

**2025 SENATE INDUSTRY AND BUSINESS**

**SB 2124**

# 2025 SENATE STANDING COMMITTEE MINUTES

## Industry and Business Committee Fort Union Room, State Capitol

SB 2124  
1/14/2025

A bill relating to insurance company inquiries and statements; and insurance company definitions and examination records; and to declare an emergency.

2:00 p.m. Chairman Barta called the meeting to order.

Members present: Chairman Barta, Vice-Chairman Boehm, Sen. Klein, Sen. Kessel, Sen. Enget

### Discussion Topics:

- Current authority
- Limitations of current law
- Market Conduct Annual Statement (MCAS)
- Exemptions
- Premium impact on citizens
- Premium increases
- Usefulness of data
- Anonymized and aggregated data
- Commercial policies
- Location of insurance providers or companies
- Insolvency/solvency of policies
- Less reinsurance
- Federal regulation on state insurance sector
- Resource hours required
- Delay of implementation

2:01 p.m. John Arnold, Deputy Commissioner, testified in favor and submitted testimony #29003.

2:36 p.m. Megan Hruby, Blue Cross Blue Shield ND, provided neutral testimony #28996 on SB 2124.

2:42 p.m. John Arnold, Deputy Commissioner, provided neutral insight on SB 2124.

2:46 p.m. Chairman Barta closed the hearing on SB 2124.

2:47 p.m. Senator Klein moved to adopt the amendment LC 25.8129.01001.

2:48 p.m. Senator Kessel 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.

2:49 p.m. Senator Klein moved a Do Pass as Amended.

2:49 p.m. Senator Kessel seconded the motion.

<b>Senators</b>	<b>Vote</b>
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 Kessel will carry the bill.

2:51 p.m. Chairman Barta closed the hearing.

**Additional written testimony:**

Dylan Wheeler, Sanford Health Plan Head of Government Affairs, submitted neutral testimony #29005.

*Audrey Oswald, Committee Clerk*

January 14, 2025

Sixty-ninth  
Legislative Assembly  
of North Dakota

## PROPOSED AMENDMENTS TO

### SENATE BILL NO. 2124

Introduced by

Industry and Business Committee

(At the request of the Insurance Commissioner)

1 A BILL for an Act to create and enact section 26.1-03-19.8 and a new section to chapter 26.1-03  
2 of the North Dakota Century Code, relating to insurance company inquiries and insurance  
3 company statements; and to amend and reenact section 26.1-03-19.1 and subsection 6 of  
4 section 26.1-03-19.4 of the North Dakota Century Code, relating to insurance company  
5 definitions and examination records; ~~and to declare an emergency.~~

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

7 **SECTION 1. AMENDMENT.** Section 26.1-03-19.1 of the North Dakota Century Code is  
8 amended and reenacted as follows:

#### 9 **26.1-03-19.1. Examination of companies - Definitions.**

10 In sections 26.1-03-19.1 through ~~26.1-03-19.7~~26.1-03-19.8, unless the context otherwise  
11 requires:

- 12 1. "Company" means any foreign or domestic insurance company as defined in section  
13 26.1-02-01.
- 14 2. "Data call" means an inquiry addressed to a company issued before, during, or in lieu  
15 of an examination under this chapter.
- 16 3. "Examiner" means any individual or firm having been authorized by the commissioner  
17 to conduct an examination under this chapter.
- 18 ~~3-4.~~ "Person" means any individual, aggregation of individuals, trust, association,  
19 partnership, or corporation, or any affiliate thereof.

