

Chapter 21.03. SCOPE OF CODE (Select Statutes)

Collateral Refs -

43 Am. Jur. 2d, Insurance, Sec. 23-65.

44 C.J.S., Insurance, Sec. 3-22.

Sec. 21.03.010. Insurance regulated.

(a) All persons transacting a business of insurance in this state, or relative to a subject resident, located or to be performed in this state, shall comply with the applicable provisions of this title.

(b) Foreign and alien insurers doing business as authorized insurers under this title are not subject to AS 10.06 (Alaska Corporations Code).

(c) A person who transacts insurance in this state, or relative to a subject resident, located, or to be performed in this state as or on behalf of a risk retention group or purchasing group formed under and in compliance with 15 U.S.C. 3901 - 3906 (Liability Risk Retention Act), shall comply with the provisions of this title not preempted by federal law.

History -

(Sec. 1 ch 120 SLA 1966; am Sec. 3 ch 62 SLA 1995)

Revisors Notes -

In 1988 "AS 10.06 (Alaska Corporations Code)" was substituted for "the Alaska Business Corporation Act (AS 10.05)" to conform to the enactment of AS 10.06 and the repeal of AS 10.05 by ch. 166, SLA 1988.

Sec. 21.03.020. Application of Code as to particular types of insurers. [Repealed, Sec. 2 ch 234 SLA 1968].

Repealed or Renumbered

Sec. 21.03.021. Application of title.

(a) In addition to the exclusion contained in AS 21.03.070, this title does not apply to a life insurance or annuity company organized and operated without profit to any private shareholder or individual exclusively for the purpose of aiding and strengthening educational institutions by issuing insurance and annuity contracts only to or for the benefit of the institutions and individuals engaged in the service of these institutions; however, all policies and contracts issued by such an organization must provide for acceptance of service of process within this state.

(b) Except as otherwise provided in this title, a person that provides coverage for the cost of medical care in this state is subject to this title unless the person shows that, while providing coverage for medical care, the person is subject to the jurisdiction of another agency of this state or of the federal government by providing the director with the appropriate certificate, license, or other document issued by the other governmental agency that permits or qualifies the person to provide coverage for medical care.

(c) A person described under (b) of this section who is unable to show that the person is subject to the jurisdiction of another governmental agency under (b) of this section and who has not received a certificate of authority under AS 21.85

(1) is subject to all appropriate provisions of this title regarding the conduct of the person's business; and

(2) shall submit to an examination by the director to determine the organization and solvency of the person and to determine whether the person complies with this title.

(d) A person that advertises, administers, sells, or transacts the coverage of medical care under (b) of this section and is required to submit to an examination by the director under (c)(2) of this section shall advise every purchaser, prospective purchaser, or covered person that the person's coverage may not be regulated under Alaska insurance law and may not be covered by the Alaska Life and Health Insurance Guaranty Association under AS 21.79.

(e) This title does not apply to a service contract offered, issued for delivery, delivered, or renewed in this state. In this subsection, "service contract"

(1) means a service contract or agreement for a separate or additional consideration, for a specific duration, to

(A) maintain, service, repair, or replace tangible personal property, or to indemnify for repair, replacement, or maintenance, for an operational or structural failure due to a defect in materials or workmanship or normal wear and tear, with or without additional provision for incidental indemnity payments when service, repair, or replacement is not reasonably or commercially feasible;

(B) repair, replace, or maintain tangible personal property damaged as a result of power surges or as a result of accidental damage from the handling of property damaged by power surges; or

(C) repair, replace, or maintain household consumer goods, household appliances, and household systems, including damage resulting from operational or structural failure due to a defect in materials or workmanship or normal wear and tear;

(2) does not include

(A) mechanical breakdown insurance;

(B) a contract that requires an indemnity payment per incident and the payment exceeds the purchase price of the property serviced;

(C) a contract to provide service on a motor vehicle subject to registration under AS 28.10.011; or

(D) a home warranty; in this subparagraph, "home warranty" means a warranty that covers the entire home and does not include a warranty limited to a household system or appliance.

History -

(Sec. 3 ch 234 SLA 1968; am Sec. 2 ch 73 SLA 2001; am Sec. 1 ch 38 SLA 2002; am Sec. 1 ch 143 SLA 2003)