

CHAPTER 18-04
DISTRIBUTION OF INSURANCE TAX TO FIRE DEPARTMENTS

18-04-01. Eligibility for participation in fund created from premium tax on fire insurance companies.

To become eligible for the benefits provided under this chapter, a city, or one or more townships or fire districts, shall maintain therein for a period of at least eight months before the filing of the certificate required under section 18-04-02 an organized fire district or department which:

1. Has been in actual existence for the period specified in this section;
2. Meets the minimum requirements for class 9 protection or better; and
3. Has been in compliance with the requirements to report fires as set forth in section 18-01-06.

Change in a fire department's name, or incorporation into a fire district, must be deemed a waiver of the eight-month waiting period for filing a certificate of existence under section 18-04-02.

18-04-02. City auditor or secretary of rural fire department to file certificate with state fire marshal and insurance commissioner - Report to budget section.

1. On or before the thirty-first day of October in each year, the auditor or secretary of any city or rural fire department that has an organized fire department shall file with the state fire marshal and with the insurance commissioner the auditor's or secretary's certificate stating the existence of the fire department, the date of its organization, the number of fire engines, hook and ladder trucks, and the system of water supply in use by the department, with such other facts as the state fire marshal or commissioner may require.
2. A certified city fire department, certified rural fire department, or certified fire protection district receiving funds under section 18-04-05 shall file an annual report with the state fire marshal detailing the expenditure of the funds and its committed and uncommitted reserve balances. The report must identify the purpose of any committed reserve balance and the anticipated time period for spending the committed reserves. The state fire marshal shall present a biennial report to the budget section of the legislative management summarizing the expenditures by certified city fire departments, certified rural fire departments, and certified fire protection districts of funds received under section 18-04-05 and the information on committed and uncommitted reserve fund balances of these entities.

18-04-03. Failure to file certificate deemed waiver - Exception.

If the certificate required by section 18-04-02 is not filed with the office of management and budget and insurance commissioner on or before the thirty-first day of October, the city or rural fire department failing to file the same must be deemed to have waived and relinquished its right for such year to the benefits of this chapter. If, however, the city or rural fire department has filed its certificate for three successive years and has drawn money thereunder for such time, the certificate may be filed at any time up to and including March first of the succeeding year without waiving the right to the benefits provided in this chapter.

18-04-04. Insurance companies to report fire, allied lines, homeowner's multiple peril, farmowner's multiple peril, and commercial multiple peril insurance premium collections - Form furnished by insurance commissioner.

The insurance commissioner, when the commissioner forwards to an insurance company which is issuing policies for fire, allied lines, homeowner's multiple peril, farmowner's multiple peril, and commercial multiple peril insurance in this state the form to be used in submitting its annual statement, shall forward a form containing the names of all cities and all rural fire protection districts or rural fire departments entitled to benefits under the provisions of this chapter. Every insurance company issuing policies for fire, allied lines, homeowner's multiple

peril, farmowner's multiple peril, and commercial multiple peril insurance within this state shall complete such form by showing thereon the amount of all premiums received by it upon such policies issued on property within the corporate limits of each city shown on such form and on property within the boundaries of each rural fire protection district shown on such form or property within the boundaries of each rural fire department as certified by the state fire marshal during the year ending on the preceding thirty-first day of December and shall file the same as a part of its annual statement.

18-04-04.1. Insurance tax distribution fund.

The insurance tax distribution fund is a special fund in the state treasury. The portion of revenue provided in section 26.1-03-17 must be deposited in the fund for disbursement as provided in this chapter and chapter 23-46, subject to legislative appropriation.

18-04-05. Amount due cities, rural fire protection districts, or rural fire departments - Transfer to firefighters death benefit fund - Disbursement to North Dakota firefighter's association - Payments by insurance commissioner.

1. The insurance commissioner shall disburse funds in the insurance tax distribution fund as provided under this section.
2. The insurance commissioner shall transfer an amount of up to fifty thousand dollars per biennium, as may be necessary, to the firefighters death benefit fund for distribution under chapter 18-05.1.
3. The insurance commissioner shall disburse funds to the North Dakota firefighter's association for uses authorized under chapter 18-03, subject to legislative appropriations.
4. The insurance commissioner shall compute the amounts due to the certified city fire departments, certified rural fire departments, or certified fire protection districts entitled to benefits under this chapter on or before December first of each year. The insurance commissioner shall allocate one-half of the biennial legislative appropriation which must be based on an amount equal to one hundred percent of the total premium tax collected for fire, allied lines, homeowner's multiple peril, farmowner's multiple peril, commercial multiple peril, and crop hail insurance, less the amount transferred to the firefighters death benefit fund and the amount distributed to the North Dakota firefighter's association for distribution under this subsection, to each eligible city not within a certified fire protection district, each certified rural fire protection district organized under this title, and each rural fire department certified by the state fire marshal, and pay the amount allocated in December of each year. The allocation must be made in proportion to the amount of insurance company premiums received by insurance companies pursuant to section 26.1-03-17 for policies for fire, allied lines, homeowner's multiple peril, farmowner's multiple peril, commercial multiple peril, and crop hail insurance on property within the city, certified rural fire protection district, or area served by the certified rural fire department to the total of those premiums for those policies in the state.

18-04-06. Office of management and budget to issue warrants on state treasurer for benefits.

Repealed by S.L. 1971, ch. 230, § 3.

18-04-07. Disbursement of fund by city auditor.

Moneys received by the city auditor under the provisions of this chapter must be disbursed as follows:

1. In a city having a paid fire department, the money must be placed in a fund to be disbursed by the governing body of the municipality in maintaining the fire department. If the municipality has a duly organized and incorporated firefighters relief association, the money must be disbursed in accordance with section 18-05-04.

2. In a city or rural fire protection district having no paid fire department, the money must be paid over to the treasurer of the fire department, or to the treasurer of each separately organized fire company that satisfies the requirements of section 18-04-01 in equal proportions when there is more than one in the municipality or rural fire protection district, upon the written order of the department or companies approved by the governing body of the municipality or rural fire protection district. If the municipality or rural fire protection district has a duly organized and incorporated firefighters relief association, the amount must be disbursed in accordance with section 18-05-04.
3. For the purpose of this section, a nonpaid or volunteer fire department is any department in which less than fifty percent of the personnel of the department are full-time regularly salaried firefighters. A volunteer firefighter is a firefighter who does not receive a regular monthly salary though the firefighter may receive compensation for each fire call the firefighter responds to.

18-04-08. Notification of municipalities entitled to benefits.

Repealed by S.L. 2011, ch. 159, § 1.