20 **SECTION 2. AMENDMENT.** Subsection 6 of section 26.1-03-19.4 of the North Dakota  
21 Century Code is amended and reenacted as follows:

RS 1/15/25  
1 of 3

6. All working papers, recorded information, documents, and copies thereof produced by, obtained by, or disclosed to the commissioner or any other person in the course of an examination made under this chapter, or in the course of analysis by the commissioner of the financial condition or market conduct of the company, must be given confidential treatment and are not subject to subpoena and may not be made public by the commissioner or any other person, except as provided in this subsection and to the extent provided in subsection 5. Access also may be granted to the national association of insurance commissioners. The parties must agree in writing prior to receiving the information to provide to it the same confidential treatment as required by this section, unless the prior written consent of the company to which it pertains has been obtained. This subsection may not be construed as prohibiting the commissioner from making public aggregate or anonymized information from the materials contemplated in this subsection.

**SECTION 3.** Section 26.1-03-19.8 of the North Dakota Century Code is created and enacted as follows:

**26.1-03-19.8. Data calls.**

1. The commissioner or the commissioner's designated representative may issue a data call under this chapter whenever the commissioner deems it appropriate. The insurance company shall reply in writing to the data call within twenty days of receipt of the inquiry unless within that twenty days the company requests and the commissioner grants an extension of time.
2. For purposes of completing a data call under this section, the commissioner may inquire into any person, or the business of any person, to the extent the inquiry or investigation is, in the sole discretion of the commissioner, necessary or material to the operations of the company.
3. The commissioner may designate the national association of insurance commissioners or another representative as the repository for data call responses.
4. All materials, working papers, information, documents, and copies produced by, obtained by, or disclosed to the commissioner or any other person in the course of a data call made under this chapter, or in the course of analysis by the commissioner of the market conduct of the company:



- 1           a. Must be given confidential treatment;
- 2           b. Are not subject to subpoena; and
- 3           c. May not be made public by the commissioner or any other person, except to the
- 4           extent provided in this chapter.
- 5        5. The commissioner may use the documents, materials, or other information in
- 6           furtherance of any regulatory or legal action brought as part of the commissioner's
- 7           official duties.
- 8        6. The commissioner may make public aggregate or anonymized data call summaries of
- 9           responses received from insurance companies transacting insurance business in this
- 10          state.
- 11        7. The commissioner may adopt rules to administer this section.

12        **SECTION 4.** A new section to chapter 26.1-03 of the North Dakota Century Code is created  
13 and enacted as follows:

14        **Market conduct annual statement.**

- 15        1. The commissioner may require a foreign or domestic insurance company to annually
- 16           file a market conduct annual statement. The statement must:
  - 17           a. Be filed with the commissioner, or with the commissioner's designee, on a date
  - 18           specified by the commissioner;
  - 19           b. Include the scope of information prescribed by the commissioner; and
  - 20           c. Be in the proper form and transmitted, as prescribed by the commissioner.
- 21        2. The commissioner may, in the commissioner's discretion and for good cause, exclude
- 22           an insurance company from filing a statement under this section.
- 23        3. The commissioner may adopt rules to implement and administer this section.

24        ~~**SECTION 5. EMERGENCY. This Act is declared to be an emergency measure.**~~

**REPORT OF STANDING COMMITTEE  
SB 2124**

**Industry and Business Committee (Sen. Barta, Chairman)** recommends **AMENDMENTS** ([25.8129.01001](#)) and when so amended, recommends **DO PASS** (5 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2124 was placed on the Sixth order on the calendar. This bill does not affect workforce development.



Good afternoon, Chairman Barta, Members of the Senate Industry and Business committee. My name is Megan Hruby and I am with Blue Cross Blue Shield of North Dakota.

I am here this afternoon to provide some education on Senate bill 2124, the bill relating to Market Conduct Annual Statements (MCAS.) BCBSND is positioning neutral on the bill with a request for a few small amendments, if possible.

