

**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