

Sixty-sixth
Legislative Assembly
of North Dakota

ENGROSSED HOUSE BILL NO. 1280

Introduced by

Representatives Beadle, Buffalo

Senator K. Roers

1 A BILL for an Act to amend and reenact subsection 6 of section 39-16.1-11 of the North Dakota
2 Century Code, relating to inception and expiration of motor vehicle insurance.

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

4 **SECTION 1. AMENDMENT.** Subsection 6 of section 39-16.1-11 of the North Dakota
5 Century Code is amended and reenacted as follows:

6 6. Every motor vehicle liability policy is subject to the following provisions, which need
7 not be contained ~~therein~~ in the policy:

8 a. The liability of the insurance carrier with respect to the insurance required by this
9 chapter becomes absolute ~~whenever~~ if injury or damage covered by ~~said~~ the
10 motor vehicle liability policy occurs; ~~said~~ the policy may not be canceled or
11 annulled as to ~~such~~ the liability by any agreement between the insurance carrier
12 and the insured after the occurrence of the injury or damage; ~~ne~~ and a statement
13 made by the insured or on the insured's behalf and ~~ne~~ a violation of ~~said~~ the policy
14 ~~may do not~~ defeat or void said the policy. This subdivision does not restrict the
15 ability of an insurance carrier to void a motor vehicle liability policy for which an
16 application was made after injury or damage occurred and does not obligate the
17 insurance carrier to pay a claim on account of injury or damage that occurred
18 before the application was made.

19 b. The satisfaction by the insured of a judgment for ~~such~~ injury or damage is not a
20 condition precedent to the right or duty of the insurance carrier to make payment
21 on account of ~~such~~ the injury or damage.

22 c. The insurance carrier has the right to settle any claim covered by the policy, and
23 if ~~such~~ the settlement is made in good faith, the amount ~~thereof~~ of that settlement

- 1 is deductible from the limits of liability specified in subdivision b of subsection 2
2 for the accident out of which ~~such~~the claim arose.
- 3 d. The policy, the written application ~~therefor~~of the policy, if any, and any rider or
4 endorsement ~~which~~that does not conflict with the provisions of this chapter
5 constitute the entire contract between the parties.