In reviewing the impacts of SB 2124, we did ask several divisions within the company what the time requirements would be in gathering the dense amounts of data required in the MCAS reporting. At least for this first year, I received responses ranging from 15 hours from one department to a couple of months for another, due to staffing and resource issues. Another department felt that they could get the work done in a few weeks' time if they devoted their focus to MCAS reporting alone. Our claims department, who would be unable to stop work on claims processing, felt that they could complete the reporting in 10-11 weeks. In total, we estimated around 400-500 hours of time focused on completing the market conduct annual statement. Because of the amount of resource required to adequately supply the data requested, we respectfully request that the emergency clause be removed, and the implementation date begin on January 1, 2026. Our hope is that in future years, we would be able to automate some of the reporting and that the Insurance Department would eliminate some of the other required reports and pull any duplicative data from that already provided.

Thank you for your consideration and I will stand for any questions.





## TESTIMONY SUPPORTING SB 2124

*John Arnold, Deputy Commissioner*

Senate Industry and Business Committee

January 14, 2025

Good afternoon, Chairman Barta and member of the Senate Industry and Business Committee,

Today I am introducing, and asking for your support of, Senate Bill 2124, an agency bill submitted by the Insurance Department. We are requesting the passage of SB 2124 to both modernize the Commissioner's data call authority and to allow for coordinating data calls with other states to better understand the insurance market.

However, before delving into the provisions in SB 2124, I'd like to provide some background information. Currently the Department has complete authority to gather information from insurance companies. §26.1-02-03 requires a company response to inquiries within 20 days, although there is no confidentiality protection in that statute which limits the Department's ability to utilize the information in meaningful ways. Chapter 26.1-03, which grants the Commissioner examination authority, requires everything collected under that chapter to be confidential and requires us to do an examination report.

With the increasing impacts of multistate events and a hardening market in the insurance sector, combined with recent activity by the Federal Insurance Office in attempting to gather data themselves, the Department felt that it was time to participate in the Market Conduct Annual Statement (MCAS) process through the National Association of Insurance Commissioners (NAIC). To do so, we need to address the limitations of current law and ensure confidentiality of carrier data.

Sections 1 through 3 of the bill address the modernization of the data call process; however the crux of the issue can be found in section 3. Section 3 does the following:

- Maintains the existing timeframe language for companies to respond to the Department.
- Allows the Commissioner to designate the NAIC as the repository for the data calls, which is the same process used for our annual financial statements.
- Grants the same confidentiality protection as examination information collected under the same chapter.
- Allows the Department to use the information in administrative actions or other legal actions in alignment with other information collected by the Department.
- Permits the Department to make public aggregate or anonymized data information.
- Empowers the Commissioner to adopt administrative rules to administer data calls.

Section 4 of the bill allows the state to participate in MCAS, which again allows for participation in coordinated data calls to better understand the insurance market. Currently, North Dakota and New York are the only two states that do not participate in MCAS. The section:

- Authorizes the Commissioner to require companies to annually file the MCAS statement.
- Permits the Commissioner to designate the NAIC or other entity to be the repository of the information.
- Grants the Commissioner the discretion to exclude companies from the data call for good cause.
- Empowers the commissioner to adopt administrative rules to administer the MCAS process.

With that Chairman Barta and members of the committee, I'd be happy to take any questions that you may have.



Chairman Barta and Members of the Committee -

Good Afternoon - my name is Dylan Wheeler, Head of Government Affairs with Sanford Health Plan. Today, speaking in a neutral capacity on SB2124, with a request for an amendment related to the emergency clause.

We understand and acknowledge the intent of the Insurance Department in pursuing the Market Conduct Annual Statement report – known in the industry as an MCAS report. Through our broader footprint, we submit MCAS reports to various state agencies. The MCAS report is a very in depth, dense, and deep dive data request into multiple areas of health insurance operations, coverage, claims, etc. The MCAS report, through the National Association of Insurance Commissioners (NAIC), is a model reporting standard for industry. We appreciate the Department also taking proactive steps to aggregate carrier information and apply confidential standards with reported information.

Sanford Health Plan does not object to nor oppose pursuing the MCAS reporting requirement for North Dakota. As this report is quite deep in terms of information needed to be gathered, we are requesting removing the Emergency Clause and delaying reporting until next year.

