47,291.89	51,591.14
7	36,135.30	40,652.21	45,169.12	49,686.03	54,202.94
8	37,964.65	42,710.22	47,455.81	52,201.39	56,946.96
9	39,886.60	44,872.44	49,858.26	54,844.09	59,829.91
10	41,905.87	47,144.10	52,382.33	57,620.56	62,858.79
11	44,027.35	49,530.77	55,034.19	60,537.61	66,041.03
12	46,256.23	52,038.26	57,820.29	63,602.32	69,384.35
13	48,597.95	54,672.70	60,747.44	66,822.19	72,896.94
14	51,058.23	57,440.50	63,822.79	70,205.06	76,587.34
15	53,643.06	60,348.43	67,053.81	73,759.20	80,464.58
16	56,358.73	63,403.58	70,448.41	77,493.25	84,538.09
17	59,211.89	66,613.37	74,014.87	81,416.35	88,817.83
18	62,209.50	69,985.68	77,761.87	85,538.06	93,314.24
19	65,358.85	73,528.70	81,698.56	89,868.42	98,038.27
20	68,667.64	77,251.10	85,834.55	94,418.01	103,001.46
21	75,796.22	85,270.76	94,745.28	104,219.81	113,694.34
22	83,664.85	94,122.95	104,581.07	115,039.17	125,497.28
23	92,350.34	103,894.13	115,437.93	126,981.72	138,525.52
24	101,937.50	114,679.69	127,421.87	140,164.06	152,906.24
25	112,519.93	126,584.92	140,649.90	154,714.89	168,779.89
26	124,200.94	139,726.06	155,251.18	170,776.30	186,301.42
27	137,094.60	154,231.43	171,368.25	188,505.08	205,641.90

City of Grand Forks (ND)
Fire Marshal

CLASS CODE	2035	SALARY	\$94,077.79 Annually
REVISION DATE	December 15, 2023		

Definition

Under general direction of the fire chief, the fire marshal provides coordination, administration and oversight to the city-wide fire prevention program. Recommends policies, performs planning, and supervises fire department personnel responsible for carrying out inspections of local businesses. Organizes and assigns fire prevention objectives for both the fire suppression and fire prevention divisions. Directly responsible for the performance of deputy fire marshals. Responsible for interpreting the fire code and making recommendations regarding amendments, etc. Supervises and coordinates fire investigations. The fire marshal is part of the departmental calling tree and is often called during and after fires. This is not a firefighting position and does not participate in hot zone activities during emergency operations. Serves as the department spokesperson on fire inspection and investigation matters and handles communications with the media and the public. The fire marshal performs various administrative duties relating to the development, planning, coordinating, implementation, evaluation and adjustment of fire suppression, fire prevention, and emergency response functions as well as some human resource programs and activities. Assists in developing and implementing procedures to accomplish departmental goals and objectives.

Essential and Marginal Function Statements and Scope of Work

Essential Functions:

1. Organizes and coordinates fire inspection program for businesses in order to ensure compliance with applicable ordinances and laws; oversees all inspections and determines inspections to be performed on an annual basis, develops schedules for inspections and develops tracking systems to ensure inspections are conducted according to schedule; ensures all technical inspections are prioritized and assigned in the fire prevention division; monitors issues identified in inspections and ensures appropriate follow-up is completed on any violations identified; ensures fire suppression personnel are trained in conducting routine inspections and developing fire preplans; fire marshal conducts field inspections as necessary.
 2. Facilitate adoption of fire code in coordination with city's inspection department; develops and implements code amendments; enforce compliance within the scope of city rules, regulations, policies and orders; review and investigate alleged violations of rules, regulations, orders and policies.
 3. Assigns fire investigations to deputy fire marshals when necessary; coordinate and assign investigations to fire suppression division when appropriate; provides fire investigation training program for on shift fire investigators; develops fire investigation certification requirements; maintains investigations databases; determines and implements modifications to methods; recommends policy changes.
- Coordinates with developers and contractors regarding construction projects; reviews building, site, utility, and other plans to determine compliance with applicable codes and provides comments regarding necessary revisions prior to issuing building permit.

5. Participates as part of the senior management team of the fire department; acts as an advisor to the fire chief, participates in decisions on matters of hiring, transfer, suspension, lay off, recall, promotion, discharge, assignment, reward, adjusting grievances or disciplining employees under the span of control. Participates in decisions regarding the content of jobs and the number of staff within the functional areas under the span of control.
6. Works with battalion and deputy chiefs to discuss departmental issues, establish standard operating guidelines and coordinate activities of fire suppression division regarding fire prevention inspections performed by suppression crews.
7. Reviews division performance to assess goal attainment and measure effectiveness; using independent judgment provides supervision and leadership to deputy fire marshals under the span of control; sets goals and objectives for others to work towards and monitors performance; leads unit management in creating and maintaining a positive work environment and fostering effective performance of staff; conducts ongoing feedback, coaching, mentoring, and timely formal reviews of performance for assigned employees.
8. Coordinates with the city on outgoing public messages and communications using media such as social media, billboards, brochures, etc.; coordinates and assign deputy's to deliver presentations and attend events for specific groups such as schools, seniors, etc.; frequently interacts with the work unit, the public, vendors or across departments to exchange detailed and/or technical information; interactions occasionally include negotiations involving convincing the other party to do something to achieve a basic work related objective; communications include responsibility for maintaining relationships that are key to the fire department.
9. Represents the fire department at civic functions and/or meetings; discusses issues, coordinates efforts, and responds to informational inquiries; responds to citizens, news media, etc. concerns and issues and determines appropriate resolutions to maintain positive community relations for the department and the city.
10. Wears proper protective equipment when policy requires, or conditions indicate a need exists and utilizes proper body mechanics and ergonomics while performing work; when potentially unsafe conditions are observed makes efforts to avoid or correct them if they are controllable and draws them to the attention of the responsible supervisor or safety representative in a timely manner.
11. Approves expenditures for purposes and amounts that are within the budget and within the authorized approval limits of the job; reviews year-to-date spending reports and monitors performance against plan during the entire budget cycle, making or recommending adjustments as necessary to achieve a desired balance at the end of the cycle; works to ensure the most cost-effective alternatives are identified when planning expenditures.
12. Performs other duties and activities as assigned.

Qualifications (Knowledge, Skills, and Abilities)

Knowledge: Principles of supervision, training, and performance evaluation; concepts and theory of fire and fire investigation; building construction techniques, methods and materials; national and state laws and codes such as International Building Code (IBC), International Fire Code, and other related codes to adequately interpret codes and apply to inspection of buildings, etc.; current fire service operation methods, techniques, procedures and concepts, and firefighting equipment; local, state and federal laws, rules, regulations and codes relating to fire suppression and prevention and emergency response activities; human resources management practices such as training, delegation, disciplines, etc.; governmental administrative practices including budgeting, purchasing and policy formulation; concepts and practices of fire department administration; principles, practices and techniques of fire department emergency services including applications of incident command, occupational hazards and standard safety practices; public education and fire prevention programs. Understanding of city and department rules, regulations, policies, and guidelines, as well as pertinent federal and state codes, laws and regulations.

Skills: Communicate clearly and concisely, both orally and in writing; establish and maintain effective working relationships with those contacted in the course of employment; computer skills including the ability to learn and

understand current and new computer programs; maintain necessary skills to perform all tasks associated with the fire marshal position; leadership and management in order to coordinate the diversified activities of individuals towards the achievement of common goals; information analysis and problem solving to assess information and formulate decisions; motivation of staff to effectively accomplish work directives and achieve goal.

