

TITLE 9: VEHICLE CODE  
DIVISION 8: FINANCIAL RESPONSIBILITY LAWS

**§ 8207. Assigned Risk Plan (ARP).**

The Insurance Commissioner shall promulgate rules and regulations, to have the force and effect of law, to create an Assigned Risk Plan for motor vehicle liability insurance. Such rules and regulations shall provide as follows:

(a) As a condition of doing business in the Commonwealth, all insurance providers shall be required to be part of and to participate in the ARP.

(b) The ARP shall provide that any person or party who is otherwise unable to obtain the minimum motor vehicle liability insurance required by this chapter shall make an application to the Insurance Commissioner, or his designee, to participate in the ARP. Upon receipt of such application, the commissioner shall order an insurance provider that participates in the ARP to award and maintain such applicant with the minimum motor vehicle liability insurance required by this chapter, for such consideration as is determined by regulation for a person under similar circumstances to the applicant. The amount of consideration shall allow the insurance provider to make a reasonable profit on such ARP policies. ARP policies may be canceled or terminated by the insurance provider in the manner otherwise provided in this chapter for the cancellation of vehicle liability insurance policies, if the applicant fails to make timely or full payment of the consideration due under the terms of the applicant's ARP policy, or, upon such other grounds as provided by regulation. Orders to insurance providers to participate in the ARP shall be distributed among the various insurance providers in an equitable fashion, as provided by regulation.

(c) For the purposes of this chapter, distributed in an equitable fashion shall mean: the distribution of ARP policies to insurance providers so that all insurance providers have generally the same ratio of the number of ARP to non-ARP motor vehicle insurance policies.

(d) Any insurance provider which objects to any order or orders by the Insurance Commissioner to participate in the Assigned Risk Plan because the insurance provider believes such order(s) are being distributed in an inequitable fashion to the financial detriment of the insurance provider, or, objects to any other orders of the commissioner on the grounds that they are unlawful, may protest such order(s) to the Insurance Commissioner and seek relief from such order(s). If the insurance provider does not receive a decision by the commissioner within 30 days of making such protest, the insurance provider may file suit in the Commonwealth Superior Court to protest such order(s). A decision made by the commissioner within the 30 day period may be appealed to the Superior Court within 15 days of the rendering of such decision. The court shall make whatever orders it deems necessary and proper to the Insurance Commissioner or other parties to ensure that the ARP is distributed among insurance providers in an equitable fashion, and shall make such other orders as it deems to be required by this chapter or other law.

(e) If an insurance provider fails to subscribe or properly participate in the ARP, or any regulations promulgated in relation thereto, the Insurance Commis-

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sioner shall give 10 days written notice to such provider to so subscribe or otherwise properly participate. If such insurance provider fails to comply with such notice, then the commissioner may, after hearing upon notice, suspend the license of such insurance provider to provide motor vehicle liability insurance in the Commonwealth until such insurance provider does so subscribe or otherwise properly participates.

(f) Any insurance provider that continually or repeatedly fails or refuses to properly participate in the ARP or abide by the rules and regulations in regard thereto, may, after notice and a hearing before the Insurance Commissioner, be prohibited from doing any business in the Commonwealth relating to motor vehicle liability insurance by the permanent revocation of its license to conduct such business.

(g) If the commissioner, after hearing upon not less than 10 days notice, finds that any insurance provider has failed to perform any of the duties required of it by law or regulation, he or she may issue an order to such provider specifying in what manner and to what extent he/she finds the provider to have so failed and requiring, within a reasonable time, not less than 10 days, compliance with such requirements. If within the period specified in the order the provider fails to comply with such order, such provider shall, in addition to any other penalty provided by law, forfeit to the CNMI a penalty of \$1,000 for each such failure upon being so ordered by the commissioner. The Attorney General may bring an action in the name of the Commonwealth against the insurance provider to collect the said penalty and to otherwise enforce the orders of the Insurance Commissioner. The civil penalty of this subpart shall not apply to orders of the commissioner that are successfully challenged by the appeals process provided in this chapter, and any such civil penalty shall be automatically stayed pending any such appeal.

**Source:** PL 11-55, § 6 (§ 8108), modified.

**Commission Comment:** The subsections in this section which were designated in numbers were changed to lower case alphabets and the subsections in this section which were designated in lower case alphabets were relettered to comply with standard code formatting.