

Sixty-fifth
Legislative Assembly
of North Dakota

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 provide an appropriation for the distribution of funds from the insurance tax
3 distribution fund; to provide a transfer; and to amend and reenact section 18-04-05 of the North
4 Dakota Century Code, relating to payments to fire departments from the insurance tax
5 distribution fund.

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

7 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
8 as may be necessary, are appropriated from special funds derived from federal funds and other
9 income, to the insurance commissioner for the purpose of defraying the expenses of the
10 insurance commissioner, for the biennium beginning July 1, 2017, and ending June 30, 2019,
11 as follows:

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--|-------------------------|--|-------------------------|
| 14 Salaries and wages | \$8,943,097 | (\$441,618) | \$8,501,479 |
| 15 Operating expenses | 2,512,042 | (332,265) | 2,179,777 |
| 16 Total special funds | \$11,455,139 | (\$773,883) | \$10,681,256 |
| 17 Full-time equivalent positions | 49.50 | (3.50) | 46.00 |
| 18 <u>Salaries and wages</u> | <u>\$8,943,097</u> | <u>(\$285,502)</u> | <u>\$8,657,595</u> |
| 19 <u>Operating expenses</u> | <u>2,512,042</u> | <u>(332,265)</u> | <u>2,179,777</u> |
| 20 <u>Total special funds</u> | <u>\$11,455,139</u> | <u>(\$617,767)</u> | <u>\$10,837,372</u> |
| 21 <u>Full-time equivalent positions</u> | <u>49.50</u> | <u>(2.50)</u> | <u>47.00</u> |

22 **SECTION 2. HEALTH INSURANCE INCREASE.** The salaries and wages line item in
23 section 1 of this Act includes the sum of ~~\$134,513~~\$124,767 from other funds for increases in
24 employee health insurance premiums from \$1,130 to ~~\$1,249~~\$1,241 per month.

1 **SECTION 3. ONE-TIME FUNDING.** The following amounts reflect the one-time funding
2 items approved by the sixty-fourth legislative assembly as adjusted for the 2015-17 biennium:

| 3 <u>One-Time Funding Description</u> | <u>2015-17</u> | <u>2017-19</u> |
|--|----------------|----------------|
| 4 Boiler inspection software program | \$90,000 | \$0 |
| 5 Computerized database for firefighters | <u>130,000</u> | <u>0</u> |
| 6 Total special funds | \$220,000 | \$0 |

7 **SECTION 4. APPROPRIATION.** There is appropriated out of any moneys in the insurance
8 tax distribution fund in the state treasury, not otherwise appropriated, the sum of
9 ~~\$13,837,850~~\$16,571,207 or so much of the sum as may be necessary, to the insurance
10 commissioner for the purpose of providing payments, in accordance with provisions of section
11 18-04-05, to North Dakota fire departments in the amount of ~~\$13,076,768~~\$15,659,791 and
12 payments to the North Dakota firefighter's association in the amount of ~~\$761,082~~\$911,416 for
13 the biennium beginning July 1, 2017, and ending June 30, 2019.

14 **SECTION 5. BONDING FUND.** Section 1 of this Act includes \$52,004 from the state
15 bonding fund to pay bonding fund administrative expenses for the biennium beginning July 1,
16 2017, and ending June 30, 2019.

17 **SECTION 6. FIRE AND TORNADO FUND.** Section 1 of this Act includes \$1,797,218 from
18 the state fire and tornado fund to pay fire and tornado fund administrative expenses, for the
19 biennium beginning July 1, 2017, and ending June 30, 2019.

20 **SECTION 7. UNSATISFIED JUDGMENT FUND.** Section 1 of this Act includes \$29,703
21 from the state unsatisfied judgment fund to pay unsatisfied judgment fund administrative
22 expenses for the biennium beginning July 1, 2017, and ending June 30, 2019.

23 **SECTION 8. PETROLEUM RELEASE COMPENSATION FUND.** Section 1 of this Act
24 includes \$119,472 from the petroleum release compensation fund to pay petroleum release
25 compensation fund administrative expenses for the biennium beginning July 1, 2017, and
26 ending June 30, 2019.

27 **SECTION 9. TRANSFER - INSURANCE TAX DISTRIBUTION FUND - GENERAL FUND.**
28 Notwithstanding section 7 of chapter 50 of the 2015 Session Laws, any amounts in the
29 insurance tax distribution fund continued into the 2017-19 biennium pursuant to section 7 of
30 chapter 50 of the 2015 Session Laws, must be transferred to the general fund on August 1,
31 2017.

1 **SECTION 10. AMENDMENT.** Section 18-04-05 of the North Dakota Century Code is
2 amended and reenacted as follows:

3 **18-04-05. Amount due cities, rural fire protection districts, or rural fire departments -**
4 **Transfer to firefighters death benefit fund - Disbursement to North Dakota firefighter's**
5 **association - Payments by insurance commissioner.**

- 6 1. The insurance commissioner shall disburse funds in the insurance tax distribution fund
7 as provided under this section.
- 8 2. The insurance commissioner shall transfer an amount of up to fifty thousand dollars
9 per biennium, as may be necessary, to the firefighters death benefit fund for
10 distribution under chapter 18-05.1.
- 11 3. The insurance commissioner shall disburse funds to the North Dakota firefighter's
12 association for uses authorized under chapter 18-03, subject to legislative
13 appropriations.
- 14 4. The insurance commissioner shall compute the amounts due to the certified city fire
15 departments, certified rural fire departments, or certified fire protection districts entitled
16 to benefits under this chapter on or before December first of each year. The insurance
17 commissioner shall allocate one-half of the biennial legislative appropriation ~~which~~
18 ~~must be based on an amount equal to one hundred percent of the total premium tax~~
19 ~~collected for fire, allied lines, homeowner's multiple peril, farmowner's multiple peril,~~
20 ~~commercial multiple peril, and crop hail insurance, less the amount transferred to the~~
21 ~~firefighters death benefit fund and the amount distributed to the North Dakota~~
22 ~~firefighter's association~~ for distribution under this subsection, to each eligible city not
23 within a certified fire protection district, each certified rural fire protection district
24 organized under this title, and each rural fire department certified by the state fire
25 marshal, and pay the amount allocated in December of each year. The allocation must
26 be made in proportion to the amount of insurance company premiums received by
27 insurance companies pursuant to section 26.1-03-17 for policies for fire, allied lines,
28 homeowner's multiple peril, farmowner's multiple peril, commercial multiple peril, and
29 crop hail insurance on property within the city, certified rural fire protection district, or
30 area served by the certified rural fire department to the total of those premiums for
31 those policies in the state.