

Sixty-seventh
Legislative Assembly
of North Dakota

ENGROSSED HOUSE BILL NO. 1057

Introduced by

Political Subdivisions Committee

(At the request of the Office of Management and Budget)

1 A BILL for an Act to amend and reenact subsection 2 of section 32-12.1-03 and subsection 2 of
2 section 32-12.2-02 of the North Dakota Century Code, relating to the statutory caps for liability
3 of political subdivisions and the state; to provide an effective date; and to provide an expiration
4 date.

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

6 **SECTION 1. AMENDMENT.** Subsection 2 of section 32-12.1-03 of the North Dakota
7 Century Code is amended and reenacted as follows:

8 2. The liability of political subdivisions under this chapter is limited to a total of ~~two~~three
9 hundred ~~fifty~~seventy-five thousand dollars per person and one million dollars for any
10 number of claims arising from any single occurrence regardless of the number of
11 political subdivisions, or employees of such political subdivisions, which are involved in
12 that occurrence. A political subdivision may not be held liable, or be ordered to
13 indemnify an employee held liable, for punitive or exemplary damages. The liability
14 limits under this subsection must be adjusted annually as follows:

15 a. On July 1, 2023, a total of four hundred six thousand two hundred and fifty dollars
16 per person and one million six hundred twenty-five thousand dollars for any
17 single occurrence.

18 b. On July 1, 2024, a total of four hundred thirty-seven thousand five hundred
19 dollars per person and one million seven hundred fifty thousand dollars for any
20 single occurrence.

21 c. On July 1, 2025, a total of four hundred sixty-eight thousand seven hundred fifty
22 dollars per person and one million eight hundred seventy-five thousand dollars
23 per occurrence.

1 d. On July 1, 2026, a total of five hundred thousand dollars per person and two
2 million dollars per occurrence.

3 **SECTION 2. AMENDMENT.** Subsection 2 of section 32-12.2-02 of the North Dakota
4 Century Code is amended and reenacted as follows:

5 2. The liability of the state under this chapter is limited to a total of ~~two~~three hundred
6 ~~fifty~~seventy-five thousand dollars per person and one million dollars for any number of
7 claims arising from any single occurrence. The state may not be held liable, or be
8 ordered to indemnify a state employee held liable, for punitive or exemplary damages.
9 Any amount of a judgment against the state in excess of the one million dollar limit
10 imposed under this subsection may be paid only if the legislative assembly adopts an
11 appropriation authorizing payment of all or a portion of that amount. A claimant may
12 present proof of the judgment to the director of the office of management and budget
13 who shall include within the proposed budget for the office of management and budget
14 a request for payment for the portion of the judgment in excess of the limit under this
15 section at the next regular session of the legislative assembly after the judgment is
16 rendered. The liability limits under this subsection must be adjusted annually as
17 follows:

18 a. On July 1, 2023, a total of four hundred six thousand two hundred and fifty dollars
19 per person and one million six hundred twenty-five thousand dollars for any
20 single occurrence.

21 b. On July 1, 2024, a total of four hundred thirty-seven thousand five hundred
22 dollars per person and one million seven hundred fifty thousand dollars for any
23 single occurrence.

24 c. On July 1, 2025, a total of four hundred sixty-eight thousand seven hundred fifty
25 dollars per person and one million eight hundred seventy-five thousand dollars
26 per occurrence.

27 d. On July 1, 2026, a total of five hundred thousand dollars per person and two
28 million dollars per occurrence.

29 **SECTION 3. EFFECTIVE DATE.** This Act becomes effective July 1, 2022.

30 **SECTION 4. EXPIRATION DATE.** This Act is effective through July 31, 2027, and after that
31 date is ineffective.