

## **CHAPTER 26.1-41 AUTO ACCIDENT REPARATIONS**

### **26.1-41-01. Definitions.**

As used in this chapter:

1. "Accidental bodily injury" means bodily injury, sickness, or disease, including death resulting therefrom, arising out of the operation of a motor vehicle, and excluding injury as the result of an individual entering or alighting from a stopped motor vehicle if the injury is not caused by another motor vehicle, and which is accidental as to the person claiming basic or optional excess no-fault benefits.
2. "Basic no-fault benefits" means benefits for economic loss resulting from accidental bodily injury. The maximum amount of basic no-fault benefits payable for all economic loss incurred and resulting from accidental bodily injury to any one person as the result of any one accident may not exceed thirty thousand dollars, regardless of the number of persons entitled to the benefits or the number of basic no-fault insurers obligated to pay the benefits. Basic no-fault benefits payable may not exceed one hundred fifty dollars per week per person prorated for any lesser period for work loss or survivors' income loss, or three thousand five hundred dollars for funeral, cremation, and burial expenses.
3. "Basic no-fault insurer" means an insurer or a qualified self-insurer.
4. "Bus" means:
  - a. Any motor vehicle owned by a public or governmental agency and operated for the transportation of children to or from school or privately owned and operated for compensation for the transportation of children to or from school.
  - b. Any motor vehicle owned by a charitable, religious, educational, or governmental corporation or organization designed for carrying more than ten passengers and used for the transportation of persons not for compensation.
  - c. Any motor vehicle owned by a political subdivision and operated as part of a public transit system in which all or a portion of the costs of operation are subsidized by the political subdivision or the federal government.
5. "Dependent survivors" means the surviving spouse of a deceased injured person if residing in the deceased's household at the time of the deceased's death, and other persons receiving support from the deceased injured person at the time of the deceased's death which would qualify them as dependents of the deceased for federal income tax purposes under the federal Internal Revenue Code. The dependency of a surviving spouse terminates upon remarriage.
6. "Disability" means the inability to engage in substantially all of the injured person's usual and customary daily activities.
7. "Economic loss" means medical expenses, rehabilitation expenses, work loss, replacement services loss, survivors' income loss, survivors' replacement services loss, and funeral, cremation, and burial expenses.
8. "Injured person" means an individual who sustains accidental bodily injury.
9. "Medical expenses" means usual and customary charges incurred for reasonable and necessary medical, surgical, diagnostic, x-ray, dental, prosthetic, ambulance, hospital, or professional nursing services or services for remedial treatment and care. Usual and customary charges do not include:
  - a. The portion of the charge for a room in any hospital, clinic, convalescent or nursing home, extended care facility, or any similar facility in excess of the reasonable and customary charge for semiprivate accommodations unless intensive care is medically needed.
  - b. Charges for drugs sold without a prescription.
  - c. Charges for experimental treatments.
  - d. Charges for medically unproven treatments.
10. "Motor vehicle" means a vehicle having more than three load-bearing wheels, of a kind required to be registered under the laws of this state relating to motor vehicles, designed primarily for operation upon the public streets, roads, and highways, and