Abilities: Maintain cooperative working relationships and function effectively as a member of a team; mechanical aptitude to understand a variety of firefighting equipment and apparatus; quickly respond and work productively under a variety of hazardous conditions; participate in public education and fire code enforcement activities; interpret, explain and enforce city and department policies and procedures; achieve and maintain appropriate certification levels; understand and follow oral and written instructions; understand the English language, written and spoken; work independently in the absence of supervision; maintain mental and physical conditioning to meet the environmental and physical working conditions; maintain effective audio/visual discrimination and perception to the degree necessary for the successful performance of assigned duties.

Experience and Training Guidelines

Experience:

Total of ten (10) years including one year as a deputy fire marshal.

Training:

Meet the requirements for the fire marshal as outlined by the GFFD's promotional matrix. Must complete the ICC fire marshal designation within one year of accepting the position.

License or Certificate:

Must have a valid driver's license.

Meet the appropriate training and certifications as defined in the GFFD's promotional matrix.

Other Requirements

Supervisory Controls:

The Fire Chief assigns work in terms of department goals and objectives. The supervisor reviews work through conferences, reports, and observation of department activities.

Guidelines:

Guidelines include ICC codes, NFPA codes, adopted International Fire Code (IFC), the North Dakota Century Code, ASTM and ASME guidelines, city and fire department policies and procedures. These guidelines require judgment, selection, and interpretation in application.

Complexity/Scope of Work:

The work consists of varied management, code enforcement, fire investigation, and fire prevention functions. The necessity of responding to dangerous and complex fire scenes contributes to the complexity of the position. The purpose of this position is to manage the department's community risk reduction, fire prevention, and fire investigation functions. Success in this position contributes to the safety of community life and property.

Contacts:

Contacts are typically with co-workers, other city personnel, architects, building contractors, state Fire Marshals, private fire investigators, building owners, developers, and members of the general public.

Contacts are typically to give or exchange information, to resolve problems, to motivate or influence persons, or to justify, defend, or negotiate matters.

Physical Demands/Work Environment:

Most work is performed in a normal office environment with regular use of computers. Work is generally light with considerable variety. Daily work often involves moving between buildings and rooms. Regular, daily local driving is required to go to fire stations, meetings, and calls. Occasional overnight travel is required. The job may involve dealing with and calming individuals who are emotionally charged over an issue. There is considerable attention to

detail and deadlines. When at emergency scenes, there may be intermittent exposure to disagreeable working conditions such as extreme weather conditions, smoke, etc.

Incumbents must be able to perform the following physical demands: climbing, balancing, reaching, standing, walking, lifting, grasping, talking, hearing/listening, and seeing/observing.

Light Work: Physical demands are normally those associated with light work: Exerting up to 25 pounds of force occasionally and/or a negligible amount of force frequently or constantly to lift, carry, push, pull or otherwise move objects.

Supervisory Responsibilities:

This position has direct supervision over Deputy Fire Marshal.

Kriege, Rachel F.

From: Nelson, Douglas D.
Sent: Thursday, April 20, 2023 9:10 AM
To: Just, Jacob D.
Cc: Kriege, Rachel F.; Godfread, Jon; Arnold, John R.
Subject: workload documents
Attachments: NDSFM workload-staffing summary 2022.docx; NDSFM workload-staffing study 2022.docx; 2022 Proposed DFM Office Workload.docx; Bubble Map inspections.docx

Hope this helps...!

Fargo - 6363
GF - 6434
Dickinson - 6550 (oil)
Bismarck - 5722

Fire house DFM or FM
w/ Fire suppression training
Average!
\$ 6,267.25 ~~74,785.49~~
or
\$ 75,207 ~~63,987.79~~

Currently 106

4971 - 8,285 - Start at
\$ 5,431

my suggestion 107

5,973 - 9,955 - Start at
min w/ no experience
use the % spread to
work from min.

2025 SENATE STANDING COMMITTEE MINUTES

Appropriations - Government Operations Division Red River Room, State Capitol

HB 1010
4/3/2025

A BILL for an Act to provide an appropriation for defraying the expenses of the insurance commissioner; to create and enact a new section to chapter 26.1-23.1 of the North Dakota Century Code, relating to a government self-insurance pool report; to amend and reenact section 26.1-01-09 of the North Dakota Century Code, relating to the salary of the insurance commissioner; and to provide for a legislative management report.

4:38 p.m. Chairman Wanzek opened the hearing.

Members present: Chairman Wanzek, Vice-Chair Dwyer, Senator Burckhard, Senator Erbele, and Senator Sickler.

Discussion Topics:

- New employee
- Movement of Securities Department into Insurance Department
- Equity funding
- Fee changes

4:39 p.m. Adam Mathiak, LC Senior Fiscal Analyst, supplied budget information, answered committee questions, and submitted testimony #44653, the long sheet and #44655, Amendments 25.0154.02001.

4:49 p.m. Senator Sickler moved to Adopt the Amendments, 25.0154.02001, for HB 1010.

4:49 p.m. Senator Erbele seconded the motion,

Senators	Vote
Senator Terry M. Wanzek	Y
Senator Randy A. Burckhard	Y
Senator Michael Dwyer	Y
Senator Robert Erbele	Y
Senator Jonathan Sickler	Y

Motion passed 5-0-0.

4:49 p.m. Senator Sickler moved a Do Pass as Amended for HB 1010.

4:49 p.m. Senator Erbele seconded the motion.

Senators	Vote
Senator Terry M. Wanzek	Y
Senator Randy A. Burckhard	Y
Senator Michael Dwyer	N
Senator Robert Erbele	Y
Senator Jonathan Sickler	Y

Senate Appropriations Government Operations Division
HB 1010
4/3/2025
Page 2

Motion passed 4-1-0.

Senator Sickler will carry this bill.

4:50 p.m. Chairman Wanzek closed the meeting.

Carol Thompson, Committee Clerk



Insurance Commissioner - Budget No. 401
Agency Worksheet - House Bill No. 1010

	House Version				Senate Version				Senate Compared to House Version			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total	Increase (Decrease)			
									FTE Positions	General Fund	Other Funds	Total
2025-27 Biennium Base Level	47.00	\$0	\$15,783,893	\$15,783,893	47.00	\$0	\$15,783,893	\$15,783,893	0.00	\$0	\$0	\$0
2025-27 Ongoing Funding Changes												
Adjust funding for salaries for cost to continue			\$36,700	\$36,700			\$36,700	\$36,700				\$0
Salary increase			437,348	437,348			437,348	437,348				0
Health insurance increase			282,249	282,249			282,249	282,249				0
Adds funding to replace 2023-25 new FTE pool			407,380	407,380			407,380	407,380				0
Adds funding to replace 2023-25 vacant FTE pool			237,366	237,366			237,366	237,366				0
Transfer funding for 2025-27 new and vacant FTE pool			(114,413)	(114,413)			(114,413)	(114,413)				0
Add 1 FTE attorney position			0	0	1.00		237,497	237,497	1.00		\$237,497	237,497
Add 1 FTE Analyst IV position			0	0			0	0				0
Transfer \$83,497 from operating to salaries			0	0			0	0				0
Add funding for ITD rate increases			54,018	54,018			54,018	54,018				0
Combining of securities department totals			0	0	10.00		3,388,330	3,388,330	10.00		3,388,330	3,388,330
Attorneys equity funding			0	0			150,000	150,000			150,000	150,000
Fire marshal equity funding			0	0			45,000	45,000			45,000	45,000
Total ongoing funding changes	0.00	\$0	\$1,340,648	\$1,340,648	11.00	\$0	\$5,161,475	\$5,161,475	11.00	\$0	\$3,820,827	\$3,820,827
One-Time Funding Items												
One-time FTE cost			0	0			0	0				0
Equipment including radios and an x-ray machine			\$90,000	90,000			\$90,000	90,000				0
Accrued leave payout			0	0			63,250	63,250			\$63,250	63,250
Fire marshal comp time/overtime			0	0			20,000	20,000			20,000	20,000
Total one-time funding changes	0.00	\$0	\$90,000	\$90,000	0.00	\$0	\$173,250	\$173,250	0.00	\$0	\$83,250	\$83,250
Total Changes to Base Level Funding	0.00	\$0	\$1,430,648	\$1,430,648	11.00	\$0	\$5,334,725	\$5,334,725	11.00	\$0	\$3,904,077	\$3,904,077
2025-27 Total Funding	47.00	\$0	\$17,214,541	\$17,214,541	58.00	\$0	\$21,118,618	\$21,118,618	11.00	\$0	\$3,904,077	\$3,904,077
<i>Federal funds included in other funds</i>			\$717,971				\$717,971				\$0	
<i>Total ongoing changes - Percentage of base level</i>	0.0%	N/A	8.5%	8.5%	23.4%	N/A	32.7%	32.7%	N/A	N/A	N/A	N/A
<i>Total changes - Percentage of base level</i>	0.0%	N/A	9.1%	9.1%	23.4%	N/A	33.8%	33.8%	N/A	N/A	N/A	N/A

