

**Fifty-seventh Legislative Assembly of North Dakota
In Regular Session Commencing Tuesday, January 9, 2001**

HOUSE BILL NO. 1378
(Representatives Severson, Berg, Kasper)

AN ACT to create and enact a new subsection to section 26.1-40-15.6 of the North Dakota Century Code, relating to limitations on automobile insurance; and to amend and reenact sections 26.1-40-16 and 26.1-40-16.1 of the North Dakota Century Code, relating to persons excluded from automobile insurance policies.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new subsection to section 26.1-40-15.6 of the North Dakota Century Code is created and enacted as follows:

While operating a motor vehicle in which the individual is specifically excluded.

SECTION 2. AMENDMENT. Section 26.1-40-16 of the North Dakota Century Code is amended and reenacted as follows:

26.1-40-16. Exclusion of ~~spouse of~~ named insured persons - Restrictive endorsements. ~~No insurer is responsible under~~ By written agreement with the named insured, a private passenger automobile insurance policy covering an automobile or other motor vehicle registered or principally garaged in this state from any liability for any claims resulting from the operation of the motor vehicle by a spouse of the named insured who resides in the same household if an endorsement on the policy excludes that spouse from coverage under the policy and the spouse excluded signs the endorsement. If the named insured expressly or impliedly consents to the operation of a secured motor vehicle by a spouse excluded under the policy, the named insured is not relieved of personal liability as provided by subsection 5 of section 26.1-41-02 may exclude a named individual, individuals, or class of individuals from coverage. The policy may contain a restrictive endorsement reducing the limits of liability, uninsured motorist coverage, underinsured motorist coverage, basic no-fault benefits coverage, or collision coverage while the vehicle is operated by a named individual or class of individuals. However, if the policy does provide liability coverage to a person named in a restrictive endorsement, the coverage may not be less than the minimum provided under section 26.1-40-15.2, section 26.1-40-15.3, subsection 2 of section 26.1-41-01, and section 39-16.1-11. If the policy excludes a named individual, individuals, or class of individuals from all coverage and the named insured expressly or impliedly consents to the operation of a secured motor vehicle by the excluded party, the named insured is not relieved of personal liability as provided by subsection 5 of section 26.1-41-02.

SECTION 3. AMENDMENT. Section 26.1-40-16.1 of the North Dakota Century Code is amended and reenacted as follows:

26.1-40-16.1. Payment of benefits to family members of a policyholder. An automobile insurance policy that provides coverage for bodily injury may not contain any provision limiting payment of benefits or reducing the amount of benefits payable to a person because the person to whom benefits are being paid under that policy is related to the policyholder by blood, marriage, or adoption, or is a foster child, and resides in the same household as the policyholder. However, a relative may be excluded from coverage under section 26.1-40-16.

Speaker of the House

President of the Senate

Chief Clerk of the House

Secretary of the Senate

This certifies that the within bill originated in the House of Representatives of the Fifty-seventh Legislative Assembly of North Dakota and is known on the records of that body as House Bill No. 1378.

House Vote: Yeas 72 Nays 25 Absent 1

Senate Vote: Yeas 48 Nays 0 Absent 1

Chief Clerk of the House

Received by the Governor at _____ M. on _____, 2001.

Approved at _____ M. on _____, 2001.

Governor

Filed in this office this _____ day of _____, 2001,

at _____ o'clock _____ M.

Secretary of State