

STATE OF NORTH DAKOTA

BEFORE THE INSURANCE COMMISSIONER

In the Matter of the Promulgation)	
Of Proposed Rules Regarding:)	
Organization of Insurance Department;)	REGULATORY ANALYSIS,
Licensing of Insurance Producers,)	SMALL ENTITY ECONOMIC
Surplus Lines Insurance Producers, and))	IMPACT STATEMENT AND
Consultants; Licensing of)	REGULATORY SMALL
Administrators; Insurance Continuing)	ENTITY ANALYSIS
Education; Insurance Holding Company))	
System Model Regulation With)	FILE NO. RU-26-919
Reporting Forms and Instructions;)	
Annual Financial Reporting Model)	
Regulation; Surplus Lines; Lines of)	
Insurance; Life Settlements; Fire)	
Marshal; Securities Act of 1951.)	

I. REGULATORY ANALYSIS

The North Dakota Insurance Department (“Department”) issues this regulatory analysis as required by N.D.C.C. § 28-32-08. An agency must issue a regulatory analysis if a written request for an analysis is filed by the Governor or a member of the Legislative Assembly or a proposed rule being adopted by the agency is expected to have an impact on the regulated community in excess of \$50,000. Id.

None of the proposed rules are expected to have an impact on the regulated community in excess of \$50,000.

A. Classes of Persons Who Probably Will Be Affected by the Proposed Rules

N.D. Admin. Code ch. 45-01-01-01 – Organization of Insurance Department. The class of persons who may be affected by this rule is any company who does insurance business in North Dakota. This rule updates the appropriate accounting practices and procedures manual, and conforms with SB 2214 combining the securities department under the insurance commissioner.

N.D. Admin. Code ch. 45-02-02 – Licensing of Insurance Producers, Surplus Lines Insurance Producers, and Consultants - The class of persons who may be affected by this rule are producers. The fee changes were addressed in the 2025 legislative session with House Bill 1123. The modifications update producer application requirements, and reporting requirements regarding change of address and administrative cancellations. It also includes securities as part of the Department by definition.

N.D. Admin. Code ch 45-02-03 – Licensing of Administrators – The class of persons who may be affected by this rule are producers. The modifications update terminology, and reporting requirements regarding change of address.

N.D. Admin. Code ch 45-02-04 Continuing Education. The class of persons who may be affected by this rule are producers. The modifications include changes to terminology and the fee changes were addressed in the 2025 legislative session with House Bill 1123.

N.D. Admin. Code ch 45-03-05 – Insurance Holding Company System Model Regulation with Reporting Forms and Instructions. The class of persons who may be affected by this rule is any company who does insurance business in North Dakota. The modification includes changes to group capital calculation.

N.D. Admin. Code ch 45-03-20-12 – Annual Financial Reporting Model Regulation – The class of persons who may be affected by this rule is any insurer who may be audited by the department and their accountant. The modification addresses the use and storage of electronic workpapers by the department.

N.D. Admin. Code article 45-09 – Surplus Lines. The class of persons who may be affected by this rule is any surplus lines producer. These changes remove the diligent search presumption in line with the legislative change associated with Senate Bill 2374 of the 2025 Legislative Session.

N.D. Admin. Code article 45-13– Lines of Insurance. No classes of persons will be impacted by the slight modifications to this article.

N.D. Admin. Code article 45-16 – Life Settlements. No classes of persons will be impacted by the slight modifications to this article. The fee changes were addressed in the 2025 legislative session with House Bill 1123. The changes to the fee due dates were addressed in the 2025 legislative session with Senate Bill 2092.

N.D. Admin. Code article 45-18 – Fire Marshal. The classes of persons that may be impacted by this proposed rule are the fire marshals in North Dakota and those using the fire code to construct and maintain buildings.