Other Sections in Insurance Commissioner - Budget No. 401

Section Description	House Version	Senate Version
New and vacant FTE Pool	Section 3 provides information regarding the use of funding in the new and vacant FTE pool line item.	Section 3 provides information regarding the use of funding in the new and vacant FTE pool line item.
Additional income	Section 4 appropriates any additional federal funds that become available to the Insurance Commissioner for the 2025-27 biennium.	Section 4 appropriates any additional federal funds that become available to the Insurance Commissioner for the 2025-27 biennium.
Insurance Commissioner salary	Section 5 increases the annual salary of the commissioner by 3 percent in the 1st year of the biennium and 3 percent in the 2nd year of the biennium.	Section 6 increases the annual salary of the commissioner by 3 percent in the 1st year of the biennium and 3 percent in the 2nd year of the biennium.

Other Sections in Insurance Commissioner - Budget No. 401

Section Description	House Version	Senate Version	
Report - NDIRF	Section 6 requires a report to legislative management on North Dakota Insurance Reserve Fund (NDIRF) including claims, balances, and complaints.	Section 7 requires a report to legislative management on North Dakota Insurance Reserve Fund (NDIRF) including claims, balances, and complaints.	
Securities division fees		Section 5 updates fees relating to the securities division.	

25.0154.02001
Title.
Fiscal No.1

Prepared by the Legislative Council
staff for Senate Appropriations -
Government Operations Division
Committee

April 3, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

PROPOSED AMENDMENTS TO FIRST ENGROSSMENT

ENGROSSED HOUSE BILL NO. 1010

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the insurance
2 commissioner; to create and enact a new section to chapter 26.1-23.1 of the North Dakota
3 Century Code, relating to a government self-insurance pool report; to amend and reenact
4 subsection 8 of section 10-04-10 and section 26.1-01-09 of the North Dakota Century Code,
5 relating to fees charged by the securities division and the salary of the insurance commissioner;
6 and to provide for a legislative management report.

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 funds
9 as may be necessary, are appropriated from other funds derived from special funds and federal
10 funds, to the insurance commissioner for the purpose of defraying the expenses of the
11 insurance commissioner, for the biennium beginning July 1, 2025, and ending June 30, 2027,
12 as follows:

	Base Level	Adjustments or Enhancements	Appropriation
15 Salaries and wages	\$10,746,226	\$1,103,163	\$11,849,389
16 New and vacant FTE pool	0	266,964	266,964
17 Operating expenses	2,637,667	(29,479)	2,608,188
18 Capital assets	0	90,000	90,000
19 Grants	2,400,000	0	2,400,000

Sixty-ninth
Legislative Assembly

1	Total other funds	\$15,783,893	\$1,430,648	\$17,214,541
2	Full-time equivalent positions	47.00	0.00	47.00
3	Salaries and wages	\$10,746,226	\$4,068,400	\$14,814,626
4	New and vacant FTE pool	0	556,803	556,803
5	Operating expenses	2,637,667	619,522	3,257,189
6	Capital assets	0	90,000	90,000
7	Grants	2,400,000	0	2,400,000
8	Total other funds	\$15,783,893	\$5,334,725	\$21,118,618
9	Full-time equivalent positions	47.00	11.00	58.00

10 **SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO THE**
 11 **SEVENTIETH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding
 12 items included in the appropriation in section 1 of this Act which are not included in the entity's
 13 base budget for the 2027-29 biennium and which the entity shall report to the appropriations
 14 committees of the seventieth legislative assembly regarding the use of this funding.

15	<u>One-Time Funding Description</u>	<u>Other Funds</u>
16	Radios and x-ray machine	\$90,000
17	Total other funds	\$90,000
18	Accrued leave payout	63,250
19	Fire marshal compensatory time/overtime	20,000
20	Total other funds	\$173,250

21 **SECTION 3. NEW AND VACANT FTE POOL - LIMITATION - TRANSFER REQUEST.** The
 22 insurance commissioner may not spend funds appropriated in the new and vacant FTE pool line
 23 item in section 1 of this Act, but may request the office of management and budget to transfer
 24 funds from the new and vacant FTE pool line item to the salaries and wages line item in
 25 accordance with the guidelines and reporting provisions included in House Bill No. 1015, as
 26 approved by the sixty-ninth legislative assembly.

27 **SECTION 4. ADDITIONAL INCOME - APPROPRIATION - REPORTING.** In addition to the
 28 amounts appropriated in section 1 of this Act, any federal funds that become available are
 29 appropriated to the insurance commissioner, for the biennium beginning July 1, 2025, and
 30 ending June 30, 2027. The insurance commissioner shall report any additional federal funds
 31 under this section to the office of management and budget and the legislative council.

1 **SECTION 5. AMENDMENT.** Subsection 8 of section 10-04-10 of the North Dakota Century
2 Code is amended and reenacted as follows:

3 8. Fees. The fee, which must accompany the application, for registration, transfer, or
4 notice filing, and for each annual renewal thereof is:

- | | |
|---|------------------------------|
| 5 a. For each broker-dealer | \$200.00 \$240.00 |
| 6 b. For each agent | \$60.00 \$75.00 |
| 7 c. For each investment adviser or federal covered adviser | \$100.00 \$120.00 |
| 8 d. For each investment adviser representative | \$50.00 \$60.00 |

9 An application to register as a broker-dealer, agent, investment adviser, or investment
10 adviser representative may, with the consent of the commissioner, be withdrawn upon
11 written application.

12 **SECTION 6. AMENDMENT.** Section 26.1-01-09 of the North Dakota Century Code is
13 amended and reenacted as follows:

14 **26.1-01-09. Salary of commissioner.**

15 The annual salary of the commissioner is one hundred ~~thirty thousand dollars through~~
16 ~~June 30, 2024, and one hundred thirty five thousand two hundred dollarsthirty-nine thousand~~
17 ~~two hundred fifty-six dollars through June 30, 2026, and one hundred forty-three thousand four~~
18 ~~hundred thirty-four dollars~~ thereafter.

19 **SECTION 7.** A new section to chapter 26.1-23.1 of the North Dakota Century Code is
20 created and enacted as follows:

21 **Government self-insurance pool - Report.**

22 A government self-insurance pool organized under this chapter shall provide a report to the
23 legislative management by September thirtieth of each even-numbered year. The report must
24 include information on activities of the pool, including the claims activity, claims payment history,
25 balances, a history of complaints, and executive staff and board compensation.

