

Introduced by

Industry, Business and Labor Committee

(At the request of the Insurance Commissioner)

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

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

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

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

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

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

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

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

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

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

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

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

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

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