

Fifty-ninth  
Legislative Assembly  
of North Dakota

**SENATE BILL NO. 2096**

Introduced by

Transportation Committee

(At the request of the Insurance Commissioner)

1 A BILL for an Act to amend and reenact section 26.1-40-18 of the North Dakota Century Code,  
2 relating to automobile warranty contracts and requirements relating to contractual liability  
3 insurance for warranty providers.

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

5 **SECTION 1. AMENDMENT.** Section 26.1-40-18 of the North Dakota Century Code is  
6 amended and reenacted as follows:

7 **26.1-40-18. Automobile warranties construed.** An automobile dealer or a third-party  
8 administrator who issues an automobile warranty contract, automobile mechanical breakdown  
9 contract, or automobile service contract shall maintain a policy of insurance which provides  
10 coverage for the dealer's or administrator's contractual obligation. The policy must be a policy  
11 issued by a company that is a member insurer of the North Dakota insurance guaranty  
12 association established under chapter 26.1-42.1.