

AMENDMENT #1

OFFERED IN THE SENATE

BY SENATOR COSTELLO

TO: CSSB 106(), Draft Version "M"

1 Page 1, line 1, following "Act":

2 Insert "relating to cancellation and renewal of commercial property insurance
3 coverage;"

4

5 Page 1, following line 3:

6 Insert a new bill section to read:

7 **** Section 1.** AS 21.36.210 is amended by adding a new subsection to read:

8 (g) An insurer may not exercise its right to cancel a policy of commercial
9 property insurance solely based on notice, receipt, or payment of a claim under the
10 policy unless the insurer has paid a claim under the policy within the three-year period
11 immediately preceding the notice, receipt, or payment."

12

13 Page 1, line 4:

14 Delete "Section 1"

15 Insert "Sec. 2"

16

17 Renumber the following bill sections accordingly.

18

19 Page 2, line 12, following "homeowner's":

20 Insert "or commercial property"

21

22 Page 3, following line 13:

23 Insert a new bill section to read:

1 **** Sec. 5. AS 21.36.310 is amended by adding a new paragraph to read:**

2 (6) "commercial property insurance" means property insurance as
3 described in AS 21.12.060 that is "business or commercial insurance" as defined in
4 this section."

5

6 **Renumber the following bill sections accordingly.**

7

8 **Page 3, lines 16 - 18:**

9 Delete all material and insert:

10 "APPLICABILITY. AS 21.36.210(g), enacted by sec. 1 of this Act, AS 21.36.240, as
11 amended by secs. 2 and 3 of this Act, AS 21.36.310(4), as amended by sec. 4 of this Act, and
12 AS 21.36.310(6), enacted by sec. 5 of this Act, apply to an insurance policy or contract
13 entered into or renewed on or after the effective date of secs. 1 - 5 of this Act."

14

15 **Page 3, line 25:**

16 Delete "Section 5"

17 Insert "Section 7"

18

19 **Page 3, line 26:**

20 Delete "sec. 6"

21 Insert "sec. 8"