

2025 HOUSE INDUSTRY, BUSINESS AND LABOR

HB 1123

2025 HOUSE STANDING COMMITTEE MINUTES

Industry, Business and Labor Committee Room JW327C, State Capitol

HB 1123
1/8/2025

A BILL relating to fees charged by the insurance commissioner

11:16 a.m. Chairman Warrey opened the hearing.

Members Present: Chairman Warrey, Vice Chairman Ostlie, Vice Chairman Johnson, Representatives Bahl, Brown, Christy, Finley DeVille, Grindberg, Kasper, Koppelman, D. Ruby, Schatz, Schauer, Vollmer

Discussion Topics:

- Fee increases
- Annual fees
- Initial and renewal fees
- Language clarification
- Other State's fees
- Justification

11:16 a.m. Rachel Kriege, Administrative Division Director, North Dakota Insurance Department, testified in favor and submitted testimony #28161 and #28267.

11:23 a.m. Matt Fischer, Chief Examiner and Director of Company Licensing, ND Insurance Department, testified in favor.

11:37 a.m. Chairman Warrey adjourned the hearing.

Diane Lillis, Committee Clerk



TESTIMONY

Rachel Kriege, Administrative Division Director

House Industry, Business and Labor Committee

January 8, 2025

Good Morning Chairman Warrey and members of the Industry, Business and Labor Committee. For the record, my name is Rachel Kriege and I serve as the Administrative Division Director for the Insurance Department. I stand before you today in support of House Bill 1123, which is an agency bill created to address outdated fees charged to companies and producers, as well as create uniformity with where fees are described within Title 26.1. With me today if I need backup to answer any of your questions, I do have Matt Fischer, Chief Examiner and Division Director of Company Licensing & Examinations and Janelle Middlestead, Producer Licensing Division Director.

To provide some background on the proposed fee increases, we conducted a thorough review of the fees charged by other states for similar services. We found that North Dakota's renewal and annual fees, rather than initial application fees, were notably lower compared to most other states. Additionally, we researched the legislative and Century Code history and found that, although this section of code has been amended several times, there have been very few significant fee increases in the past 30 to 40 years.

I would like to address the fiscal impact of this bill, as reflected in the fiscal note. If enacted, we estimate that the proposed fee increases will generate approximately \$2.4 million in additional revenue for our Special Fund, which is ultimately transferred back to the General Fund at the end of each fiscal year. Our revenue projections are conservative.

Currently, in North Dakota, companies are required to pay a renewal fee of \$100, an annual statement fee of \$25, and an abstract fee of \$30. Under this bill, the renewal fee will increase to \$750, the annual statement fee to \$200, and the abstract fee to \$50. In total, the company renewal process will increase from \$155 to \$1,000. This change is expected to generate approximately \$1.1 million in additional revenue per biennium.

For County Mutuals operating in our state, the renewal fees will also be adjusted to \$250. Additionally, we are proposing an increase in the fee for articles and copies from \$25 to \$50. Further detail on the fiscal impact for the articles and copies is referenced in the fiscal note.

On the producer side, the most significant change involves increasing the appointment fee from \$10 to \$25. This adjustment will generate an estimated \$1.3 million in additional revenue per biennium. Appointment fees are charged when an insurance carrier formally acknowledges that a producer or agency is authorized to sell its products in North Dakota. These fees are required both for new appointments and on an annual basis thereafter.

Also on the producer side, we are also proposing increases to two fees for Life Settlement Brokers and Life Settlement Providers. The renewal fee for Life Settlement Brokers, which is currently \$12, will increase to \$25 under this bill and for the Life Settlement Provider Annual Statement fee, which is currently \$25, will be raised to \$100.

In Section 1, line 29 page 3, we are proposing a clean-up of language to clarify a requirement that should have been included previously. In Section 1, Subsection (3) line 5 page 4, we are seeking clarification regarding refund scenarios. Specifically, there have been instances where companies have requested refunds for certain filings two to three years after the fact. This change will set a clear time frame and establish guidelines for refunds, similar to existing premium tax refund procedures, with discretion given to the Commissioner.

Sections 2 through 9 contain various clean-up provisions, primarily related to fee references, and they standardize fee language to align with Title 26.1-01-07 for consistency across the code. These changes are technical and do not have any fiscal impact.

Chairman Warrey and members of the committee, I respectfully request your support for a "Do Pass" recommendation for House Bill 1123. I, along with my colleagues from the Insurance Department, am happy to answer any questions you may have.