- driven by power other than muscular power, and includes a trailer drawn by or attached to such a vehicle. The term does not include an unconventional vehicle defined in subsection 2 of section 39-29.2-01.
- 11. "Noneconomic loss" means pain, suffering, inconvenience, and other nonpecuniary damage recoverable under the tort law of this state.
  - 12. "Occupying" means to be in or upon a motor vehicle.
  - 13. "Operation of a motor vehicle" means operation, maintenance, or use of a motor vehicle as a vehicle. Operation of a motor vehicle does not include conduct within the course of a business of repairing, servicing, or otherwise maintaining a motor vehicle unless the injury occurs off the business premises, or conduct in the course of loading and unloading the vehicle unless the injury occurs while occupying the motor vehicle.
  - 14. "Owner" means the person in whose name the motor vehicle has been registered. If ownership has been transferred, but the registration record has not been changed, "owner" means the person, other than a lienholder, to whom ownership has been transferred. If no registration is in effect at the time of an accident involving the motor vehicle, "owner" means the person, other than a lienholder, who holds the legal title to the motor vehicle. If the motor vehicle is the subject of a security agreement with the debtor having the right to possession, a lease with an option to purchase with the lessee having the right to possession, or a lease with a term of six months or more with the lessee having the right to possession, "owner" means the debtor or lessee.
  - 15. "Pedestrian" means any individual not occupying any vehicle designed to be driven or drawn by power other than muscular power.
  - 16. "Rehabilitation expense" means the cost of a procedure or treatment for rehabilitation or a course of rehabilitative occupational training if the procedure, treatment, or training is reasonable and appropriate for the particular case, its cost is reasonable in relation to its probable rehabilitative effects, and it is likely to contribute substantially to medical or occupational rehabilitation.
  - 17. "Relative" means any of the following residing in the same household as the owner: an individual related to the owner by blood, marriage, or adoption, or a foster child. An individual resides in the same household if that individual usually makes a home in the same family unit, even though temporarily living elsewhere.
  - 18. "Replacement services loss" means expenses not exceeding fifteen dollars per day in obtaining ordinary and necessary services from others not members of the injured person's household in lieu of those that the injured person would have performed had the injured person not been injured, not for income but for the benefit of the injured person or the injured person's household. Replacement services loss does not include any loss after the death of an injured person.
  - 19. "Secured motor vehicle" means a motor vehicle with respect to which the security required by this chapter was in effect at the time of its involvement in the accident resulting in accidental bodily injury.
  - 20. "Secured person" means the owner, operator, or occupant of a secured motor vehicle, and any other person legally responsible for the acts or omissions of the owner, operator, or occupant.
  - 21. "Serious injury" means an accidental bodily injury which results in death, dismemberment, serious and permanent disfigurement or disability beyond sixty days, or medical expenses in excess of two thousand five hundred dollars. An injured person who is furnished the services in subsection 9 without charge or at less than the usual and customary charge for the service in this state is deemed to have sustained a serious injury if a court determines that the usual and customary value of the services exceeds two thousand five hundred dollars.
  - 22. "Survivors' income loss" means loss sustained after an injured person's death by dependent survivors during their dependency and consisting of the loss of the contributions they would have received for their support from the decedent out of income from work the decedent would normally have performed had the decedent not died.

23. "Survivors' replacement services loss" means expenses, not to exceed fifteen dollars per day after the injured person's death, by dependent survivors in obtaining ordinary and necessary services from others not members of the decedent's household in lieu of the services the decedent would have performed not for income but for the benefit of the decedent's household.
24. "Work loss" means eighty-five percent of loss of income from work an injured person who would normally be employed in gainful activity during the period of disability would have performed had the person not been injured, reduced by any income from substitute work actually performed by the injured person or by income the injured person would have earned in available appropriate substitute work that the injured person was capable of performing but unreasonably failed to undertake. Work loss does not include any loss after death of an injured person.

**26.1-41-02. Security requirements - Authority of director of the department of transportation.**

1. The owner of a motor vehicle required to be registered in this state, or the owner of a motor vehicle operated in this state by the owner or with the owner's permission, shall continuously provide with respect to the motor vehicle during the period in which operation is contemplated in this state security for payment of basic no-fault benefits and the liabilities covered under the motor vehicle liability insurance.
2. The security may be provided by an insurance policy complying with this chapter issued by an insurer authorized to transact business in this state, or, by self-insurance as approved by the commissioner.
3. If the motor vehicle is registered in another state, the security may be provided by an insurance policy issued by an insurer authorized to transact business in either this state or the state in which the motor vehicle is registered, or, by self-insurance as approved by the insurance department of the state in which the motor vehicle is registered.
4. The owner of any motor vehicle who operates it or permits it to be operated in this state when the owner knows or should know that the owner has failed to comply with the requirement that the owner provide security under this chapter shall have the motor vehicle registration revoked or suspended in accordance with procedures established by the director of the department of transportation under the motor vehicle law of this state until the owner provides the security required by this chapter.
5. An owner of a motor vehicle with respect to which security is required who fails to have the security in effect at the time of an accident is absolutely liable at law for payment of basic no-fault benefits and has all the rights and obligations of a basic no-fault insurer under this chapter. This remedy is in addition to any other remedy that an injured person may have against the owner.
6. An insurance policy which purports to provide coverage for basic no-fault benefits or is sold with the representation that it fulfills the requirements of security as required by this chapter is deemed to include all coverage required by this chapter.
7. The director of the department of transportation may supervise the enforcement of the compulsory security requirements of this chapter and may adopt the rules necessary in respect to the maintenance of the requirements.

