

Alaska State Legislature  
House Judiciary Committee

March 4, 2026

Submitted electronically to: [House.Judiciary@akleg.gov](mailto:House.Judiciary@akleg.gov)

**RE: HB 316, Personal Injury or Wrongful Death Damages - NAMIC's Written Testimony in Opposition**

Thank you for affording the National Association of Mutual Insurance Companies (NAMIC) an opportunity to submit written testimony to the House Committee on Judiciary for the public hearing on HB 316, Personal Injury or Wrongful Death Damages - NAMIC's Written Testimony in Opposition.

The National Association of Mutual Insurance Companies (NAMIC) is the foremost trade association representing the property/casualty insurance industry. Serving more than 1,300 member companies - including local and regional insurers as well as some of the nation's largest carriers - NAMIC members collectively write \$467 billion in annual premiums, representing 61% of the homeowners and 53% of the automobile insurance markets. For more than 130 years, NAMIC has been the leading voice advancing public policy solutions and regulatory frameworks that promote a strong, competitive market and protect our members and their policyholders.

Although we appreciate the bill sponsor's reasonable desire to make sure that personal injury and wrongful death damage caps are at an appropriate level in light of changes in the standard cost of living since the last damages cap reform legislation, we have the following concerns with the proposed legislation:

- 1) HB 316 is likely to be an insurance rate cost-driver, because increased damage caps will lead to increased settlement demands, increased insurance defense costs, and increased settlement payments, which are all factored into insurance rates paid by consumers. Promoting affordability and availability of insurance for consumers is of paramount importance in this inflationary era so insurers, consumers and policymakers are generally being very judicious in creating new insurance rate cost-drivers that could adversely impact the aggregate of insurance consumers. A detailed statement of necessity for the proposed change should be provided to the committee and interested stakeholders.
- 2) The proposed legislation is inconsistent with the national trend toward tort reform designed to reduce excessive litigation and the filing of inflated damages claims. Florida, Georgia and Louisiana have all passed laws to address tort reform to improve the insurance market and business community for citizens of their respective state. Washington State also introduced tort reform legislation on point this year. I have attached NAMIC's one-page reports on the positive impact of tort reform in these three states on insurance consumers.

- 3) Although we appreciate that the statutory damage cap has not been increased in recent years, the legislative record does not include any specific data on how the current damage cap fails to fairly and appropriately address the current financial needs of injured parties, and why the proposed increase is reasonable and necessary.
- 4) The proposed formula for increasing the damage cap is a bit unclear and needs to be explained. An illustration of an actual damage calculation should be provided to the committee and interested stakeholders, so that the financial implications of the proposed change is clear. The proposed formula reads as follows:

*(e) The maximum amount of damages specified under (b) and (c) of this section shall be adjusted for inflation using 100 percent of the change since 1997 in the Consumer Price Index for all urban consumers for urban Alaska, compiled by the Bureau of Labor Statistics, United States Department of Labor. [Emphasis Added]*

Does the phrase “100% of the changes since 1997” require an aggregation of each of the annual CPI adjustments since 1997 or does it require that the current damage cap reflect 100% of the current annual CPI rate? If the goal is to make sure that the current cap reflects current inflationary forces, why is an aggregation of all past years the proposed formula? NAMIC believes that this needs to be clarified. Is there a reason why the proposed provision doesn’t just state an actual damage cap number? An AI generated estimate of what this formula generates supports the conclusion that this provision would lead to a doubling of the current damage cap. What is the necessity and rationale for such a significant damage cap increase?

For the aforementioned reasons, we respectfully request your **NO VOTE on HB 316**.

Thank you for your time and consideration. Please feel free to contact me at 303.907.0587 or at [crataj@namic.org](mailto:crataj@namic.org), if you would like to discuss NAMIC’s written testimony.

Respectfully,



Christian John Rataj, Esq.  
NAMIC Senior Regional Vice President  
State Government Affairs, Western Region

## Legislative Actions & Results



Florida's insurance market is seeing numerous signs of recovery, including an average 6.5 percent rate decrease for the state's top five auto insurers and the Florida Office of Insurance Regulation's approval of 17 new insurance companies since the state's legislative reforms were enacted. The state's focus on tort reform and subsequent positive results may serve as inspiration for other states' reform initiatives, but they are also concrete examples that no one piece of legislation fixes everything and that position results take time.

