

1999 HOUSE TRANSPORTATION

HB 1326


1999 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 1326

House Transportation Committee

Conference Committee

Hearing Date January 21, 1999

Tape Number	Side A	Side B	Meter #
1 (1/21/99)	x		0-21.5
1 (1/28/99)	x		50-55
Committee Clerk Signature 			

Minutes:

CHAIRMAN KEISER OPENED THE HEARING ON HB 1326; A BILL RELATING TO PROOF OF INSURANCE FOR MOTOR VEHICLE REGISTRATION.

REP. PAT GALVIN introduced HB 1326. He said that the bill adds a section to the century code requiring evidence of insurance when registering a motor vehicle. He said that when registering the vehicle, the insurer would provide the insured with satisfactory evidence of a valid insurance policy as required by the D.O.T. The insurer also will have to notify the department of non renewal, termination, or cancellation of the policy within ten days.

REP. MAHONEY questioned the temporary registration of new cars?

REP. GALVIN noted that it is a good point - as dealers put a sticker on the window and you are on your way. He mentioned that he did not want this bill to become too cumbersome because it is pretty easy now. If it was made too rigid it would get cumbersome.

CHAIRMAN KEISER asked Rep. Galvin what the process of how this would work.

REP. GALVIN said that one would go to a town and write a check to get their license and the insurer would likely provide you with a card.

TOM SMITH, Bismarck attorney representing Domestic Insurance Companies testified in opposition to HB 1326. He explained the North Dakota No Fault Law. Smith said that statutes are now in place for canceling insurance. One can only cancel for limited reasons. He further explained that policies can be canceled for a number of reasons from a DUI pickup to not paying premiums. In a new car situation he said, that is no problem whatsoever - we are willing to work with the insured. Newly acquired vehicle coverage provides for this. Existing insurance policies should be no problem either. Smith agreed that there is a lot of frustration when accidents occur with other vehicles driven by uninsured drivers, but it is an unattainable dream to hope that all will be insured. He further explained that they have developed very good policies and looking at their normal policy - they are ranked 51st. North Dakota has the lowest possible rate insurance wise and the affordable issue is not as big as has been made out to be.

REP. BELTER asked if requiring the motor vehicle operator to carry their insurance card has done anything for compliance already?

SMITH replied that it is not required by law. Companies always issue the cards, but the problem is whether or not the operator pays.

REP. MICKELSON questioned Tom as to if he thinks that something should be done to find these people and help out the insurance area by making sure that all motor vehicle operators are insured.

SMITH said that the insurance industry is opposed to compulsory insurance laws. In that particular area, it is no longer doing what it was intended for.

REP. MAHONEY noted the provision for insurance at the scene. The operator has 20 days to provide proof.

REP. LEMIEUX asked if insurance companies now notify banks when insurance is dropped by an individual.

SMITH said that it is done only if they have their name on the policy.

REP. LEMIEUX further asked if there is a fee for non insured motorists. Where does that money go?

SMITH answered that if you were hospitalized as a result of an accident by an uninsured driver, you could still sue the uninsured driver, and the fee would still provide you with benefits in that regard.

CHAIRMAN KEISER asked Tom if there was any data available referring to the number of uninsured driver accidents.

SMITH said that that information is not available.

CHAIRMAN KEISER CLOSED THE HEARING ON HB 1326.

GENERAL DISCUSSION TOOK PLACE, REPS. LEMIEUX, MEYER, KEISER, MICKELSON, BELTER, GRUMBO, THORPE, AND MAHONEY PARTICIPATED.

COMMITTEE ACTION

REPS. MICKELSON AND LEMIEUX WERE ASSIGNED TO A SUBCOMMITTEE TO DISCUSS POSSIBLE AMENDMENTS TO HB 1326.

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House Transportation Committee
Bill/Resolution Number 1326
Hearing Date January 21, 1999
January 28, 1999

CHAIRMAN KEISER REOPENED THE HEARING ON HB 1326.

COMMITTEE ACTION

REP. LEMIEUX and REP. MICKELSON introduced amendments to HB 1326. (See attached amendments).

REP. BELTER moved to ADOPT THE AMENDMENTS. REP. PRICE seconded the motion.

The motion carried.

ROLL CALL - A UNANIMOUS VOICE VOTE WAS TAKEN. 13 YAE, 0 NAE, 2 ABSENT AND NOT VOTING.

REP. MICKELSON moved a DO PASS as amended on HB 1326. REP. BELTER seconded the motion. The motion carried.

ROLL CALL - 10 YEA, 2 NAE, 3 ABSENT AND NOT VOTING.

FISCAL NOTE

(Return original and 10 copies)

Bill/Resolution No.: _____ Amendment to: HB 1326

Requested by Legislative Council _____ Date of Request: 2-1-99

- Please estimate the fiscal impact (in dollar amounts) of the above measure for state general or special funds, counties, cities, and school districts. .