STATEMENT OF PURPOSE OF AMENDMENT:**House Bill No. 1010 - Insurance Department - Senate Action**

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$10,746,226	\$11,849,389	\$2,965,237	\$14,814,626
New and vacant FTE pool		266,964	289,839	556,803
Operating expenses	2,637,667	2,608,188	649,001	3,257,189
Capital assets		90,000		90,000
Grants	2,400,000	2,400,000		2,400,000
Total all funds	\$15,783,893	\$17,214,541	\$3,904,077	\$21,118,618
Less estimated income:	15,783,893	17,214,541	3,904,077	21,118,618
General fund	\$0	\$0	\$0	\$0
FTE	47.00	47.00	11.00	58.00

Department 401 - Insurance Department - Detail of Senate Changes

	Adds Funding for One FTE Position ¹	Combines the Securities Department into the Insurance Department ²	Adds Attorney Equity Funding ³	Adds Fire Marshal Equity Funding ⁴	Adds Funding for Comp Time/Overtime for Fire Marshal ⁵	Adds Funding for Accrued Leave Payout ⁶
Salaries and wages		\$2,686,987	\$150,000	\$45,000	\$20,000	\$63,250
New and vacant FTE pool	\$231,667	58,172				
Operating expenses	5,830	643,171				
Capital assets						
Grants						
Total all funds	\$237,497	\$3,388,330	\$150,000	\$45,000	\$20,000	\$63,250
Less estimated income	237,497	3,388,330	150,000	45,000	20,000	63,250
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	1.00	10.00	0.00	0.00	0.00	0.00

	Total Senate Changes
Salaries and wages	\$2,965,237
New and vacant FTE pool	289,839
Operating expenses	649,001
Capital assets	
Grants	
Total all funds	\$3,904,077
Less estimated income	3,904,077
General fund	\$0
FTE	11.00

¹ One FTE attorney position is added, including funding of \$231,667 in the new and vacant FTE pool and \$5,830 for operating expenses.

² Securities Department funding is transferred to the Insurance Department as a new division per Senate Bill No. 2214.

³ Salary equity funding is added for staff attorneys.

⁴ Salary equity funding is added for fire marshal staff.

⁵ Funding is added for fire marshal compensatory time and overtime.

⁶ One-time funding is added for accrued leave payouts.

House Bill No. 1010 - Other Changes - Senate Action

A section is added amending Section 10-04-10 to increase securities registration fees. The fee changes are estimated to increase general fund revenues by \$3,888,320 for the 2025-27 biennium.

2025 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee Harvest Room, State Capitol

HB 1010
4/14/2025

A BILL for an Act to provide an appropriation for defraying the expenses of the insurance commissioner; to create and enact a new section to chapter 26.1-23.1 of the North Dakota Century Code, relating to a government self-insurance pool report; to amend and reenact section 26.1-01-09 of the North Dakota Century Code, relating to the salary of the insurance commissioner; and to provide for a legislative management report.

9:11 a.m. Vice-Chairman Erbele opened the hearing.

Members Present: Vice-Chairman Erbele, and Senators Burckhard, Cleary, Conley, Dever, Dwyer, Magrum, Mathern, Meyer, Schaible, Sickler, Sorvaag, Thomas, Wanzek.
Members Absent: Chairman Bekkedahl, Senator Davison.

Discussion Topics:

- Securities Commission in the Insurance Department
- Efficiencies

9:11 a.m. Senator Sickler introduced the bill and submitted testimony #44963.

9:16 a.m. Senator Sickler moved amendment LC 25.0154.02001.

9:16 a.m. Senator Wanzek seconded the motion.

Senators	Vote
Senator Brad Bekkedahl	A
Senator Robert Erbele	Y
Senator Randy A. Burckhard	Y
Senator Sean Cleary	Y
Senator Cole Conley	Y
Senator Kyle Davison	A
Senator Dick Dever	Y
Senator Michael Dwyer	N
Senator Jeffery J. Magrum	Y
Senator Tim Mathern	N
Senator Scott Meyer	Y
Senator Donald Schaible	Y
Senator Jonathan Sickler	Y
Senator Ronald Sorvaag	Y
Senator Paul J. Thomas	Y
Senator Terry M. Wanzek	Y

Motion Passed 12-2-2.

9:19 a.m. Senator Sickler moved a Do Pass as Amended.

9:19 a.m. Senator Wanzek seconded the motion.

Senators	Vote
Senator Brad Bekkedahl	A
Senator Robert Erbele	Y
Senator Randy A. Burckhard	Y
Senator Sean Cleary	Y
Senator Cole Conley	Y
Senator Kyle Davison	A
Senator Dick Dever	Y
Senator Michael Dwyer	Y
Senator Jeffery J. Magrum	Y
Senator Tim Mathern	Y
Senator Scott Meyer	Y
Senator Donald Schaible	Y
Senator Jonathan Sickler	Y
Senator Ronald Sorvaag	Y
Senator Paul J. Thomas	Y
Senator Terry M. Wanzek	Y

Motion Passed 14-0-2.

Senator Sickler will carry the bill.

9:20 a.m. Vice-Chairman Erbele closed the hearing.

Elizabeth Reiten, Committee Clerk

April 3, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

**PROPOSED AMENDMENTS TO
FIRST ENGROSSMENT**

ENGROSSED HOUSE BILL NO. 1010

Introduced by

Appropriations Committee

CO
4/14/25
105

1 A BILL for an Act to provide an appropriation for defraying the expenses of the insurance
2 commissioner; to create and enact a new section to chapter 26.1-23.1 of the North Dakota
3 Century Code, relating to a government self-insurance pool report; to amend and reenact
4 subsection 8 of section 10-04-10 and section 26.1-01-09 of the North Dakota Century Code,
5 relating to fees charged by the securities division and the salary of the insurance commissioner;
6 and to provide for a legislative management report.

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 funds
9 as may be necessary, are appropriated from other funds derived from special funds and federal
10 funds, to the insurance commissioner for the purpose of defraying the expenses of the
11 insurance commissioner, for the biennium beginning July 1, 2025, and ending June 30, 2027,
12 as follows:

	Adjustments or		
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
15 Salaries and wages	\$10,746,226	\$1,103,163	\$11,849,389
16 New and vacant FTE pool	0	266,964	266,964
17 Operating expenses	2,637,667	(29,479)	2,608,188
18 Capital assets	0	90,000	90,000
19 Grants	2,400,000	0	2,400,000

1	Total other funds	\$15,783,893	\$1,430,648	\$17,214,541
2	Full-time equivalent positions	47.00	0.00	47.00
3	Salaries and wages	\$10,746,226	\$4,068,400	\$14,814,626
4	New and vacant FTE pool	0	556,803	556,803
5	Operating expenses	2,637,667	619,522	3,257,189
6	Capital assets	0	90,000	90,000
7	Grants	2,400,000	0	2,400,000
8	Total other funds	\$15,783,893	\$5,334,725	\$21,118,618
9	Full-time equivalent positions	47.00	11.00	58.00

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

SEVENTIETH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items included in the appropriation in section 1 of this Act which are not included in the entity's base budget for the 2027-29 biennium and which the entity shall report to the appropriations committees of the seventieth legislative assembly regarding the use of this funding.

<u>One-Time Funding Description</u>	<u>Other Funds</u>
Radios and x-ray machine	\$90,000
Total other funds	\$90,000
Accrued leave payout	63,250
Fire marshal compensatory time/overtime	20,000
Total other funds	\$173,250

SECTION 3. NEW AND VACANT FTE POOL - LIMITATION - TRANSFER REQUEST. The

insurance commissioner may not spend funds appropriated in the new and vacant FTE pool line item in section 1 of this Act, but may request the office of management and budget to transfer funds from the new and vacant FTE pool line item to the salaries and wages line item in accordance with the guidelines and reporting provisions included in House Bill No. 1015, as approved by the sixty-ninth legislative assembly.

