

Original

IN THE HOUSE

BY MR. EASTAUGH

HOUSE BILL NO. 165

IN THE LEGISLATURE OF THE TERRITORY OF ALASKA

TWENTY-FIRST SESSION

A BILL

For an Act entitled: "An Act concerning financial responsibility for damages caused by the operation of motor vehicles and supplementing Title 50, Alaska Compiled Laws Annotated 1949, Vehicles, and Chapters 1, 2, 3, 4, and 5, thereof, and Chapter 124, Session Laws of Alaska 1951, entitled 'Motor Vehicle Act,' and providing penalties for violations."

BE IT ENACTED BY THE LEGISLATURE OF THE TERRITORY OF ALASKA:

Section 1. This act shall be known and may be cited as the "Motor Vehicle Security-Responsibility Law."

Section 2. The following words and phrases, when used in this act, shall for the purposes of this act, have the meanings respectively ascribed to them in this section, except in those instances where the context clearly indicates a different meaning:

"Commissioner"--The Tax Commissioner for the Territory of Alaska.

"License"--Any license, temporary instruction permit or temporary license issued under the laws of this Territory pertaining to the licensing of persons to operate motor vehicles.

"Nonresident's operating privilege"--The privilege conferred upon a nonresident by the laws of this Territory pertaining to the operation by him of a motor vehicle, or the use

1 of a motor vehicle owned by him, in this Territory.

2 "State"—Any State, territory or possession of the United
3 States, the District of Columbia, or any province of the Domin-
4 ion of Canada.

5 Section 5. (a) If ^{ten} ~~twenty~~ days after the receipt of a re-
6 port of a motor vehicle accident within this Territory which has
7 resulted in bodily injury or death, or damage to the property
8 of any one person in excess of ~~one hundred~~ ^{two hundred} dollars (~~\$100.00~~),
9 the Commissioner does not have on file evidence satisfactory to
10 him that the person who would otherwise be required to file se-
11 curity under subsection (b) of this section has been released
12 from liability, or has been finally adjudicated not to be liable,
13 or has executed a duly acknowledged written agreement providing
14 for the payment of an agreed amount in installments with res-
15 pect to all claims for injuries or damages resulting from the
16 accident, the Commissioner shall determine the amount of security
17 which shall be sufficient in his judgment to satisfy any judgment
18 or judgments for damages resulting from such accident as may be
19 recovered against each operator or owner.

20 (b) The Commissioner shall, within ^{thirty} ~~sixty~~ days after the
21 receipt of such report of a motor vehicle accident, suspend the
22 license of each operator and all registrations of each owner of
23 a motor vehicle in any manner involved in such accident, and if
24 such operator is a nonresident the privilege of operating a
25 motor vehicle within this territory, and if such owner is a
26 nonresident the privilege of the use within this territory of
27 any motor vehicle owned by him, unless such operator or owner
28 or both shall deposit security in the sum so determined by the
29 Commissioner; Provided, notice of such suspension shall be sent

1 by the Commissioner to such operator and owner not less than ten
2 days prior to the effective date of such suspension and shall
3 state the amount required as security. Where erroneous informa-
4 tion is given the Commissioner with respect to the matters set
5 forth in subdivisions one, two or three of subsection (c) of
6 this section, he shall take appropriate action as hereinbefore
7 provided, within ~~ten~~ ^{five} days after receipt by him of correct in-
8 formation with respect to said matters.

9 (c) This section shall not apply under the conditions
10 stated in section four of this act nor:

11 (1) to such operator or owner if such owner had in
12 effect at the time of such accident an automobile liability
13 policy with respect to the motor vehicle involved in such
14 accident;

15 (2) to such operator, if not the owner of such motor
16 vehicle, if there was in effect at the time of such acci-
17 dent an automobile liability policy or bond with respect
18 to his operation of motor vehicles now owned by him;

19 (3) to such operator or owner if the liability of
20 such operator or owner for damages resulting from such
21 accident is, in the judgment of the Commissioner, covered
22 by any other form of liability insurance policy or bond;
23 nor

24 (4) to any person qualifying as a self-insurer under
25 section thirty of this act, or to any person operating a
26 motor vehicle for such self-insurer.