Narrative:

This bill, as amended, will have no fiscal impact on the Department of Transportation.

- State fiscal effect in dollar amounts:

	1997-99 Biennium		1999-2001 Biennium		2001-03 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures						

- What, if any, is the effect of this measure on the budget for your agency or department:

a. For rest of 1997-99 biennium: None

b. For the 1999-2001 biennium: None

c. For the 2001-03 biennium: None

- County, city, and school district fiscal effect in dollar amounts:

1997-99 Biennium			1999-2001 Biennium			2001-03 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

Signed: _____

Keith Kiser

Typed Name: Keith Kiser, Motor Vehicle Director

Department: Department of Transportation

Phone Number: 328-2725

Date Prepared: 2-2-99

FISCAL NOTE

(Return original and 10 copies)

Resolution No.: HB 1326 Amendment to: _____

Requested by Legislative Council Date of Request: 1-13-99

- Please estimate the fiscal impact (in dollar amounts) of the above measure for state general or special funds, counties, cities, and school districts. .

Narrative:

This bill establishes a major new program within the Motor Vehicle Division relating to verification of insurance for motor vehicle registration applicants. It also requires that insurance companies notify us of canceled or non-renewed insurance policies. We would then be required to begin procedures to revoke the registration of the motor vehicle covered by the non-renewed or canceled policy.

It is not possible to accurately determine the fiscal impact of this bill. However, it is likely that it will cost at least \$2,500,000 per biennium to administer the provisions of this bill. It is also estimated that we will need to add 6 to 8 additional employees to handle the additional workload that will be created.

- State fiscal effect in dollar amounts:

	1997-99 Biennium		1999-2001 Biennium		2001-03 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues				(\$1,575,000)		(\$1,575,000)
Expenditures				\$2,500,000		\$2,500,000

- What, if any, is the effect of this measure on the budget for your agency or department:

- For rest of 1997-99 biennium: None
- For the 1999-2001 biennium: Reduce available revenue to match federal highway funds and increase the appropriation for the Motor Vehicle Division
- For the 2001-03 biennium: Reduce available revenue to match federal highway funds and increase the appropriation for the Motor Vehicle Division

- County, city, and school district fiscal effect in dollar amounts:

1997-99 Biennium			1999-2001 Biennium			2001-03 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
			(\$575,000)	(\$350,000)		(\$575,000)	(\$350,000)	

Signed: *Keith Kiser*
 Typed Name: Keith Kiser, Motor Vehicle Director
 Department: Department of Transportation
 Phone Number: 328-2725
 Date Prepared: 1-15-99

VK
1/28/99

HOUSE AMENDMENTS TO HOUSE BILL NO. 1326 **1/29/99 TRN**

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to provide damages in accidents with uninsured motorists."

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. Uninsured motorist - Insurance deductible. If a person causes damage to another or another's property with a motor vehicle while in violation of section 39-08-20, the court shall order that person to pay to the other person the amount of the deductible on that person's insurance."

Renumber accordingly

Date:
Roll Call Vote #:

**1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO.**

House Transportation Committee

Subcommittee on _____
or
 Conference Committee

Legislative Council Amendment Number _____

Action Taken adopt amm.

Motion Made By Rep Belter Seconded By Rep Price

Representatives	Yes	No	Representatives	Yes	No
Representative Keiser, Chair	✓		Representative Thorpe	✓	
Representative Mickelson, V. Ch.	✓				
Representative Belter	✓				
Representative Jensen	✓				
Representative Kelsch					
Representative Kempenich	✓				
Representative Price	✓				
Representative Sveen	✓				
Representative Weisz					
Representative Grumbo	✓				
Representative Lemieux	✓				
Representative Mahoney					
Representative Meyer					
Representative Schmidt	✓				

Total (Yes) 18 No 0

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Date:
Roll Call Vote #:

1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1324

House Transportation Committee

Subcommittee on _____
or
 Conference Committee

Legislative Council Amendment Number _____

Action Taken DO PASS as amended

Motion Made By Rep Mickelson ^{Seconded} By Rep Belter

Representatives	Yes	No	Representatives	Yes	No
Representative Keiser, Chair	✓		Representative Thorpe		✓
Representative Mickelson, V. Ch.	✓				
Representative Belter	✓				
Representative Jensen	✓				
Representative Kelsch					
Representative Kempenich	✓				
Representative Price	✓				
Representative Sveen	✓				
Representative Weisz					
Representative Grumbo	✓				
Representative Lemieux	✓				
Representative Mahoney					
Representative Meyer		✓			
Representative Schmidt	✓				

Total (Yes) 10 No 2

Absent 3

Floor Assignment Rep Mickelson

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1326: Transportation Committee (Rep. Keiser, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (10 YEAS, 2 NAYS, 3 ABSENT AND NOT VOTING). HB 1326 was placed on the Sixth order on the calendar.

