

Introduced by

1 A BILL for an Act to create and enact a new section to chapter 26.1-40 of the North Dakota
2 Century Code, relating to proof of insurance and fees; and to amend and reenact section
3 39-08-20 of the North Dakota Century Code, relating to the criminal procedure for driving
4 without liability insurance.

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

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

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

11 **SECTION 2. AMENDMENT.** Section 39-08-20 of the North Dakota Century Code is
12 amended and reenacted as follows:

13 **39-08-20. Driving without liability insurance prohibited - Penalty.**

- 14 1. A person may not drive, or the owner may not cause or knowingly permit to be
15 driven, a motor vehicle in this state without a valid policy of liability insurance in
16 effect in order to respond in damages for liability arising out of the ownership,
17 maintenance, or use of that motor vehicle in the amount required by chapter
18 39-16.1.
- 19 2. Upon being stopped by a law enforcement officer for the purpose of enforcing or
20 investigating the possible violation of an ordinance or state law or during the
21 investigation of an accident, the person driving the motor vehicle ~~shall~~ may provide
22 to the officer upon request satisfactory evidence of the policy required under this
23 section. If unable to comply with the request, that person may be charged with a
24 violation of ~~this section if that person fails to submit satisfactory evidence of the~~

1 ~~policy to the officer or the officer's agency within twenty days of the date of the~~
2 ~~request. If that person produces satisfactory evidence of a valid policy of liability~~
3 ~~insurance in effect at the time of the alleged violation of this section to the officer,~~
4 ~~the officer's agency, or a court, that person may not be convicted or assessed any~~
5 ~~administration fee for violation of this section subsection 1.~~

6 3. A person charged with a violation of subsection 1 may not be found to have
7 committed the violation if the person produces satisfactory evidence of a valid
8 policy of liability insurance in effect at the time of the violation to the appropriate
9 court. Notwithstanding section 26.1-30-18, a person may be convicted for failure to
10 have a valid policy of liability insurance in effect under this section if the time of
11 acquisition of the policy was after the time of the alleged incidence of driving
12 without liability insurance. If the time of acquisition of the policy comes into
13 question, the driver or owner has the burden of establishing the time of acquisition.
14 If the driver is not an owner of the motor vehicle, the driver does not violate this
15 section if the driver provides the court with evidence identifying the owner of the
16 motor vehicle and describing circumstances under which the owner caused or
17 permitted the driver to drive the motor vehicle.

18 4. Violation of this section is a class B misdemeanor and the sentence imposed must
19 include a fine of at least one hundred fifty dollars which may not be suspended. A
20 person convicted for a second or subsequent violation of driving without liability
21 insurance within an eighteen-month period must be fined at least three hundred
22 dollars which may not be suspended.

23 ~~2.~~ 5. Upon conviction for a violation of this section or equivalent ordinance, the person
24 who has been convicted shall provide proof of motor vehicle liability insurance to
25 the department in the form of a written or electronically transmitted certificate from
26 an insurance carrier authorized to do business in this state. This proof must be
27 provided for a period of three years and kept on file with the department. If the
28 person fails to provide this information, the department shall suspend that person's
29 driving privileges and may not issue or renew that person's operator's license
30 unless that person provides proof of insurance.

- 1 ~~3-~~ 6. A person who has been convicted for violation of this section or equivalent
2 ordinance shall surrender that person's operator's license and purchase a duplicate
3 operator's license with a notation requiring that person to keep proof of liability
4 insurance on file with the department. The fee for this license is fifty dollars and
5 the fee to remove this notation is fifty dollars.
- 6 ~~4-~~ 7. When an insurance carrier has certified a motor vehicle liability policy, the
7 insurance carrier shall notify the director no later than ten days after cancellation or
8 termination of the certified insurance policy by filing a notice of cancellation or
9 termination of the certified insurance policy; except that a policy subsequently
10 procured and certified shall, on the effective date of its certification, terminate the
11 insurance previously certified with respect to any motor vehicle designated in both
12 certificates.