

Introduced by

1 A BILL for an Act to create and enact a new section to chapter 26.1-40, a new subsection to
2 section 39-06.1-06, and paragraphs 37, 38, and 39 to subdivision a of subsection 3 of section
3 39-06.1-10 of the North Dakota Century Code, relating to proof of insurance and fees and point
4 demerits for driving without liability insurance; and to amend and reenact sections 26.1-41-20
5 and 39-06.1-05, subdivision b of subsection 3 of section 39-06.1-10, and sections 39-06.1-13,
6 39-07-09, and 39-08-20 of the North Dakota Century Code, relating to the points and fees for
7 driving without liability insurance.

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

9 **SECTION 1.** A new section to chapter 26.1-40 of the North Dakota Century Code is
10 created and enacted as follows:

11 **Proof of insurance.** An insurer who issues a policy shall provide proof of insurance to
12 the insured in the form of written evidence of the policy's terms as to type, duration, and the
13 vehicle covered by the policy.

14 **SECTION 2. AMENDMENT.** Section 26.1-41-20 of the North Dakota Century Code is
15 amended and reenacted as follows:

16 **26.1-41-20. Secured person exemption for no liability insurance.** In any action
17 against a secured person to recover damages because of accidental bodily injury arising out of
18 the ownership or operation of a secured motor vehicle in this state, the secured person may not
19 be assessed damages for noneconomic loss for a serious injury in favor of a party who has at
20 least one prior unrelated ~~conviction under~~ violation of section 39-08-20 and who was operating
21 a motor vehicle owned by that party at the time of injury without a valid policy of liability
22 insurance in order to respond to damages for liability arising out of the ownership, maintenance,
23 or use of that motor vehicle.

1 **SECTION 3. AMENDMENT.** Section 39-06.1-05 of the North Dakota Century Code is
2 amended and reenacted as follows:

3 **39-06.1-05. Offenses excepted.** The procedures authorized under sections
4 39-06.1-02 and 39-06.1-03 may not be utilized by a person charged with one of the following
5 offenses:

- 6 1. Driving or being in actual physical control of a vehicle in violation of section
7 39-08-01, or an equivalent ordinance.
- 8 2. Reckless driving or aggravated reckless driving in violation of section 39-08-03, or
9 an equivalent ordinance.
- 10 3. A violation of chapter 12.1-16 resulting from the operation of a motor vehicle.
- 11 4. Leaving the scene of an accident in violation of section 39-08-04, 39-08-05,
12 39-08-07, or 39-08-08, or equivalent ordinances.
- 13 5. Driving while license or driving privilege is suspended or revoked in violation of
14 section 39-06-42, or an equivalent ordinance.
- 15 6. Violating subdivision b or c of subsection 5 of section 39-24-09.
- 16 7. Operating a modified motor vehicle in violation of section 39-21-45.1.
- 17 8. ~~Driving without liability insurance in violation of section 39-08-20.~~
- 18 9. Operating an unsafe vehicle in violation of subsection 2 of section 39-21-46.
- 19 40. ~~9.~~ Causing an accident with an authorized emergency vehicle in violation of
20 subsection 4 of section 39-10-26.

21 **SECTION 4.** A new subsection to section 39-06.1-06 of the North Dakota Century Code
22 is created and enacted as follows:

23 For a violation of driving without liability insurance under section 39-08-20, or an
24 equivalent ordinance, a fee of up to one hundred fifty dollars and for a second or
25 subsequent violation within an eighteen-month period a fee of up to three hundred
26 dollars.