HB 1123 1-8-25
Kriege

STATE	Renewal Fee	Annual Statement	Additional Fees	Total	Range of fees that use premiums
Alabama	\$ 25.00	\$ 950.00	\$ 705.00	\$ 1,680.00	
Alaska		\$ 100.00		\$ 100.00	
Arizona	\$ 300.00	\$ 135.00	\$ 1,050.00	\$ 1,485.00	
Arkansas			Premiums	N/A	1,000-1,500
California	\$ 466.00	\$ 462.00	Premiums	N/A	1,000-6,000
Colorado			Premiums	N/A	1,000-5,000
Connecticut	\$ 200.00	\$ 50.00		\$ 250.00	
Delaware	\$ 150.00	\$ 150.00	\$ 900.00	\$ 1,200.00	
District of Columbia	\$ 100.00			\$ 100.00	
Florida	\$ 1,000.00	\$ 1,000.00		\$ 2,000.00	
Georgia			Premiums	N/A	700-1,000
Hawaii	\$ 300.00	\$ 300.00		\$ 600.00	
Idaho		\$ 2,500.00		\$ 2,500.00	
Illinois		\$ 400.00	Premiums	N/A	400-30,000
Indiana	\$ 50.00	\$ 100.00	\$ 1,005.00	\$ 1,155.00	
Iowa		\$ 50.00		\$ 50.00	
Kansas	\$ 100.00	\$ 10.00		\$ 110.00	
Kentucky	\$ 100.00	\$ 100.00	\$ 100.00	\$ 300.00	
Louisiana		\$ 1,000.00		\$ 1,000.00	
Maine	\$ 100.00	\$ 100.00		\$ 200.00	
Maryland	\$ 300.00	\$ 500.00	\$ 1,000.00	\$ 1,800.00	
Massachusetts	\$ 250.00	\$ 150.00	\$ 14,637.00	\$ 15,037.00	
Michigan		\$ 10.00		\$ 10.00	
Minnesota	\$ 575.00	\$ 225.00	Premiums	N/A	850-3,600
Mississippi	\$ 650.00	\$ 350.00	\$ 80.00	\$ 1,080.00	
Missouri		\$ 2,000.00		\$ 2,000.00	
Montana		\$ 1,900.00		\$ 1,900.00	
Nebraska	\$ 100.00	\$ 200.00	\$ 100.00	\$ 400.00	
Nevada	\$ 100.00	\$ 200.00	Premiums	N/A	2,000-11,500
New Hampshire	\$ 100.00	\$ 200.00		\$ 300.00	
New Jersey			Premiums	N/A	100-30,000
New Mexico	\$ 300.00	\$ 300.00	Premiums	N/A	1,000-1,500
North Carolina		\$ 2,500.00		\$ 2,500.00	
North Dakota	\$ 100.00	\$ 25.00	\$ 30.00	\$ 155.00	
Ohio	\$ 175.00	\$ 175.00		\$ 350.00	
Oklahoma	\$ 150.00	\$ 500.00	\$ 750.00	\$ 1,400.00	
Oregon	\$ 1,500.00			\$ 1,500.00	
Pennsylvania	\$ 750.00	\$ 100.00		\$ 850.00	
Rhode Island	\$ 100.00	\$ 100.00	\$ 25.00	\$ 225.00	
South Carolina			\$ 800.00	\$ 800.00	
South Dakota	\$ 25.00	\$ 25.00	\$ 950.00	\$ 1,000.00	
Tennessee		\$ 515.00		\$ 515.00	
Texas			Premiums	N/A	155-250
Utah			Premiums	N/A	375-10,000
Vermont	\$ 300.00	\$ 100.00		\$ 400.00	
Virginia		\$ 300.00	Premiums	N/A	600-3,000
Washington	\$ 25.00	\$ 20.00	\$ 1,100.00	\$ 1,145.00	
West Virginia		\$ 100.00		\$ 100.00	
Wisconsin	\$ 100.00	\$ 100.00		\$ 200.00	
Wyoming	\$ 25.00	\$ 500.00		\$ 525.00	
	\$ 274.71	\$ 443.38		\$ 1,234.79	

STATE	New Producer Licenses	Renewal License	New Public Adjuster	Renewal Public Adjuster	New Surplus Lines Producer	Renewal SL Producer	Appointment Fee
Alabama	\$ 80.00	\$ 70.00	\$ 110.00	\$ 80.00	\$ 230.00	\$ 200.00	40
Alaska	\$ 75.00	\$ 75.00	\$ 75.00	\$ 75.00	\$ 300.00	\$ 300.00	n/a
Arizona	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	500 - 1000	\$ 1,000.00	n/a
Arkansas	\$ 70.00	\$ 70.00	\$ 55.00	\$ 120.00	\$ 1,035.00	\$ 60.00	20
California	\$ 188.00	\$ 188.00	\$ 264.00	\$ 264.00	\$ 646.00	\$ 648.00	32
Colorado	\$ 47.00	\$ 27.00	\$ 47.00	\$ 27.00	\$ 144.00	\$ 134.00	n/a
Connecticut	\$ 140.00	\$ 160.00	\$ 300.00	\$ 250.00	\$ 675.00	\$ 625.00	20
Delaware	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 250.00	\$ 200.00	50
District of Columbia	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 200.00	\$ 200.00	25
Florida							60
Georgia	\$ 100.00	\$ 105.00	\$ 100.00	\$ 105.00		\$ 600.00	20
Hawaii	\$ 150.00	\$ 100.00	\$ 165.00	\$ 90.00	\$ 240.00	\$ 90.00	n/a
Idaho	\$ 80.00	\$ 60.00	\$ 80.00	\$ 60.00	\$ 80.00	\$ 60.00	n/a
Illinois	\$ 215.00	\$ 215.00	\$ 250.00	\$ 250.00	\$ 400.00	\$ 400.00	n/a
Indiana	\$ 40.00	\$ 40.00	\$ 40.00	\$ 40.00	\$ 80.00	\$ 80.00	n/a
Iowa	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	5
Kansas	\$ 165.00	\$ 4.00	\$ 100.00	\$ 100.00	\$ 50.00	\$ 50.00	5
Kentucky	\$ 40.00	\$ 40.00	\$ 50.00	\$ 50.00	\$ 100.00	\$ 100.00	40
Louisiana	\$ 75.00	\$ 55.00	\$ 55.00	\$ 50.00	\$ 250.00	\$ 350.00	30
Maine	\$ 25.00		\$ 45.00	\$ 30.00	\$ 165.00		30
Maryland	\$ 54.00	\$ 69.00	\$ 50.00	\$ 65.00	\$ 100.00	\$ 200.00	n/a
Massachusetts	\$ 225.00	\$ 225.00	\$ 200.00	\$ 200.00	\$ 150.00	\$ 150.00	75
Michigan	\$ 10.00		\$ 15.00		\$ 110.00	\$ 100.00	5
Minnesota	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 500.00	\$ 500.00	30
Mississippi	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	25
Missouri	\$ 100.00	\$ 100.00			\$ 100.00	\$ 100.00	n/a
Montana	\$ -	\$ -	\$ 50.00	\$ 100.00	\$ 50.00	\$ 100.00	n/a
Nebraska	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 250.00	\$ 250.00	8
Nevada	\$ 185.00	\$ 185.00	\$ 185.00	\$ 185.00	\$ 185.00	\$ 185.00	15
New Hampshire	\$ 210.00	\$ 150.00		\$ 75.00			25
New Jersey	\$ 95.00	\$ 150.00	\$ 70.00	\$ 50.00	\$ 170.00	\$ 150.00	25
New Mexico	\$ 30.00	\$ 60.00	\$ 30.00	\$ 60.00	\$ 100.00	\$ 200.00	20
New York	\$ 80.00	\$ 80.00	\$ 100.00	\$ 100.00			n/a
North Carolina	\$ 82.00		\$ 207.00	\$ 109.00	\$ 94.00	\$ 84.00	11
North Dakota	\$ 100.00	\$ 25.00	\$ 100.00	\$ 25.00	\$ 100.00	\$ 25.00	10
Ohio	\$ 10.00		\$ 100.00	\$ 50.00	\$ 100.00	\$ 100.00	10
Oklahoma	\$ 60.00	\$ 60.00	\$ 50.00	\$ 30.00	\$ 100.00	\$ 100.00	30
Oregon	\$ 75.00	\$ 45.00	\$ 75.00	\$ 45.00			n/a
Pennsylvania	\$ 55.00	\$ 55.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	15
Rhode Island	\$ 120.00	\$ 120.00	\$ 250.00	\$ 250.00	\$ 100.00	\$ 100.00	15
South Carolina	\$ 25.00	\$ 25.00	\$ 80.00	\$ 80.00	\$ 200.00	\$ 200.00	40
South Dakota	\$ 25.00	\$ 20.00			\$ 50.00	\$ 100.00	10
Tennessee	\$ 50.00	\$ 60.00	\$ 100.00	\$ 100.00	\$ 120.00	\$ 120.00	15
Texas	\$ 50.00	\$ 50.00			\$ 50.00	\$ 50.00	n/a
Utah	\$ 75.00	\$ 75.00	\$ 75.00	\$ 75.00	\$ 75.00	\$ 75.00	n/a
Vermont	\$ 60.00	\$ 30.00	\$ 230.00	\$ 200.00	\$ 430.00	\$ 400.00	80
Virginia	\$ 15.00	\$ 10.00	\$ 15.00	\$ 10.00	\$ 15.00	\$ 10.00	7
Washington	\$ 55.00	\$ 55.00	\$ 50.00	\$ 50.00	\$ 200.00	\$ 200.00	20
West Virginia	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 200.00	\$ 200.00	25
Wisconsin	\$ 75.00	\$ 35.00	\$ 50.00	\$ 50.00	\$ 100.00	\$ 100.00	16
Wyoming	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	15
	\$ 82.62	\$ 78.54	\$ 103.00	\$ 96.09	\$ 198.76	\$ 203.17	\$ 24.97

