

1999 HOUSE JUDICIARY

HCR 3020

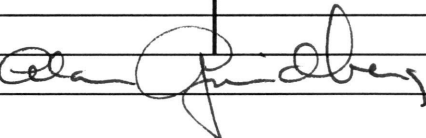
1999 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 3020

House Judiciary Committee

Conference Committee

Hearing Date February 8, 1999

Tape Number	Side A	Side B	Meter #
2	X		1.6
Committee Clerk Signature 			

Minutes:

REP. DORSO This resolution is a part of a move to create a Commerce Commission in state government which will combine the Securities Commissioner, the Department of Banking and Financial Institutions and the Insurance Commissioner. The lines between the province of each of these agencies is blurred. Each of what is now these three agencies would be a division of the Commerce Commission. This is an opportunity to streamline government.

GLENN POMEROY (Insurance Commissioner) I am here to oppose this bill. The people ought to have the right to choose who is going to regulate the insurance industry. There has been no demonstration of any problems with any of these agencies that need solving. (Presents a handout with statistics about the department.) The Insurance Department is self-financed from fees and fines. The Department was instrumental in helping our citizens recover over @% million dollars the last biennium. (19 million was from the Grand Forks flood.) I won't be running for re-election in 2000 so this won't affect me, but I think it should be an elective office.

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House Judiciary Committee
Bill/Resolution Number 3020
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Passage of this resolution could also cause logistical problems - it will be voted on in the June primary and will make it more difficult to recruit candidates for the office in the event that it fails.

GARY PRESZLER (Banking Commissioner) We too are opposed to the plan to create a super sized Commerce Commission.

COMMITTEE ACTION February 9, 1999

REP HAWKEN moved that the committee recommend that the bill DO PASS. Rep. Maragos seconded and the motion FAILED on a roll call vote of 7 ayes and 8 nays.

REP. MEYER moved that the committee recommend that he bill DO NOT PASS. Rep. Kelsh seconded and that motion FAILED on a roll call vote with 7 ayes and 8 nays.

REP. MARAGOS moved that the committee make NO RECOMMENDATION on this bill. Rep. Meyer seconded and that motion CARRIED on a roll call vote with 14 ayes and one nay. Rep. Maragos was assigned to carry the bill on the floor.

Date: 2/9
Roll Call Vote #: 1

1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 3020

House JUDICIARY Committee

Subcommittee on _____
or
 Conference Committee

Legislative Council Amendment Number _____

Action Taken Do NOT PASS

Motion Made By MEYER Seconded By KELSH

Representatives	Yes	No	Representatives	Yes	No
REP. DEKREY		✓	REP. KELSH	✓	
REP. CLEARY	✓		REP. KLEMIN		✓
REP. DELMORE	✓		REP. KOPPELMAN		✓
REP. DISRUD		✓	REP. MAHONEY	✓	
REP. FAIRFIELD	✓		REP. MARAGOS		✓
REP. GORDER	✓		REP. MEYER	✓	
REP. GUNTER		✓	REP. SVEEN		✓
REP. HAWKEN		✓			

Total Yes 7 No 8

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Date: 2/9
Roll Call Vote #: 2

1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 3020

House JUDICIARY Committee

Subcommittee on _____
or
 Conference Committee

Legislative Council Amendment Number _____

Action Taken Do PASS

Motion Made By HAWKEN Seconded By MARAGOS

Representatives	Yes	No	Representatives	Yes	No
REP. DEKREY	✓		REP. KELSH		✓
REP. CLEARY		✓	REP. KLEMIN	✓	
REP. DELMORE		✓	REP. KOPPELMAN	✓	
REP. DISRUD	✓		REP. MAHONEY		✓
REP. FAIRFIELD		✓	REP. MARAGOS	✓	
REP. GORDER		✓	REP. MEYER		✓
REP. GUNTER	✓		REP. SVEEN		✓
REP. HAWKEN	✓				

Total Yes 7 No 8

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Date: 2/9/99
 Roll Call Vote #: 3

1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES
 BILL/RESOLUTION NO. 3020