N.D. Admin. Code article 73-02 Securities Act of 1951 – The classes of persons that will be impacted by the slight modifications to this article are investment industry firms and professionals. The modifications made are in line with SB 2214 which combined the securities department with the insurance department under the direction of the insurance commissioner.

B. Description of the Probable Impact Including the Economic Impact of the Proposed Rules

N.D. Admin. Code ch. 45-01-01-01 – Organization of Insurance Department. This rule is expected to have no fiscal impact.

N.D. Admin. Code ch. 45-02-02 – Licensing of Insurance Producers, Surplus Lines Insurance Producers, and Consultants - This rule is expected to have no fiscal impact.

N.D. Admin. Code ch 45-02-03 – Licensing of Administrators – This rule is expected to have no fiscal impact.

N.D. Admin. Code ch 45-02-04 Continuing Education. This rule is expected to have no fiscal impact.

N.D. Admin. Code ch 45-03-05 – Insurance Holding Company System Model Regulation with Reporting Forms and Instructions. This rule is expected to have no fiscal impact.

N.D. Admin. Code ch 45-03-20-12 – Annual Financial Reporting Model Regulation – This rule is expected to have no fiscal impact.

N.D. Admin. Code article 45-09 – Surplus Lines. This rule is expected to have no fiscal impact.

N.D. Admin. Code article 45-13– Lines of Insurance. This rule is expected to have no fiscal impact.

N.D. Admin. Code article 45-16 – Life Settlements. This rule is expected to have no fiscal impact.

N.D. Admin. Code article 45-18 – Fire Marshal. This rule is expected to have no fiscal impact.

N.D. Admin. Code article 73-02 Securities Act of 1951 – This rule is expected to have no fiscal impact.

C. Probable Costs to the Agency of Implementation and Enforcement of the Proposed Rules and Any Anticipated Effect on State Revenues

N.D. Admin. Code ch. 45-01-01-01 – Organization of Insurance Department. The probable cost to the agency of implementation and enforcement of this rule is expected to have no impact on the Department’s operations or expenditures. There will be no effect on state revenues from the proposed rule.

N.D. Admin. Code ch. 45-02-02 – Licensing of Insurance Producers, Surplus Lines Insurance Producers, and Consultants - The probable cost to the agency of implementation and enforcement of this rule is expected to have no impact on the Department’s operations or expenditures. There will be no effect on state revenues from the proposed rule.

N.D. Admin. Code ch 45-02-03 – Licensing of Administrators – The probable cost to the agency of implementation and enforcement of this rule is expected to have no impact on the Department’s operations or expenditures. There will be no effect on state revenues from the proposed rule.

N.D. Admin. Code ch 45-02-04 Continuing Education. The probable cost to the agency of implementation and enforcement of this rule is expected to have no impact on the Department’s operations or expenditures. There will be no effect on state revenues from the proposed rule.

N.D. Admin. Code ch 45-03-05 – Insurance Holding Company System Model Regulation with Reporting Forms and Instructions. The probable cost to the agency of implementation and enforcement of this rule is expected to have no impact on the Department’s operations or expenditures. There will be no effect on state revenues from the proposed rule.

N.D. Admin. Code ch 45-03-20-12 – Annual Financial Reporting Model Regulation – The probable cost to the agency of implementation and enforcement of this rule is expected to have no impact on the Department’s operations or expenditures. There will be no effect on state revenues from the proposed rule.

N.D. Admin. Code article 45-09 – Surplus Lines. The probable cost to the agency of implementation and enforcement of this rule is expected to have no impact on the Department’s operations or expenditures. There will be no effect on state revenues from the proposed rule.

N.D. Admin. Code article 45-13– Lines of Insurance. The probable cost to the agency of implementation and enforcement of this rule is expected to have no impact on the Department’s operations or expenditures. There will be no effect on state revenues from the proposed rule.

N.D. Admin. Code article 45-16 – Life Settlements. The probable cost to the agency of implementation and enforcement of this rule is expected to have no impact on the Department’s operations or expenditures. There will be no effect on state revenues from the proposed rule.

