



May 10, 2019

The Honorable Lora Reinbold  
Chair, Labor and Commerce  
Alaska State Capitol  
Room 427  
Juneau, AK 99801

Re: Senate Bill 106--Homeowner/Renter Insurance Renewal

Dear Senator Reinbold,

Representing nearly 60 percent of the U.S. property casualty insurance market, the American Property Casualty Insurance Association (APCIA) promotes and protects the viability of private competition for the benefit of consumers and insurers. APCIA represents the broadest cross-section of home, auto, and business insurers of any national trade association. APCIA members represent all sizes, structures, and regions, which protect families, communities, and businesses in the U.S. and across the globe.

We recently learned that AK SB 106, legislation that was originally intended to restrict insurers' authority to non-renew renters' and homeowners' property insurance policies, has been further amended to restrict an insurer's authority to cancel, and presumably also to non-renew, commercial property insurance based upon certain claim information. This is a dramatic expansion of the original legislation that is unsupported by any data or information to justify the bill's application to commercial property.

While the proposed commercial property insurance proscription would impose underwriting restrictions on insurers, it is also vitally important to determine what the impact of this legislation could possibly have upon small and large businesses, the consumers of commercial property insurance, throughout the state. Underwriting restrictions may act as a deterrent for insurers to write new business, and for companies who may be considering entry into the Alaska insurance market.

We urge you to remove the commercial property cancellation and non-renewal provisions and also to carefully reconsider the underlying legislation so that the bill's overall effect is positive for consumers of personal and commercial lines' of insurance. APCIA is committed to advocating for legislation and regulations that promote a competitive private insurance market in Alaska.

Thanks for your consideration.

Sincerely,

A handwritten signature in black ink that reads "Steve Schneider". The signature is written in a cursive, flowing style.

Steve Schneider  
Vice President  
312.782.7720  
[steve.schneider@apci.org](mailto:steve.schneider@apci.org)