2025 HOUSE STANDING COMMITTEE MINUTES

Industry, Business and Labor Committee Room JW327C, State Capitol

HB 1123
1/13/2025

A BILL relating to fees charged by the insurance commissioner

3:37 p.m. Chairman Warrey called the meeting to order.

Members Present: Chairman Warrey, Vice Chairman Ostlie, Vice Chairman Johnson, Representatives Bahl, Brown, Christy, Finley-DeVile, Grindberg, Kasper, Koppelman, D. Ruby, Schatz, Schauer, Vollmer

Discussion Topics:

- Insurance fees
- Regulatory trust fund
- Fund balance

3:37 p.m. Representative Koppelman proposed Amendment LC #25.8124.01001, #29548.

3:40 p.m. John Arnold, Deputy Commissioner, ND Insurance Department, answered committee questions.

3:45 p.m. Representative Koppelman moved to Adopt Amendment LC#25.8124.01001, #29548.

3:45 p.m. Representative D. Ruby seconded the motion.

Representatives	Vote
Representative Jonathan Warrey	Y
Representative Mitch Ostlie	Y
Representative Landon Bahl	Y
Representative Collette Brown	Y
Representative Josh Christy	AB
Representative Lisa Finley-DeVile	Y
Representative Karen Grindberg	Y
Representative Jorin Johnson	Y
Representative Jim Kasper	AB
Representative Ben Koppelman	Y
Representative Dan Ruby	Y
Representative Mike Schatz	Y
Representative Austin Schauer	Y
Representative Daniel R. Vollmer	Y

3:46 p.m. Motion passed 12-0-2

3:46 p.m. Representative Koppelman moved a Do Pass as Amended.

3:46 p.m. Representative Bahl seconded the motion.

Representatives	Vote
Representative Jonathan Warrey	Y
Representative Mitch Ostlie	Y
Representative Landon Bahl	Y
Representative Collette Brown	Y
Representative Josh Christy	AB
Representative Lisa Finley-DeVille	Y
Representative Karen Grindberg	Y
Representative Jorin Johnson	Y
Representative Jim Kasper	AB
Representative Ben Koppelman	Y
Representative Dan Ruby	Y
Representative Mike Schatz	Y
Representative Austin Schauer	Y
Representative Daniel R. Vollmer	Y

3:48 p.m. Motion passed 12-0-2

3:49 p.m. Representative Koppelman will carry the bill.

3:49 p.m. Chairman Warrey closed the hearing. *Diane*

Lillis, Committee Clerk

Rereferred to appropriations at chair descretion.

Sixty-ninth
Legislative Assembly
of North Dakota

PROPOSED AMENDMENTS TO

HOUSE BILL NO. 1123

Introduced by

Industry, Business and Labor Committee

(At the request of the Insurance Commissioner)

1 A BILL for an Act to amend and reenact ~~sections~~section 26.1-01-07 ~~and~~, subsection 3 of section
2 26.1-01-07.1, section 26.1-26-13.4, subsection 4 of section 26.1-26.8-04, subdivision b of
3 subsection 1 of section 26.1-26.8-05, subdivision a of subsection 1 of section 26.1-26.8-06,
4 subdivision b of subsection 1 of section 26.1-26.8-09, subdivision b of subsection 2 of section
5 26.1-26.8-09, and subsections 2 and 4 of section 26.1-27-03 of the North Dakota Century Code,
6 relating to fees charged by the insurance commissioner and the insurance regulatory trust fund.

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

8 **SECTION 1. AMENDMENT.** Section 26.1-01-07 of the North Dakota Century Code is
9 amended and reenacted as follows:

10 **26.1-01-07. Fees chargeable by commissioner.**

- 11 1. The commissioner shall charge and collect the following fees:
- 12 a. For filing articles of incorporation, or copies, or amendments thereof,
13 ~~twenty-five~~fifty dollars.
- 14 b. For each original certificate of authority issued upon admittance and for each
15 annual renewal thereof, ~~one hundred~~seven~~one~~ hundred fifty dollars and for
16 amendment to certificate of authority, or certified copy thereof, ~~fifty~~one hundred
17 dollars. For each annual renewal for county mutuals, one hundred fifty dollars.
- 18 c. For issuing an annual reciprocal exchange license, the same fees as those
19 applicable to the issuance of a certificate of authority in subsection 2.
- 20 d. For filing an annual report of a fraternal benefit society, and issuing a license or
21 permit to the society, and for each renewal thereof, one hundred dollars.