**50%**

Citizens Property Insurance policies in force experienced a 50 percent reduction between 2024 and 2025<sup>1</sup>

**6.5%**

Florida's top five auto insurance groups have been able to cut personal auto rates by an average of 6.5 percent<sup>2</sup>

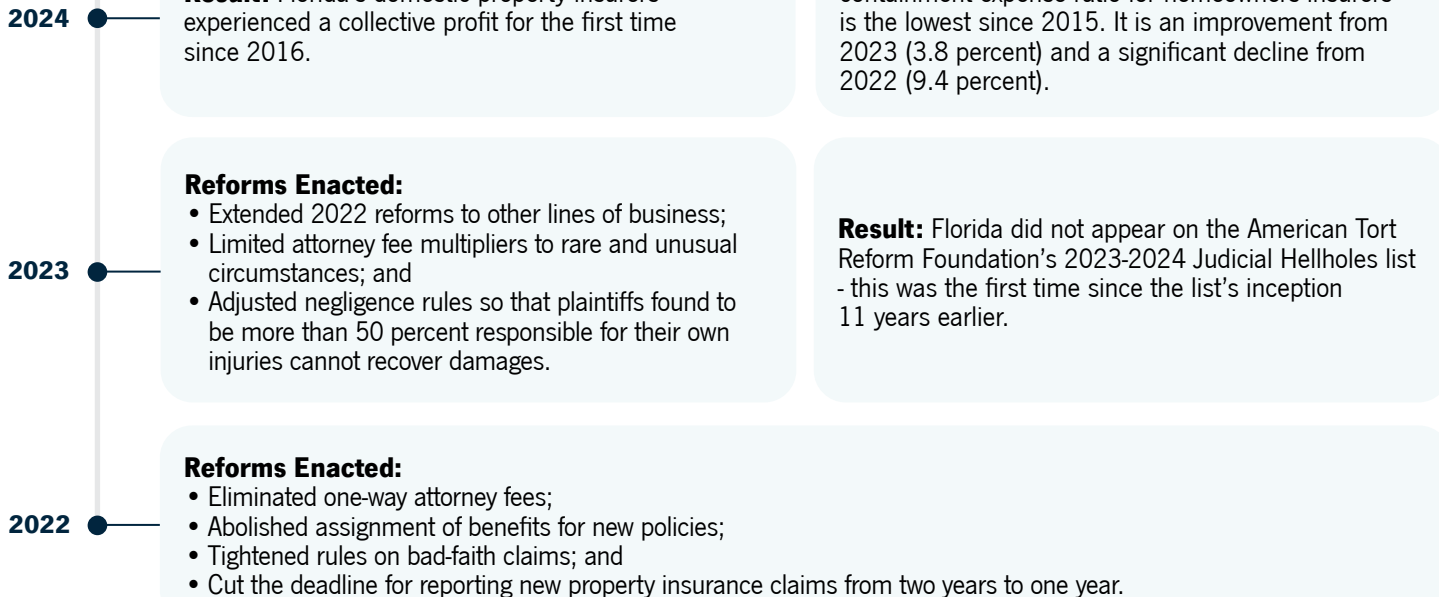
**11.5%**

Some auto insurers have decreased rates by as such as 11.5 percent<sup>3</sup>

*"The continued reduction in auto insurance rates is yet another sign that Florida's reforms are working. We will protect our reforms from those who seek to undo them and continue to fight for Floridians."*

**Florida Gov. Ron DeSantis**<sup>4</sup>

## Reform Timeline



<sup>1</sup> <https://flair.gov/newsroom/archives/item-details/2026/01/13/icymi-governor-ron-desantis-announces-major-insurance-rate-relief-as-florida-s-reforms-deliver-results>

<sup>2</sup> <https://insuranceindustryblog.iii.org/litigation-reform-works-florida-auto-insurance-premium-rates-declining/>

<sup>3</sup> <https://flair.gov/home/2025/07/29/florida-office-of-insurance-regulation-announces-lower-auto-insurance-rates-thanks-to-florida-s-insurance-reforms>

<sup>4</sup> <https://flair.gov/home/2025/07/29/florida-office-of-insurance-regulation-announces-lower-auto-insurance-rates-thanks-to-florida-s-insurance-reforms>

## Legislative Actions & Results

Georgia legislators turned their attention to tort reform in early 2025 when Gov. Brian Kemp unveiled a comprehensive legislative package to help alleviate frivolous lawsuits. After the state’s Senate and House passed the package, in February and March, respectively, Kemp signed the package into law on April 21, 2025.

