

**Fifty-eighth Legislative Assembly of North Dakota  
In Regular Session Commencing Tuesday, January 7, 2003**

SENATE BILL NO. 2224  
(Senator Klein)  
(Representative Wald)

AN ACT to amend and reenact sections 26.1-32-01 and 26.1-32-03 of the North Dakota Century Code, relating to liability of the insurer for loss.

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

**SECTION 1. AMENDMENT.** Section 26.1-32-01 of the North Dakota Century Code is amended and reenacted as follows:

**26.1-32-01. Liability of insurer for loss - Proximate and remote cause.** An insurer is liable for a loss proximately caused by a peril insured against even though a peril not contemplated by the insurance contract may have been a remote cause of the loss. An insurer is not liable for a loss of which the peril insured against was only a remote cause. The efficient proximate cause doctrine applies only if separate, distinct, and totally unrelated causes contribute to the loss.

**SECTION 2. AMENDMENT.** Section 26.1-32-03 of the North Dakota Century Code is amended and reenacted as follows:

**26.1-32-03. Insurer not liable for excepted peril.** When a peril is excepted specially in an insurance contract, a loss which would not have occurred but for that peril is excepted although the immediate cause of the loss was a peril which was not excepted. An insurer may contract out of the efficient proximate cause doctrine.

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President of the Senate

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Speaker of the House

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Secretary of the Senate

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Chief Clerk of the House

This certifies that the within bill originated in the Senate of the Fifty-eighth Legislative Assembly of North Dakota and is known on the records of that body as Senate Bill No. 2224.

Senate Vote:      Yeas    27            Nays    18            Absent    2

House Vote:      Yeas    49            Nays    41            Absent    4

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Secretary of the Senate

Received by the Governor at \_\_\_\_\_ M. on \_\_\_\_\_, 2003.

Approved at \_\_\_\_\_ M. on \_\_\_\_\_, 2003.

\_\_\_\_\_  
Governor

Filed in this office this \_\_\_\_\_ day of \_\_\_\_\_, 2003,

at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

\_\_\_\_\_  
Secretary of State