SECTION 4. ADDITIONAL INCOME - APPROPRIATION - REPORTING. In addition to the

amounts appropriated in section 1 of this Act, any federal funds that become available are appropriated to the insurance commissioner, for the biennium beginning July 1, 2025, and ending June 30, 2027. The insurance commissioner shall report any additional federal funds under this section to the office of management and budget and the legislative council.

SECTION 5. AMENDMENT. Subsection 8 of section 10-04-10 of the North Dakota Century Code is amended and reenacted as follows:

8. Fees. The fee, which must accompany the application, for registration, transfer, or notice filing, and for each annual renewal thereof is:

- | | |
|---|-------------------------------------|
| a. For each broker-dealer | \$200.00 <u>\$240.00</u> |
| b. For each agent | \$60.00 <u>\$75.00</u> |
| c. For each investment adviser or federal covered adviser | \$100.00 <u>\$120.00</u> |
| d. For each investment adviser representative | \$50.00 <u>\$60.00</u> |

An application to register as a broker-dealer, agent, investment adviser, or investment adviser representative may, with the consent of the commissioner, be withdrawn upon written application.

SECTION 6. 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 one hundred ~~thirty thousand dollars through June 30, 2024, and one hundred thirty five thousand two hundred dollars~~ thirty-nine thousand two hundred fifty-six dollars through June 30, 2026, and one hundred forty-three thousand four hundred thirty-four dollars thereafter.

SECTION 7. A new section to chapter 26.1-23.1 of the North Dakota Century Code is created and enacted as follows:

Government self-insurance pool - Report.

A government self-insurance pool organized under this chapter shall provide a report to the legislative management by September thirtieth of each even-numbered year. The report must include information on activities of the pool, including the claims activity, claims payment history, balances, a history of complaints, and executive staff and board compensation.

405

STATEMENT OF PURPOSE OF AMENDMENT:**House Bill No. 1010 - Insurance Department - Senate Action**

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$10,746,226	\$11,849,389	\$2,965,237	\$14,814,626
New and vacant FTE pool		266,964	289,839	556,803
Operating expenses	2,637,667	2,608,188	649,001	3,257,189
Capital assets		90,000		90,000
Grants	2,400,000	2,400,000		2,400,000
Total all funds	\$15,783,893	\$17,214,541	\$3,904,077	\$21,118,618
Less estimated income	15,783,893	17,214,541	3,904,077	21,118,618
General fund	\$0	\$0	\$0	\$0
FTE	47.00	47.00	11.00	58.00

Department 401 - Insurance Department - Detail of Senate Changes

	Adds Funding for One FTE Position ¹	Combines the Securities Department into the Insurance Department ²	Adds Attorney Equity Funding ³	Adds Fire Marshal Equity Funding ⁴	Adds Funding for Comp Time/Overtime for Fire Marshal ⁵	Adds Funding for Accrued Leave Payout ⁶
Salaries and wages		\$2,686,987	\$150,000	\$45,000	\$20,000	\$63,250
New and vacant FTE pool	\$231,667	58,172				
Operating expenses	5,830	643,171				
Capital assets						
Grants						
Total all funds	\$237,497	\$3,388,330	\$150,000	\$45,000	\$20,000	\$63,250
Less estimated income	237,497	3,388,330	150,000	45,000	20,000	63,250
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	1.00	10.00	0.00	0.00	0.00	0.00

	Total Senate Changes
Salaries and wages	\$2,965,237
New and vacant FTE pool	289,839
Operating expenses	649,001
Capital assets	
Grants	
Total all funds	\$3,904,077
Less estimated income	3,904,077
General fund	\$0
FTE	11.00

¹ One FTE attorney position is added, including funding of \$231,667 in the new and vacant FTE pool and \$5,830 for operating expenses.

² Securities Department funding is transferred to the Insurance Department as a new division per Senate Bill No. 2214.

³ Salary equity funding is added for staff attorneys.

⁴ Salary equity funding is added for fire marshal staff.

⁵ Funding is added for fire marshal compensatory time and overtime.

⁶ One-time funding is added for accrued leave payouts.

SOAS

House Bill No. 1010 - Other Changes - Senate Action

A section is added amending Section 10-04-10 to increase securities registration fees. The fee changes are estimated to increase general fund revenues by \$3,888,320 for the 2025-27 biennium.

**REPORT OF STANDING COMMITTEE
ENGROSSED HB 1010**

Appropriations Committee (Sen. Bekkedahl, Chairman) recommends **AMENDMENTS** ([25.0154.02001](#)) and when so amended, recommends **DO PASS** (14 YEAS, 0 NAYS, 2 ABSENT OR EXCUSED AND NOT VOTING). Engrossed HB 1010 was placed on the Sixth order on the calendar. This bill does not affect workforce development.

25.0154.02001
Title.
Fiscal No.1

Prepared by the Legislative Council
staff for Senate Appropriations -
Government Operations Division
Committee

April 3, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

PROPOSED AMENDMENTS TO FIRST ENGROSSMENT

ENGROSSED HOUSE BILL NO. 1010

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the insurance
2 commissioner; to create and enact a new section to chapter 26.1-23.1 of the North Dakota
3 Century Code, relating to a government self-insurance pool report; to amend and reenact
4 subsection 8 of section 10-04-10 and section 26.1-01-09 of the North Dakota Century Code,
5 relating to fees charged by the securities division and the salary of the insurance commissioner;
6 and to provide for a legislative management report.

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 funds
9 as may be necessary, are appropriated from other funds derived from special funds and federal
10 funds, to the insurance commissioner for the purpose of defraying the expenses of the
11 insurance commissioner, for the biennium beginning July 1, 2025, and ending June 30, 2027,
12 as follows:

		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
15 Salaries and wages	\$10,746,226	\$1,103,163	\$11,849,389
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17 Operating expenses	2,637,667	(29,479)	2,608,188
18 Capital assets	0	90,000	90,000
19 Grants	2,400,000	0	2,400,000

Sixty-ninth
Legislative Assembly

1	Total other funds	\$15,783,893	\$1,430,648	\$17,214,541
2	Full-time equivalent positions	47.00	0.00	47.00
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8	Total other funds	\$15,783,893	\$5,334,725	\$21,118,618
9	Full-time equivalent positions	47.00	11.00	58.00

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

11 **SEVENTIETH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding
12 items included in the appropriation in section 1 of this Act which are not included in the entity's
13 base budget for the 2027-29 biennium and which the entity shall report to the appropriations
14 committees of the seventieth legislative assembly regarding the use of this funding.

15	<u>One-Time Funding Description</u>	<u>Other Funds</u>
16	Radios and x-ray machine	\$90,000
17	Total other funds	\$90,000
18	Accrued leave payout	63,250
19	Fire marshal compensatory time/overtime	20,000
20	Total other funds	\$173,250

21 **SECTION 3. NEW AND VACANT FTE POOL - LIMITATION - TRANSFER REQUEST.** The
22 insurance commissioner may not spend funds appropriated in the new and vacant FTE pool line
23 item in section 1 of this Act, but may request the office of management and budget to transfer
24 funds from the new and vacant FTE pool line item to the salaries and wages line item in
25 accordance with the guidelines and reporting provisions included in House Bill No. 1015, as
26 approved by the sixty-ninth legislative assembly.

27 **SECTION 4. ADDITIONAL INCOME - APPROPRIATION - REPORTING.** In addition to the
28 amounts appropriated in section 1 of this Act, any federal funds that become available are
29 appropriated to the insurance commissioner, for the biennium beginning July 1, 2025, and
30 ending June 30, 2027. The insurance commissioner shall report any additional federal funds
31 under this section to the office of management and budget and the legislative council.