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2 of 5

- 1 e. For filing of articles of merger, or copies thereof, ~~thirty~~fifty dollars.
- 2 f. For filing an annual statement for a county mutual, fifty dollars. For filing an
- 3 annual statement for a life settlement provider, one hundred dollars. For filing an
- 4 annual statement, ~~twenty-five~~two one hundred dollars.
- 5 g. For filing the abstract of the annual statement of ~~any~~an insurance company for
- 6 publication, ~~thirty~~fifty dollars.
- 7 h. For an official examination, the expenses of the examination at the rate adopted
- 8 by the department. The rates must be reasonably related to the direct and
- 9 indirect costs of the examination, including actual travel expenses, including hotel
- 10 and other living expenses, compensation of the examiner and other persons
- 11 making the examination, and necessary attendant administrative costs of the
- 12 department directly related to the examination and must be paid by the examined
- 13 insurer together with compensation upon presentation by the department to the
- 14 insurer of a detailed account of the charges and expenses after a detailed
- 15 statement has been filed by the examiner and approved by the department.
- 16 i. For issuing a certificate to a domestic insurance company showing a compliance
- 17 with the compulsory reserve provisions of this title and the maintenance of proper
- 18 security deposits and for any renewal of the certificate, twenty-five dollars.
- 19 j. For a written licensee's examination not administered by the office of the
- 20 commissioner under a contract with a testing service, the actual cost of the
- 21 examination, subject to approval of the commissioner, which must be paid to the
- 22 testing service.
- 23 k. For issuing a surplus lines insurance producer's or insurance consultant's
- 24 license, one hundred dollars. For each annual renewal of a surplus lines
- 25 insurance producer's or insurance consultant's license, twenty-five dollars.
- 26 l. For issuing an insurance producer's license, one hundred dollars.
- 27 m. For issuing a duplicate of any license or registration issued under this title, ten
- 28 dollars.
- 29 n. For each insurance company appointment and renewal of an appointment of an
- 30 insurance producer, ~~ten~~twenty-five dollars.

Jim 3 of 5

- 1 o. For each company application for admission, five hundred dollars, except
- 2 applications for admission for county mutual, fraternal benefit, and surplus lines
- 3 companies must be one hundred dollars.
- 4 p. For issuing a license and each annual renewal of a license to an insurance
- 5 premium finance company, one hundred dollars.
- 6 q. For examining or investigating an insurance premium finance company, the
- 7 actual expense and per diem incurred; but the per diem charge may not exceed
- 8 fifty dollars.
- 9 r. For issuing and each annual renewal of a license to an advisory organization, fifty
- 10 dollars.
- 11 s. For filing an individual insurance producer licensing continuation, twenty-five
- 12 dollars.
- 13 t. For services provided by the state fire marshal.
- 14 u. For an initial application for multiple employer welfare arrangements, five
- 15 hundred dollars. For each annual renewal, one hundred dollars.
- 16 v. For an initial application for a life settlement provider, one hundred dollars. For
- 17 each annual renewal, twenty-five dollars.
- 18 w. For a life settlement broker application, an initial broker license fee of
- 19 one hundred dollars. For each annual renewal, twenty-five dollars.
- 20 x. For issuing an individual resident or nonresident public adjuster license,
- 21 one hundred dollars. For each biennial renewal, twenty-five dollars.
- 22 y. For issuing a business entity public adjuster license, one hundred dollars. For
- 23 each biennial renewal, twenty-five dollars.
- 24 z. For issuing a license or certificate for a life or health insurance administrator, two
- 25 hundred fifty dollars. For each annual renewal, one hundred dollars.
- 26 2. Nonprofit health service corporations and health maintenance organizations are
- 27 subject to the same fees as any other insurance company. County mutual insurance
- 28 companies and benevolent societies are liable only for the fees mentioned in
- 29 subdivisions b, f, g, and h, and n of subsection 1.
- 30 3. ~~However, the commissioner may, after public notice and hearing, increase the fees~~
- 31 ~~authorized by this section for any year if it is determined necessary to generate the~~

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1 revenue appropriated by the legislative assembly from the insurance regulatory trust
2 fund to fund budgeted operations for the insurance department. The insurance
3 commissioner may not implement a fee increase pursuant to this section to enhance
4 or in any manner add funds to the legislative appropriation for the insurance
5 department. If an amount of a fee, penalty, or interest has been paid which was not due
6 under this section, a refund may be issued to the individual who made the erroneous
7 payment. The refund is allowed as a cash refund, at the discretion of the
8 commissioner. The individual who made the erroneous payment shall present a claim
9 for refund to the commissioner not later than two years after the due date of the fee for
10 the period for which the erroneous payment was made.

11 **SECTION 2. AMENDMENT.** Subsection 3 of section 26.1-01-07.1 of the North Dakota
12 Century Code is amended and reenacted as follows:

13 3. Except as otherwise provided by law, after the fiscal year has been closed and all
14 expenses relating to the fiscal year have been accounted for, the office of
15 management and budget shall transfer any fund balance remaining in the insurance
16 regulatory trust fund that exceeds ~~one million~~ two million five hundred thousand dollars
17 to the general fund.

18 **SECTION 3. AMENDMENT.** Section 26.1-26-13.4 of the North Dakota Century Code is
19 amended and reenacted as follows:

20 **26.1-26-13.4. Biennial license continuation.**

21 A licensed individual insurance producer shall file a biennial license continuation in the form
22 and manner prescribed by the commissioner and pay a fee of ~~twenty-five dollars~~ as prescribed
23 in section 26.1-01-07. The commissioner shall give a licensee not less than sixty days' notice of
24 the biennial license continuation filing deadline.

25 **SECTION 4. AMENDMENT.** Subsection 4 of section 26.1-26.8-04 of the North Dakota
26 Century Code is amended and reenacted as follows:

27 4. Has paid the resident licensing fee, ~~not to exceed one hundred dollars, prescribed by~~
28 ~~the commissioner~~ prescribed in section 26.1-01-07;

29 **SECTION 5. AMENDMENT.** Subdivision b of subsection 1 of section 26.1-26.8-05 of the
30 North Dakota Century Code is amended and reenacted as follows:

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- 1 b. Has paid the nonresident licensing fee, ~~not to exceed one hundred dollars,~~
2 ~~prescribed by the commissioner~~ prescribed in section 26.1-01-07.

