

half-day. The increase in revenue for the higher inspection fee caps is estimated at \$21,000 per year. The increase in the Certificate of Inspection fee from \$20 per certificate to \$20 per year of certificate is expected to generate an additional \$80,540 per year. Revenue from the change in fees for annual inspector commission cards, welder qualification cards, hobby boiler exams and hobby boiler licenses is expected to be nominal. The change is expected to have a minimal impact on revenue. The state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law is estimated to be \$203,080. Revenues from the Boiler Inspection Program are deposited in the State Fire and Tornado Fund.

2. Whether It Is a One-Time or Ongoing Effect

The estimated duration of the effect of the proposed rules is:

- N.D. Admin. Code ch. 45-02-03, Licensing of Administrators – N/A (the rules are not expected to have a fiscal effect).
- N.D. Admin. Code ch. 45-02-04, Insurance Continuing Education - N/A (the rules are not expected to have a fiscal effect).
- N.D. Admin. Code ch. 45-03-15, Accounting Practices and Procedures – N/A (the rules are not expected to have a fiscal effect).
- N.D. Admin. Code ch. 45-03-23, Custodial Agreement Requirements – N/A (the rules are not expected to have a fiscal effect).
- N.D. Admin. Code ch. 45-09-01, Surplus Lines Insurance – N/A (the rules are not expected to have a fiscal effect).
- N.D. Admin. Code ch. 45-11-01, Life and Health Insurance Guaranty Association – N/A (the rules are not expected to have a fiscal effect).
- N.D. Admin. Code title 45-12, Boilers – The rules are expected to have an ongoing fiscal effect because 2011 Senate Bill No. 2064 amended the fee schedule that the Insurance Commissioner must use to determine the fees imposed for the internal inspections of power boilers, internal inspections of low pressure heating boilers, external inspections of all boilers, and inspection of boilers used exclusively for exhibition purposes.

3. Identification of Impact to the Department's Budget

The likely impact of the proposed rules to the Department's budget is expected to be:

- N.D. Admin. Code ch. 45-02-03, Licensing of Administrators – N/A (the rules are not expected to have a fiscal effect).
- N.D. Admin. Code ch. 45-02-04, Insurance Continuing Education – N/A (the rules are not expected to have a fiscal effect).
- N.D. Admin. Code ch. 45-03-15, Accounting Practices and Procedures – N/A (the rules are not expected to have a fiscal effect).
- N.D. Admin. Code ch. 45-03-23, Custodial Agreement Requirements – N/A (the rules are not expected to have a fiscal effect).
- N.D. Admin. Code ch. 45-09-01, Surplus Lines Insurance – N/A (the rules are not expected to have a fiscal effect).
- N.D. Admin. Code ch. 45-11-01, Life and Health Insurance Guaranty Association – N/A (the rules are not expected to have a fiscal effect).
- N.D. Admin. Code title 45-12, Boilers – The rules will not affect the Department's appropriation. As more fully explained above, the rules are expected to increase

revenue due to the collection of increased boiler inspection fees as provided by the provisions of 2011 Senate Bill No. 2064.

DATED this 3 day of November, 2011.

A handwritten signature in black ink, appearing to read "Melissa Hauer", written over a horizontal line.

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