

Alaska State Legislature
House Committee on Labor and Commerce

March 6, 2026

Submitted electronically to: House.Labor.And.Commerce@akleg.gov

RE: HB 249, Transfer Vehicle Title to Insurer - NAMIC's Written Testimony in Support

Thank you for affording the National Association of Mutual Insurance Companies (NAMIC) an opportunity to submit written testimony to the House Committee on Labor and Commerce for the public hearing on HB 249, Transfer Vehicle Title to Insurer.

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.

NAMIC supports HB 249, Transfer Vehicle Title to Insurer, because it promotes a prudent, pro-consumer modernization to the filing of title documents. In today's world, the safe and efficient use of e-signatures is a standard option in most business and financial transactions. NAMIC supports using technology to streamline, expedite, and economize state procedural requirements that are required to effectuate insurance transactions, like the settling of a consumer's auto insurance claim. Being able to utilize an e-signature option will assist insurers in resolving insurance claims in a way that is timely and efficient for consumers, especially in situations where it is physically challenging to secure a "wet signature".

Although NAMIC fully supports the bill, we recommend the removal of the following indemnity language from the bill:

(b) The insurance company shall indemnify and hold harmless the department for any claims resulting from issuing a title under this section.

We believe that this provision is unnecessary, legally confusing, inconsistent with how other documents are filed with the DMV, and likely to have a chilling effect upon the use of the e-signature option. Specifically, current law doesn't require the party submitting a "wet signature" on a motor vehicle title to provide indemnification to the DMV against a fraudulently created or induced signature, so no such indemnification is really needed for use of an e-signature.

Moreover, state governmental immunity law protects state agencies from civil liability claims based upon discretionary administrative actions by state agencies, so there is no real liability exposure for the DMV on their acceptance of an e-signature document. There is no independent legal duty on the DMV to verify the veracity of any signature on a filed document. The fact of the matter is that state agencies don't have the resources to verify the legitimacy of every filed signature on a state form, or home or auto title document, which is the very reason for their governmental immunity.

The proposed indemnity provision in the bill needlessly creates legal ambiguity over this very liability issue for both the filer of the title document and the DMV. Moreover, it does not appear the state agency requested this provision and the majority of states with similar laws and/or some that are considering similar legislation do not require the hold harmless and indemnification language. Finally, NAMIC is concerned that the proposed indemnity provision could have a chilling effect upon the use of e-signatures by insurers and other filers. Many organizations have a standard legal policy that they do not indemnify third-parties for administrative activities, so these organizations may be prevented from availing themselves of the benefits of this well-established technology, because of the indemnity provision in the bill. Further, many individual filers may be scared-off by the legal indemnification requirement and not use the e-signature option. They may ask themselves - Why assume legal liability for the DMV simply by using an e-signature if a "wet signature" creates no such legal burden?

For the aforementioned reasons, NAMIC respectfully recommends that this bill be passed but amended to remove this proposed indemnity provision so as not to hinder the use of the e-signature option, and also so as not to create an unnecessary legal and public policy problem for consumers and state agencies.

Thank you for your time and consideration. Please feel free to contact me at 303.907.0587 or at crataj@namic.org, if you would like to discuss NAMIC's written testimony.

Respectfully,



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