

Fifty-fifth
Legislative Assembly
of North Dakota

HOUSE BILL NO. 1225

Introduced by

Representatives Nottestad, Galvin, Keiser

Senator Mutch

1 A BILL for an Act to create and enact a new section to chapter 51-07 of the North Dakota
2 Century Code, relating to the paying of an insurance deductible or offering of a rebate by a
3 seller of goods or services; and to provide a penalty.

4 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

5 **SECTION 1.** A new section to chapter 51-07 of the North Dakota Century Code is
6 created and enacted as follows:

7 **Insurance claims for excessive charges - Penalty.**

- 8 1. A person who sells goods or services may not:
- 9 a. Advertise or promise to provide a good or service, paid for by the consumer
- 10 from proceeds of an insurance policy that provides coverage for physical
- 11 damage to automobiles, and to pay all or part of any applicable insurance
- 12 deductible or to pay a rebate in an amount equal to all or part of any
- 13 applicable insurance deductible; and
- 14 b. Knowingly charge an amount for the good or service that exceeds the usual
- 15 and customary charge by that person for the good or service by an amount
- 16 equal to or greater than all or part of the applicable insurance deductible paid
- 17 by that person on behalf of an insured or remitted to an insured by that person
- 18 as a rebate.
- 19 2. A person who is insured under an insurance policy that provides coverage for
- 20 physical damage to automobiles may not submit a claim under the policy based on
- 21 charges that are in violation of subsection 1 or may not knowingly allow a claim in
- 22 violation of subsection 1 to be submitted, unless the person promptly notifies the
- 23 insurer of the excessive charges.
- 24 3. A violation of this section is a class B misdemeanor.