We anticipate that the MCAS report will take some time to build internally, cross check data validation, and work through any data/tech issues that come along with building a new report. We look forward to working with the Department in collecting, submitting the MCAS report, and understanding the next steps through the reported information.

I appreciate the committee's time and please let me know if you have any questions.

Dylan C. Wheeler JD, MPA  
Sanford Health Plan

**2025 HOUSE INDUSTRY, BUSINESS AND LABOR**

**SB 2124**

# 2025 HOUSE STANDING COMMITTEE MINUTES

## Industry, Business and Labor Committee Room JW327C, State Capitol

SB 2124  
3/12/2025

A BILL for an Act to create and enact section 26.1-03-19.8 and a new section to chapter 26.1-03 of the North Dakota Century Code, relating to insurance company inquiries and insurance company statements; and to amend and reenact section 26.1-03-19.1 and subsection 6 of section 26.1-03-19.4 of the North Dakota Century Code, relating to insurance company definitions and examination records.

2:33 p. m. Chairman Warrey opened the meeting.

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

Member Absent: Representative Finley-DeVille

### Discussion Topics:

- Modernize data call authority
- Examination report
- Public aggregated data
- National Association of Mutual Insurance Companies (NAMIC)

2:33 p.m. John R. Arnold, Deputy Commissioner, ND Insurance Department, testified in favor and submitted testimony #41068.

2:45 p.m. Phillip Arnzen Barnes, National Association of Mutual Insurance Companies (NAMIC), testified in favor.

2:48 p.m. Representative Schauer moved to amend by adding "and anatomized" after aggregated on page 3, line 9.

2:48 p.m. Representative Kasper seconded the motion.

Voice vote.

Motion passed.

2:50 p.m. Representative Schauer moved Do Pass as amended.

2:50 p.m. Representative Kasper seconded the motion.

Representatives	Vote
Representative Jonathan Warrey	Y
Representative Mitch Ostlie	AB

Representative Jorin Johnson	Y
Representative Landon Bahl	Y
Representative Collette Brown	Y
Representative Timothy Brown	Y
Representative Lisa Finley-DeVille	AB
Representative Karen Grindberg	Y
Representative Jim Kasper	Y
Representative Ben Koppelman	Y
Representative Dan Ruby	Y
Representative Mike Schatz	Y
Representative Austin Schauer	Y
Representative Daniel R. Vollmer	Y

Motion passed 12-0-2.

2:51 p.m. Representative Bahl will carry the bill.

2: 51 p.m. Chairman Warrey closed the meeting.

*Diane Lillis, Committee Clerk*



CO  
3/12/25  
1043

Sixty-ninth  
Legislative Assembly  
of North Dakota

**PROPOSED AMENDMENTS TO  
FIRST ENGROSSMENT**

**ENGROSSED SENATE BILL NO. 2124**

Introduced by

Industry and Business Committee

(At the request of the Insurance Commissioner)

1 A BILL for an Act to create and enact section 26.1-03-19.8 and a new section to chapter 26.1-03  
2 of the North Dakota Century Code, relating to insurance company inquiries and insurance  
3 company statements; and to amend and reenact section 26.1-03-19.1 and subsection 6 of  
4 section 26.1-03-19.4 of the North Dakota Century Code, relating to insurance company  
5 definitions and examination records.

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

7 **SECTION 1. AMENDMENT.** Section 26.1-03-19.1 of the North Dakota Century Code is  
8 amended and reenacted as follows:

9 **26.1-03-19.1. Examination of companies - Definitions.**

10 In sections 26.1-03-19.1 through ~~26.1-03-19.7~~26.1-03-19.8, unless the context otherwise  
11 requires:

- 12 1. "Company" means any foreign or domestic insurance company as defined in section  
13 26.1-02-01.
- 14 2. "Data call" means an inquiry addressed to a company issued before, during, or in lieu  
15 of an examination under this chapter.
- 16 3. "Examiner" means any individual or firm having been authorized by the commissioner  
17 to conduct an examination under this chapter.
- 18 ~~3.4.~~ "Person" means any individual, aggregation of individuals, trust, association,  
19 partnership, or corporation, or any affiliate thereof.