N.D. Admin. Code article 45-18 – Fire Marshal. The probable cost to the agency of implementation and enforcement of this rule is expected to have no impact on the Department’s operations or expenditures. There will be no effect on state revenues from the proposed rule.

N.D. Admin. Code article 73-02 Securities Act of 1951 – The probable cost to the agency of implementation and enforcement of this rule is expected to have no impact on the Department’s operations or expenditures. There will be no effect on state revenues from the proposed rule.

D. Description of Any Alternative Methods for Achieving the Purpose of the Proposed Rules That Were Seriously Considered by the Agency and the Reasons Why the Methods Were Rejected in Favor of the Proposed Rules

N.D. Admin. Code ch. 45-01-01-01 – Organization of Insurance Department. The Department considered whether there are any less intrusive or less costly alternative methods of achieving the purpose of the proposed rule. The Department did not identify any alternative methods of achieving the purpose of the proposed rule that would have been equally effective.

N.D. Admin. Code ch. 45-02-02 – Licensing of Insurance Producers, Surplus Lines Insurance Producers, and Consultants - The Department considered whether there are any less intrusive or less costly alternative methods of achieving the purpose of the proposed rule. The Department did not identify any alternative methods of achieving the purpose of the proposed rule that would have been equally effective.

N.D. Admin. Code ch 45-02-03 – Licensing of Administrators – The Department considered whether there are any less intrusive or less costly alternative methods of achieving the purpose of the proposed rule. The Department did not identify any alternative methods of achieving the purpose of the proposed rule that would have been equally effective.

N.D. Admin. Code ch 45-02-04 Continuing Education. The Department considered whether there are any less intrusive or less costly alternative methods of achieving the purpose of the proposed rule. The Department did not identify any alternative methods of achieving the purpose of the proposed rule that would have been equally effective.

N.D. Admin. Code ch 45-03-05 – Insurance Holding Company System Model Regulation with Reporting Forms and Instructions. The Department considered whether there are any less intrusive or less costly alternative methods of achieving the purpose of the proposed rule. The Department did not identify any alternative methods of achieving the purpose of the proposed rule that would have been equally effective.

N.D. Admin. Code ch 45-03-20-12 – Annual Financial Reporting Model Regulation – The Department considered whether there are any less intrusive or less costly alternative methods of achieving the purpose of the proposed rule. The Department did not identify any alternative methods of achieving the purpose of the proposed rule that would have been equally effective.

N.D. Admin. Code article 45-09 – Surplus Lines. The Department considered whether there are any less intrusive or less costly alternative methods of achieving the purpose of the proposed rule. The Department did not identify any alternative methods of achieving the purpose of the proposed rule that would have been equally effective.

N.D. Admin. Code article 45-13– Lines of Insurance. The Department considered whether there are any less intrusive or less costly alternative methods of achieving the purpose of the proposed rule. The Department did not identify any alternative methods of achieving the purpose of the proposed rule that would have been equally effective.

N.D. Admin. Code article 45-16 – Life Settlements. The Department considered whether there are any less intrusive or less costly alternative methods of achieving the purpose of the proposed rule. The Department did not identify any alternative methods of achieving the purpose of the proposed rule that would have been equally effective.

N.D. Admin. Code article 45-18 – Fire Marshal. The Department considered whether there are any less intrusive or less costly alternative methods of achieving the purpose of the proposed rule. The Department did not identify any alternative methods of achieving the purpose of the proposed rule that would have been equally effective.

N.D. Admin. Code article 73-02 Securities Act of 1951 – The Department considered whether there are any less intrusive or less costly alternative methods of achieving the purpose of the proposed rule. The Department did not identify any alternative methods of achieving the purpose of the proposed rule that would have been equally effective.

