

**Sixty-ninth Legislative Assembly of North Dakota
In Regular Session Commencing Tuesday, January 7, 2025**

HOUSE BILL NO. 1087
(Industry, Business and Labor Committee)
(At the request of the Insurance Commissioner)

AN ACT to amend and reenact sections 26.1-27-03 and 26.1-27.1-02 of the North Dakota Century Code, relating to licensing for administrators of life and health insurance and pharmacy benefit managers.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 26.1-27-03 of the North Dakota Century Code is amended and reenacted as follows:

26.1-27-03. ~~Certificate of authority~~License required - Penalty.

1. A person, including a person who directly or indirectly underwrites, collects charges or premiums from, or adjusts or settles claims on residents of this state in connection with life, annuity, or health coverage provided by a self-funded plan, may not act as or hold oneself out to be an administrator in this state, for the kinds of business for which the person is acting as an administrator, without a ~~certificate of authority~~license issued by the commissioner. Any person violating this subsection is guilty of a class C felony.
2. All applications must be accompanied by a filing fee of one hundred dollars.
3. The commissioner shall issue a ~~certificate~~license unless the commissioner after due notice and hearing determines that the administrator is not competent, trustworthy, financially responsible, or of good personal and business reputation, or has had a previous application for an insurance license denied for cause within five years.
4. The administrator shall pay an annual renewal fee of fifty dollars to maintain the ~~certificate~~license.
5. After notice and hearing, the commissioner may revoke a ~~certificate~~license or fine the administrator not more than ten thousand dollars, or both, or the commissioner may suspend a ~~certificate~~license, or fine the administrator not more than five thousand dollars, or both, upon finding that either the administrator violated section 26.1-27-05 and subsection 4 of section 26.1-27-06 and also violated subsection 1, 2, or 3 of section 26.1-27-06 or section 26.1-27-07, 26.1-27-08, 26.1-27-10, 26.1-27-11, or 26.1-27-12, or the administrator is not competent, trustworthy, financially responsible, or of good personal and business reputation.

SECTION 2. AMENDMENT. Section 26.1-27.1-02 of the North Dakota Century Code is amended and reenacted as follows:

26.1-27.1-02. Licensing.

A person may not perform or act as a pharmacy benefits manager in this state unless that person holds a ~~certificate of registration~~license as an administrator under chapter 26.1-27.

Rohi Wenz
Speaker of the House

Michelle L. Strieder
President of the Senate

Buell J. Reich
Chief Clerk of the House

Chandra Morgan
Secretary of the Senate

This certifies that the within bill originated in the House of Representatives of the Sixty-ninth Legislative Assembly of North Dakota and is known on the records of that body as House Bill No. 1087.

House Vote: Yeas 92 Nays 1 Absent 1

Senate Vote: Yeas 47 Nays 0 Absent 0

Buell J. Reich
Chief Clerk of the House

Received by the Governor at 11:30A M. on March 13, 2025.

Approved at 1:31P M. on March 14, 2025.

[Signature]
Governor

Filed in this office this 14th day of March, 2025,
at 4:35 o'clock P M.

Michael Bone
Secretary of State