**26.1-41-03. Suspension of coverage - Request by owner.**

Upon notice from the owner of a secured motor vehicle stating that the secured motor vehicle will not be operated on public roads or highways during a period of not less than thirty consecutive days, the basic no-fault insurer of the vehicle shall suspend on a pro rata basis or shall offer a similar credit, to the extent requested by the owner, insurance coverage afforded under the policy providing the security for payment of basic no-fault benefits and the liabilities covered under the motor vehicle liability insurance for the secured motor vehicle until notified by the owner that the coverage should be reinstated. The owner may not be required to surrender the number plates during the policy suspension period. During the period of suspension, subsections 1, 2, 4, 5, 6, and 7 of section 26.1-41-02 do not apply with respect to the secured

motor vehicle, but if the secured motor vehicle is operated by or with the permission of the owner during the period of suspension, subsections 1, 2, 4, 5, and 7 of section 26.1-41-02 become applicable. This section does not apply to an owner of a secured motor vehicle for which proof of financial responsibility is required under the financial responsibility laws of this state.

**26.1-41-04. Optional excess no-fault benefits.**

Each basic no-fault insurer of the owner of a secured motor vehicle shall also make available optional excess no-fault benefits for excess economic loss commencing upon the exhaustion of basic no-fault benefits, up to a total of eighty thousand dollars in no-fault benefits for accidental bodily injury to any one person in any one accident, including an accident when the person who purchased the optional excess no-fault benefits or that person's relative is injured in a motor vehicle not owned by the insured or as a pedestrian. A basic no-fault insurer may also offer benefits and limits other than those prescribed in this section, and a basic no-fault insurer may incorporate in optional excess no-fault coverage the terms, conditions, and exclusions as may be consistent with the premiums charged. The amounts payable under optional excess no-fault benefits may be duplicative of benefits received from any collateral sources or may be written in excess of such collateral source benefits, or may provide for reasonable waiting period, deductibles, or coinsurance provisions. The optional excess no-fault benefits of a basic no-fault insurer may provide for subrogation to the injured person's right of recovery against any responsible third party.

**26.1-41-05. Self-insurance - Liability policies - Authority of commissioner.**

1. Self-insurance used as security required by this chapter may be provided by filing in satisfactory form all of the following:
  - a. A continuing undertaking by the owner or other appropriate person to pay basic no-fault benefits and the liabilities covered by motor vehicle liability insurance and to perform all other obligations imposed by this chapter.
  - b. Evidence that appropriate provision exists for the prompt and efficient administration of all claims, benefits, and obligations provided by this chapter.
  - c. Evidence that reliable financial arrangements, deposits, or commitments exist providing assurance for payment of basic no-fault benefits and the liabilities covered by motor vehicle liability insurance and all other obligations imposed by this chapter substantially equivalent to those afforded by an insurance policy that would comply with this chapter.
2. Every insurer authorized to transact the business of motor vehicle liability insurance in this state shall file with the commissioner as a condition of its continued transaction of business in this state a form declaring that its motor vehicle liability policies wherever issued are deemed to provide the security required by this chapter when the motor vehicle is operated in this state. Any nonadmitted insurer may file this form.
3. The commissioner may adopt necessary rules not inconsistent with this chapter. The commissioner may provide schedules of reasonable maximum benefits payments for specified medical services and rehabilitation expenses which basic no-fault insurers may incorporate into their policies of basic or optional excess coverages afforded pursuant to this chapter.