3 **SECTION 6. AMENDMENT.** Subdivision a of subsection 1 of section 26.1-26.8-06 of the
4 North Dakota Century Code is amended and reenacted as follows:

- 5 a. Has paid the business entity licensing fee, ~~not to exceed fifty dollars, prescribed~~
6 ~~by the commissioner~~ prescribed in section 26.1-01-07; and

7 **SECTION 7. AMENDMENT.** Subdivision b of subsection 1 of section 26.1-26.8-09 of the
8 North Dakota Century Code is amended and reenacted as follows:

- 9 b. To renew a license, a licensed resident public adjuster and a licensed
10 nonresident public adjuster shall file a biennial license continuation in the form
11 and manner prescribed by the commissioner and pay a fee ~~of twenty-five~~
12 ~~dollars~~ as prescribed in section 26.1-01-07. The commissioner shall give a
13 licensee at least sixty days' notice of the biennial license continuation filing
14 deadline. A resident public adjuster or a nonresident public adjuster who allows
15 the license to lapse may, within the twelve-month period immediately following
16 the expiration date, reinstate the same license without the necessity of passing a
17 written examination, upon payment of a reinstatement fee, ~~not to exceed one~~
18 ~~hundred twenty-five dollars, prescribed by the commissioner in addition to the~~
19 ~~renewal fee.~~

20 **SECTION 8. AMENDMENT.** Subdivision b of subsection 2 of section 26.1-26.8-09 of the
21 North Dakota Century Code is amended and reenacted as follows:

- 22 b. To renew a license, a licensed business entity public adjuster shall file a biennial
23 license continuation in the form and manner prescribed by the commissioner and
24 pay a fee as prescribed in section 26.1-01-07.

25 **SECTION 9. AMENDMENT.** Subsections 2 and 4 of section 26.1-27-03 of the North Dakota
26 Century Code are amended and reenacted as follows:

- 27 2. All applications must be accompanied by a filing fee ~~of one hundred dollars~~ as
28 prescribed in section 26.1-01-07.
29 4. The administrator shall pay an annual renewal fee ~~of fifty dollars~~ as prescribed in
30 section 26.1-01-07 to maintain the certificate.

**REPORT OF STANDING COMMITTEE
HB 1123**

Industry, Business and Labor Committee (Rep. Warrey, Chairman) recommends **AMENDMENTS** ([25.8124.01001](#)) and when so amended, recommends **DO PASS** and **BE REREFERRED** to the **Appropriations Committee** (12 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING). HB 1123 was placed on the Sixth order on the calendar.

25.8124.01001
Title.

Prepared by the Legislative Council
staff for Representative Koppelman
January 10, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

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4 subdivision b of subsection 1 of section 26.1-26.8-09, subdivision b of subsection 2 of section
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10 **26.1-01-07. Fees chargeable by commissioner.**

- 11 1. The commissioner shall charge and collect the following fees:
 - 12 a. For filing articles of incorporation, or copies, or amendments thereof,
13 ~~twenty-five~~fifty dollars.
 - 14 b. For each original certificate of authority issued upon admittance and for each
15 annual renewal thereof, ~~one hundred~~seven~~one hundred fifty~~ dollars and for
16 amendment to certificate of authority, or certified copy thereof, ~~fifty~~one hundred
17 dollars. For each annual renewal for county mutuals, one hundred fifty dollars.
 - 18 c. For issuing an annual reciprocal exchange license, the same fees as those
19 applicable to the issuance of a certificate of authority in subsection 2.
 - 20 d. For filing an annual report of a fraternal benefit society, and issuing a license or
21 permit to the society, and for each renewal thereof, one hundred dollars.

- 1 o. For each company application for admission, five hundred dollars, except
- 2 applications for admission for county mutual, fraternal benefit, and surplus lines
- 3 companies must be one hundred dollars.
- 4 p. For issuing a license and each annual renewal of a license to an insurance
- 5 premium finance company, one hundred dollars.
- 6 q. For examining or investigating an insurance premium finance company, the
- 7 actual expense and per diem incurred; but the per diem charge may not exceed
- 8 fifty dollars.
- 9 r. For issuing and each annual renewal of a license to an advisory organization, fifty
- 10 dollars.
- 11 s. For filing an individual insurance producer licensing continuation, twenty-five
- 12 dollars.
- 13 t. For services provided by the state fire marshal.
- 14 u. For an initial application for multiple employer welfare arrangements, five
- 15 hundred dollars. For each annual renewal, one hundred dollars.
- 16 v. For an initial application for a life settlement provider, one hundred dollars. For
- 17 each annual renewal, twenty-five dollars.
- 18 w. For a life settlement broker application, an initial broker license fee of
- 19 one hundred dollars. For each annual renewal, twenty-five dollars.
- 20 x. For issuing an individual resident or nonresident public adjuster license,
- 21 one hundred dollars. For each biennial renewal, twenty-five dollars.
- 22 y. For issuing a business entity public adjuster license, one hundred dollars. For
- 23 each biennial renewal, twenty-five dollars.
- 24 z. For issuing a license or certificate for a life or health insurance administrator, two
- 25 hundred fifty dollars. For each annual renewal, one hundred dollars.
- 26 2. Nonprofit health service corporations and health maintenance organizations are
- 27 subject to the same fees as any other insurance company. County mutual insurance
- 28 companies and benevolent societies are liable only for the fees mentioned in
- 29 subdivisions b, f, g, and h, and n of subsection 1.
- 30 3. ~~However, the commissioner may, after public notice and hearing, increase the fees~~
- 31 ~~authorized by this section for any year if it is determined necessary to generate the~~

- 1 b. Has paid the nonresident licensing fee, ~~not to exceed one hundred dollars,~~
2 ~~prescribed by the commissioner~~ prescribed in section 26.1-01-07.

3 **SECTION 6. AMENDMENT.** Subdivision a of subsection 1 of section 26.1-26.8-06 of the
4 North Dakota Century Code is amended and reenacted as follows:

- 5 a. Has paid the business entity licensing fee, ~~not to exceed fifty dollars, prescribed~~
6 ~~by the commissioner~~ prescribed in section 26.1-01-07; and

7 **SECTION 7. AMENDMENT.** Subdivision b of subsection 1 of section 26.1-26.8-09 of the
8 North Dakota Century Code is amended and reenacted as follows:

- 9 b. To renew a license, a licensed resident public adjuster and a licensed
10 nonresident public adjuster shall file a biennial license continuation in the form
11 and manner prescribed by the commissioner and pay a fee ~~of twenty-five~~
12 ~~dollars~~ as prescribed in section 26.1-01-07. The commissioner shall give a
13 licensee at least sixty days' notice of the biennial license continuation filing
14 deadline. A resident public adjuster or a nonresident public adjuster who allows
15 the license to lapse may, within the twelve-month period immediately following
16 the expiration date, reinstate the same license without the necessity of passing a
17 written examination, upon payment of a reinstatement fee, ~~not to exceed one~~
18 ~~hundred twenty-five dollars, prescribed by the commissioner in addition to the~~
19 ~~renewal fee.~~

20 **SECTION 8. AMENDMENT.** Subdivision b of subsection 2 of section 26.1-26.8-09 of the
21 North Dakota Century Code is amended and reenacted as follows:

- 22 b. To renew a license, a licensed business entity public adjuster shall file a biennial
23 license continuation in the form and manner prescribed by the commissioner and
24 pay a fee as prescribed in section 26.1-01-07.

