

**Sixty-sixth Legislative Assembly of North Dakota
In Regular Session Commencing Thursday, January 3, 2019**

HOUSE BILL NO. 1280
(Representatives Beadle, Buffalo)
(Senator K. Roers)

AN ACT to amend and reenact subsection 6 of section 39-16.1-11 of the North Dakota Century Code, relating to inception and expiration of motor vehicle insurance.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

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

6. Every motor vehicle liability policy is subject to the following provisions, which need not be contained therein in the policy:
 - a. The liability of the insurance carrier with respect to the insurance required by this chapter becomes absolute ~~whenever~~ if injury or damage covered by ~~said~~ the motor vehicle liability policy occurs; ~~said~~ the policy may not be canceled or annulled as to ~~such~~ the liability by any agreement between the insurance carrier and the insured after the occurrence of the injury or damage; ~~and~~ a statement made by the insured or on the insured's behalf and ~~no~~ a violation of ~~said~~ the policy ~~may~~ do not defeat or void ~~said~~ the policy. This subdivision does not restrict the ability of an insurance carrier to void a motor vehicle liability policy for which an application was made after injury or damage occurred and does not obligate the insurance carrier to pay a claim on account of injury or damage that occurred before the application was made.
 - b. The satisfaction by the insured of a judgment for ~~such~~ injury or damage is not a condition precedent to the right or duty of the insurance carrier to make payment on account of ~~such~~ the injury or damage.
 - c. The insurance carrier has the right to settle any claim covered by the policy, and if ~~such~~ the settlement is made in good faith, the amount ~~thereof~~ of that settlement is deductible from the limits of liability specified in subdivision b of subsection 2 for the accident out of which ~~such~~ the claim arose.
 - d. The policy, the written application ~~therefor~~ of the policy, if any, and any rider or endorsement ~~which~~ that does not conflict with the provisions of this chapter constitute the entire contract between the parties.

Speaker of the House

President of the Senate

Chief Clerk of the House

Secretary of the Senate

This certifies that the within bill originated in the House of Representatives of the Sixty-sixth Legislative Assembly of North Dakota and is known on the records of that body as House Bill No. 1280.

House Vote: Yeas 91 Nays 0 Absent 3

Senate Vote: Yeas 42 Nays 1 Absent 3

Chief Clerk of the House

Received by the Governor at _____ M. on _____, 2019.

Approved at _____ M. on _____, 2019.

Governor

Filed in this office this _____ day of _____, 2019,

at _____ o'clock _____ M.

Secretary of State