

**SENATE BILL NO. 158**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - FIRST SESSION

BY THE SENATE JUDICIARY COMMITTEE BY REQUEST

Introduced: 4/2/97

Referred: Labor and Commerce, Judiciary

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act relating to motor vehicle liability insurance covering a person who has  
2 had the person's driver's license revoked."

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 \* **Section 1.** AS 21.36.210(a) is amended to read:

5 (a) An insurer may not exercise its right to cancel a policy of personal  
6 automobile insurance except for the following reasons:

7 (1) nonpayment of premium; or

8 (2) the driver's license or motor vehicle registration of either the named  
9 insured or of an operator who resides in the same household as the named insured or  
10 who customarily operates a motor vehicle insured under the policy has been under  
11 suspension or revocation during the policy period or, if the policy is a renewal, during  
12 its policy period or the 180 days immediately preceding its effective date; this  
13 paragraph does not apply to administrative revocation as described under  
14 AS 21.89.023.

1 \* **Sec. 2.** AS 21.89 is amended by adding a new section to read:

2 **Sec. 21.89.023. Motor vehicle insurance following driver's license**  
3 **revocation.** (a) Notwithstanding AS 21.36.210, an insurer offering insurance in this  
4 state may not (1) refuse to issue or renew motor vehicle liability insurance coverage;  
5 (2) cancel an existing policy of motor vehicle liability insurance; (3) deny a covered  
6 claim; or (4) increase the premium on a motor vehicle liability insurance policy if the  
7 refusal, cancellation, denial, or increase results only from the fact that the person's  
8 driver's license was revoked under AS 28.15.183, 28.15.185, or 28.15.187.

9 (b) The provisions of (a) of this section may not prevent an insurer from  
10 underwriting or rating for a loss experience in the same manner as it would for a  
11 person who has not had the person's driver's license revoked under AS 28.15.183,  
12 28.15.185, or 28.15.187.

13 \* **Sec. 3.** This Act applies to a policy of insurance that is entered into or renewed on or  
14 after the effective date of this Act.