1       **SECTION 2. AMENDMENT.** Subsection 6 of section 26.1-03-19.4 of the North Dakota  
2 Century Code is amended and reenacted as follows:

3       6. All working papers, recorded information, documents, and copies thereof produced by,  
4 obtained by, or disclosed to the commissioner or any other person in the course of an  
5 examination made under this chapter, or in the course of analysis by the commissioner  
6 of the financial condition or market conduct of the company, must be given confidential  
7 treatment and are not subject to subpoena and may not be made public by the  
8 commissioner or any other person, except as provided in this subsection and to the  
9 extent provided in subsection 5. Access also may be granted to the national  
10 association of insurance commissioners. The parties must agree in writing prior to  
11 receiving the information to provide to it the same confidential treatment as required by  
12 this section, unless the prior written consent of the company to which it pertains has  
13 been obtained. This subsection may not be construed as prohibiting the commissioner  
14 from making public aggregate or anonymized information from the materials  
15 contemplated in this subsection.

16       **SECTION 3.** Section 26.1-03-19.8 of the North Dakota Century Code is created and  
17 enacted as follows:

18       **26.1-03-19.8. Data calls.**

19       1. The commissioner or the commissioner's designated representative may issue a data  
20 call under this chapter whenever the commissioner deems it appropriate. The  
21 insurance company shall reply in writing to the data call within twenty days of receipt  
22 of the inquiry unless within that twenty days the company requests and the  
23 commissioner grants an extension of time.  
24       2. For purposes of completing a data call under this section, the commissioner may  
25 inquire into any person, or the business of any person, to the extent the inquiry or  
26 investigation is, in the sole discretion of the commissioner, necessary or material to the  
27 operations of the company.  
28       3. The commissioner may designate the national association of insurance  
29 commissioners or another representative as the repository for data call responses.  
30       4. All materials, working papers, information, documents, and copies produced by,  
31 obtained by, or disclosed to the commissioner or any other person in the course of a

- 1 data call made under this chapter, or in the course of analysis by the commissioner of
- 2 the market conduct of the company:
- 3
  - a. Must be given confidential treatment;
  - 4 b. Are not subject to subpoena; and
  - 5 c. May not be made public by the commissioner or any other person, except to the
  - 6 extent provided in this chapter.
- 7 5. The commissioner may use the documents, materials, or other information in
- 8 furtherance of any regulatory or legal action brought as part of the commissioner's
- 9 official duties.
- 10 6. The commissioner may make the results of the data call available for public inspection
- 11 in an aggregate ~~or~~ and anonymized format that does not disclose information or data
- 12 ~~call summaries of responses received from insurance companies transacting~~
- 13 ~~insurance business in this state~~ attributed to any specific company or person, including
- 14 the name of any company or person who responded to the data call.
- 15 7. The commissioner may adopt rules to administer this section.

16 **SECTION 4.** A new section to chapter 26.1-03 of the North Dakota Century Code is created  
17 and enacted as follows:

18 **Market conduct annual statement.**

- 19 1. The commissioner may require a foreign or domestic insurance company to annually
- 20 file a market conduct annual statement. The statement must:
- 21
  - a. Be filed with the commissioner, or with the commissioner's designee, on a date
  - 22 specified by the commissioner;
  - 23 b. Include the scope of information prescribed by the commissioner; and
  - 24 c. Be in the proper form and transmitted, as prescribed by the commissioner.
- 25 2. The commissioner may, in the commissioner's discretion and for good cause, exclude
- 26 an insurance company from filing a statement under this section.
- 27 3. The commissioner may adopt rules to implement and administer this section.