House JUDICIARY Committee

Subcommittee on _____

or

Conference Committee

Legislative Council Amendment Number _____

Action Taken No Roll

Motion Made By MARAGOS Seconded By Meyer

Representatives	Yes	No	Representatives	Yes	No
REP. DEKREY	✓		REP. KELSH	✓	
REP. CLEARY	✓		REP. KLEMIN	✓	
REP. DELMORE	✓		REP. KOPPELMAN	✓	
REP. DISRUD	✓		REP. MAHONEY		✓
REP. FAIRFIELD	✓		REP. MARAGOS	✓	
REP. GORDER	✓		REP. MEYER	✓	
REP. GUNTER	✓		REP. SVEEN	✓	
REP. HAWKEN	✓				

Total Yes 14 No 1

Absent 0

Floor Assignment MARAGOS

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE (410)
February 9, 1999 1:28 p.m.

Module No: HR-26-2342
Carrier: Maragos
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

HCR 3020: Judiciary Committee (Rep. DeKrey, Chairman) recommends BE PLACED ON THE CALENDAR WITHOUT RECOMMENDATION (14 YEAS, 1 NAY, 0 ABSENT AND NOT VOTING). HCR 3020 was placed on the Eleventh order on the calendar.

1999 TESTIMONY

HCR 3020

**The Mutual Group (U.S.)**

3020

TMG Life®
700 South 7th Street
Box 2907
Fargo, North Dakota 58108
Tel: 701 237-5700
Fax: 701 280-6590

February 1, 1999

VIA FAX: 701-328-1997

Honorable Rick Berg
State Representative
House of Representatives
600 East Boulevard Avenue
Bismarck, ND 58505

Dear Mr. Berg:

I am writing to express our company's opposition to House Bill 1493, which would combine the Insurance, Banking and Securities Departments into one Department of Commerce.

TMG Life Insurance Company (formerly Western States Life Insurance Company) has been a North Dakota domestic insurer since its inception over 60 years ago. TMG Life is a subsidiary of The Mutual Group (U.S.) which manages over \$2 billion in assets through its reinsurance operation and its life subsidiaries, TMG Life and Milwaukee Life Insurance Company. The Mutual Group (U.S.) employs over 260 individuals, 170 of whom are in its Fargo office, and sells its products through a network of over 2,000 independent agents in 48 states.

We support the effective and efficient regulation of insurance to protect the public and maintain fair competition. In consolidating our West Des Moines (Iowa) and Fargo life operations, we chose to locate the consolidated operations in Fargo, in large part because of the strong and fair insurance regulatory environment in North Dakota. In our experience, we need an insurance commissioner focused on the ever-changing and complex insurance industry. North Dakota currently has a system that supports the Insurance Commissioner's ability to fulfill its obligations to the public and to the companies it regulates.

TMG Life supports continued regulation by the Office of the Insurance Commissioner. Thank you for your consideration.

Sincerely yours,

Ken L. Evason
President and CEO
The Mutual Group (U.S.) and
TMG Life Insurance Company



DEPARTMENT OF INSURANCE STATE OF NORTH DAKOTA

Glenn Pomeroy
Commissioner of Insurance

BASIC FACTS: NORTH DAKOTA'S INSURANCE INDUSTRY AND THE NORTH DAKOTA INSURANCE DEPARTMENT

- The Insurance Department is responsible for licensing over 15,000 agents and 2,000 companies seeking to do business in North Dakota.
- In 1997, our residents paid over \$1.9 billion in premium for all types of insurance.
- In 1997, the Department collected \$17.5 million of insurance premium tax for deposit into the General Fund.
- In 1997, companies paid over \$1.8 billion to North Dakota policyholders in the form of claims paid or benefits conferred.
- In addition, the Department collects license fees and fines which are paid into the Insurance Regulatory Trust Fund to finance the Insurance Department.

The Insurance Department's annual budget for regulatory activities is \$2.1 million.

Each year, between \$500,000 and \$1 million is transferred from the Insurance Regulatory Trust Fund to the General Fund.

- ❖ **Over the last two years, the Insurance Department helped North Dakotans recover nearly \$25 million in benefits which were at first denied.**