



# North Dakota Insurance Department

Safeguarding Promises. Fostering Fairness.  
Jon Godfread, Commissioner



## Background

When North Dakotans call 9-1-1 because of a fire, it's expected that a team from their local fire department will swiftly tend to the flames and secure the property as much as possible. Ensuring North Dakota's fire departments are prepared and equipped for when the call comes in, should be a priority.

The North Dakota Fire Marshal's office is tasked with reducing the risk of fires in a variety of buildings and environments. Additionally, the Fire Marshal and staff investigate cases of arson, which oftentimes is driven by insurance payouts. This work, similar to insurance, is to protect and support individuals when the unexpected happens.

The Department administers the Insurance Tax Distribution Fund which provides millions of dollars in funding to fire departments across the state. This money is used for more training, equipment and more, which can lower property insurance premiums and ISO ratings.

To create a more efficient state government and improved safety for North Dakotans, the Fire Marshal's office would be best served within the Insurance Department.

Primary shared roles of the Insurance Department & Fire Marshal are to mitigate risks and prepare for the unexpected. This move would provide greater efficiency to better serve and respond to North Dakota communities, large and small.

### Joel Boespflug Bismarck Fire Chief

"The closer partnership of agencies involved in the coordination of fire training, fire investigations and fire prevention can create synergies to help communities improve their Insurance Services Office (ISO) Community Fire Protection Rating."

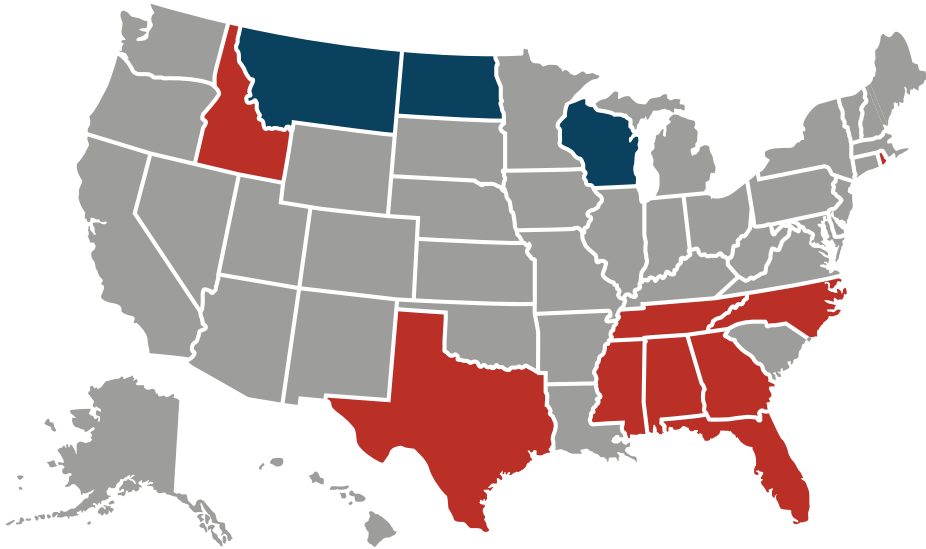
### Rob Knuth NDFCA Training Director

"The North Dakota Firefighter's Association supports the initiative to unite with the ND State Fire Marshal's office under the ND Insurance Department. The State Fire Marshal provides departments fire prevention, inspection, and investigative services while the ND Firefighter's Association provides training and certifications. Both entities' goal is to improve the capabilities and readiness of the fire departments in the state."

### Ken Wangen NDFCA President & Carrington Fire Chief

"It makes too much sense. We've been looking for this in a long time. From a fire department's standpoint, fire departments are tasked with life and property, in that order. The way we achieve that is through education. From a volunteer standpoint, it costs money. Equipment costs have done nothing but go up. Getting ongoing appropriations of premium tax is extremely helpful. Funding the NDFCA is a premier priority."

## Where are Fire Marshals located?



- Within the state's insurance department
- Within the state's Attorney General's office
- Other or stand-alone agency

## North Dakota Firefighter's Association

The NDFA is an organization comprised of hundreds of local firefighters from across the state. Its mission is to promote the safety and welfare of the NDFA members through uniform and established training standards.

Through restructuring, the NDFA will report to the North Dakota Fire Marshal. Further, the NDFA will receive a flat appropriated rate from the Insurance Regulatory Trust Fund, or be specially funded. Currently, funds are received from the Insurance Tax Distribution Fund. More funds will be distributed to fire districts more equitably.

Cities both big and small will be able to utilize funds to better enhance their services and protections for our local communities.

## Budget & Finances

**\$7.43 million.**

Estimated contribution to the General Fund from the Insurance Tax Distribution Fund.

**\$4 million**

Fire Marshal's budget for 2023-2025 biennium.

**To be determined**

Appropriated to the North Dakota Firefighters' Association during the 2023-2025 biennium.

**\$12.53 million**

Projected turnback following the 2023-2025 biennium from the Insurance Regulatory Trust Fund

## Fire Safety & Insurance

- » Greater communication and efficiency between the Fire Marshal and Fraud Investigation Division. Insurance fraud is a leading motivator for fire-related crimes.
- » The work of the Fire Marshal and NDFA impact the Public Performance Classification through the Insurance Services Office, which can lower premium rates across the state.
- » A role of the Fire Marshal is to educate communities, mitigate risks and prepare for the unexpected, very similar to the Insurance Department. The Fire Marshal and Insurance Department can compliment each other.