

Fifty-seventh
Legislative Assembly
of North Dakota

ENGROSSED HOUSE BILL NO. 1427

Introduced by

Representatives Nicholas, Nottestad, Wald, Warner

Senators Kelsh, Tollefson

1 A BILL for an Act to amend and reenact section 51-07-24 of the North Dakota Century Code,
2 relating to prohibition of insurance claims for excessive charges.

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

4 **SECTION 1. AMENDMENT.** Section 51-07-24 of the North Dakota Century Code is
5 amended and reenacted as follows:

6 **51-07-24. Insurance claims for excessive charges - Penalty.**

- 7 1. A person who sells goods or services may not:
- 8 a. Advertise or promise to provide a good or service as an incentive, paid for by
- 9 the consumer from proceeds of an insurance policy that provides coverage
- 10 for physical damage to automobiles, and to pay or waive all or part of any
- 11 applicable insurance deductible or to pay a rebate in an amount equal to all or
- 12 part of any applicable insurance deductible; ~~and~~ or
- 13 b. Knowingly charge an amount for the good or service that exceeds the usual
- 14 and customary charge by that person for the good or service by an amount
- 15 equal to or greater than all or part of the applicable insurance deductible paid
- 16 by that person on behalf of an insured or remitted to an insured by that
- 17 person as a rebate.
- 18 2. A person who is insured under an insurance policy that provides coverage for
- 19 physical damage to automobiles may not knowingly submit a claim under the
- 20 policy based on charges that are in violation of subsection 1 or may not knowingly
- 21 allow a claim in violation of subsection 1 to be submitted, unless the person
- 22 promptly notifies the insurer of the excessive charges.
- 23 3. A violation of this section is a class B misdemeanor.