

STATE OF NORTH DAKOTA

BEFORE THE INSURANCE COMMISSIONER

In the Matter of the Promulgation)
Of Proposed Rules Regarding:)
Credit for Reinsurance Model) **NOTICE OF PROPOSED**
Regulation, Term and Universal) **RULEMAKING**
Life Insurance Reserve Financing)
Model Regulation, Defense)
Expenses with the Limit of Liability)
Provisions, Short-Term)
Limited-Duration Insurance)

FULL NOTICE OF INTENT TO AMEND ADMINISTRATIVE RULES AND NOTICE OF PUBLIC HEARING

PLEASE TAKE NOTICE that the North Dakota Insurance Department will hold a public hearing to address the proposed amendments to the following chapters of the North Dakota Administrative Code:

- 45-03-07.1 Credit for Reinsurance Model Regulation
- 45-03-26 Term and Universal Life Insurance Reserve Financing Model Regulation
- 45-05-09 Defense Expenses within the Limit of Liability Provisions
- 45-06-16 Short-Term Limited-Duration Insurance

The hearing will be held at 1:00 pm, central time on September 30, 2021, in the Fort Union room, State Capitol, Bismarck, North Dakota.

The Department proposes amendments to the following administrative rules:

1. N.D. Admin. Code ch. 45-03-07.1 – Credit for Reinsurance Model Regulation

This rule updates the rule to be in line with current law. It also sets up the framework to allow for reciprocal jurisdiction if the insurer fulfills the requirements set by the rule.

2. N.D. Admin. Code ch. 45-03-26 – Term and Universal Life Insurance Reserve Financing Model Regulation.

This rule establishes within North Dakota the uniform, national standards governing reserve financing arrangements pertaining to certain life insurance policies.

3. N.D. Admin. Code ch. 45-05-09 – Defense Expenses within the Limit of Liability Provision.

This rule clarifies that only one signed disclosure form as parts of the application and renewable process is required.

4. N.D. Admin. Code ch. 45-06-16 – Short-Term Limited-Duration Insurance

This rule updates the law implemented to align with recent legislative changes.

These rules are/are not expected to have an impact in excess of \$50,000 on the regulated community.

Any interested person may review the text of the proposed rules at, and written comments concerning the proposed rules may be sent to, the following address: North Dakota Insurance Department, 600 East Boulevard Ave, 5th Floor, Bismarck, ND 58505. The deadline for submission of written comments is October 14, 2021. A copy of the rules and the regulatory analysis may be reviewed on the Department's website at www.insurance.nd.gov or may be requested by telephoning (701) 328-2440.

If you plan to attend the public hearing and will need special facilities or assistance relating to a disability, please contact the North Dakota Insurance Department at the above telephone number or address at least seven days prior to the public hearing.

DATED this 18 day of August, 2021.

/s/ Helene J Herauf
Helene J. Herauf
Legal Counsel
N.D. Insurance Department
600 East Boulevard Avenue, Dept. 401
Bismarck, ND 58505
(701) 328-2440