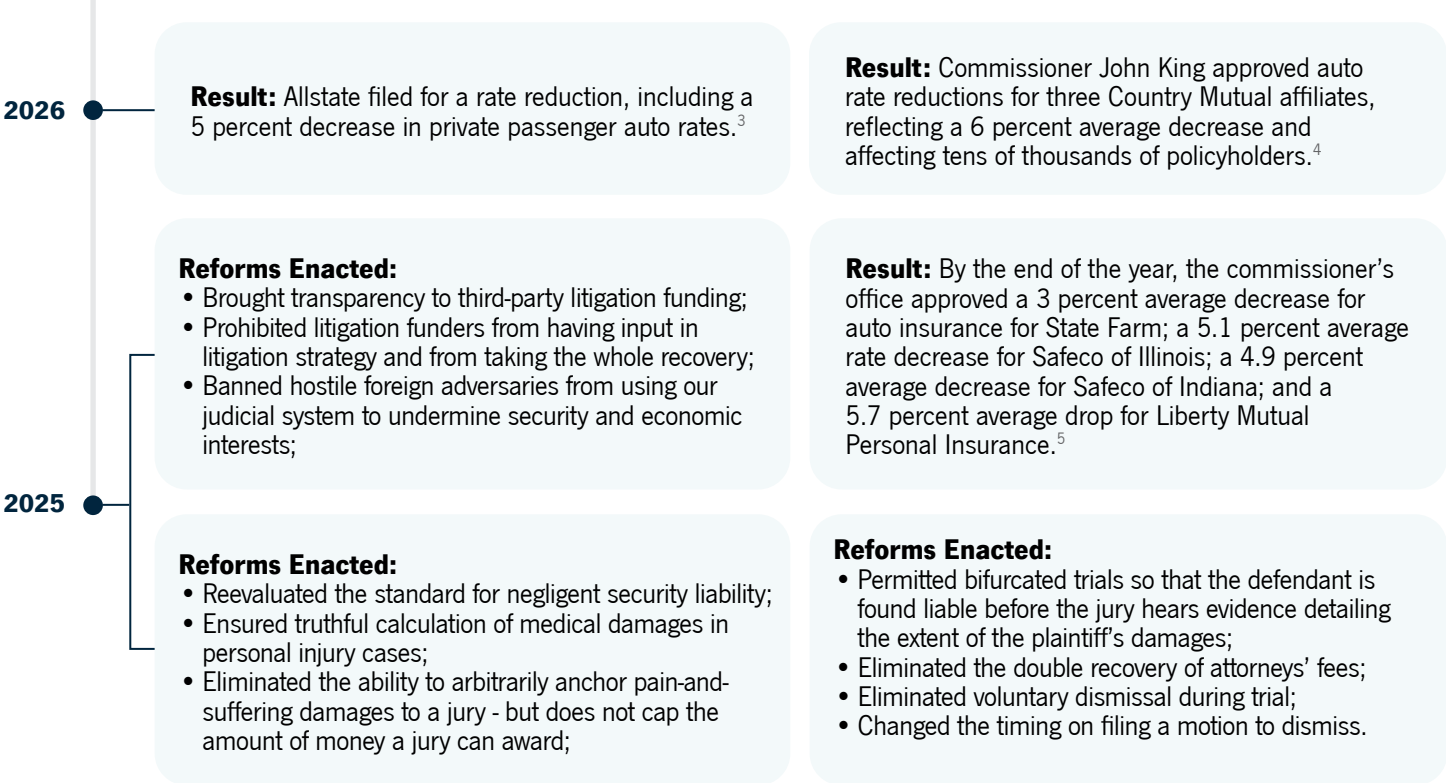
*“These bills ensure that we put Georgia families and consumers first by tackling the hidden costs we have all been paying thanks to Georgia’s current tort laws.”*

– Burt Jones, Georgia Lieutenant Governor<sup>1</sup>

*“A stable insurance market doesn’t happen by accident. It requires careful oversight, responsible reforms, and a commitment to consumers, and that’s exactly what we are delivering in Georgia.”*