II. SMALL ENTITY ANALYSES

N.D.C.C. § 28-32-08.1 requires that an agency prepare a regulatory analysis and an economic impact statement of the impact of the rule changes on a small entity. "Small entity" is defined by state law to include small businesses, small organizations, and small political subdivisions. Id. "Small business" is defined to mean a business entity, including its affiliates, which is independently owned and operated and employs fewer than 25 full-time employees; or has gross annual sales of less than \$2,500,000. Id. "Small organization" means any not-for-profit enterprise that is independently owned and operated and is not dominant in its field. Id. "Small political subdivision" means a political subdivision with a population of less than 5,000. Id.

A. Small Entity Economic Impact Statement

1. Small entities subject to the proposed rule

N.D. Admin. Code ch. 45-01-01-01 – Organization of Insurance Department. The small entities that may be subject to this proposed rule are any investment industry firm who does security business in North Dakota and are defined as small entities.

N.D. Admin. Code ch. 45-02-02 – Licensing of Insurance Producers, Surplus Lines Insurance Producers, and Consultants - The small entities that may be subject to this proposed rule are any company who does insurance business in North Dakota and are defined as small entities.

N.D. Admin. Code ch 45-02-03 – Licensing of Administrators – The small entities that may be subject to this proposed rule are any company who does insurance business in North Dakota and are defined as small entities.

N.D. Admin. Code ch 45-02-04 Continuing Education. The Department considered whether there are any less intrusive or less costly alternative methods of achieving the purpose of the proposed rule. The Department did not identify any alternative methods of achieving the purpose of the proposed rule that would have been equally effective.

N.D. Admin. Code ch 45-03-05 – Insurance Holding Company System Model Regulation with Reporting Forms and Instructions. The small entities that may be subject to this proposed rule are any company who does insurance business in North Dakota and are defined as small entities.

N.D. Admin. Code ch 45-03-20-12 – Annual Financial Reporting Model Regulation – The small entities that may be subject to this proposed rule are any company who does insurance business in North Dakota and are defined as small entities.

N.D. Admin. Code article 45-09 – Surplus Lines. The small entities that may be subject to this proposed rule are any company who does insurance business in North Dakota and are defined as small entities.

N.D. Admin. Code article 45-13– Lines of Insurance. No small entities are expected to be subject to this proposed rule.

N.D. Admin. Code article 45-16 – Life Settlements. The small entities that may be subject to this proposed rule are any company who does insurance business in North Dakota and are defined as small entities.

N.D. Admin. Code article 45-18 – Fire Marshal. The entities that are subject to this proposed rule are any fire marshals or those using the fire code to construct or maintain buildings also defined as small entities.

N.D. Admin. Code article 73-02 Securities Act of 1951 – The small entities that may be subject to this proposed rule are any investment industry firm who does security business in North Dakota and are defined as small entities.

2. Administrative and other costs required for compliance with the proposed rule

N.D. Admin. Code ch. 45-01-01-01 – Organization of Insurance Department. The administrative and other costs required for compliance with the proposed rule are expected to be nonexistent.

N.D. Admin. Code ch. 45-02-02 – Licensing of Insurance Producers, Surplus Lines Insurance Producers, and Consultants - The administrative and other costs required for compliance with the proposed rule are expected to be nonexistent.

N.D. Admin. Code ch 45-02-03 – Licensing of Administrators – The administrative and other costs required for compliance with the proposed rule are expected to be nonexistent.

N.D. Admin. Code ch 45-02-04 Continuing Education. The administrative and other costs required for compliance with the proposed rule are expected to be nonexistent.

N.D. Admin. Code ch 45-03-05 – Insurance Holding Company System Model Regulation with Reporting Forms and Instructions. The administrative and other costs required for compliance with the proposed rule are expected to be nonexistent.

N.D. Admin. Code ch 45-03-20-12 – Annual Financial Reporting Model Regulation – The administrative and other costs required for compliance with the proposed rule are expected to be nonexistent.

