

**OPINION**  
**49-94**

March 31, 1949 (OPINION)

INSURANCE

RE: Reciprocity Between States

On March 29 you asked me to give an opinion in answer to a telegram sent to you by an attorney, W. W. Heath of Austin, Texas.

The telegram presents the following question: Under the North Dakota retaliatory law does the insurance department of the state of North Dakota require Texas companies doing business in the state of North Dakota to invest seventy-five percent of their reserves in the state of North Dakota in similar securities as is required by Texas law as a prerequisite to doing business in North Dakota?

Section 26-0105 of the North Dakota Revised Code of 1943 provides: "Whenever the laws of any other state of the United States of America, \*\*\* shall require of any insurance company, \*\*\* organized under the laws of this state, \*\*\*acts other than and exceeding those required by the laws of this state of a like insurance company, \*\*\* while transacting business in this state, then and in every such case, an insurance company, \*\*\* which establishes an agency or transacts business in this state, shall be required to \*\*\* do all other acts which such other state \*\*\* by the laws of the regulations of the insurance department thereof, requires of a like insurance company, \*\*\* organized under the laws of this state when doing business in such other state, \*\*\*."

This section in simple terms and relative to the question involved briefly provides that the North Dakota State Insurance Department shall require a foreign Texas insurance company to invest seventy-five percent of its reserves in North Dakota securities provided, however, that similar securities are available in North Dakota. This is possible under our retaliatory charges law because according to the telegram sent from the Texas attorney, North Dakota companies doing business in Texas are required to make such an investment of their reserves in Texas securities.

Therefore, the section above quoted permits the North Dakota Insurance Department to require a similar compliance by a Texas insurance company doing business here in North Dakota.

WALLACE E. WARNER

Attorney General