1 **SECTION 5. AMENDMENT.** Subsection 8 of section 10-04-10 of the North Dakota Century
2 Code is amended and reenacted as follows:

3 8. Fees. The fee, which must accompany the application, for registration, transfer, or
4 notice filing, and for each annual renewal thereof is:

- | | |
|---|-------------------------------------|
| 5 a. For each broker-dealer | \$200.00 \$240.00 |
| 6 b. For each agent | \$60.00 \$75.00 |
| 7 c. For each investment adviser or federal covered adviser | \$100.00 \$120.00 |
| 8 d. For each investment adviser representative | \$50.00 \$60.00 |

9 An application to register as a broker-dealer, agent, investment adviser, or investment
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11 written application.

12 **SECTION 6. AMENDMENT.** Section 26.1-01-09 of the North Dakota Century Code is
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17 two hundred fifty-six dollars through June 30, 2026, and one hundred forty-three thousand four
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19 **SECTION 7.** A new section to chapter 26.1-23.1 of the North Dakota Century Code is
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21 **Government self-insurance pool - Report.**

22 A government self-insurance pool organized under this chapter shall provide a report to the
23 legislative management by September thirtieth of each even-numbered year. The report must
24 include information on activities of the pool, including the claims activity, claims payment history,
25 balances, a history of complaints, and executive staff and board compensation.

STATEMENT OF PURPOSE OF AMENDMENT:**House Bill No. 1010 - Insurance Department - Senate Action**

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$10,746,226	\$11,849,389	\$2,965,237	\$14,814,626
New and vacant FTE pool		266,964	289,839	556,803
Operating expenses	2,637,667	2,608,188	649,001	3,257,189
Capital assets		90,000		90,000
Grants	2,400,000	2,400,000		2,400,000
Total all funds	\$15,783,893	\$17,214,541	\$3,904,077	\$21,118,618
Less estimated income	15,783,893	17,214,541	3,904,077	21,118,618
General fund	\$0	\$0	\$0	\$0
FTE	47.00	47.00	11.00	58.00

Department 401 - Insurance Department - Detail of Senate Changes

	Adds Funding for One FTE Position ¹	Combines the Securities Department into the Insurance Department ²	Adds Attorney Equity Funding ³	Adds Fire Marshal Equity Funding ⁴	Adds Funding for Comp Time/Overtime for Fire Marshal ⁵	Adds Funding for Accrued Leave Payout ⁶
Salaries and wages		\$2,686,987	\$150,000	\$45,000	\$20,000	\$63,250
New and vacant FTE pool	\$231,667	58,172				
Operating expenses	5,830	643,171				
Capital assets						
Grants						
Total all funds	\$237,497	\$3,388,330	\$150,000	\$45,000	\$20,000	\$63,250
Less estimated income	237,497	3,388,330	150,000	45,000	20,000	63,250
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	1.00	10.00	0.00	0.00	0.00	0.00

	Total Senate Changes
Salaries and wages	\$2,965,237
New and vacant FTE pool	289,839
Operating expenses	649,001
Capital assets	
Grants	
Total all funds	\$3,904,077
Less estimated income	3,904,077
General fund	\$0
FTE	11.00

¹ One FTE attorney position is added, including funding of \$231,667 in the new and vacant FTE pool and \$5,830 for operating expenses.

² Securities Department funding is transferred to the Insurance Department as a new division per Senate Bill No. 2214.

³ Salary equity funding is added for staff attorneys.

⁴ Salary equity funding is added for fire marshal staff.

⁵ Funding is added for fire marshal compensatory time and overtime.

⁶ One-time funding is added for accrued leave payouts.

House Bill No. 1010 - Other Changes - Senate Action

A section is added amending Section 10-04-10 to increase securities registration fees. The fee changes are estimated to increase general fund revenues by \$3,888,320 for the 2025-27 biennium.

2025 CONFERENCE COMMITTEE

HB 1010

2025 HOUSE STANDING COMMITTEE MINUTES

Appropriations - Government Operations Division Brynhild Haugland Room, State Capitol

HB 1010
4/22/2025

A BILL for an Act to provide an appropriation for defraying the expenses of the insurance commissioner.

4:01 p.m. Chairwoman Meier called the meeting to order.

Members Present: Chairwoman Meier, Representatives: Monson, Pyle, Senators: Sickler, Dwyer, Burckhard.

Discussion Topics:

- Attorney Positions
- Securities Department FTEs
- Fire Marshal Equity Funding

4:02 p.m. Senator Sickler reviewed the long sheet #45135.

Additional written testimony:

Adam Mathiak, Fiscal Analyst, Legislative Council, submitted testimony in neutral #45132 and #45133.

Keith Mantz, Fiscal Analyst, Legislative Council, submitted testimony in neutral #45135.

Jon Godfread, Insurance Commissioner, North Dakota, submitted testimony in favor #45134.

Senator Sickler submitted testimony in favor #45140.

4:15 p.m. Chairwoman Meier adjourned the meeting.

Madaline Cooper, Committee Clerk

25.0154.02001
Title.03000
Fiscal No. 1

Prepared by the Legislative Council
staff for Senate Appropriations -
Government Operations Division
Committee

April 3, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

PROPOSED AMENDMENTS TO FIRST ENGROSSMENT

ENGROSSED HOUSE BILL NO. 1010

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the insurance
2 commissioner; to create and enact a new section to chapter 26.1-23.1 of the North Dakota
3 Century Code, relating to a government self-insurance pool report; to amend and reenact
4 subsection 8 of section 10-04-10 and section 26.1-01-09 of the North Dakota Century Code,
5 relating to fees charged by the securities division and the salary of the insurance commissioner;
6 and to provide for a legislative management report.

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 funds
9 as may be necessary, are appropriated from other funds derived from special funds and federal
10 funds, to the insurance commissioner for the purpose of defraying the expenses of the
11 insurance commissioner, for the biennium beginning July 1, 2025, and ending June 30, 2027,
12 as follows:

13			Adjustments or	
14		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
15	Salaries and wages	\$10,746,226	\$1,103,163	\$11,849,389
16	New and vacant FTE pool	0	266,964	266,964
17	Operating expenses	2,637,667	(29,479)	2,608,188
18	Capital assets	0	90,000	90,000
19	Grants	2,400,000	0	2,400,000

Sixty-ninth
Legislative Assembly

1	Total other funds	\$15,783,893	\$1,430,648	\$17,214,541
2	Full-time equivalent positions	47.00	0.00	47.00
3	Salaries and wages	\$10,746,226	\$4,068,400	\$14,814,626
4	New and vacant FTE pool	0	556,803	556,803
5	Operating expenses	2,637,667	619,522	3,257,189
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7	Grants	2,400,000	0	2,400,000
8	Total other funds	\$15,783,893	\$5,334,725	\$21,118,618
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- | | |
|---|------------------------------|
| a. For each broker-dealer | \$200.00 \$240.00 |
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The annual salary of the commissioner is one hundred ~~thirty thousand dollars through June 30, 2024, and one hundred thirty-five thousand two hundred dollars~~ thirty-nine thousand two hundred fifty-six dollars through June 30, 2026, and one hundred forty-three thousand four hundred thirty-four dollars thereafter.

SECTION 7. A new section to chapter 26.1-23.1 of the North Dakota Century Code is created and enacted as follows:

Government self-insurance pool - Report.

A government self-insurance pool organized under this chapter shall provide a report to the legislative management by September thirtieth of each even-numbered year. The report must include information on activities of the pool, including the claims activity, claims payment history, balances, a history of complaints, and executive staff and board compensation.

