Sixty-first
Legislative Assembly
of North Dakota

HOUSE BILL NO. 1122

Introduced by

Government and Veterans Affairs Committee

(At the request of the Office of Management and Budget)

1 A BILL for an Act to amend and reenact section 32-12.2-15 of the North Dakota Century Code,

2 relating to authorization of agencies to limit the liability to the state of certain contracting parties.

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

4 **SECTION 1. AMENDMENT.** Section 32-12.2-15 of the North Dakota Century Code is

5 amended and reenacted as follows:

6 **32-12.2-15. Contracts limiting liability to the state - Assumption of certain excess**

7 **liability by the risk management fund.** Notwithstanding any provision in this chapter to the

8 contrary, if the attorney general and the director of the office of management and budget

9 determine it is in the best interest of the state, an agency may agree to limit the liability of a

10 contractor to the state. The liability limitation must be approved by the attorney general and

11 director of the office of management and budget in writing and may only be approved for

12 contracts for the purchase or lease of, or services related to, software, communication, or

13 electronic equipment. For any uninsured losses, the director of the office of management and

14 budget may approve the risk management fund to assume all or part of the contractor's liability

15 to the state in excess of the limitation. Contracts for economic forecasting for the office of

16 management and budget may contain a provision limiting the state's ability to seek and recover

17 indirect consequential damages if the director of the office of management and budget and the

18 attorney general determine that such services cannot be effectively obtained without such

19 limitation and that the limitation does not pose any significant risk of loss to the state and is in

20 the best interests of the state. A contract under this section may not limit any direct loss to the

21 state or loss resulting from property damage or personal injury.