N.D. Admin. Code article 45-09 – Surplus Lines. The administrative and other costs required for compliance with the proposed rule are expected to be nonexistent.

N.D. Admin. Code article 45-13– Lines of Insurance. The administrative and other costs required for compliance with the proposed rule are expected to be nonexistent.

N.D. Admin. Code article 45-16 – Life Settlements. The administrative and other costs required for compliance with the proposed rule are expected to be nonexistent.

N.D. Admin. Code article 45-18 – Fire Marshal. The administrative and other costs required for compliance with the proposed rule are expected to be nonexistent.

N.D. Admin. Code article 73-02 Securities Act of 1951 – The administrative and other costs required for compliance with the proposed rule are expected to be nonexistent.

3. Probable cost and benefit to private persons and consumers who are affected by the proposed rules

N.D. Admin. Code ch. 45-01-01-01 – Organization of Insurance Department. Any cost to private persons and consumers would be indirect and not measurable.

N.D. Admin. Code ch. 45-02-02 – Licensing of Insurance Producers, Surplus Lines Insurance Producers, and Consultants - Any cost to private persons and consumers would be indirect and not measurable.

N.D. Admin. Code ch 45-02-03 – Licensing of Administrators – Any cost to private persons and consumers would be indirect and not measurable.

N.D. Admin. Code ch 45-02-04 Continuing Education. Any cost to private persons and consumers would be indirect and not measurable.

N.D. Admin. Code ch 45-03-05 – Insurance Holding Company System Model Regulation with Reporting Forms and Instructions. Any cost to private persons and consumers would be indirect and not measurable.

N.D. Admin. Code ch 45-03-20-12 – Annual Financial Reporting Model Regulation – Any cost to private persons and consumers would be indirect and not measurable.

N.D. Admin. Code article 45-09 – Surplus Lines. Any cost to private persons and consumers would be indirect and not measurable.

N.D. Admin. Code article 45-13– Lines of Insurance. Any cost to private persons and consumers would be indirect and not measurable.

N.D. Admin. Code article 45-16 – Life Settlements. Any cost to private persons and consumers would be indirect and not measurable.

N.D. Admin. Code article 45-18 – Fire Marshal. Any cost to private persons and consumers would be indirect and not measurable.

N.D. Admin. Code article 73-02 Securities Act of 1951 – Any cost to private persons and consumers would be indirect and not measurable.

4. Probable effect of the proposed rule on state revenues

N.D. Admin. Code ch. 45-01-01-01 – Organization of Insurance Department. The probable effect on state revenues is expected to be nonexistent.

N.D. Admin. Code ch. 45-02-02 – Licensing of Insurance Producers, Surplus Lines Insurance Producers, and Consultants - The probable effect on state revenues is expected to be nonexistent.

N.D. Admin. Code ch 45-02-03 – Licensing of Administrators – The probable effect on state revenues is expected to be nonexistent.

N.D. Admin. Code ch 45-02-04 Continuing Education. The probable effect on state revenues is expected to be nonexistent.

N.D. Admin. Code ch 45-03-05 – Insurance Holding Company System Model Regulation with Reporting Forms and Instructions. The probable effect on state revenues is expected to be nonexistent.

N.D. Admin. Code ch 45-03-20-12 – Annual Financial Reporting Model Regulation – The probable effect on state revenues is expected to be nonexistent.

N.D. Admin. Code article 45-09 – Surplus Lines. The probable effect on state revenues is expected to be nonexistent.

N.D. Admin. Code article 45-13– Lines of Insurance. The probable effect on state revenues is expected to be nonexistent.

N.D. Admin. Code article 45-16 – Life Settlements. The probable effect on state revenues is expected to be nonexistent.

N.D. Admin. Code article 45-18 – Fire Marshal. The probable effect on state revenues is expected to be nonexistent.