25 **SECTION 9. AMENDMENT.** Subsections 2 and 4 of section 26.1-27-03 of the North Dakota
26 Century Code are amended and reenacted as follows:

- 27 2. All applications must be accompanied by a filing fee ~~of one hundred dollars~~ as
28 prescribed in section 26.1-01-07.
29 4. The administrator shall pay an annual renewal fee ~~of fifty dollars~~ as prescribed in
30 section 26.1-01-07 to maintain the certificate.

2025 HOUSE APPROPRIATIONS

HB 1123

2025 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee Roughrider Room, State Capitol

HB 1123
1/30/2025

Relating to fees charged by the insurance commissioner and the insurance regulatory trust fund.

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

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

Discussion Topics:

- Insurance Regulatory Trust Fund
- Refund scenarios for the Insurance Commissioner
- Comparison between states for Insurance Fees
- Renewal fees for Insurance Commission
- Changing the Reserve limit for General Funds
- Insurance Commission Cashflow

8:34 a.m. Representative Johnathan Warrey, District 30, introduced the Bill.

8:40 a.m. Jon Godfread, Commissioner, North Dakota Insurance Department, testified in favor.

8:43 a.m. John Arnold, Deputy Commissioner, North Dakota Insurance Department, testified in favor.

8:56 Representative Monson motioned to amend Section 2 of LC 25.8124.02000 and to change 2.5 million to 1 million.

8:56 a.m. Representative Nathe seconded the motion

Representatives	Vote
Representative Don Viegasaa	Y
Representative Keith Kempenich	Y
Representative Bert Anderson	Y
Representative Mike Berg	Y
Representative Glen Bosch	Y
Representative Mike Brandenburg	Y
Representative Jay Fisher	Y
Representative Karla Rose Hanson	Y
Representative Scott Louser	Y
Representative Bob Martinson	AB
Representative Lisa Meier	Y

Representative Alisa Mitskog	AB
Representative David Monson	Y
Representative Eric J. Murphy	Y
Representative Mike Nathe	Y
Representative Jon O. Nelson	Y
Representative Emily O'Brien	N
Representative Brandy L. Pyle	Y
Representative David Richter	Y
Representative Mark Sanford	Y
Representative Gregory Stemen	Y
Representative Steve Swiontek	Y
Representative Scott Wagner	Y

Motion Passed 20-1-2

8:59 a.m. Kempenich moves a Do Pass as Amended

8:59 a.m. Stemen seconded the motion.

Representatives	Vote
Representative Don Vigesaa	Y
Representative Keith Kempenich	Y
Representative Bert Anderson	Y
Representative Mike Berg	Y
Representative Glen Bosch	Y
Representative Mike Brandenburg	Y
Representative Jay Fisher	Y
Representative Karla Rose Hanson	Y
Representative Scott Louser	Y
Representative Bob Martinson	AB
Representative Lisa Meier	Y
Representative Alisa Mitskog	AB
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	Y
Representative Gregory Stemen	Y
Representative Steve Swiontek	Y
Representative Scott Wagner	Y

Motion passed 21-0-2

Representative Meier will carry the bill.

9:05 a.m. Chairman Vigesaa closed the meeting.

Madaline Cooper, Committee Clerk

January 30, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

**PROPOSED AMENDMENTS TO
FIRST ENGROSSMENT**

ENGROSSED HOUSE BILL NO. 1123

Introduced by

Industry, Business and Labor Committee

(At the request of the Insurance Commissioner)

1 A BILL for an Act to amend and reenact ~~section~~sections 26.1-01-07, ~~subsection 3 of section~~
2 ~~26.1-01-07.1, section~~ and 26.1-26-13.4, subsection 4 of section 26.1-26.8-04, subdivision b of
3 subsection 1 of section 26.1-26.8-05, subdivision a of subsection 1 of section 26.1-26.8-06,
4 subdivision b of subsection 1 of section 26.1-26.8-09, subdivision b of subsection 2 of section
5 26.1-26.8-09, and subsections 2 and 4 of section 26.1-27-03 of the North Dakota Century Code,
6 relating to fees charged by the insurance commissioner ~~and the insurance regulatory trust fund.~~

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

8 **SECTION 1. AMENDMENT.** Section 26.1-01-07 of the North Dakota Century Code is
9 amended and reenacted as follows:

10 **26.1-01-07. Fees chargeable by commissioner.**

- 11 1. The commissioner shall charge and collect the following fees:
- 12 a. For filing articles of incorporation, or copies, or amendments thereof,
13 ~~twenty-five~~fifty dollars.
- 14 b. For each original certificate of authority issued upon admittance and for each
15 annual renewal thereof, ~~one hundred~~one hundred fifty dollars and for amendment
16 to certificate of authority, or certified copy thereof, ~~fifty~~one hundred dollars. For
17 each annual renewal for county mutuals, one hundred fifty dollars.
- 18 c. For issuing an annual reciprocal exchange license, the same fees as those
19 applicable to the issuance of a certificate of authority in subsection 2.

