

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

HOUSE BILL NO. 1142
(Industry, Business and Labor Committee)
(At the request of the Insurance Commissioner)

AN ACT to create and enact section 26.1-25-04.4 of the North Dakota Century Code, relating to withdrawal of insurance companies; to amend and reenact subsection 1 of section 26.1-30.1-06 and subsection 1 of section 26.1-39-16 of the North Dakota Century Code, relating to nonrenewal of commercial and homeowner's insurance; and to repeal sections 26.1-01-06, 26.1-03-12, 26.1-03-13, 26.1-03-14, and 26.1-03-15 of the North Dakota Century Code, relating to product liability and legal malpractice reports.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. Section 26.1-25-04.4 of the North Dakota Century Code is created and enacted as follows:

26.1-25-04.4. Notice of withdrawal. An insurer must provide the commissioner notice in writing of its plan to cease writing and renewing a property and casualty insurance product before the notification of agents and policyholders. The notice must contain the effective date of the plan, the number of policies affected, and the reason therefor.

SECTION 2. AMENDMENT. Subsection 1 of section 26.1-30.1-06 of the North Dakota Century Code is amended and reenacted as follows:

1. An insurer shall renew the policy, unless at least ~~thirty~~ sixty days prior to the date of expiration provided in the policy, a notice of intention not to renew the policy beyond the agreed expiration date is made to the policyholder. The insurer shall include a statement of the reasons for a nonrenewal with the notice.

SECTION 3. AMENDMENT. Subsection 1 of section 26.1-39-16 of the North Dakota Century Code is amended and reenacted as follows:

1. No insurer may fail to renew a property insurance policy unless a written notice of nonrenewal is mailed or delivered to the named insured, at the last-known address of the named insured, at least ~~thirty~~ forty-five days prior to the expiration date of the policy, except that when the policy provides professional liability coverage for legal and medical services, the nonrenewal notice must be mailed or delivered at least ninety days prior to the policy expiration date. A postal service certificate of mailing to the named insured at the insured's last-known address is conclusive proof of mailing and receipt on the third calendar day after the mailing.

SECTION 4. REPEAL. Sections 26.1-01-06, 26.1-03-12, 26.1-03-13, 26.1-03-14, and 26.1-03-15 of the North Dakota Century Code are repealed.

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-eighth Legislative Assembly of North Dakota and is known on the records of that body as House Bill No. 1142.

House Vote: Yeas 93 Nays 0 Absent 1

Senate Vote: Yeas 46 Nays 0 Absent 1

Chief Clerk of the House

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