– John F. King, Georgia Insurance and Safety Fire Commissioner<sup>2</sup>

## Reform Timeline



<sup>1</sup> <https://gov.georgia.gov/press-releases/2025-04-21/gov-kemp-signs-historic-legislation-delivering-commonsense-meaningful>  
<sup>2</sup> <https://oci.georgia.gov/press-releases/2026-02-18/commissioner-king-builds-momentum-auto-rate-reductions>  
<sup>3</sup> <https://oci.georgia.gov/press-releases/2026-02-09/millions-savings-georgia-drivers-delivered-commissioner-king>  
<sup>4</sup> <https://oci.georgia.gov/press-releases/2026-02-18/commissioner-king-builds-momentum-auto-rate-reductions>  
<sup>5</sup> <https://www.insurancejournal.com/news/southeast/2025/12/17/851483.htm>

## Legislative Actions & Results

Louisiana took up tort reform in 2024 as property and auto insurance rates continued to rise and carriers persisted in leaving the state. In 2025, the state insurance department and Legislature continued to enact reforms aimed at stabilizing and strengthening the market. As a result of these measures, Louisiana is seeing some positive trends, including an average decline of 5.8 percent for private passenger auto premiums.<sup>1</sup>

**12**

Twelve homeowners insurers have been licensed to do business in the state since 2024.<sup>2</sup>

**1.6%**

As of June 2025, the statewide average for approved rate increases was 1.6 percent, down from 16.2 percent in 2022.<sup>2</sup>

**3,000**

Louisiana Citizens Property Insurance - the state's insurer of last resort - reduced its policies in force by 3,000 in 2025.<sup>2</sup>

*“These reforms were focused on property, and we’re starting to see results. We’re having fewer rates increases, and the increases they are asking for are smaller. For the first time in five years, we have companies taking rate decreases in the property market.”*

**Tim Temple, Louisiana Insurance Commissioner**

## Reform Timeline

2025

### Reforms Enacted:

- Introduced a reasonable diligence standard for attorneys to verify digital evidence;
- Modified the comparative fault system to bar recovery for plaintiffs found to be 51 percent or more at fault; and
- Increased the amount for which drivers must be insured to sue other drivers.

### Reforms Enacted:

- Restricted the ability of unauthorized aliens to recover the full value of a claim unless they are named as insured under a UM/UIM policy;
- Eliminated the Housley presumption that allowed plaintiffs to presume that their injuries were caused by an accident; and
- Clarified obligations regarding proof-of-loss statements and payments under insurance policies.

**Result:** Fifty companies writing homeowners policies asked for rate increases, compared to 80 in 2023. Twenty-nine commercial multi-peril insurers asked for rate increases compared to 42 in 2023.<sup>3</sup>

**Result:** Louisiana received its highest grade since 2013 on the R Street Institute Insurance Regulation Report Card.

2024

### Reforms Enacted:

- Limiting Third-Party Litigation Funding
- Mandated disclosure of funding agreements;
  - Prohibited funders from controlling litigation or settlement decisions; and
  - Restricted foreign investments in these arrangements.

### Reforms Enacted:

- Changing Bad Faith Law
- Established a “cure period” for CAT claims, allowing insurers 60 days to address issues in residential claims and 90 days for commercial claims;
  - Adjusted the penalty structure for non-catastrophic losses to 50 percent of the amount found due, plus attorney fees and costs;
  - Limited damages to proven economic damages; and others.

<sup>1</sup> <https://ldi.la.gov/news/press-releases/louisiana-insurance-market-shows-positive-rate-trends-in-2025-following-several-years-of-volatility>

<sup>2</sup> [https://ldi.la.gov/docs/default-source/documents/publicaffairs/naic-legis-recap-2025.pdf?sfvrsn=62835952\\_12](https://ldi.la.gov/docs/default-source/documents/publicaffairs/naic-legis-recap-2025.pdf?sfvrsn=62835952_12)

<sup>3</sup> [https://institutelegalreform.com/blog/louisianas-litigation-funding-disclosure-legislation-will-protect-courts-from-outside-influences/#:~:text=The%20practice%20of%20third%20party%20litigation%20funding,\\*%20Prevent%20hostile%20funding%20by%20foreign%20powers](https://institutelegalreform.com/blog/louisianas-litigation-funding-disclosure-legislation-will-protect-courts-from-outside-influences/#:~:text=The%20practice%20of%20third%20party%20litigation%20funding,*%20Prevent%20hostile%20funding%20by%20foreign%20powers)