- 1 d. For filing an annual report of a fraternal benefit society, and issuing a license or
- 2 permit to the society, and for each renewal thereof, one hundred dollars.
- 3 e. For filing of articles of merger, or copies thereof, ~~thirty~~fifty dollars.
- 4 f. For filing an annual statement for a county mutual, fifty dollars. For filing an
- 5 annual statement for a life settlement provider, one hundred dollars. For filing an
- 6 annual statement, ~~twenty-five~~one hundred dollars.
- 7 g. For filing the abstract of the annual statement of ~~an~~any insurance company for
- 8 publication, ~~thirty~~fifty dollars.
- 9 h. For an official examination, the expenses of the examination at the rate adopted
- 10 by the department. The rates must be reasonably related to the direct and
- 11 indirect costs of the examination, including actual travel expenses, including hotel
- 12 and other living expenses, compensation of the examiner and other persons
- 13 making the examination, and necessary attendant administrative costs of the
- 14 department directly related to the examination and must be paid by the examined
- 15 insurer together with compensation upon presentation by the department to the
- 16 insurer of a detailed account of the charges and expenses after a detailed
- 17 statement has been filed by the examiner and approved by the department.
- 18 i. For issuing a certificate to a domestic insurance company showing a compliance
- 19 with the compulsory reserve provisions of this title and the maintenance of proper
- 20 security deposits and for any renewal of the certificate, twenty-five dollars.
- 21 j. For a written licensee's examination not administered by the office of the
- 22 commissioner under a contract with a testing service, the actual cost of the
- 23 examination, subject to approval of the commissioner, which must be paid to the
- 24 testing service.
- 25 k. For issuing a surplus lines insurance producer's or insurance consultant's
- 26 license, one hundred dollars. For each annual renewal of a surplus lines
- 27 insurance producer's or insurance consultant's license, twenty-five dollars.
- 28 l. For issuing an insurance producer's license, one hundred dollars.
- 29 m. For issuing a duplicate of any license or registration issued under this title, ten
- 30 dollars.

- 1 n. For each insurance company appointment and renewal of an appointment of an
2 insurance producer, ~~ten~~twenty-five dollars.
- 3 o. For each company application for admission, five hundred dollars, except
4 applications for admission for county mutual, fraternal benefit, and surplus lines
5 companies must be one hundred dollars.
- 6 p. For issuing a license and each annual renewal of a license to an insurance
7 premium finance company, one hundred dollars.
- 8 q. For examining or investigating an insurance premium finance company, the
9 actual expense and per diem incurred; but the per diem charge may not exceed
10 fifty dollars.
- 11 r. For issuing and each annual renewal of a license to an advisory organization, fifty
12 dollars.
- 13 s. For filing an individual insurance producer licensing continuation, twenty-five
14 dollars.
- 15 t. For services provided by the state fire marshal.
- 16 u. For an initial application for multiple employer welfare arrangements, five
17 hundred dollars. For each annual renewal, one hundred dollars.
- 18 v. For an initial application for a life settlement provider, one hundred dollars. For
19 each annual renewal, twenty-five dollars.
- 20 w. For a life settlement broker application, an initial broker license fee of
21 one hundred dollars. For each annual renewal, twenty-five dollars.
- 22 x. For issuing an individual resident or nonresident public adjuster license,
23 one hundred dollars. For each biennial renewal, twenty-five dollars.
- 24 y. For issuing a business entity public adjuster license, one hundred dollars. For
25 each biennial renewal, twenty-five dollars.
- 26 z. For issuing a license or certificate for a life or health insurance administrator, two
27 hundred fifty dollars. For each annual renewal, one hundred dollars.
- 28 2. Nonprofit health service corporations and health maintenance organizations are
29 subject to the same fees as any other insurance company. County mutual insurance
30 companies and benevolent societies are liable only for the fees mentioned in
31 subdivisions b, f, g, ~~and h,~~ and n of subsection 1.

1 3. ~~However, the commissioner may, after public notice and hearing, increase the fees~~
2 ~~authorized by this section for any year if it is determined necessary to generate the~~
3 ~~revenue appropriated by the legislative assembly from the insurance regulatory trust~~
4 ~~fund to fund budgeted operations for the insurance department. The insurance~~
5 ~~commissioner may not implement a fee increase pursuant to this section to enhance~~
6 ~~or in any manner add funds to the legislative appropriation for the insurance~~
7 ~~department.~~If an amount of a fee, penalty, or interest has been paid which was not due
8 under this section, a refund may be issued to the individual who made the erroneous
9 payment. The refund is allowed as a cash refund, at the discretion of the
10 commissioner. The individual who made the erroneous payment shall present a claim
11 for refund to the commissioner not later than two years after the due date of the fee for
12 the period for which the erroneous payment was made.

13 ~~— **SECTION 2. AMENDMENT.** Subsection 3 of section 26.1-01-07.1 of the North Dakota~~
14 ~~Century Code is amended and reenacted as follows:~~

15 ~~— **3.** ~~Except as otherwise provided by law, after the fiscal year has been closed and all~~~~
16 ~~expenses relating to the fiscal year have been accounted for, the office of~~
17 ~~management and budget shall transfer any fund balance remaining in the insurance~~
18 ~~regulatory trust fund that exceeds one million~~two million five hundred thousand
19 ~~to the general fund.~~

20 **SECTION 2. AMENDMENT.** Section 26.1-26-13.4 of the North Dakota Century Code is
21 amended and reenacted as follows:

22 **26.1-26-13.4. Biennial license continuation.**

23 A licensed individual insurance producer shall file a biennial license continuation in the form
24 and manner prescribed by the commissioner and pay a fee ~~of twenty-five dollars~~as prescribed
25 in section 26.1-01-07. The commissioner shall give a licensee not less than sixty days' notice of
26 the biennial license continuation filing deadline.

27 **SECTION 3. AMENDMENT.** Subsection 4 of section 26.1-26.8-04 of the North Dakota
28 Century Code is amended and reenacted as follows:

29 4. ~~Has paid the resident licensing fee, not to exceed one hundred dollars, prescribed by~~
30 ~~the commissioner~~ prescribed in section 26.1-01-07;

SECTION 4. AMENDMENT. Subdivision b of subsection 1 of section 26.1-26.8-05 of the North Dakota Century Code is amended and reenacted as follows:

- b. Has paid the nonresident licensing fee, ~~not to exceed one hundred dollars,~~
~~prescribed by the commissioner~~ prescribed in section 26.1-01-07.

SECTION 5. AMENDMENT. Subdivision a of subsection 1 of section 26.1-26.8-06 of the North Dakota Century Code is amended and reenacted as follows:

- a. Has paid the business entity licensing fee, ~~not to exceed fifty dollars,~~ ~~prescribed by the commissioner~~ prescribed in section 26.1-01-07; and

SECTION 6. AMENDMENT. Subdivision b of subsection 1 of section 26.1-26.8-09 of the North Dakota Century Code is amended and reenacted as follows:

- b. To renew a license, a licensed resident public adjuster and a licensed nonresident public adjuster shall file a biennial license continuation in the form and manner prescribed by the commissioner and pay a fee of ~~twenty-five dollars~~ as prescribed in section 26.1-01-07. The commissioner shall give a licensee at least sixty days' notice of the biennial license continuation filing deadline. A resident public adjuster or a nonresident public adjuster who allows the license to lapse may, within the twelve-month period immediately following the expiration date, reinstate the same license without the necessity of passing a written examination, upon payment of a reinstatement fee, ~~not to exceed one hundred twenty-five dollars,~~ ~~prescribed by the commissioner in addition to the renewal fee.~~

SECTION 7. AMENDMENT. Subdivision b of subsection 2 of section 26.1-26.8-09 of the North Dakota Century Code is amended and reenacted as follows:

- b. To renew a license, a licensed business entity public adjuster shall file a biennial license continuation in the form and manner prescribed by the commissioner and pay a fee as prescribed in section 26.1-01-07.

