

Introduced by

Legislative Council

(Transportation Committee)

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; to amend and reenact sections 26.1-41-20 and  
5 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; and to provide a penalty.

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 one hundred fifty dollars and for a second or  
25           subsequent violation within an eighteen-month period a fee of 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

- 1                   (38)   Except as provided in paragraph 39, operating                   12 points  
2                                   a motor vehicle without liability insurance  
3                                   in violation of section 38-08-20 if  
4                                   the driving record shows that the  
5                                   licensee has within the eighteen months  
6                                   preceding the violation previously  
7                                   violated section 39-08-20  
8                   (39)   Operating a motor vehicle                   14 points  
9                                   without liability insurance  
10                                  in violation of section 39-08-20  
11                                  if the violation was discovered  
12                                  as the result of investigation  
13                                  of an accident in which  
14                                  the driver is the owner

15                   **SECTION 6. AMENDMENT.** Subdivision b of subsection 3 of section 39-06.1-10 of the  
16 North Dakota Century Code is amended and reenacted as follows:

- 17                   b.   Criminal Violations
- | 18                   Conviction of:                          | Points Assigned: |
|--|------------------|
| 19                   (1)   Reckless driving in               | 8 points         |
| 20                                   violation of section    |                  |
| 21                                   39-08-03, or equivalent |                  |
| 22                                   ordinance               |                  |
| 23                   (2)   Aggravated reckless               | 12 points        |
| 24                                   driving in violation of |                  |
| 25                                   section 39-08-03, or    |                  |
| 26                                   equivalent ordinance    |                  |
| 27                   (3)   Leaving the scene of an           | 14 points        |
| 28                                   accident involving      |                  |
| 29                                   property damage in      |                  |
| 30                                   violation of section    |                  |
| 31                                   39-08-05, 39-08-07, or  |                  |

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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) | <del>Except as provided in</del>   | <del>6 points</del> |
| 23 |     | <del>paragraph 9, operating</del>  |                     |
| 24 |     | <del>a motor vehicle without</del> |                     |
| 25 |     | <del>liability insurance,</del>    |                     |
| 26 |     | <del>in violation of section</del> |                     |
| 27 |     | <del>39-08-20</del>                |                     |
| 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)	<del>Operating a motor vehicle</del>	<del>14 points</del>
3		<del>without liability</del>	
4		<del>insurance, in violation of</del>	
5		<del>section 39-08-20, if the</del>	
6		<del>violation was discovered as</del>	
7		<del>the result of investigation</del>	
8		<del>of an accident in which the</del>	
9		<del>driver is the owner</del>	
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)	<del>Except as provided in</del>	<del>12 points</del>
24		<del>paragraph 9, operating a</del>	
25		<del>motor vehicle without</del>	
26		<del>liability insurance, in</del>	
27		<del>violation of section 39-08-20,</del>	
28		<del>if the driving record shows</del>	
29		<del>that the licensee has within</del>	
30		<del>the eighteen months preceding</del>	
31		<del>the violation previously</del>	

1 ~~violated section 39-08-20~~  
2 (13) (10) Causing an accident with 2 points  
3 an authorized emergency  
4 vehicle in violation of  
5 subsection 4 of section  
6 39-10-26, or equivalent  
7 ordinance

8 **SECTION 7. AMENDMENT.** Section 39-06.1-13 of the North Dakota Century Code is  
9 amended and reenacted as follows:

10 **39-06.1-13. Reduction of point total - Other methods.**

- 11 1. The licensing authority shall reduce the point total shown on any licensee's driving  
12 record by one point for each three-month period during which ~~no points are there is~~  
13 not a point recorded against the licensee's driving record ~~for a moving violation or a~~  
14 ~~violation listed in paragraphs 12 through 16 of subdivision a of subsection 3 of~~  
15 ~~section 39-06.1-10.~~ The three-month period must be calculated from the date of  
16 entry of the last points against that licensee's driving record.
- 17 2. The point total shown on ~~a licensee's~~ an individual's driving record must, during  
18 any twelve-month period, be reduced by three points when the licensee mails or  
19 delivers a certificate to the licensing authority indicating successful completion of  
20 instruction in a driver training course approved by the licensing authority.  
21 Successful completion of instruction must be certified to by the sponsoring agency  
22 or organization of the driver training course. The reduction in points authorized by  
23 this subsection must only be from a point total accumulated ~~prior to~~ before  
24 completion of the necessary hours of driver training instruction; and may not  
25 exceed nine points during any three-year period commencing on the date of entry  
26 of the last points against the ~~person's~~ individual's driving record. If on the date the  
27 licensing authority receives the certificate of completion of the driver training  
28 course from the licensee, that licensee's driving record contains twelve or more  
29 points or, as a minor, the licensee's driving record contains six points or more, the  
30 point reduction authorized by this subsection must be applied only after the period

1 of suspension or cancellation required by the number of points then on the driver's  
2 record has been 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~~ in violation shall provide proof of motor vehicle  
5           liability insurance to the department in the form of a written or electronically  
6           transmitted certificate from an insurance carrier authorized to do business in this  
7           state. This proof must be provided for a period of three years and kept on file with  
8           the 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. For a second or  
11          subsequent violation of this section, if a person fails to provide this information, the  
12          department shall impound the motor vehicle number plates of all the motor vehicles  
13          owned and operated by the person at the time of violation until that person  
14          provides proof of insurance. The person shall deliver the plates to the department  
15          within twenty days of notice of hearing for the suspension or if directed to at the  
16          hearing, whichever is later. A person who does not provide the impounded number  
17          plates to the department at the appropriate time is guilty of a class B misdemeanor.
- 18       ~~3.~~ 5. A person who has ~~been convicted for violation of~~ violated this section or equivalent  
19          ordinance shall surrender that person's operator's license and purchase a duplicate  
20          operator's license with a notation requiring that person to keep proof of liability  
21          insurance on file with the department. The fee for this license is fifty dollars and  
22          the fee to remove this notation is fifty dollars.
- 23       4. 6. When an insurance carrier has certified a motor vehicle liability policy, the  
24          insurance carrier shall notify the director no later than ten days after cancellation or  
25          termination of the certified insurance policy by filing a notice of cancellation or  
26          termination of the certified insurance policy; except that a policy subsequently  
27          procured and certified shall, on the effective date of its certification, terminate the  
28          insurance previously certified with respect to any motor vehicle designated in both  
29          certificates.