**REPORT OF STANDING COMMITTEE  
ENGROSSED SB 2124**

**Industry, Business and Labor Committee (Rep. Warrey, Chairman)** recommends **AMENDMENTS** ([25.8129.02001](#)) and when so amended, recommends **DO PASS** (12 YEAS, 0 NAYS, 2 ABSENT OR EXCUSED AND NOT VOTING). SB 2124 was placed on the Sixth order on the calendar.





## TESTIMONY SUPPORTING SB 2124

*John Arnold, Deputy Commissioner*

House Industry, Business, and Labor Committee

March 12, 2025

Good afternoon, Chairman Warrey and member of the House Industry, Business, and Labor Committee,

Today I am introducing, and asking for your support of, Senate Bill 2124, an agency bill submitted by the Insurance Department. We are requesting the passage of SB 2124 to both modernize the Commissioner's data call authority and to allow for coordinating data calls with other states to better understand the insurance market.

However, before delving into the provisions in SB 2124, I'd like to provide some background information. Currently the Department has complete authority to gather information from insurance companies. §26.1-02-03 requires a company response to inquiries within 20 days, although there is no confidentiality protection in that statute which limits the Department's ability to utilize the information in meaningful ways. Chapter 26.1-03, which grants the Commissioner examination authority, requires everything collected under that chapter to be confidential and requires us to do an examination report.

With the increasing impacts of multistate events and a hardening market in the insurance sector, combined with recent activity by the Federal Insurance Office in attempting to gather data themselves, the Department felt that it was time to participate in the Market Conduct Annual Statement (MCAS) process through the National Association of Insurance Commissioners (NAIC). To do so, we need to address certain limitations currently found in the Century Code to ensure confidentiality of carrier data.

Sections 1 through 3 of the bill address the modernization of the data call process; however the crux of the issue can be found in section 3. Section 3 does the following:

- Maintains the existing timeframe language for companies to respond to the Department.
- Allows the Commissioner to designate the NAIC as the repository for the data calls, which is the same process used for our annual financial statements.
- Grants the same confidentiality protection as examination information collected under the same chapter.
- Allows the Department to use the information in administrative actions or other legal actions in alignment with other information collected by the Department.
- Permits the Department to make public aggregated data information.
- Empowers the Commissioner to adopt administrative rules to administer data calls.

Section 4 of the bill allows the state to participate in MCAS which, again, allows for participation in coordinated data calls to better understand the insurance market. Currently, North Dakota and New York are the only two states that do not participate in MCAS. Section 4 does the following:

- Authorizes the Commissioner to require companies to annually file the MCAS statement.
- Permits the Commissioner to designate the NAIC or other entity to be the repository of the information.
- Grants the Commissioner the discretion to exclude companies from the data call for good cause.
- Empowers the commissioner to adopt administrative rules to administer the MCAS process.

Lastly, since SB 2124 was passed by the Senate, the Department has worked with the National Association of Mutual Insurance Companies (NAMIC) on amendments to the First Engrossment. The Department and NAMIC have agreed to the language, which I've submitted with this testimony, and does not alter anything to which I've already testified and would encourage the committee to favorably consider the proposed language.

I will defer to NAMIC on their specific reasons for the amendment, but I can say briefly that:

- On page 1, the word "during" is removed. The Department agreed that the removal of "during" eliminates confusion.
- On page 3, the Department worked directly with NAMIC on this amended text. The Department agreed that the amended text more accurately reflects what information is available to the public.

With that Chairman Warrey and members of the committee, I'd be happy to take any questions that you may have and respectfully request your consideration of a Do Pass recommendation.



