

# MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION  
SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

1406

2001 HOUSE GOVERNMENT AND VETERANS AFFAIRS

HB 1406

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1406

House Government and Veterans Affairs Committee

Conference Committee

Hearing Date 2/08/01

Tape Number	Side A	Side B	Meter #
2		X	491-1081
Committee Clerk Signature <i>Robin D. Small</i>			

Minutes:

REP. M. KLEIN called the hearing to order with all committee members present.

In favor:

REP. DAN J. RUBY, DISTRICT 38

RUBY introduces the bill to the committee.

REP. CLARK asks if this is on the federal level or the state level? RUBY replies that it is the state.

In favor:

CHUCK JOHNSON, NORTH DAKOTA INSURANCE DEPARTMENT

JOHNSON comments to the committee the intent of the bill and explains it.

REP. M. KLEIN states to the committee that he thinks there is a similar bill in IBL, but is not for certain. REP. HAAS wonders if their conscience is bothering them.

Page 2

House Government and Veterans Affairs Committee

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Being there was no further testimony in favor or in opposition the hearing was then closed.

Action was taken right away. REP. KASPER motioned for a DO PASS, seconded by REP.

CLEARY.

The roll call was taken with 15 YES, 0 NO and 0 ABSENT AND NOT VOTING. The motion carries. The CARRIER of the bill is REP. WIKENHEISER.

HB 1406: DO PASS 15-0

CARRIER: REP. WIKENHEISER

**FISCAL NOTE**  
 Requested by Legislative Council  
 01/23/2001

Bill/Resolution No.: HB 1406

Amendment to:

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	1999-2001 Biennium		2001-2003 Biennium		2003-2005 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
<b>Revenues</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>Expenditures</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>Appropriations</b>	\$0	\$0	\$0	\$0	\$0	\$0

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

1999-2001 Biennium			2001-2003 Biennium			2003-2005 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

2. **Narrative:** *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

No financial impact on agency appropriation is anticipated.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

<b>Name:</b>	Charles E. Johnson	<b>Agency:</b>	Insurance Department
<b>Phone Number:</b>	328-2440	<b>Date Prepared:</b>	01/24/2001

Date: 2/8/01

Roll Call Vote #: 1

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. HB 1406

House GOVERNMENT AND VETERANS AFFAIRS Committee

Subcommittee on \_\_\_\_\_

or

Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken Do Pass

Motion Made By Kasper Seconded By Cleary

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN KLEIN	✓		REP KROEBER	✓	
VICE CHAIR GRANDE	✓				
REP BELLEW	✓				
REP BRUSEGAARD	✓				
REP CLARK	✓				
REP DEVLIN	✓				
REP HAAS	✓				
REP KASPER	✓				
REP KLEMIN	✓				
REP MEIER	✓				
REP WIKENHEISER	✓				
REP CLEARY	✓				
REP HUNSKOR	✓				
REP METCALF	✓				

Total (Yes) 15 No 0

Absent \_\_\_\_\_

Floor Assignment Wikenheiser

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

**REPORT OF STANDING COMMITTEE (410)**  
February 8, 2001 5:26 p.m.

Module No: HR-23-2810  
Carrier: Wikenheiser  
Insert LC: . Title: .

**REPORT OF STANDING COMMITTEE**

**HB 1406: Government and Veterans Affairs Committee (Rep. M. Klein, Chairman)**  
recommends **DO PASS** (15 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING).  
HB 1406 was placed on the Eleventh order on the calendar.

2001 SENATE GOVERNMENT AND VETERANS AFFAIRS

HB 1406

2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1406

Senate Government and Veterans Affairs Committee

Conference Committee

Hearing Date March 22, 2001

Tape Number	Side A	Side B	Meter #
1		X	8,9-24.3
Committee Clerk Signature <i>James A. Raile</i>			

Minutes: Chairman Krebsbach opened the hearing on HB 1406 which relates to the duty of the insurance commissioner to send annual reports. Appearing before the committee was Representative Dan Ruby, district 38, primary sponsor of the bill. He indicated to the committee that he supports the bill. This is a pretty simple bill which seeks efficiency from the insurance department. The way the law reads now the department is required to send an annual report to every state and to each company that does business in the state. He showed a copy of the report to the committee. At this time they are not following the law in its entirety. They are sending a summary of the report which looks like this. He held up a copy of the sheet. To these entities with a notice that if they wished a copy of the entire report they can request it. That one will then be sent to them. HB 1406 simply changes language in the law to match the current practices of the department. He believes this is a sensible move for the insurance department and respectfully asks the committee to give it a do pass recommendation. He indicated that they currently do print 150 copies of the report. They will continue to do so because they need to

send it to the various agencies and some of the state departments. It costs \$480.70 to make 150 copies of the report. If somebody requests more copies it costs \$10.00 per copy. If they sent out to 1500 companies the approximate cost would be \$4810.00 plus \$1.75 shipping each. Basically by sending just the summary to the companies that would need a copy and then if they would like further information this would save money. **Senator C. Nelson** inquired why didn't you just write the bill to send a summary of your annual reports to all those folks and that the full copy of the report is available on the Internet. That would save you sending out all these and you would be doing what you are doing now. You would legitimize the current practice. **Representative Ruby** indicated that this is not currently available on the Internet. He also indicated that however, this was something that could be done. **Senator Dever** noted that he didn't see anything in that bill that would preclude what Senator C. Nelson just suggested. Do you know if we receive these kinds of reports from all the other states? It was noted that some of the other states send out books. **Chuck Johnson**, an attorney with the insurance department, appeared before the committee. He indicated that the first reaction they had when they looked at changing the law was to conform the law to their current practice. They didn't look at Senator C. Nelson's question about putting it on the Internet. This would not be too difficult to do but let us ride for another two years and if necessary we can come in in a couple of years. We will be looking at certainly other legal obligations that we have with notifying the public relating to publishing all of the companies annual reports in all of the county newspapers in the state. There are tremendous costs involved in all of this with questionable benefits. This has been visited before and has gone down in a ball of fire as the newspapers are not in favor of this. **Senator C. Nelson** indicated that the way this bill is written you don't even have to send a summary out anymore. **Mr. Johnson** indicated that was correct. **Senator C. Nelson** again inquired if the companies

Page 3

Senate Government and Veterans Affairs Committee

Bill/Resolution Number HB 1406

Hearing Date March 22, 2001

would have to be notified somehow that they have to request a copy of the report the first time.

**Mr. Johnson** indicated that since the companies publish this information they are aware of it's existence and would need to request a copy of it. **Senators Krebsbach, Kilzer, Dever** directed questions to **Mr. Johnson and Leona Ziegler** (Tape 1, Side A, meter #'s 16.9-22.0). There was nothing further at this time. **Chairman Krebsbach** closed the hearing on HB 1406. **Senator Dever** moved a Do Pass on HB 1406, seconded by **Senator Wardner**. Roll Call Vote indicated 6 Yeas, 0 Nays, 0 Absent or Not Voting. **Senator Kilzer** will carry the bill.



**REPORT OF STANDING COMMITTEE (410)**  
March 22, 2001 12:48 p.m.

Module No: SR-50-6403  
Carrier: Kilzer  
Insert LC: . Title: .

**REPORT OF STANDING COMMITTEE**

**HB 1406: Government and Veterans Affairs Committee (Sen. Krebsbach, Chairman)**  
recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1406  
was placed on the Fourteenth order on the calendar.