19.0786.01001

Sixty-sixth
Legislative Assembly
of North Dakota

HOUSE BILL NO. 1280

Introduced by

Representatives Beadle, Buffalo

Senator K. Roers

1   A BILL ~~for an Act to amend and reenact section 26.1-30-18 and subsection 3 of section~~

2   ~~39-08-20 of the North Dakota Century Code, relating to inception and expiration of insurance~~

3   ~~policies.~~ for an Act to amend and reenact subsection 6 of section 39-16.1-11 of the North Dakota

4   Century Code, relating to inception and expiration of motor vehicle insurance.

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

6   ~~**SECTION 1. AMENDMENT.** Section 26.1-30-18 of the North Dakota Century Code is~~

7   ~~amended and reenacted as follows:~~

8   ~~**26.1-30-18. Inception and expiration of policies - Inception of hail insurance policies.**~~

9   ~~An insurance policy covers the insured at~~ the later of ~~12:01 a.m.~~ or the time stated on the

10   ~~application for the insurance policy on the day on which coverage begins and expires at 12:01~~

11   ~~a.m. on the day of expiration of the policy. However, a policy of insurance on growing crops~~

12   ~~against loss by hail takes effect at the time and on the day stated on the application for the~~

13   ~~insurance. The provision allowing a policy of insurance on growing crops against loss by hail to~~

14   ~~take effect as provided on the application may not be limited or restricted by rule or bulletin of~~

15   ~~the commissioner.~~

16   ~~**SECTION 2. AMENDMENT.** Subsection 3 of section 39-08-20 of the North Dakota Century~~

17   ~~Code is amended and reenacted as follows:~~

18   ~~3.~~   ~~Notwithstanding section 26.1-30-18, a~~A person may be in violation of subsection 1 for

19   ~~failure to have a valid policy of liability insurance in effect under this section if the time~~

20   ~~of acquisition of the policy was after the time of the alleged incidence of driving without~~

21   ~~liability insurance. If the time of acquisition of the policy comes into question, the driver~~

22   ~~or owner has the burden of establishing the time of acquisition. If the driver is not an~~

23   ~~owner of the motor vehicle, the driver does not violate this section if the driver provides~~

24   ~~the court with evidence identifying the owner of the motor vehicle and describing~~

1   ~~circumstances under which the owner caused or permitted the driver to drive the~~

2   ~~motor vehicle.~~

3   **SECTION 1. AMENDMENT.** Subsection 6 of section 39-16.1-11 of the North Dakota

4   Century Code is amended and reenacted as follows:

5   6.   Every motor vehicle liability policy is subject to the following provisions, which need

6   not be contained ~~therein~~in the policy:

7   a.   The liability of the insurance carrier with respect to the insurance required by this

8   chapter becomes absolute ~~whenever~~if injury or damage covered by ~~said~~the

9   motor vehicle liability policy occurs; ~~said~~the policy may not be canceled or

10   annulled as to ~~such~~the liability by any agreement between the insurance carrier

11   and the insured after the occurrence of the injury or damage; ~~no~~and a statement

12   made by the insured or on the insured's behalf and ~~no~~a violation of ~~said~~the policy

13   ~~may~~do not defeat or void ~~said~~the policy. This subdivision does not restrict the

14   ability of an insurance carrier to void a motor vehicle liability policy for which an

15   application was made after injury or damage occurred and does not obligate the

16   insurance carrier to pay a claim on account of injury or damage that occurred

17   before the application was made.

18   b.   The satisfaction by the insured of a judgment for ~~such~~ injury or damage is not a

19   condition precedent to the right or duty of the insurance carrier to make payment

20   on account of ~~such~~the injury or damage.

21   c.   The insurance carrier has the right to settle any claim covered by the policy, and

22   if ~~such~~the settlement is made in good faith, the amount ~~thereof~~of that settlement

23   is deductible from the limits of liability specified in subdivision b of subsection 2

24   for the accident out of which ~~such~~the claim arose.

25   d.   The policy, the written application ~~therefor~~of the policy, if any, and any rider or

26   endorsement ~~which~~that does not conflict with the provisions of this chapter

27   constitute the entire contract between the parties.