



Property Casualty Insurers  
Association of America  
Shaping the Future of American Insurance

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Assistant Vice President, NW Region

January 26, 2012

The Hon. Dennis Egan  
Chairman, Senate Labor & Commerce Committee  
510 State Capitol Building  
Juneau, Alaska 99801-1182

CC: Members of the Senate Labor & Commerce Committee  
RE: PCI supports SB 157

Dear Rep. Egan,

On behalf of the members of the Property Casualty Insurers Association of America, I write today in support of proposed SB 157, a measure which would allow insurers to cancel policies on a property if the property has been abandoned by the insured and the vacancy increases the hazard being insured.

Under AS 21.36.210, allowable reasons for cancellation of an insurance policy are specifically listed. They include non-payment of premiums, the commission of a crime that increases the hazard that the policy is written to pay against and fraud or misrepresentation committed by the insured. HB 157 is a straightforward effort to recognize and respond to the reality that the vacancy of a property that leaves the property at higher risk for damage due to fire, vandalism or illegal use changes the nature of the risk undertaken by an insurer.

SB 157 is responsible legislation that could help reduce insurance claims costs and help insurers manage the overall cost of insurance coverage for Alaska consumers. PCI, whose members write roughly 40 percent of the property & casualty insurance in force in the United States today, support passage of SB 157.

Please contact me or PCI's Alaska lobbyist, Kris Knauss (907.351.2524, [knauss@gci.net](mailto:knauss@gci.net)), if we can provide additional information.

Thank you for your consideration.

Regards,

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