N.D. Admin. Code article 73-02 Securities Act of 1951 – The probable effect on state revenues is expected to be nonexistent.

5. Any less intrusive or less costly alternative methods of achieving the purpose of the proposed rule

N.D. Admin. Code ch. 45-01-01-01 – Organization of Insurance Department. The Commissioner considered whether there are any less intrusive or less costly alternative methods of achieving the purpose of the proposed rule and no less intrusive or less costly alternative methods were identified.

N.D. Admin. Code ch. 45-02-02 – Licensing of Insurance Producers, Surplus Lines Insurance Producers, and Consultants - The Commissioner considered whether there are any less intrusive or less costly alternative methods of achieving the purpose of the proposed rule and no less intrusive or less costly alternative methods were identified.

N.D. Admin. Code ch 45-02-03 – Licensing of Administrators – The Commissioner considered whether there are any less intrusive or less costly alternative methods of achieving the purpose of the proposed rule and no less intrusive or less costly alternative methods were identified.

N.D. Admin. Code ch 45-02-04 Continuing Education. The Commissioner considered whether there are any less intrusive or less costly alternative methods of achieving the purpose of the proposed rule and no less intrusive or less costly alternative methods were identified.

N.D. Admin. Code ch 45-03-05 – Insurance Holding Company System Model Regulation with Reporting Forms and Instructions. The Commissioner considered whether there are any less intrusive or less costly alternative methods of achieving the purpose of the proposed rule and no less intrusive or less costly alternative methods were identified.

N.D. Admin. Code ch 45-03-20-12 – Annual Financial Reporting Model Regulation – The Commissioner considered whether there are any less intrusive or less costly alternative methods of achieving the purpose of the proposed rule and no less intrusive or less costly alternative methods were identified.

N.D. Admin. Code article 45-09 – Surplus Lines. The Commissioner considered whether there are any less intrusive or less costly alternative methods of achieving the purpose of the proposed rule and no less intrusive or less costly alternative methods were identified.

N.D. Admin. Code article 45-13– Lines of Insurance. The Commissioner considered whether there are any less intrusive or less costly alternative methods of achieving the purpose of the proposed rule and no less intrusive or less costly alternative methods were identified.

N.D. Admin. Code article 45-16 – Life Settlements. The Commissioner considered whether there are any less intrusive or less costly alternative methods of achieving the purpose of the proposed rule and no less intrusive or less costly alternative methods were identified.

N.D. Admin. Code article 45-18 – Fire Marshal. The Commissioner considered whether there are any less intrusive or less costly alternative methods of achieving the purpose of the proposed rule and no less intrusive or less costly alternative methods were identified.

N.D. Admin. Code article 73-02 Securities Act of 1951 – The Commissioner considered whether there are any less intrusive or less costly alternative methods of achieving the purpose of the proposed rule and no less intrusive or less costly alternative methods were identified.

B. Small Entity Regulatory Analysis

1. Establishment of less stringent compliance or reporting requirements for small entities

N.D. Admin. Code ch. 45-01-01-01 – Organization of Insurance Department. The proposed amendments to the rule for the article do not contain compliance or reporting requirements.

N.D. Admin. Code ch. 45-02-02 – Licensing of Insurance Producers, Surplus Lines Insurance Producers, and Consultants - Less stringent compliance reporting requirements for small entities were considered and found not appropriate. The Department has an interest in maintaining the most up to date reporting and compliance standards.

N.D. Admin. Code ch 45-02-03 – Licensing of Administrators – Less stringent compliance reporting requirements for small entities were considered and found not appropriate. The Department has an interest in maintaining the most up to date reporting and compliance standards.

N.D. Admin. Code ch 45-02-04 Continuing Education. The proposed amendments to the rule for the article do not contain compliance or reporting requirements.

N.D. Admin. Code ch 45-03-05 – Insurance Holding Company System Model Regulation with Reporting Forms and Instructions. Less stringent compliance reporting requirements for small entities were considered and found not appropriate. The Department has an interest in maintaining the most up to date reporting and compliance standards.

