

**Sixty-first Legislative Assembly of North Dakota  
In Regular Session Commencing Tuesday, January 6, 2009**

SENATE BILL NO. 2104  
(Industry, Business and Labor Committee)  
(At the request of the Insurance Commissioner)

AN ACT to create and enact a new subsection to section 26.1-04-03 of the North Dakota Century Code, relating to unfair compensation of insurance company employees.

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

**SECTION 1.** A new subsection to section 26.1-04-03 of the North Dakota Century Code is created and enacted as follows:

Unfair compensation. Basing the compensation, including performance bonuses or incentives, of claims employees or contracted claims personnel on the following:

- a. The number of policies canceled.
- b. The number of times coverage is denied.
- c. Use of a quota limiting or restricting the number or volume of claims.
- d. Use of an arbitrary quota or cap limiting or restricting the amount of claims payments without due consideration to the merits of the claim.

\_\_\_\_\_  
President of the Senate

\_\_\_\_\_  
Speaker of the House

\_\_\_\_\_  
Secretary of the Senate

\_\_\_\_\_  
Chief Clerk of the House

This certifies that the within bill originated in the Senate of the Sixty-first Legislative Assembly of North Dakota and is known on the records of that body as Senate Bill No. 2104.

Senate Vote:    Yeas    39        Nays    2        Absent    6

House Vote:    Yeas    92        Nays    0        Absent    2

\_\_\_\_\_  
Secretary of the Senate

Received by the Governor at \_\_\_\_\_ M. on \_\_\_\_\_, 2009.

Approved at \_\_\_\_\_ M. on \_\_\_\_\_, 2009.

\_\_\_\_\_  
Governor

Filed in this office this \_\_\_\_\_ day of \_\_\_\_\_, 2009,

at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

\_\_\_\_\_  
Secretary of State