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to provide damages in accidents with uninsured motorists.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. Uninsured motorist - Insurance deductible. If a person causes damage to another or another's property with a motor vehicle while in violation of section 39-08-20, the court shall order that person to pay to the other person the amount of the deductible on that person's insurance."

Renumber accordingly

1999 SENATE TRANSPORTATION
HB 1326

1999 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1326

Senate Transportation Committee

Conference Committee

Hearing Date March 12, 1999

Tape Number	Side A	Side B	Meter #
1		x	746-1233
March 19, 1999 - Tape 2	x		1,260-1818
Committee Clerk Signature <i>Debi D. Schaeffer</i>			

Minutes:

SENATOR B. STENEHJEM opened the hearing on HB 1326. Committee members present included: Sens. Bob Stenehjem, R. Schobinger, D. Mutch, D. Cook, D. O'Connell, V.

Thompson, and D. Bercier.

REPRESENTATIVE PAT GALVIN, DISTRICT 33 testified in support of HB 1326. If someone gets into an accident with someone who doesn't have insurance and you are fully insured, your insurance will probably cover that. But many people carry as large a deductible on their insurance to bring their premiums down.

SENATOR B. STENEHJEM Let's say I am operating a motor vehicle and I have liability only insurance and someone else smashes into my car without insurance. Under this bill, it says that he has to pay my deductible but I don't have any insurance except liability so I don't have a deductible. What is he paying me under this bill?

REPRESENTATIVE GALVIN I'm not sure.

SENATOR COOK I am a sponsor of the bill. I propose some amendments to this bill. (He gave a personal experience.) The judge can already do this and many of them do not. Many feel it should be done by a civil court.

SENATOR B. STENEHJEM We will hold HB 1326.

March 19, 1999 - Tape 1

SENATOR COOK I move to adopt amendment 90413.0201.

SENATOR O'CONNELL I second.

SENATOR B. STENEHJEM The only concern I have is the person that is driving around with only liability insurance on their vehicle and they get hit by an uninsured motorist. This bill won't cover that.

SENATOR COOK What safeguards do they have right now without this bill? You show up and talk to the State's attorney ahead of time. You have your estimates and make it clear that you want the State's attorney to ask for restitution. The judge has the decision to grant you restitution or not and that will stay the same whether or not we pass this bill.

SENATOR B. STENEHJEM The only people you are bringing in to this are those driving around with collision insurance on their vehicle.

SENATOR COOK The judge has the discretion to have them pay all of the damages not just the deductible and that is why I added the words "at minimum" so that option is still left up to the judge. Most judges would rather see that decided in civil court.

SENATOR THOMPSON Does that include personal property other than your vehicle? (He gave an example of property damage due to an uninsured motorist).

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Senate Transportation Committee

Bill/Resolution Number Hb 1326

Hearing Date March 12, 1999

SENATOR COOK You will find it in 39-08-20. It says property so, yes, if you have homeowner's insurance it will require the deductible paid.

The amendment passed by a unanimous voice vote.

SENATOR COOK I move that we adopt HB 1326 as amended.

SENATOR THOMPSON I second.

The roll call vote was taken (5 Yeas, 2 Nays and 0 Absent and Not Voting).

Senator Cook will carry HB 1326.

90413.0201
Title. 0300

Prepared by the Legislative Council staff for
Senator Cook
March 10, 1999

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1326

Page 1, line 5, after the comma insert "at minimum"

Renumber accordingly

Date: 3-19-99
Roll Call Vote #: 1

1999 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1326

Senate Transportation Committee

Subcommittee on _____
or
 Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass as amended

Motion Made By Sen. Cook Seconded By Sen. Thompson

Senators	Yes	No	Senators	Yes	No
Sen. B. Stenehjem-Chairman	X				
Sen. R. Schobinger-V. Chair	X				
Sen. Duane Mutch	X				
Sen. Dwight Cook	X				
Sen. David O'Connell		X			
Sen. Vern Thompson	X				
Sen. Dennis Bercier		X			

Total (Yes) 5 No 2

Absent 0

Floor Assignment Senator Cook

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE (410)
March 22, 1999 8:05 a.m.

Module No: SR-51-5244
Carrier: Cook
Insert LC: 90413.0201 Title: .0300

REPORT OF STANDING COMMITTEE

HB 1326, as engrossed: Transportation Committee (Sen. B. Stenehjem, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (5 YEAS, 2 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1326 was placed on the Sixth order on the calendar.

Page 1, line 5, after the comma insert "at minimum"

Renumber accordingly