



North Dakota Association for Justice  
"The Trial Layers of North Dakota"  
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[www.ndaj.org](http://www.ndaj.org)

Chairman Dockter and members of the House Political Subdivisions Committee, my name is Jaclyn Hall and I am the Executive Director of the North Dakota Association for Justice. NDAJ is an association for attorneys who practice law in courtrooms all across the state. They come from a variety of backgrounds, working together towards the common goal to protect the civil justice system and the rights for all North Dakotans.

I come before you today to show my support to raise the liability limits for political subdivisions and state agencies represented here in HB1057.

As many of you know, legislation was drafted in the last session to address the low limits currently in statute. Although it did not pass, it opened the door for many of us in this room to discuss the current levels and work towards a solution in the interim. We are thrilled that a bill was drafted to support an increase. It is a good start, but I believe we need to do more to support North Dakotans. I ask you today to not only support a do pass recommendation, but to amend and raise these limits even further to \$500,000 per person and \$2 million per occurrence.

This legislation was last adjusted in the late 1970s. To put that into perspective, the cost of a home in North Dakota was \$43,000. The median cost of a home in 2020 is \$200,000. According to North Dakota Housing Finance's 2020 housing report, on September 1 of 2020, 56% of the homes for sale in the state were over \$300,000. The per person limit when this bill was last adjusted was over 500% more than the value of a person's home. To put that into today's dollars, the per person limit today would be \$1 million dollars. We are asking you to increase the per person limit to half of that value.

According to the American Hospital Association, one night's stay in a hospital in 1979 was \$127. Today, that would equal 5 minutes of your doctor's time at an outpatient clinic. We all know the cost to do business or raise a family is expensive, we ask you to support our citizens by raising the limits to cover their expenses.

If you consider the liability limits of neighboring states, Minnesota has a liability cap of \$500,000 per person and \$1.5 million per incident. Montana increases the per person to \$750,000 with a \$1.5 million per incident cap. South Dakota does not have a cap at all. These states realize that the cost of property and medical expenses have increased and the limits need to reflect these increases.

We know that as you increase these limits, premiums will increase as well. A 5 - 10% premium increase for large communities is not as cost prohibitive as a small, rural city or township. We believe the initial investment is worth the safety of their citizens and their property. In a recent discussion with the North Dakota Insurance Reserve Fund, these political subdivisions have the opportunity to receive rebates for minimal liability claims that will help defray the initial premium increase.

As I close, I urge you to not only approve HB1057, but do so with the increased caps I am requesting. By doing so, these limits align with our neighboring states and support the increased costs to keep all North Dakotans safe.

Thank you for your time and I will take any questions if you have them.

Jaclyn Hall  
Executive Director