

Sixty-sixth  
Legislative Assembly  
of North Dakota

**HOUSE BILL NO. 1123**

Introduced by

Representatives Schobinger, Kasper, Lefor, Mitskog

Senators Klein, Krebsbach, Mathern

1 A BILL for an Act to create and enact a new section to chapter 26.1-39 of the North Dakota  
2 Century Code, relating to property and casualty insurance risk rating; and to provide for  
3 application.

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

5 **SECTION 1.** A new section to chapter 26.1-39 of the North Dakota Century Code is created  
6 and enacted as follows:

7 **Fire protection class - Dispute.**

8 1. This section applies to an insurance policy issued or renewed to insure real property in  
9 this state, ~~including structures owned by persons other than the insured,~~ for coverage  
10 for loss caused by or which resulted from any covered cause of loss.

11 2. Within thirty days following quoting, issuing, or renewing of the policy, the insured may  
12 assert a fire protection class ~~of other properties in close proximity to the property in-~~  
13 ~~question~~ which differs from the class identified by the insurer and the insurer shall  
14 implement this class. ~~The insured shall present to the insurer a credible basis for the~~  
15 ~~assertion supported by factual information.~~

16 3. Within ~~sixty~~ninety days following ~~receipt of~~ the assertion by an insured, the insurer  
17 may ~~dispute the class asserted by the insured and, if the insurer and the responsible-~~  
18 ~~rating organization document the basis for a different class through physical-~~  
19 ~~inspection, may implement a different class effective from the date of issuance or~~  
20 ~~renewal~~investigate the assertion and:

21 a. ~~Change the fire protection class, effective from the date of issuance or renewal of~~  
22 ~~all affected policies; or~~

23 b. ~~Document the basis for the original class and implement the original class~~  
24 ~~effective from the date of issuance or renewal.~~

1     4. After making a determination under subsection 3, the insurer shall inform the insured  
2     of the determination.

3     **SECTION 2. APPLICATION.** This Act applies to quoting, issuing, or renewing of insurance  
4     policies on and after the effective date of this Act.