

CS FOR SENATE BILL NO. 214(L&C) am

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-EIGHTH LEGISLATURE - SECOND SESSION

BY THE SENATE LABOR AND COMMERCE COMMITTEE

Amended: 4/14/14

Offered: 4/9/14

Sponsor(s): SENATE LABOR AND COMMERCE COMMITTEE

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to independent portable electronics adjuster licensing."**

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

3 *** Section 1.** AS 21.27.010(j) is amended to read:

4 (j) This section does not apply to a person who

5 (1) is employed on salary or hourly wage by a person licensed under
6 this section solely for the performance of accounting, clerical, stenographic, and
7 similar office duties;

8 (2) only secures and forwards information required for the purposes of,
9 and does not receive a commission for, any of the following services:

10 (A) performing administrative services related to

11 (i) group life insurance;

12 (ii) group property and casualty insurance;

13 (iii) group annuities;

14 (iv) group or blanket accident and health insurance;

15 (B) enrolling individuals under plans for the types of insurance

1 or annuities specified in (A) of this paragraph;

2 (C) issuing certificates under plans for the types of insurance or
3 annuities specified in (A) of this paragraph, or otherwise assisting in
4 administering those plans;

5 (D) performing administrative services related to mass-
6 marketed property and casualty insurance;

7 (3) is employed on salary by a licensee at the licensee's place of
8 business, is supervised by and reports directly to a licensee in the firm, and who, after
9 explaining that the matter must be reviewed by a licensee, may

10 (A) furnish premium estimates from published or printed lists
11 of standard rates if the person does not advise, counsel, or suggest what
12 coverage may be needed, or otherwise solicit insurance coverage;

13 (B) arrange appointments for a licensee if the person does not
14 solicit insurance coverage;

15 (C) record information from an applicant or policyholder and
16 complete for the licensee's personal review and signature, a certificate of
17 insurance that is not a contract of insurance; the licensee's signature may be by
18 facsimile;

19 (D) inform a policyholder of the type of coverage shown in the
20 licensee's policy record if the person does not advise that an event or
21 hypothetical event is or is not covered; or

22 (E) in the physical presence of the licensee, record information
23 from an applicant or policyholder and complete for a licensee's personal
24 review and personal signature, applications, binders, endorsements, or
25 identification cards if the person discloses to the applicant or policyholder that
26 the applicant or policyholder may review the matter with a licensee;

27 (4) is an employee of an insurer or an organization employed by an
28 insurer and is engaged in the inspection, rating, or classification of risks, or in the
29 supervision of the training of insurance producers and is not individually engaged in
30 the sale, solicitation, or negotiation of insurance;

31 (5) advertises in this state through printed publications or electronic

1 mass media, the distribution of which is not limited to residents of this state, if the
2 person

3 (A) performs no other insurance-related activities in this state;

4 (B) does not intend to solicit in this state; and

5 (C) does not sell, solicit, or negotiate insurance of risks
6 resident, located, or to be performed in this state;

7 (6) is not a resident of this state, but sells, solicits, or negotiates
8 commercial property and casualty insurance for an insured with risks located in more
9 than one state if the person is licensed as an insurance producer in the state where the
10 insured maintains its principal place of business and the contract of insurance covers
11 risks located in that state;

12 (7) is a salaried full-time employee who counsels or advises the
13 person's employer regarding the insurance interests of the employer or of the
14 subsidiaries or business affiliates of the employer, if the employee does not sell or
15 solicit insurance or receive a commission from the sale or solicitation of insurance;

16 (8) is an employer or association or the employer's or association's
17 officer, director, employee, or the trustee of an employee trust plan, if the person is not
18 compensated, directly or indirectly, for transacting insurance and is engaged in the
19 administration or operation of a plan offering employee benefits for the employer's or
20 association's own employees, or the employees of its subsidiaries or affiliates; to
21 qualify under this paragraph, the plan must include insurance for employees; [OR]

22 (9) is an officer, director, or employee of an admitted insurer who does
23 not receive a commission on policies written or sold to risks resident, located, or to be
24 performed in this state if the officer's, director's, or employee's functions are executive,
25 administrative, managerial, clerical, or a combination of these and are only indirectly
26 related to the transaction of insurance; relate to underwriting or loss control; or are in
27 the capacity of an agency supervisor where the activities are limited to providing
28 technical assistance to insurance producers and whose activities do not include
29 transacting insurance;

30 **(10) is an employee of a licensed independent adjuster or an**
31 **employee of an affiliate of a licensed independent adjuster with not more than 25**

people under the supervision of one licensed independent adjuster or licensed producer who collects or furnishes claim information for portable electronics insurance issued under AS 21.36.515 to insureds or claimants and enters the information into an automated claims adjudication system; the automated claims adjudication system must be a preprogrammed computer system designed for the collection, data entry, calculation, and final resolution of portable electronics insurance claims that

(A) may be used only by a licensed independent adjuster, licensed agent, or supervised individuals operating under this section;

(B) must comply with the claims payment requirements of this title; and

(C) must be certified as compliant with this paragraph by a licensed independent adjuster that is an officer of a licensed entity under this chapter.

* **Sec. 2.** AS 21.27.270 is amended by adding new subsections to read:

(h) A nonresident applicant for an independent adjuster license who only adjusts claims related to portable electronics insurance under AS 21.36.515 and who is licensed as an independent adjuster and in good standing in the applicant's home state does not have to meet the requirements of AS 21.27.060 or 21.27.830 to be licensed under this section. A resident of Canada may not be licensed as an independent adjuster under this section unless the applicant has obtained a resident independent adjuster license in another state or declared another state the applicant's home state and obtained an independent adjuster license in that state.

(i) If a nonresident portable electronics independent adjuster applicant's home state does not license independent adjusters, the independent portable electronics adjuster applicant may designate the applicant's home state as any state in which the applicant is licensed in good standing.

* **Sec. 3.** AS 21.27.330(a) is amended to read:

(a) A person licensed under this chapter shall have and maintain at least one place of business that is physically accessible to the public in this state unless the person holds a nonresident license and principally conducts transactions in another

state. However, the nonresident licensee must have at least one physically accessible place in the nonresident licensee's home state. The requirements of this subsection do not apply to **a nonresident independent portable electronics adjuster that has designated a state or territory other than the nonresident adjuster's resident state as the nonresident adjuster's home state or to** a licensee who only conducts business in life or health insurance or annuities.

* **Sec. 4.** AS 21.27.900(10) is amended to read:

(10) "home state," **with respect to**

(A) an insurance producer, means the District of Columbia or a state or territory of the United States in which an insurance producer maintains the producer's principal place of residence or principal place of business and is licensed to act as an insurance producer;

(B) an independent portable electronics adjuster, means the District of Columbia or a state or territory of the United States in which an independent portable electronics adjuster maintains the independent portable electronics adjuster's principal place of residence or principal place of business and is licensed to act as an independent adjuster or, if the state or territory of the United States of the independent portable electronics adjuster's principal place of residence or principal place of business does not license independent adjusters, the state or territory of the United States designated by the independent portable electronics adjuster where the independent portable electronics adjuster is licensed;

* **Sec. 5.** AS 21.27.900 is amended by adding a new paragraph to read:

(31) "independent portable electronics adjuster" means an independent adjuster who collects, furnishes, or enters claim information for portable electronics insurance issued under AS 21.36.515.