SECTION 8. AMENDMENT. Subsections 2 and 4 of section 26.1-27-03 of the North Dakota Century Code are amended and reenacted as follows:

2. All applications must be accompanied by a filing fee ~~of one hundred dollars~~ as prescribed in section 26.1-01-07.

- 1 4. The administrator shall pay an annual renewal fee of ~~fifty dollars~~ as prescribed in
2 section 26.1-01-07 to maintain the certificate.

**REPORT OF STANDING COMMITTEE
ENGROSSED HB 1123**

Appropriations Committee (Rep. Vigesaa, Chairman) recommends **AMENDMENTS** ([25.8124.02001](#)) and when so amended, recommends **DO PASS** (21 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING). HB 1123 was placed on the Sixth order on the calendar.

2025 SENATE INDUSTRY AND BUSINESS

HB 1123

2025 SENATE STANDING COMMITTEE MINUTES

Industry and Business Committee Fort Union Room, State Capitol

HB 1123
2/18/2025

A bill relating to fees charged by the insurance commissioner.
--

9:30 a.m. Chairman Barta opened the hearing.

Members present: Chairman Barta, Vice-Chair Boehm, Senator Klein, Senator Kessel, Senator Enget

Discussion Topics:

- History of fee increases
- Fiscal impact
- Additional revenue per biennium
- County Mutuals Association
- Appointment fees
- Life settlement brokers and providers
- Refund scenario clarification
- Deficit spending
- National fee level
- Inflation plan

9:30 a.m. John Arnold, Deputy Insurance Commissioner for the ND Insurance Department, testified in favor and submitted testimony #37920.

9:44 a.m. Chairman Barta closed the hearing.

9:44 a.m. Senator Kessel moved a Do Pass and rerefer to appropriations.

9:45 a.m. Senator Klein seconded the motion.

Senators	Vote
Senator Jeff Barta	Y
Senator Keith Boehm	Y
Senator Mark Enget	Y
Senator Greg Kessel	Y
Senator Jerry Klein	Y

Motion passed 5-0-0.

Senator Barta will carry the bill.

9:46 a.m. Chairman Barta closed the hearing.

Rereferral to appropriations unnecessary.

Audrey Oswald, Committee Clerk

REPORT OF STANDING COMMITTEE
REENGROSSED HB 1123 ([25.8124.03000](#))

Industry and Business Committee (Sen. Barta, Chairman) recommends **DO PASS** (5 YEAS, 0 NAYS, 0 ABSENT OR EXCUSED AND NOT VOTING). HB 1123 was placed on the Fourteenth order on the calendar. This bill does not affect workforce development.



TESTIMONY SUPPORTING HB 1123

John Arnold, Deputy Insurance Commissioner

Senate Industry and Business Committee

February 18, 2025

Good morning, Chairman Barta and members of the Industry and Business Committee. For the record, my name is John Arnold and I serve as the Deputy Insurance Commissioner for the Insurance Department. I stand before you today in support of House Bill 1123, which is an agency bill created to address outdated fees charged to companies and producers, as well as create uniformity with where fees are described within Title 26.1.

To provide some background on the proposed fee increases, we conducted a thorough review of the fees charged by other states for similar services. We found that North Dakota's renewal and annual fees, rather than initial application fees, were notably lower compared to most other states. Additionally, we researched the legislative and Century Code history and found that, although this section of code has been amended several times, there have been very few significant fee increases in the past 30 to 40 years.

I would like to address the fiscal impact of this bill, as reflected in the fiscal note. If enacted, we estimate that the proposed fee increases will generate approximately \$1.4 million in additional revenue for our Special Fund, which is ultimately transferred back to the General Fund at the end of each fiscal year. Our revenue projections are conservative.

Currently, in North Dakota, companies are required to pay a renewal fee of \$100, an annual statement fee of \$25, and an abstract fee of \$30. Under the second engrossment of HB 1123, the renewal fee will increase to \$150, the annual statement fee to \$100, and the abstract fee to \$50. In total, the company renewal process will increase from \$155 to \$300. This change is expected to generate approximately \$130,000 in additional revenue per biennium.

For County Mutuals operating in our state, the renewal fees will also be adjusted to \$250. Additionally, we are proposing an increase in the fee for articles and copies from \$25 to \$50. Further detail on the fiscal impact for the articles and copies is referenced in the fiscal note.

On the producer side, the most significant change involves increasing the appointment fee from \$10 to \$25. This adjustment will generate an estimated \$1.3 million in additional revenue per biennium. Appointment fees are charged when an insurance carrier formally acknowledges that a producer or agency is authorized to sell its products in North Dakota. These fees are required both for new appointments and on an annual basis thereafter.

Also on the producer side, we are also proposing increases to two fees for Life Settlement Brokers and Life Settlement Providers. The renewal fee for Life Settlement Brokers, which is currently \$12, will increase to \$25 under this bill and for the Life Settlement Provider Annual Statement fee, which is currently \$25, will be raised to \$100.

In Section 1, line 29 page 3, we are proposing a clean-up of language to clarify a requirement that should

have been included previously. In Section 1, Subsection (3) line 5 page 4, we are seeking clarification regarding refund scenarios. Specifically, there have been instances where companies have requested refunds for certain filings two to three years after the fact. This change will set a clear time frame and establish guidelines for refunds, similar to existing premium tax refund procedures, with discretion given to the Commissioner.

Sections 2 through 8 contain various clean-up provisions, primarily related to fee references, and they standardize fee language to align with Title 26.1-01-07 for consistency across the code. These changes are technical and do not have any fiscal impact.

Chairman Barta and members of the committee, I respectfully request your support for a "Do Pass" recommendation for House Bill 1123. I'm happy to answer any questions you may have.