STATEMENT OF PURPOSE OF AMENDMENT:**House Bill No. 1010 - Insurance Department - Senate Action**

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Department 401 - Insurance Department - Detail of Senate Changes

	Adds Funding for One FTE Position ¹	Combines the Securities Department into the Insurance Department ²	Adds Attorney Equity Funding ³	Adds Fire Marshal Equity Funding ⁴	Adds Funding for Comp Time/Overtime for Fire Marshal ⁵	Adds Funding for Accrued Leave Payout ⁶
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25.0154.03000

Sixty-ninth
Legislative Assembly
of North Dakota

**FIRST ENGROSSMENT
with Senate Amendments**

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Introduced by

Appropriations Committee

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16 include information on activities of the pool, including the claims activity, claims payment history,
17 balances, a history of complaints, and executive staff and board compensation.



NORTH DAKOTA
Insurance Department

INSURANCE DEPARTMENT BUDGET

FTE Proposals

**House
Version**

47
FTEs

No change in FTE count or salaries

**Senate
Version**

58
FTEs

Transferred Securities Budget (+10)
Attorney FTE (+1)
Funding for Retirement Payouts
Fire Marshal & Attorney Equity

HB 1584

3
FTEs

PBM Enforcement Staff (+3)

Our Ask

62
FTEs

Complaint Analyst FTE (+1)

Additional Considerations

1. Temporary exemption from the FTE funding pool language
2. Commissioner's salary
3. \$300,000 for ongoing securities legal expenses.
4. Securities salary line deficit*
5. \$105,000 for attorney equity funding
6. \$100,000 for 340B reporting consultant - SB 2370

*#4 not necessary if #1 is fulfilled

NORTH DAKOTA INSURANCE DEPARTMENT

(701) 328-2440 // INSURANCE.ND.GOV
600 E Boulevard Ave. Dept. 401 | Bismarck. ND 58505

HB 1584 - PBM Enforcement



Attorney



Pharmacist



Investigator



Complaint Analyst



PBM Enforcement Fund

- ~\$1.7 million transferred from inactive Drug Transparency Fund
- ~\$550,000 per year in wholesale license fees
- Approximate fund balance: \$2.25 million
- Appropriated amount for 25-27 Biennium: \$1.2 million
- Complaint Analyst is requested (~\$218,000 for biennium)

Securities Department Merger

Description	Securities Request	Request	Rational
Salaries & Benefits	\$2,686,987	\$116,250	Deficit in salaries line for 25-27 Biennium
Operating	\$643,171	\$300,000	+\$300,000 for professional legal services
FTEs	10	10	



Insurance Commissioner - Budget No. 401
Agency Worksheet - House Bill No. 1010

	House Version				Senate Version				Senate Compared to House Version			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total	Increase (Decrease)			
									FTE Positions	General Fund	Other Funds	Total
2025-27 Biennium Base Level	47.00	\$0	\$15,783,893	\$15,783,893	47.00	\$0	\$15,783,893	\$15,783,893	0.00	\$0	\$0	\$0
2025-27 Ongoing Funding Changes												
Adjust funding for salaries for cost to continue			\$36,700	\$36,700			\$36,700	\$36,700				\$0
Salary increase			437,348	437,348			437,348	437,348				0
Health insurance increase			282,249	282,249			282,249	282,249				0
Adds funding to replace 2023-25 new FTE pool			407,380	407,380			407,380	407,380				0
Adds funding to replace 2023-25 vacant FTE pool			237,366	237,366			237,366	237,366				0
Transfer funding for 2025-27 new and vacant FTE pool			(114,413)	(114,413)			(114,413)	(114,413)				0
Add 1 FTE attorney position				0	1.00		237,497	237,497	1.00		\$237,497	237,497
Add 1 FTE Analyst IV position				0				0				0
Transfer \$83,497 from operating to salaries				0				0				0
Add funding for ITD rate increases			54,018	54,018			54,018	54,018				0
Combining of securities department totals				0	10.00		3,388,330	3,388,330	10.00		3,388,330	3,388,330
Attorneys equity funding				0			150,000	150,000			150,000	150,000
Fire marshal equity funding				0			45,000	45,000			45,000	45,000
Total ongoing funding changes	0.00	\$0	\$1,340,648	\$1,340,648	11.00	\$0	\$5,161,475	\$5,161,475	11.00	\$0	\$3,820,827	\$3,820,827
One-Time Funding Items												
One-time FTE cost				\$0				\$0				\$0
Equipment including radios and an x-ray machine			\$90,000	90,000			\$90,000	90,000				0
Accrued leave payout				0			63,250	63,250			\$63,250	63,250
Fire marshal comp time/overtime				0			20,000	20,000			20,000	20,000
Total one-time funding changes	0.00	\$0	\$90,000	\$90,000	0.00	\$0	\$173,250	\$173,250	0.00	\$0	\$83,250	\$83,250
Total Changes to Base Level Funding	0.00	\$0	\$1,430,648	\$1,430,648	11.00	\$0	\$5,334,725	\$5,334,725	11.00	\$0	\$3,904,077	\$3,904,077
2025-27 Total Funding	47.00	\$0	\$17,214,541	\$17,214,541	58.00	\$0	\$21,118,618	\$21,118,618	11.00	\$0	\$3,904,077	\$3,904,077
<i>Federal funds included in other funds</i>			\$717,971				\$717,971				\$0	
<i>Total ongoing changes - Percentage of base level</i>	0.0%	N/A	8.5%	8.5%	23.4%	N/A	32.7%	32.7%	N/A	N/A	N/A	N/A
<i>Total changes - Percentage of base level</i>	0.0%	N/A	9.1%	9.1%	23.4%	N/A	33.8%	33.8%	N/A	N/A	N/A	N/A

Other Sections in Insurance Commissioner - Budget No. 401

Section Description	House Version	Senate Version
New and vacant FTE Pool	Section 3 provides information regarding the use of funding in the new and vacant FTE pool line item.	Section 3 provides information regarding the use of funding in the new and vacant FTE pool line item.
Additional income	Section 4 appropriates any additional federal funds that become available to the Insurance Commissioner for the 2025-27 biennium.	Section 4 appropriates any additional federal funds that become available to the Insurance Commissioner for the 2025-27 biennium.
Insurance Commissioner salary	Section 5 increases the annual salary of the commissioner by 3 percent in the 1st year of the biennium and 3 percent in the 2nd year of the biennium.	Section 6 increases the annual salary of the commissioner by 3 percent in the 1st year of the biennium and 3 percent in the 2nd year of the biennium.

Other Sections in Insurance Commissioner - Budget No. 401

Section Description	House Version	Senate Version	
Report - NDIRF	Section 6 requires a report to legislative management on North Dakota Insurance Reserve Fund (NDIRF) including claims, balances, and complaints.	Section 7 requires a report to legislative management on North Dakota Insurance Reserve Fund (NDIRF) including claims, balances, and complaints.	
Securities division fees		Section 5 updates fees relating to the securities division.	

Sickler, Jonathan

From: Kriege, Rachel F. <rkriege@nd.gov>
Sent: Tuesday, April 1, 2025 5:19 PM
To: Wanzek, Terry M.; Dwyer, Mike A.; Burckhard, Randall A.; Erbele, Robert S.; Sickler, Jonathan
Cc: Godfread, Jon
Subject: Insurance Department Attorney Numbers
Categories: Information

Committee Members,

Below is the annual breakdown of our attorney current salaries and the annual amounts with the 3 & 3 added in.

Employee	Current Annual Salary	Proposed 1st Year Annual	Proposed 2nd Year Annual	Years with the Department	Bar Entrance Date
Johnny	\$ 119,013.84	\$ 158,763.90	\$ 163,526.82	15	10/5/2009
Tyler	\$ 100,298.16	\$ 111,600.00	\$ 114,948.00	4	9/17/2018
Santana	\$ 98,507.16	\$ 110,400.00	\$ 113,712.00	2.5	9/24/2018
Steve	\$ 95,659.20	\$ 108,000.00	\$ 111,240.00	1.5	9/27/2013
Jamie	\$ 96,794.76	\$ 108,000.00	\$ 111,240.00	0.75	9/18/2005

Please let us know if you have further questions,
Rachel Kriege | Division Director, Administration/HR
North Dakota Insurance Department

e: rkriege@nd.gov

p: (701)328-2931

w: insurance.nd.gov

a: 600 E Boulevard Ave, Dept. 401 | Bismarck, ND 58505

2025 HOUSE STANDING COMMITTEE MINUTES

Appropriations - Government Operations Division

Brynhild Haugland Room, State Capitol

HB 1010

4/24/2025

Conference Committee

A BILL for an Act to provide an appropriation for defraying the expenses of the insurance commissioner.