27 **SECTION 5.** Paragraphs 37, 38, and 39 to subdivision a of subsection 3 of section
28 39-06.1-10 of the North Dakota Century Code are created and enacted as follows:

- 29 (37) Except as provided in paragraphs 38 and 39, 6 points
30 operating a motor vehicle without liability
31 insurance in violation of section 39-08-20

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|----|-----|------------------------------------|---------------------|
| 1 | | 39-08-08, or equivalent | |
| 2 | | ordinances | |
| 3 | (4) | Leaving the scene of an | 18 points |
| 4 | | accident involving personal | |
| 5 | | injury or death in | |
| 6 | | violation of section | |
| 7 | | 39-08-04, or equivalent | |
| 8 | | ordinance | |
| 9 | (5) | Violating restrictions in | 3 points |
| 10 | | a restricted license | |
| 11 | | issued under section | |
| 12 | | 39-06-17 and relating | |
| 13 | | to the use of eyeglasses | |
| 14 | | or contact lenses while | |
| 15 | | driving | |
| 16 | (6) | Violating any restrictions | 4 points |
| 17 | | other than those listed in | |
| 18 | | paragraph 5, contained in | |
| 19 | | a restricted license issued | |
| 20 | | under section 39-06-17 or | |
| 21 | | 39-06.1-11 | |
| 22 | (7) | Except as provided in | 6 points |
| 23 | | paragraph 9, operating | |
| 24 | | a motor vehicle without | |
| 25 | | liability insurance, | |
| 26 | | in violation of section | |
| 27 | | 39-08-20 | |
| 28 | (8) | Knowingly driving a | 2 points |
| 29 | | modified motor vehicle in | |
| 30 | | violation of section | |
| 31 | | 39-21-45.1, or equivalent | |

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1		ordinance	
2	(9)	Operating a motor vehicle	14 points
3		without liability	
4		insurance, in violation of	
5		section 39-08-20, if the	
6		violation was discovered as	
7		the result of investigation	
8		of an accident in which the	
9		driver is the owner	
10	(10) (8)	Except as provided in	2 points
11		paragraph 9 of subdivision a,	
12		knowingly operating an	
13		unsafe vehicle in	
14		violation of subdivision b of	
15		subsection 2 of	
16		section 39-21-46, or equivalent	
17		ordinance	
18	(11) (9)	Fleeing in a motor	24 points
19		vehicle from a peace	
20		officer in violation	
21		of section 39-10-71,	
22		or equivalent ordinance	
23	(12)	Except as provided in	12 points
24		paragraph 9, operating a	
25		motor vehicle without	
26		liability insurance, in	
27		violation of section 39-08-20,	
28		if the driving record shows	
29		that the licensee has within	
30		the eighteen months preceding	
31		the violation previously	

1 cancellation required by the number of points then on the driver's record has been
2 served.

3 **SECTION 8. AMENDMENT.** Section 39-07-09 of the North Dakota Century Code is
4 amended and reenacted as follows:

5 **39-07-09. Offenses under which person halted may not be entitled to release**
6 **upon promise to appear.**

7 1. Section 39-07-07 does not apply to a person if:

8 ~~4.~~ a. The halting officer has good reason to believe the person guilty of any felony
9 or if the person is halted and charged with an offense listed in section
10 39-06.1-05 ~~but~~ and not listed in ~~subsection 2~~ subdivision b; or

11 ~~2.~~ b. The halting officer, acting within the officer's discretion, determines that it is
12 inadvisable to release the person upon a promise to appear and if the person
13 has been halted and charged with any of the following offenses:

14 ~~a.~~ (1) Reckless driving.

15 ~~b.~~ (2) Driving in excess of speed limitations established by the state or by
16 local authorities in their respective jurisdictions.

17 ~~e.~~ (3) Driving while license or driving privilege is suspended or revoked for
18 violation of section 39-06-42, or an equivalent ordinance.

19 ~~e.~~ (4) Operating a modified vehicle.

20 ~~e.~~ Driving without liability insurance in violation of section 39-08-20.

21 ~~f.~~ (5) Failing to display a placard or flag, in violation of any rule implementing
22 section 39-21-44, while transporting explosive or hazardous materials.

23 ~~g.~~ (6) Operating an unsafe vehicle in violation of subsection 2 of section
24 39-21-46.

25 2. The halting officer ~~forthwith~~ without delay shall take any person not released upon
26 a promise to appear before the nearest or most accessible magistrate.

