

**Sixty-fifth Legislative Assembly of North Dakota
In Regular Session Commencing Tuesday, January 3, 2017**

SENATE BILL NO. 2103
(Industry, Business and Labor Committee)
(At the request of the Insurance Commissioner)

AN ACT to amend and reenact sections 26.1-01-04 and 26.1-01-07 and subsection 2 of section 26.1-15.1-35 of the North Dakota Century Code, relating to fees chargeable by the insurance commissioner.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

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

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

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

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

26.1-01-07. Fees chargeable by commissioner.

1. The commissioner shall charge and collect the following fees:
 1. a. For filing articles of incorporation, or copies, or amendments thereof, twenty-five dollars.
 2. b. For each original certificate of authority issued upon admittance and for each annual renewal thereof, one hundred dollars and for ~~renewal of certificate of authority, amendment to certificate of authority, or certified copy thereof~~, fifty dollars.
 3. c. For issuing an annual reciprocal exchange license, the same fees as those applicable to the issuance of a certificate of authority in subsection 2.
 4. d. For filing an annual report of a fraternal benefit society, and issuing a license or permit to the society, and for each renewal thereof, ~~twenty-five~~ one hundred dollars.
 5. ~~For filing bylaws or amendments thereof, ten dollars.~~
 6. For filing of articles of merger, or copies thereof, thirty dollars.
 7. ~~For receiving the service of process as attorney, whether the commissioner is served with the process or admits service thereon, ten dollars.~~
 8. ~~For filing of power of attorney by nonadmitted insurer for conduct of business in compliance with surplus lines laws of this state, ten dollars.~~
 9. e. For filing an annual statement, twenty-five dollars.
 10. f. For filing the abstract of the annual statement of an insurance company for publication, thirty dollars.

41. g. For an official examination, the expenses of the examination at the rate adopted by the department. The rates must be reasonably related to the direct and indirect costs of the examination, including actual travel expenses, including hotel and other living expenses, compensation of the examiner and other persons making the examination, and necessary attendant administrative costs of the department directly related to the examination and must be paid by the examined insurer together with compensation upon presentation by the department to the insurer of a detailed account of the charges and expenses after a detailed statement has been filed by the examiner and approved by the department.
42. h. For issuing a certificate to a domestic insurance company showing a compliance with the compulsory reserve provisions of this title and the maintenance of proper security deposits and for any renewal of the certificate, ~~ten~~twenty-five dollars.
43. i. For a written licensee's examination not administered by the office of the commissioner under a contract with a testing service, the actual cost of the examination, subject to approval of the commissioner, which must be paid to the testing service.
44. j. For issuing a surplus lines insurance producer's or insurance consultant's license, one hundred dollars. For each annual renewal of a surplus lines insurance producer's or insurance consultant's license, twenty-five dollars.
45. k. For issuing an insurance producer's license, one hundred dollars.
46. l. For issuing a duplicate of any license or registration issued under this title, ten dollars.
47. ~~For issuing and each annual renewal of a license to a resident agent for the attorney for a reciprocal exchange, ten dollars.~~
48. ~~For filing of any miscellaneous documents or papers, including documents of admission and those filed annually upon license renewal, ten dollars each.~~
49. ~~For a copy of any paper filed in the commissioner's office, twenty cents per folio.~~
20. ~~For affixing the commissioner's official seal on a copy of any paper filed in the office and certifying the copy, ten dollars.~~
21. m. For each insurance company appointment and renewal of an appointment of an insurance producer, ten dollars.
22. n. For each company application for admission, five hundred dollars, except applications for admission for county mutual, fraternal benefit, and surplus lines companies must be one hundred dollars.
23. o. For issuing a license and each annual renewal of a license to an insurance premium finance company, one hundred dollars.
24. p. For examining or investigating an insurance premium finance company, the actual expense and per diem incurred; but the per diem charge may not exceed fifty dollars.
25. q. For issuing and each annual renewal of a license to an advisory organization, fifty dollars.
26. r. For filing an individual insurance producer licensing continuation, twenty-five dollars.
2. Nonprofit health service corporations and health maintenance organizations are subject to the same fees as any other insurance company. County mutual insurance companies and benevolent societies are liable only for the fees mentioned in ~~subsections 2, 10, 11, 15, 18, 19, and 20~~ subdivisions b, f, g, and k of subsection 1.

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

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

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

President of the Senate

Speaker of the House

Secretary of the Senate

Chief Clerk of the House

This certifies that the within bill originated in the Senate of the Sixty-fifth Legislative Assembly of North Dakota and is known on the records of that body as Senate Bill No. 2103.

Senate Vote: Yeas 42 Nays 4 Absent 1

House Vote: Yeas 89 Nays 0 Absent 5

Secretary of the Senate

Received by the Governor at _____ M. on _____, 2017.

Approved at _____ M. on _____, 2017.

Governor

Filed in this office this _____ day of _____, 2017,

at _____ o'clock _____ M.

Secretary of State