

Fifty-ninth
Legislative Assembly
of North Dakota

ENGROSSED SENATE BILL NO. 2396

Introduced by

Senator Bercier

1 A BILL for an Act to create and enact a new section to chapter 26.1-40 and two new sections to
2 chapter 51-07 of the North Dakota Century Code, relating to prohibitions on improper practices
3 by insurance companies and certain automobile repair practices; and to provide a penalty.

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

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

7 **Prohibited insurance practice.** An insurer that issues or renews an insurance policy
8 in this state which provides coverage of a motor vehicle may not:

- 9 1. Require that a person insured under the policy use a particular repair company or
10 location for providing automobile repair, including glass replacement or repairs.
- 11 2. Engage in any act or practice of intimidation, coercion, or threat for or against an
12 insured person to use a particular repair company or location to provide
13 automobile repair, including glass replacement or repair services.

14 **SECTION 2.** A new section to chapter 51-07 of the North Dakota Century Code is
15 created and enacted as follows:

16 **Automobile repair practices.** A person engaged in automobile repair, including the
17 sale, repair, or replacement of automobile glass, may advertise, promise to provide, or offer any
18 coupon, credit, or rebate to pay any part of an insurance deductible under an insurance policy
19 covering an automobile up to one hundred dollars; pay a sum or incentive to a person for
20 directing automobile repair, including glass replacement or repair services up to one hundred
21 dollars; and advertise services as to quality, service, and safety.

22 **SECTION 3.** A new section to chapter 51-07 of the North Dakota Century Code is
23 created and enacted as follows:

- 1 **Prohibited practices - Penalty.** A person may not manage, handle, or arrange
- 2 automobile repair, including glass replacement or repair work, for which one person retains a
- 3 set fee or charges a percentage of the claim paid by the insurer. A willful violation of this
- 4 section is a class B misdemeanor.