**26.1-41-06. Persons entitled to basic no-fault benefits.**

Each basic no-fault insurer of a secured motor vehicle shall pay basic no-fault benefits without regard to fault for economic loss resulting from:

1. Accidental bodily injury sustained in the United States or its possessions or in Canada by the owner of the motor vehicle or any relative of the owner:
  - a. While occupying any motor vehicle; or
  - b. While a pedestrian as the result of being struck by a motor vehicle or motorcycle.

2. Accidental bodily injury sustained by any other person while occupying the secured motor vehicle if the accident occurs in the United States or its possessions or in Canada.
3. Accidental bodily injury sustained by any pedestrian in this state as a result of being struck by the secured motor vehicle.

#### **26.1-41-07. Persons not entitled to benefits.**

Basic or optional excess no-fault benefits are not payable to or on behalf of any person who is injured while:

1. Occupying any motor vehicle without the expressed or implied consent of the owner or while not in lawful possession of the motor vehicle.
2. Occupying a motor vehicle owned by such person which is not insured for the benefits required by this chapter unless uninsured solely because the insurance company of the owner has not filed a form pursuant to subsection 2 of section 26.1-41-05 to provide the basic no-fault benefits required by this chapter.
3. During a racing or speed contest, or in practicing or preparing for a racing or speed contest.
4. Intentionally causing or attempting to cause injury to oneself or another person.

#### **26.1-41-08. Secured person exemption.**

1. In any action against a secured person to recover damages because of accidental bodily injury arising out of the ownership or operation of a secured motor vehicle in this state, the secured person is exempt from liability to pay damages for:
  - a. Noneconomic loss unless the injury is a serious injury.
  - b. Economic loss to the extent of all basic no-fault benefits paid or to become payable for such injury under this chapter after subtracting the same elements of loss recoverable under any workforce safety and insurance law.
2. The exemption under subsection 1 does not apply unless the person who has sustained accidental bodily injury is a person who may qualify for basic no-fault benefits pursuant to section 26.1-41-06 and who is not excluded under section 26.1-41-07.

#### **26.1-41-09. Payment of basic and optional excess no-fault benefits.**

1. Basic and optional excess no-fault benefits are payable monthly for economic loss sustained by an injured person or dependent survivors or incurred on the injured person's behalf by the injured person's spouse, relatives, or guardian. A basic no-fault insurer may pay basic or optional excess no-fault benefits when due to the above persons who it believes have sustained or incurred the economic loss or at its option to the person rendering, for a charge, the services for which the benefits are payable. If the injured person dies, a basic no-fault insurer may pay the benefits due directly to those entitled to the benefits without the appointment of a personal representative and unless a court directs otherwise, may pay all benefits for survivors' income loss or replacement services loss to the surviving spouse for the use and benefit of all dependent survivors. A basic no-fault insurer's payments made in good faith in accordance with this chapter discharges its liability to the extent of the payments unless the basic no-fault insurer has been notified in writing of the claim of some other person prior to the making of any of the payments.
2. Basic and optional excess no-fault benefits are overdue if not paid within thirty days after the basic no-fault insurer receives reasonable proof of the fact and the amount of loss sustained, except that the basic no-fault insurer may accumulate claims for periods not exceeding one month, and the benefits are not overdue if paid within twenty days after the period of accumulation. If reasonable proof is not supplied as to the entire claim, the amount supported by reasonable proof is overdue if not paid within thirty days after the proof is received by the basic no-fault insurer. Any part or all of the remainder of the claim that is later supported by reasonable proof is overdue if

not paid within thirty days after proof is received by the basic no-fault insurer. Payment is deemed made on the date of mailing. All overdue payments must bear interest at the judgment rate allowed in section 28-20-34.

