

**SENATE BILL NO. 2151**

Introduced by

Senators Klein, Kreun, Vedaa

Representative Lefor

1 A BILL for an Act to amend and reenact section 26.1-40-15.2 of the North Dakota Century  
2 Code, relating to uninsured motorist property damage coverage; and to provide for application.

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

4 **SECTION 1. AMENDMENT.** Section 26.1-40-15.2 of the North Dakota Century Code is  
5 amended and reenacted as follows:

6 **26.1-40-15.2. Uninsured motorist coverage - Uninsured motorist property damage**  
7 **coverage.**

- 8 1. ~~No~~A motor vehicle liability insurance policy may not be delivered, issued for delivery,  
9 or renewed in this state with respect to any specifically insured or identified motor  
10 vehicle registered, licensed, and principally garaged in this state unless uninsured  
11 motorist coverage is provided ~~therein~~as part of the policy or supplemental ~~theretoto~~  
12 the policy in limits set forth in section 39-16.1-11. Uninsured motorist coverage must  
13 pay compensatory damages ~~which~~that an insured is legally entitled to collect for bodily  
14 injury, sickness, or disease, including death resulting ~~therefrom~~from the injury,  
15 sickness, or disease, or such insured, from the owner or operator of an uninsured  
16 motor vehicle arising out of the ownership, maintenance, or use of such uninsured  
17 motor vehicle.
- 18 2. At the request of a named insured, or applicant for insurance, the insurer providing  
19 uninsured motorist coverage also shall ~~also~~ make available higher limits of uninsured  
20 motorist coverage in accordance with ~~its~~the insurer's rating plan and rules. The insurer  
21 need not provide uninsured motorist coverage limits in excess of the insured's bodily  
22 injury liability limits, or one hundred thousand dollars per person and three hundred  
23 thousand dollars per accident, or if consistent with such rating plan and rules, a

1 combined single limit equivalent of three hundred thousand dollars per accident,  
2 whichever is less.

3 3. The maximum liability of the uninsured motorist coverage is the lower of:

4 a. The amount of compensatory damages established but not recovered by any  
5 agreement, settlement, or judgment with or for the person ~~or organization~~ legally  
6 liable for the bodily injury, sickness, disease, or death resulting ~~therefrom~~from the  
7 injury, sickness, or disease; or

8 b. The limits of liability of the uninsured motorist coverage.

9 4. An insurer providing uninsured motorist coverage shall offer to provide uninsured  
10 motorist property damage coverage without a deductible amount.

11 a. An insurer is not required to offer limits of uninsured motorist property damage  
12 coverage greater in amount than the property damage liability limits purchased  
13 by the insured.

14 b. Uninsured motorist property damage coverage is payable only if the incident  
15 causing the property damage involves actual physical contact between the  
16 covered motor vehicle and the uninsured motor vehicle and:

17 (1) The owner, operator, or license plate number of the uninsured motor vehicle  
18 is identified; or

19 (2) In the case of a hit and run, the incident is reported to law enforcement  
20 within seventy-two hours.

21 c. As used in this subsection, "property damage" means damage caused by an  
22 owner or operator of an uninsured motor vehicle to a covered motor vehicle. The  
23 term does not include compensation for loss of use of the damaged or destroyed  
24 motor vehicle.

25 5. In any claim for uninsured motorist benefits, the insured and the insurer each bear  
26 responsibility for one's own attorney's fees incurred unless the insurance contract  
27 specifically provides otherwise or the insurance company is found to have acted in bad  
28 faith. It is neither a conflict of interest nor bad faith for an insurer to contest and press  
29 all defenses ~~that~~ the uninsured motorist could press.

30 **SECTION 2. APPLICATION.** This Act applies to all automobile insurance policies delivered,  
31 issued, or renewed after July 31, 2021.