

**HOUSE CS FOR CS FOR SENATE BILL NO. 158(L&C) am H**

**IN THE LEGISLATURE OF THE STATE OF ALASKA**

**TWENTIETH LEGISLATURE - SECOND SESSION**

**BY THE HOUSE LABOR AND COMMERCE COMMITTEE**

**Amended: 5/9/98**

**Offered: 4/6/98**

**Sponsor(s): SENATE JUDICIARY COMMITTEE BY REQUEST**

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act relating to motor vehicle liability insurance covering a person who has  
2 had the person's driver's license revoked for possession or consumption of alcohol  
3 while under 21 years of age."

4 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

5 \* **Section 1.** AS 21.36.210(a) is amended to read:

6 (a) An insurer may not exercise its right to cancel a policy of personal  
7 automobile insurance except for the following reasons:

8 (1) nonpayment of premium; or

9 (2) the driver's license or motor vehicle registration of either the named  
10 insured or of an operator who resides in the same household as the named insured or  
11 who customarily operates a motor vehicle insured under the policy has been under  
12 suspension or revocation during the policy period or, if the policy is a renewal, during  
13 its policy period or the 180 days immediately preceding its effective date; this  
14 paragraph does not apply to revocation as described under AS 21.89.027.

1     \* **Sec. 2.** AS 21.89 is amended by adding a new section to read:

2             **Sec. 21.89.027. Motor vehicle insurance following driver's license**  
3     **revocation.** (a) Notwithstanding AS 21.36.210, an insurer offering insurance in this  
4     state may not (1) refuse to issue or renew motor vehicle liability insurance coverage;  
5     (2) cancel an existing policy of motor vehicle liability insurance; (3) deny a covered  
6     claim; or (4) increase the premium on a motor vehicle liability insurance policy if the  
7     refusal, cancellation, denial, or increase results only from the fact that the person's  
8     driver's license was revoked under AS 28.15.183 or 28.15.185 for possession or  
9     consumption of alcohol in a situation where the person was not driving and was in  
10    violation of AS 04.16.050 or a municipal ordinance with substantially similar elements.

11            (b) The provisions of (a) of this section may not prevent an insurer from  
12    underwriting or rating based upon loss experience in the same manner as it would for  
13    a person who has not had the person's driver's license revoked under AS 28.15.183  
14    or 28.15.185.

15    \* **Sec. 3.** This Act applies to a policy of insurance that is entered into or renewed on or  
16    after the effective date of this Act.