N.D. Admin. Code ch 45-03-20-12 – Annual Financial Reporting Model Regulation – Less stringent compliance reporting requirements for small entities were considered and found not appropriate. The Department has an interest in maintaining the most up to date reporting and compliance standards.

N.D. Admin. Code article 45-09 – Surplus Lines. The proposed amendments to the rule for the article do not contain compliance or reporting requirements.

N.D. Admin. Code article 45-13– Lines of Insurance. The proposed amendments to the rule for the article do not contain compliance or reporting requirements.

N.D. Admin. Code article 45-16 – Life Settlements. The proposed amendments to the rule for the article do not contain compliance or reporting requirements.

N.D. Admin. Code article 45-18 – Fire Marshal. The proposed amendments to the rule for the article do not contain compliance or reporting requirements.

N.D. Admin. Code article 73-02 Securities Act of 1951 – The proposed amendments to the rule for the article do not contain compliance or reporting requirements.

2. Establishment of less stringent schedules or deadlines for compliance or reporting requirements for small entities

N.D. Admin. Code ch. 45-01-01-01 – Organization of Insurance Department. The proposed rule does not impact schedules or deadlines for compliance or reporting requirements for small entities.

N.D. Admin. Code ch. 45-02-02 – Licensing of Insurance Producers, Surplus Lines Insurance Producers, and Consultants - The proposed rule does not impact schedules or deadlines for compliance or reporting requirements for small entities.

N.D. Admin. Code ch 45-02-03 – Licensing of Administrators – The proposed rule does not impact schedules or deadlines for compliance or reporting requirements for small entities.

N.D. Admin. Code ch 45-02-04 Continuing Education. The proposed rule does not impact schedules or deadlines for compliance or reporting requirements for small entities.

N.D. Admin. Code ch 45-03-05 – Insurance Holding Company System Model Regulation with Reporting Forms and Instructions. The proposed rule does not impact schedules or deadlines for compliance or reporting requirements for small entities.

N.D. Admin. Code ch 45-03-20-12 – Annual Financial Reporting Model Regulation The proposed rule does not impact schedules or deadlines for compliance or reporting requirements for small entities.

N.D. Admin. Code article 45-09 – Surplus Lines. The proposed rule does not impact schedules or deadlines for compliance or reporting requirements for small entities.

N.D. Admin. Code article 45-13– Lines of Insurance. The proposed rule does not impact schedules or deadlines for compliance or reporting requirements for small entities.

N.D. Admin. Code article 45-16 – Life Settlements. The proposed rule does not impact schedules or deadlines for compliance or reporting requirements for small entities.

N.D. Admin. Code article 45-18 – Fire Marshal. The proposed rule does not impact schedules or deadlines for compliance or reporting requirements for small entities.

N.D. Admin. Code article 73-02 Securities Act of 1951 – The proposed rule does not impact schedules or deadlines for compliance or reporting requirements for small entities.

3. Consolidation or simplification of compliance or reporting requirements for small entities

N.D. Admin. Code ch. 45-01-01-01 – Organization of Insurance Department. The proposed rule does not consolidate and simplify the reporting requirements for small entities.

N.D. Admin. Code ch. 45-02-02 – Licensing of Insurance Producers, Surplus Lines Insurance Producers, and Consultants - The proposed rule does not consolidate and simplify the reporting requirements for small entities.

N.D. Admin. Code ch 45-02-03 – Licensing of Administrators – The proposed rule does not consolidate and simplify the reporting requirements for small entities.

N.D. Admin. Code ch 45-02-04 Continuing Education. The proposed rule does not impact schedules or deadlines for compliance or reporting requirements for small entities.

N.D. Admin. Code ch 45-03-05 – Insurance Holding Company System Model Regulation with Reporting Forms and Instructions. The proposed rule does not consolidate and simplify the reporting requirements for small entities.