3. Neither the injured person nor a basic no-fault insurer is required to pay for services billed more than one hundred eighty days after the date of treatment.

**26.1-41-10. Assignment of nonmedical benefits unenforceable - Exemption of benefits from process.**

An agreement for assignment of any right to nonmedical benefits payable in the future is unenforceable. Basic no-fault benefits are exempt from garnishment, attachment, execution, and any other process or claim to the extent that wages or earnings are exempt under any applicable law exempting wages or earnings from process or claims.

**26.1-41-11. Mental and physical examinations.**

1. Whenever the mental or physical condition of an individual is material to any claim that has been or may be made for past or future basic or optional excess no-fault benefits, the individual shall submit to mental or physical examination by a physician designated by the basic no-fault insurer at a reasonably convenient location. Basic no-fault insurers are authorized to include reasonable provisions of this nature in policies providing basic or excess no-fault benefits.
2. If an individual refuses to submit to a mental or physical examination, a court at the request of the insurer may enter an order requiring the individual to submit to the examination. If the court finds that the individual failed to appear for the examination without good cause, the court shall order the insured to reimburse the insurer for any reasonably demonstrable cancellation charges for the examination.

**26.1-41-12. Discovery of facts about an injured person.**

1. Every employer or claimant, if a written request is made by a basic no-fault insurer against whom a claim has been made, shall furnish forthwith, in a form approved by the insurance commissioner, a sworn statement of the earnings, since the time of the accidental bodily injury and for a twelve-month period before the injury, of the individual upon whose injury the claim is based.
2. Every physician, coroner or medical officer, hospital, clinic, or other medical institution providing, before or after an accidental bodily injury upon which a claim for basic or optional excess no-fault benefits is based, any products, services, or accommodations in relation to the injury, or in relation to a condition claimed to be connected with the injury, if requested in writing to do so by the basic no-fault insurer against whom the claim has been made, shall:
  - a. Promptly furnish a written report of the history, condition, treatment, and dates and costs of treatment.
  - b. Permit the inspection and copying of its records regarding the history, condition, treatment, and dates and costs of treatment.
  - c. Promptly furnish autopsy reports.
3. In the event of any dispute regarding a basic no-fault insurer's right to discovery of facts about an injured person's earnings or about history, condition, treatment, and dates and costs of such treatment, a court of record may enter an order for such discovery as justice requires.
4. A person may not charge more than twenty dollars for the first twenty-five pages and seventy-five cents per page for every page beyond twenty-five pages for providing a copy of medical records or medical bills in paper or facsimile format to a basic no-fault insurer pursuant to this chapter. If providing an electronic, digital, or other computerized format, a person may charge thirty dollars for the first twenty-five pages and twenty-five cents per page after twenty-five pages for providing a copy of medical records or medical bills to a basic no-fault insurer pursuant to this chapter. This charge includes any administrative fee, retrieval fee, and postage expense.