27 **SECTION 9. AMENDMENT.** Section 39-08-20 of the North Dakota Century Code is
28 amended and reenacted as follows:

29 **39-08-20. Driving without liability insurance prohibited - Penalty.**

30 1. A person may not drive, or the owner may not cause or knowingly permit to be
31 driven, a motor vehicle in this state without a valid policy of liability insurance in

1 effect in order to respond in damages for liability arising out of the ownership,
2 maintenance, or use of that motor vehicle in the amount required by chapter
3 39-16.1.

4 2. Upon being stopped by a law enforcement officer for the purpose of enforcing or
5 investigating the possible violation of an ordinance or state law or during the
6 investigation of an accident, the person driving the motor vehicle ~~shall~~ may provide
7 to the officer upon request satisfactory evidence of the policy required under this
8 section. If unable to comply with the request, that person may be charged with a
9 violation of ~~this section if that person fails to submit satisfactory evidence of the~~
10 ~~policy to the officer or the officer's agency within twenty days of the date of the~~
11 ~~request. If that person produces satisfactory evidence of a valid policy of liability~~
12 ~~insurance in effect at the time of the alleged violation of this section to the officer,~~
13 ~~the officer's agency, or a court, that person may not be convicted or assessed any~~
14 ~~administration fee for violation of this section~~ subsection 1.

15 3. A person cited for violation of subsection 1 may not be found to have committed
16 the violation if the person produces satisfactory evidence of a valid policy of liability
17 insurance in effect at the time of the violation to the hearing official of the
18 appropriate jurisdiction before or at the scheduled hearing. Notwithstanding
19 section 26.1-30-18, a person may be ~~convicted for failure to have~~ in violation of not
20 having a valid policy of liability insurance in effect under this section if the time of
21 acquisition of the policy was after the time of the alleged incidence of driving
22 without liability insurance. If the time of acquisition of the policy comes into
23 question, the driver or owner has the burden of establishing the time of acquisition.
24 If the driver is not an owner of the motor vehicle, the driver does not violate this
25 section if the driver provides the court with evidence identifying the owner of the
26 motor vehicle and describing circumstances under which the owner caused or
27 permitted the driver to drive the motor vehicle. ~~Violation of this section is a class B~~
28 ~~misdemeanor and the sentence imposed must include a fine of at least one~~
29 ~~hundred fifty dollars which may not be suspended. A person convicted for a~~
30 ~~second or subsequent violation of driving without liability insurance within an~~

- 1 ~~eighteen month period must be fined at least three hundred dollars which may not~~
2 ~~be suspended.~~
- 3 2. ~~4.~~ ~~Upon conviction for~~ For a violation of this section or equivalent ordinance, the
4 ~~person who has been convicted~~ violator shall provide proof of motor vehicle liability
5 insurance to the department in the form of a written or electronically transmitted
6 certificate from an insurance carrier authorized to do business in this state. This
7 proof must be provided for a period of three years and kept on file with the
8 department. If the person fails to provide this information, the department shall
9 suspend that person's driving privileges and may not issue or renew that person's
10 operator's license unless that person provides proof of insurance.
- 11 3. ~~5.~~ A person who has ~~been convicted for violation of~~ violated this section or equivalent
12 ordinance shall surrender that person's operator's license and purchase a duplicate
13 operator's license with a notation requiring that person to keep proof of liability
14 insurance on file with the department. The fee for this license is fifty dollars and
15 the fee to remove this notation is fifty dollars.
- 16 4. ~~6.~~ When an insurance carrier has certified a motor vehicle liability policy, the
17 insurance carrier shall notify the director no later than ten days after cancellation or
18 termination of the certified insurance policy by filing a notice of cancellation or
19 termination of the certified insurance policy; except that a policy subsequently
20 procured and certified shall, on the effective date of its certification, terminate the
21 insurance previously certified with respect to any motor vehicle designated in both
22 certificates.