

**CS FOR SENATE BILL NO. 87(L&C)**

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

**TWENTY-FIRST LEGISLATURE - FIRST SESSION**

**BY THE SENATE LABOR AND COMMERCE COMMITTEE**

**Offered: 3/24/99**

**Referred: Judiciary**

**Sponsor(s): SENATE LABOR AND COMMERCE COMMITTEE BY REQUEST**

**A BILL**

**FOR AN ACT ENTITLED**

**1 "An Act requiring a license to sell rental car insurance."**

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

**3 \* Section 1.** AS 21.27.060(d) is amended to read:

**4 (d)** This section does not apply to an applicant

**5 (1)** for a limited license under AS 21.27.150(a)(1) [AS 21.27.150(1)],

**6 (2), [OR] (6), or (7);**

**7 (2)** who, at any time within the two-year period immediately preceding  
**8** the date the current pending application is received by the division, had been licensed  
**9** in good standing in this state under a license requiring substantially similar  
**10** qualifications as required by the license applied for; or

**11 (3)** whose license in its resident jurisdiction requires the same  
**12** qualifications as the license applied for in this state if the license in all jurisdictions  
**13** is in good standing.

**14 \* Sec. 2.** AS 21.27.150 is amended to read:

**15 Sec. 21.27.150. Limited licenses. (a)** The director may issue a

1 (1) travel insurance limited producer license to a person whose place  
2 of business is located in this state, who sells transportation tickets of a common carrier  
3 of persons or property, who is appointed under AS 21.27.100, and whose sole purpose  
4 is to be appointed by and [TO] act as an agent for transportation ticket policies of  
5 health insurance, baggage insurance on personal effects, and trip cancellation or trip  
6 interruption insurance;

7 (2) health insurance limited producer license to a resident of this state  
8 whose sole purpose is to be appointed by and act as an agent for health insurance  
9 pertaining to sports and recreation;

10 (3) title insurance limited producer license to a person whose place of  
11 business is located in this state and whose sole purpose is to be appointed by and act  
12 on behalf of a title insurer;

13 (4) bail bond limited producer license to a person whose place of  
14 business is located in this state and whose sole purpose is to be appointed by and act  
15 on behalf of a surety insurer pertaining to bail bonds;

16 (5) fraternal benefit society limited producer license to a person whose  
17 sole purpose is to be appointed by and [TO] act on behalf of a fraternal benefit society  
18 licensed under AS 21.84;

19 (6) retired insurance producer license to a resident who is retired or  
20 retiring from the business of insurance and surrenders all in-force licenses to allow the  
21 person to receive a continuing commission in regard to insurance transacted before  
22 retirement; a retired insurance producer licensee may not solicit, induce, negotiate, or  
23 effectuate contracts of insurance; the director may renew a retired insurance producer  
24 license if the licensee ceases to be a resident of this state;

25 (7) **motor vehicle rental agency limited producer license to a person**  
26 **and, subject to the approval of the director, to employees of the person licensed**  
27 **that the licensee authorizes to transact the business of insurance on the licensee's**  
28 **behalf if, as to an employee, the licensee complies with (D) of this paragraph and**  
29 **if the licensee**

30 **(A) rents to others, without operators,**

31 **(i) private passenger motor vehicles, including**

1 passenger vans, minivans, and sport utility vehicles; or

2 (ii) cargo motor vehicles, including cargo vans,  
3 pickup trucks, and trucks with a gross vehicle weight of less than  
4 26,000 pounds that do not require the operator to possess a  
5 commercial driver's license;

6 (B) rents motor vehicles only to persons under rental  
7 agreements that do not exceed a term of 90 days;

8 (C) transacts only the following kinds of insurance:

9 (i) motor vehicle liability insurance with respect to  
10 liability arising out of the use of a vehicle rented from the licensee  
11 during the term of the rental agreement;

12 (ii) uninsured or underinsured motorist coverage,  
13 with minimum limits described in AS 21.89.020(c) and (d) arising  
14 out of the use of a vehicle rented from the licensee during the term  
15 of the rental agreement;

16 (iii) insurance against medical, hospital, surgical, and  
17 disability benefits to an injured person and funeral and death  
18 benefits to dependents, beneficiaries, or personal representatives of  
19 a deceased person if the insurance is issued as incidental coverage  
20 with or supplemental to liability insurance and arises out of the use  
21 of a vehicle rented from the licensee during the term of the rental  
22 agreement;

23 (iv) personal effects insurance, including loss of use,  
24 with respect to damage to or loss of personal property of a person  
25 renting the vehicle and other vehicle occupants while that property  
26 is being loaded into, transported by, or unloaded from a vehicle  
27 rented from the licensee during the term of the rental agreement;

28 (v) towing and roadside assistance with respect to  
29 vehicles rented from the licensee during the term of the rental  
30 agreement; and

31 (vi) other insurance as may be authorized by

1                    regulation by the director;  
2                    (D) notifies the director in writing, within 30 days of  
3                    employment, of the name, date of birth, social security number, location  
4                    of employment, and home address of an employee authorized by the  
5                    licensee to transact insurance on the licensee's behalf; and  
6                    (E) provides other information as required by the director.  
7                    (b) The [THE] director may waive the bond required under AS 21.27.530(5)  
8                    for a person licensed under this section.