### **26.1-41-13. Priority of applicable security - Coordination of benefits.**

1. A basic no-fault insurer has the primary obligation to make payment for economic loss because of accidental bodily injury arising out of the operation of a motor vehicle; provided, that the amount of all benefits a claimant recovered or is entitled to recover for the same elements of loss under any workforce safety and insurance law must be subtracted from the basic no-fault benefits otherwise payable for the injury.
2. As between applicable security basic no-fault benefits are payable as follows:
  - a. As to any person injured while occupying a secured motor vehicle, or injured as a pedestrian by a secured motor vehicle, the basic no-fault insurer of the secured motor vehicle shall pay the benefits.
  - b. As to any person who is injured while occupying an unsecured motor vehicle, or while being struck as a pedestrian by an unsecured motor vehicle, the basic no-fault insurer affording the benefits to the injured person shall pay the benefits.
  - c. As to any person injured while occupying a bus that is a secured motor vehicle, the basic no-fault insurer affording benefits to the injured person as the owner of a secured motor vehicle or as a relative of the owner of a secured motor vehicle shall pay the benefits; and, if there is no basic no-fault insurer affording benefits to the injured person, then the basic no-fault insurer of the bus shall pay the benefits.
  - d. As to any person injured while occupying a secured motor vehicle that is transporting persons under a ridesharing arrangement, as defined in section 8-02-07, the basic no-fault insurer affording benefits to the injured person as the owner of a secured motor vehicle or as a relative of the owner of a secured motor vehicle shall pay the benefits; and, if there is no basic no-fault insurer affording benefits to the injured person, then the basic no-fault insurer of the secured motor vehicle shall pay the benefits.
3. An insurer, health maintenance organization, or nonprofit health service corporation, other than a basic no-fault insurer, authorized to do business in this state may coordinate any benefits it is obligated to pay for economic loss incurred as a result of accidental bodily injury, with the first ten thousand dollars of basic no-fault benefits. A basic no-fault insurer authorized to do business in this state may coordinate any benefits it is obligated to pay for medical expenses incurred as a result of accidental bodily injury in excess of ten thousand dollars. An insurer, health maintenance organization, or nonprofit health service corporation, other than a basic no-fault insurer, may not coordinate benefits unless it provides those persons who purchase benefits from it with an equitable reduction or savings in the direct or indirect cost of purchased benefits. The commissioner shall approve any coordination of benefits plan.

### **26.1-41-14. Stacking of basic no-fault benefits prohibited.**

When an injured person is provided basic no-fault benefits by an insurance policy issued in compliance with this chapter, the injured person is covered only to the extent of the basic no-fault benefits provided on the secured motor vehicle involved in the accident and the optional excess no-fault benefits purchased by the injured person, or a relative of the injured person, on a secured motor vehicle, if any, in excess of the basic no-fault benefits provided on the secured motor vehicle involved in the accident. If any person is injured while occupying an unsecured motor vehicle, basic no-fault benefits are only available to the extent of the applicable basic no-fault benefits provided to the injured person as the owner of a secured motor vehicle or as a relative of the owner of a secured motor vehicle. In either instance, basic no-fault benefits on any secured motor vehicle may not be added or stacked upon basic no-fault benefits available from any other source.

### **26.1-41-15. Motor vehicle liability insurance - Extraterritorial provision.**

1. Motor vehicle liability insurance applies to the amounts which the owner is legally obligated to pay as damages because of accidental bodily injury and accidental property damage arising out of the ownership or operation of a motor vehicle, if the accident occurs in the United States or its possessions or in Canada. Motor vehicle

liability insurance must afford limits of liability not less than those required under the financial responsibility laws of this state. Customary terms and conditions applicable to motor vehicle liability insurance apply.

2. If the accident occurs outside this state but in the United States or its possessions or in Canada:
  - a. If the limits of liability of the financial responsibility or compulsory insurance laws of the applicable jurisdiction exceed the limits of liability of the financial responsibility laws of North Dakota, the motor vehicle liability insurance is deemed to comply with the limits of liability of the laws of the applicable jurisdiction.
  - b. If the limits of no-fault benefits of the applicable jurisdiction exceed the limits provided under this chapter for no-fault benefits, the no-fault benefits are deemed to comply with the limits of the benefits of the laws of the applicable jurisdiction.

**26.1-41-16. Insurer's right of subrogation.**

A basic no-fault insurer which has paid or may become obligated to pay basic no-fault benefits under this chapter is subrogated to the extent of its obligations to all of the rights of the injured person against any person other than a secured person. The subrogee has a lien to the extent of its obligations, and no release of rights is effective against the rights without the subrogee's consent.

**26.1-41-17. Equitable allocation of losses among insurers.**

Repealed by S.L. 2005, ch. 274, § 6.