10:03 a.m. Chair Meier called the meeting to order.

Members Present: Chair Meier, Representatives: Monson, Pyle, Senators: Sickler, Dwyer, Burckhard.

Discussion Topics:

- Attorney Equity Salary
- Attorney FTE for Transition
- Security Department FTEs

10:21 a.m. Jon Godfread, North Dakota Insurance Commissioner, answered questions for the committee.

10:28 a.m. Senator Dwyer moved to verbal amend change \$150,000 of Attorney Equity funding to \$90,000, to remove Attorney FTE position, to change the Fire Marshall equity funding from \$45,000 to \$25,000, and to change the accrued leave payout from 63,250 to \$30,000 in place of LC# 25.0154.02001.

10:28 a.m. Representative Monson seconded.

10:28 a.m. Roll Call Vote 6-0-0.

Representative Meier will carry the bill.

Senator Sickler will carry the bill.

10:29 a.m. Chair Meier adjourned the meeting.

Madaline Cooper, Committee Clerk

25.0154.02002
Title.04000
Fiscal No. 1

Prepared by the Legislative Council
staff for Conference Committee

April 24, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

**PROPOSED AMENDMENTS TO
FIRST ENGROSSMENT**

CO
4/25/25
1 of 3

ENGROSSED HOUSE BILL NO. 1010

Introduced by

Appropriations Committee

In place of amendment (25.0154.02001) adopted by the Senate, Engrossed House Bill No. 1010 is amended by amendment (25.0154.02002) as follows:

1 A BILL for an Act to provide an appropriation for defraying the expenses of the insurance
2 commissioner; to create and enact a new section to chapter 26.1-23.1 of the North Dakota
3 Century Code, relating to a government self-insurance pool report; to amend and reenact
4 subsection 8 of section 10-04-10 and section 26.1-01-09 of the North Dakota Century Code,
5 relating to fees charged by the securities division and the salary of the insurance commissioner;
6 and to provide for a legislative management report.

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 funds
9 as may be necessary, are appropriated from other funds derived from special funds and federal
10 funds, to the insurance commissioner for the purpose of defraying the expenses of the
11 insurance commissioner, for the biennium beginning July 1, 2025, and ending June 30, 2027,
12 as follows:

	Base Level	Adjustments or Enhancements	Appropriation
15 Salaries and wages	\$10,746,226	\$1,103,163	\$11,849,389
16 New and vacant FTE pool	0	266,964	266,964
17 Operating expenses	2,637,667	(29,479)	2,608,188
18 Capital assets	0	90,000	90,000
19 Grants	2,400,000	0	2,400,000

1	Total other funds	\$15,783,893	\$1,430,648	\$17,214,541
2	Full-time equivalent positions	47.00	0.00	47.00
3	Salaries and wages	\$10,746,226	\$3,955,150	\$14,701,376
4	New and vacant FTE pool	0	325,136	325,136
5	Operating expenses	2,637,667	613,692	3,251,359
6	Capital assets	0	90,000	90,000
7	Grants	2,400,000	0	2,400,000
8	Total other funds	\$15,783,893	\$4,983,978	\$20,767,871
9	Full-time equivalent positions	47.00	10.00	57.00

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

11 **SEVENTIETH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding
12 items included in the appropriation in section 1 of this Act which are not included in the entity's
13 base budget for the 2027-29 biennium and which the entity shall report to the appropriations
14 committees of the seventieth legislative assembly regarding the use of this funding.

15	<u>One-Time Funding Description</u>	<u>Other Funds</u>
16	Radios and x-ray machine	\$90,000
17	Total other funds	\$90,000
18	Accrued leave payout	30,000
19	Fire marshal compensatory time and overtime	20,000
20	Total other funds	\$140,000

21 **SECTION 3. NEW AND VACANT FTE POOL - LIMITATION - TRANSFER REQUEST.** The
22 insurance commissioner may not spend funds appropriated in the new and vacant FTE pool line
23 item in section 1 of this Act, but may request the office of management and budget to transfer
24 funds from the new and vacant FTE pool line item to the salaries and wages line item in
25 accordance with the guidelines and reporting provisions included in House Bill No. 1015, as
26 approved by the sixty-ninth legislative assembly.

27 **SECTION 4. ADDITIONAL INCOME - APPROPRIATION - REPORTING.** In addition to the
28 amounts appropriated in section 1 of this Act, any federal funds that become available are
29 appropriated to the insurance commissioner, for the biennium beginning July 1, 2025, and
30 ending June 30, 2027. The insurance commissioner shall report any additional federal funds
31 under this section to the office of management and budget and the legislative council.

SECTION 5. AMENDMENT. Subsection 8 of section 10-04-10 of the North Dakota Century Code is amended and reenacted as follows:

8. Fees. The fee, which must accompany the application, for registration, transfer, or notice filing, and for each annual renewal thereof is:

- | | |
|---|-------------------------------------|
| a. For each broker-dealer | \$200.00 <u>\$240.00</u> |
| b. For each agent | \$60.00 <u>\$75.00</u> |
| c. For each investment adviser or federal covered adviser | \$100.00 <u>\$120.00</u> |
| d. For each investment adviser representative | \$50.00 <u>\$60.00</u> |

An application to register as a broker-dealer, agent, investment adviser, or investment adviser representative may, with the consent of the commissioner, be withdrawn upon written application.

SECTION 6. 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 one hundred ~~thirty thousand dollars through June 30, 2024, and one hundred thirty-five thousand two hundred dollars~~thirty-nine thousand two hundred fifty-six dollars through June 30, 2026, and one hundred forty-three thousand four hundred thirty-four dollars thereafter.

SECTION 7. A new section to chapter 26.1-23.1 of the North Dakota Century Code is created and enacted as follows:

Government self-insurance pool - Report.

A government self-insurance pool organized under this chapter shall provide a report to the legislative management by September thirtieth of each even-numbered year. The report must include information on activities of the pool, including the claims activity, claims payment history, balances, a history of complaints, and executive staff and board compensation.

HB 1010 042425 1029 AM Roll Call Vote

Final Recommendation

HB 1010

Date Submitted: April 24, 2025, 10:29 a.m.

Recommendation: In Place Of

Amendment LC #: 25.0154.02002

Engrossed LC #: N/A

Description:

Motioned By: Dwyer, Michael

Seconded By: Monson, David

House Carrier: Meier, Lisa

Senate Carrier: Sickler, Jonathan

Emergency Clause: None

Vote Results: 6 - 0 - 0

Rep. Meier, Lisa	Yea
Rep. Monson, David	Yea
Rep. Pyle, Brandy	Yea
Sen. Sickler, Jonathan	Yea
Sen. Dwyer, Michael	Yea
Sen. Burckhard, Randy A.	Yea

**REPORT OF CONFERENCE COMMITTEE
ENGROSSED HB 1010**

Your conference committee (Sens. Sickler, Dwyer, Burckhard and Reps. Meier, Monson, Pyle) recommends that in place of amendment [25.0154.02001](#) adopted by the Senate, Engrossed HB 1010 is amended by amendment [25.0154.02002](#).

Engrossed HB 1010 was placed on the Seventh order of business on the calendar.