

HOUSE BILL NO. 1454

Introduced by

Representatives Kading, Becker, Christensen, Paulson, Paur

1 A BILL for an Act to create and enact a new section to chapter 51-07 of the North Dakota
2 Century Code, relating to unlawful interference with business relation; and to provide a penalty.

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

4 **SECTION 1.** A new section to chapter 51-07 of the North Dakota Century Code is created
5 and enacted as follows:

6 **Unlawful interference with business relation - Civil action - Penalty.**

- 7 1. A person may not by inducement, persuasion, misrepresentation, or other means,
8 induce or procure the breach, violation, refusal, or failure to perform a lawful contract
9 by any party to the contract or interfere with a prospective business relationship with
10 the purpose of preventing two or more parties from entering a contract.
- 11 2. A person aggrieved under subsection 1 may bring a civil action for unlawful
12 interference with business relation or prospective business relation. In any successful
13 action brought by an aggrieved person under this subsection, the court shall award
14 treble the amount of damages resulting from or incident to the breach of the contract
15 or prospective contract and all reasonable personal costs, including court costs and
16 attorney's fees.
- 17 3. Upon a showing of good cause by the aggrieved party, the court may issue an
18 injunction restraining the person that unlawfully interfered from continuing the act or
19 practice in violation of subsection 1.
- 20 4. The person aggrieved under subsection 1 shall establish the following elements in a
21 civil action for damages under this section:
- 22 a. The existence of a valid business relationship or expectancy;
23 b. The defendant intentionally and improperly interfered with the contractual or
24 business relationship, or if the act was the unlawful interference of a prospective

1 business relationship, the defendant's conduct was independently tortious or
2 wrongful;

3 c. Proof the interference caused the harm sustained; and

4 d. Actual, compensatory, incidental, or consequential damages to the party whose
5 relationship or expectancy was disrupted.

6 5. As used in subdivision b of subsection 4, "unlawful interference" includes a violation of
7 the terms of service or a breach of contract by an online platform.

8 6. A class action may be brought against a person that unlawfully interfered.

9 7. For purposes of subsection 1, if a party is using an online platform for business
10 purposes, a follower or member of the party's online platform is considered a
11 prospective business relationship. As used in this subsection, "online platform" means
12 a website or webpage through which users are able to share and generate content
13 and find and connect with other users of common interests.

14 8. A person that violates subsection 1 in bad faith and in collusion with a third party is
15 guilty of a class A misdemeanor.