**26.1-41-18. Assigned claims plan.**

1. Basic no-fault insurers authorized to provide basic no-fault benefits in this state shall organize, participate in, and maintain an assigned claims plan to provide that an injured person who suffers economic loss and is eligible for basic no-fault benefits under section 26.1-41-06, other than a person not entitled to benefits under section 26.1-41-07, may obtain basic no-fault benefits through the plan if:
  - a. Basic no-fault benefits are not applicable to the injury for some reason other than those specified in section 26.1-41-07; or
  - b. Basic no-fault benefits applicable to the injury are inadequate to provide the contracted-for benefits because of financial inability of a basic no-fault insurer to fulfill its obligations.

Payments made by the assigned claims plan pursuant to this subsection constitute covered claims under chapter 26.1-42.1.

2. If a claim qualifies for assignment under this section, the assigned claims plan or any basic no-fault insurer to whom the claim is assigned is subrogated to the rights of the claimant against any person liable, and against any basic no-fault insurer, its successor in interest, or substitute legally obligated to provide basic no-fault benefits to the claimant, for basic no-fault benefits provided by the assignment.
3. The assigned claims plan must contain any rules for the operation of the plan and for the equitable distribution of costs as may be approved by the commissioner. Any claim brought through the plan must be assigned to a basic no-fault insurer in accordance with the rules and the insurer, after assignment, has the rights and obligations it would have had if prior to the assignment it has issued security providing basic no-fault benefits applicable to the loss. Any person accepting benefits under this section has the rights and obligations as that person would have had under security issued to that person providing basic no-fault benefits.
4. Any person who sustains accidental bodily injury while an occupant in or as a result of being struck by any motor vehicle is not eligible for benefits under the assigned claims plan if the person owned a motor vehicle on the date of loss and failed to provide continuous security for the motor vehicle as required by section 26.1-41-02.

5. Any person who requests suspension of coverage in accordance with section 26.1-41-03 is not ineligible for assigned claims plan benefits while the suspension is in effect if bodily injury is sustained while an occupant in or as a result of being struck by a motor vehicle not owned by that person.

**26.1-41-19. Limitation of actions.**

1. If no basic or optional excess no-fault benefits have been paid for loss, an action for the benefits may be commenced not later than two years after the injured person suffers the loss and either knows, or in the exercise of reasonable diligence should know, that the loss was caused by the accident, or not later than four years after the accident, whichever is earlier. If basic or optional excess no-fault benefits have been paid for loss, an action for recovery of further benefits for the loss by either the same or another claimant may be commenced not later than four years after the last payment of benefits.
2. If no basic or optional excess no-fault benefits have been paid to the decedent or dependent survivors, an action for benefits for survivors' income loss and replacement services loss and funeral and burial expenses may be commenced not later than two years after the death or six years after the accident from which death results, whichever is earlier. If survivors' income loss and replacement services loss benefits have been paid to any dependent survivor, an action for recovery of further survivors' income loss or replacement services loss benefits by either the same or another claimant may be commenced not later than six years after the last payment of benefits. If basic or optional excess no-fault benefits have been paid for loss suffered by an injured person before the injured person's death resulting from the injury, an action for recovery of survivors' income loss or replacement services loss benefits may be commenced not later than two years after the death or six years after the last payment of benefits, whichever is earlier.
3. Except as subsection 1 or 2 prescribes a longer period, an action by a claimant on an assigned claim which has been timely presented may be commenced not later than sixty days after the claimant received written notice of rejection of the claim by the basic no-fault insurer to which it was assigned.
4. The time period limitations prescribed in this section govern all actions for basic and optional excess no-fault benefits under this chapter notwithstanding any limitation prescribed elsewhere in the laws of this state.

**26.1-41-20. Secured person exemption for no liability insurance.**

In any action against a secured person to recover damages because of accidental bodily injury arising out of the ownership or operation of a secured motor vehicle in this state, the secured person may not be assessed damages for noneconomic loss for a serious injury in favor of a party who has at least one prior unrelated conviction under section 39-08-20 and who was operating a motor vehicle owned by that party at the time of injury without a valid policy of liability insurance in order to respond to damages for liability arising out of the ownership, maintenance, or use of that motor vehicle.