**PROPOSED AMENDMENT TO  
ENGROSSED SENATE BILL NO. 2124**

**FIRST ENGROSSMENT**

Introduced by

Industry and Business Committee

(At the request of the Insurance Commissioner)

1 A BILL for an Act to create and enact section 26.1-03-19.8 and a new section to chapter 26.1-03  
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11 requires:

- 12 1. "Company" means any foreign or domestic insurance company as defined in section  
13 26.1-02-01.
- 14 2. "Data call" means an inquiry addressed to a company issued before, ~~during~~, or in lieu  
15 of an examination under this chapter.
- 16 3. "Examiner" means any individual or firm having been authorized by the commissioner  
17 to conduct an examination under this chapter.
- 18 ~~3.4.~~ "Person" means any individual, aggregation of individuals, trust, association,  
19 partnership, or corporation, or any affiliate thereof.

20 SECTION 2. AMENDMENT. Subsection 6 of section 26.1-03-19.4 of the North Dakota  
21 Century Code is amended and reenacted as follows:

6. All working papers, recorded information, documents, and copies thereof produced by, obtained by, or disclosed to the commissioner or any other person in the course of an examination made under this chapter, or in the course of analysis by the commissioner of the financial condition or market conduct of the company, must be given confidential treatment and are not subject to subpoena and may not be made public by the commissioner or any other person, except as provided in this subsection and to the extent provided in subsection 5. Access also may be granted to the national association of insurance commissioners. The parties must agree in writing prior to receiving the information to provide to it the same confidential treatment as required by this section, unless the prior written consent of the company to which it pertains has been obtained. This subsection may not be construed as prohibiting the commissioner from making public aggregate or anonymized information from the materials contemplated in this subsection.

**SECTION 3.** Section 26.1-03-19.8 of the North Dakota Century Code is created and enacted as follows:

**26.1-03-19.8. Data calls.**

1. The commissioner or the commissioner's designated representative may issue a data call under this chapter whenever the commissioner deems it appropriate. The insurance company shall reply in writing to the data call within twenty days of receipt of the inquiry unless within that twenty days the company requests and the commissioner grants an extension of time.
2. For purposes of completing a data call under this section, the commissioner may inquire into any person, or the business of any person, to the extent the inquiry or investigation is, in the sole discretion of the commissioner, necessary or material to the operations of the company.
3. The commissioner may designate the national association of insurance commissioners or another representative as the repository for data call responses.
4. All materials, working papers, information, documents, and copies produced by, obtained by, or disclosed to the commissioner or any other person in the course of a data call made under this chapter, or in the course of analysis by the commissioner of the market conduct of the company:
  - a. Must be given confidential treatment;

- 1           b. Are not subject to subpoena; and
- 2           c. May not be made public by the commissioner or any other person, except to the
- 3                 extent provided in this chapter.
- 4        5. The commissioner may use the documents, materials, or other information in
- 5           furtherance of any regulatory or legal action brought as part of the commissioner's
- 6           official duties.
- 7        6. The commissioner may make ~~public aggregate or anonymized data call summaries of~~
- 8           ~~responses received from insurance companies transacting insurance business in this~~
- 9           ~~state~~ the results of the data call available for public inspection in an aggregated format
- 10           that does not disclose information or data attributed to any specific company or
- 11           person, including the name of any company or person who responded to the data call.
- 12        7. The commissioner may adopt rules to administer this section.

13        **SECTION 4.** A new section to chapter 26.1-03 of the North Dakota Century Code is created  
14 and enacted as follows:

15        **Market conduct annual statement.**

- 16        1. The commissioner may require a foreign or domestic insurance company to annually
- 17           file a market conduct annual statement. The statement must:
  - 18                 a. Be filed with the commissioner, or with the commissioner's designee, on a date
  - 19                 specified by the commissioner;
  - 20                 b. Include the scope of information prescribed by the commissioner; and
  - 21                 c. Be in the proper form and transmitted, as prescribed by the commissioner.
- 22        2. The commissioner may, in the commissioner's discretion and for good cause, exclude
- 23           an insurance company from filing a statement under this section.
- 24        3. The commissioner may adopt rules to implement and administer this section.