N.D. Admin. Code ch 45-03-20-12 – Annual Financial Reporting Model Regulation. The proposed rule does not consolidate and simplify the reporting requirements for small entities.

N.D. Admin. Code article 45-09 – Surplus Lines. The proposed rule does not consolidate and simplify the reporting requirements for small entities.

N.D. Admin. Code article 45-13– Lines of Insurance. The proposed rule does not consolidate and simplify the reporting requirements for small entities.

N.D. Admin. Code article 45-16 – Life Settlements. The proposed rule does not consolidate and simplify the reporting requirements for small entities.

N.D. Admin. Code article 45-18 – Fire Marshal. The proposed rule does not consolidate and simplify the reporting requirements for small entities.

N.D. Admin. Code article 73-02 Securities Act of 1951 – The proposed rule does not consolidate and simplify the reporting requirements for small entities.

4. Establishment of performance standards for small entities to replace design or operational standards required in the proposed rule

N.D. Admin. Code ch. 45-01-01-01 – Organization of Insurance Department. Small entities were not given different operational standards to comply with than large entities. No design standards are presented in the proposed rule.

N.D. Admin. Code ch. 45-02-02 – Licensing of Insurance Producers, Surplus Lines Insurance Producers, and Consultants - Small entities were not given different operational standards to comply with than large entities. No design standards are presented in the proposed rule.

N.D. Admin. Code ch 45-02-03 – Licensing of Administrators – Small entities were not given different operational standards to comply with than large entities. No design standards are presented in the proposed rule.

N.D. Admin. Code ch 45-02-04 Continuing Education. Small entities were not given different operational standards to comply with than large entities. No design standards are presented in the proposed rule.

N.D. Admin. Code ch 45-03-05 – Insurance Holding Company System Model Regulation with Reporting Forms and Instructions. Small entities were not given different operational standards to comply with than large entities. No design standards are presented in the proposed rule.

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N.D. Admin. Code article 45-09 – Surplus Lines. Small entities were not given different operational standards to comply with than large entities. No design standards are presented in the proposed rule.

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N.D. Admin. Code article 45-16 – Life Settlements. Small entities were not given different operational standards to comply with than large entities. No design standards are presented in the proposed rule.

N.D. Admin. Code article 45-18 – Fire Marshal. Small entities were not given different operational standards to comply with than large entities. No design standards are presented in the proposed rule.

N.D. Admin. Code article 73-02 Securities Act of 1951 – Small entities were not given different operational standards to comply with than large entities. No design standards are presented in the proposed rule.

5. Exemption of small entities from all or any part of the requirements contained in the proposed rule

N.D. Admin. Code ch. 45-01-01-01 – Organization of Insurance Department. Small entities were not given different standards to comply with than large entities.

N.D. Admin. Code ch. 45-02-02 – Licensing of Insurance Producers, Surplus Lines Insurance Producers, and Consultants - Small entities were not given different standards to comply with than large entities.

N.D. Admin. Code ch 45-02-03 – Licensing of Administrators – Small entities were not given different standards to comply with than large entities.

N.D. Admin. Code ch 45-02-04 Continuing Education. Small entities were not given different standards to comply with than large entities.

N.D. Admin. Code ch 45-03-05 – Insurance Holding Company System Model Regulation with Reporting Forms and Instructions. Small entities were not given different standards to comply with than large entities.

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N.D. Admin. Code article 45-16 – Life Settlements. Small entities were not given different standards to comply with than large entities.

N.D. Admin. Code article 45-18 – Fire Marshal. Small entities were not given different operational standards to comply with than large entities.

N.D. Admin. Code article 73-02 Securities Act of 1951 – Small entities were not given different standards to comply with than large entities.

DATED this 13 day of February, 2026.

/s/ Jamie L. Struthers

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Special Assistant Attorney General

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