27 No such policy or bond shall be effective under this sec-
28 tion unless issued by an insurance company or surety company and
29 authorized to be written in this Territory, except that if such
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1 motor vehicle was not registered in this territory, or was a
2 motor vehicle which was registered elsewhere than in this terri-
3 tory at the effective date of the policy or bond, or the most
4 recent renewal thereof, such policy or bond shall not be effec-
5 tive under this section unless the insurance company or surety
6 company if not authorized to do business in this territory shall
7 execute a power of attorney authorizing the Commissioner to ac-
8 cept service on its behalf of notice or process in any action
9 upon such policy or bond arising out of such accident; Pro-
10 vided, however, every such policy or bond is subject, if the
11 accident has resulted in bodily injury or death, to a limit, ex-
12 clusive of interest and costs, of not less than five thousand
13 dollars (\$5,000.00) because of bodily injury to or death of one
14 person in any one accident and, subject to said limit for one
15 person, to a limit of not less than ten thousand dollars
16 (\$10,000.00) because of bodily injury to or death of two or more
17 persons in any one accident, and, if the accident has resulted
18 in injury to or destruction of property, to a limit of not less
19 than ~~one~~^{five} thousand dollars (\$~~1,000.00~~^{5,000.00}) because of injury to or
20 destruction of property of others in any one accident.

21 Section 4. The requirements as to security and suspension
22 in section three of this act shall not apply:

23 (a) to the operator or the owner of a motor vehicle in-
24 volved in an accident wherein no injury or damage was caused to
25 the person or property of any one other than such operator or
26 owner;

27 (b) to the operator or the owner of a motor vehicle legally
28 parked at the time of the accident;

29 (c) to the owner of a motor vehicle if at the time of the
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1 accident the vehicle was being operated without his permission,
2 express or implied; or was parked by a person who had been oper-
3 ating such motor vehicle without such permission; or to the
4 operator if he was a chauffeur or operator employed by the owner
5 of the motor vehicle and was operating with the permission of
6 the owner.

7 (d) If, prior to the date that the Commissioner would
8 otherwise suspend license and registration or nonresident's
9 operating privilege under section three of this act, there shall
10 be filed with the Commissioner evidence satisfactory to him that
11 the person who would otherwise have to file security has been
12 released from liability or been finally adjudicated not to be
13 liable or has executed a duly acknowledged written agreement
14 providing for the payment of an agreed amount in installments,
15 with respect to all claims for injuries or damages resulting
16 from the accident.

17 Section 5. The license and registration and nonresident's
18 operating privilege suspended as provided in section three of
19 this act shall remain so suspended and shall not be renewed nor
20 shall any such license or registration be issued to such person
21 until:

22 (a) such person shall deposit or there shall be deposited
23 on his behalf the security required under said section three of
24 this act; or

25 (b) one year shall have elapsed following the date of such
26 suspension and evidence satisfactory to the Commissioner has
27 been filed with him that during such period no action for dam-
28 ages arising out of the accident has been instituted; or

29 (c) evidence satisfactory to the Commissioner has been
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1 filed with him of a release from liability, or a final adjudica-
2 tion of nonliability, or a duly acknowledged written agreement,
3 in accordance with subdivision four of section four of this act;
4 Provided, however, in the event there shall be any default in
5 the payment of any installment under any duly acknowledged writ-
6 ten agreement, then, upon notice of such default, the Commis-
7 sioner shall forthwith suspend the license and registration or
8 nonresident's operating privilege of such person defaulting which
9 shall not be restored unless and until

10 (1) such person deposits and thereafter maintains
11 security as required under said section three of this act
12 in such amount as the Commissioner may then determine; or

13 (b) one year shall have elapsed following the date
14 when such security was required and during such period no
15 action upon such agreement has been instituted in a court
16 in this territory.

17 Section 6. (a) In case the operator or the owner of a
18 motor vehicle involved in an accident within this territory has
19 no license or registration, or is a nonresident he shall not be
20 allowed a license or registration until he has complied with
21 the requirements of this act to the same extent that would be
22 necessary if, at the time of the accident, he had held a license
23 and registration.

24 (b) When a nonresident's operating privilege is suspended
25 pursuant to section three or section five of this act, the Com-
26 missioner shall transmit a certified copy of the record of such
27 action to the official in charge of the issuance of licenses
28 and registration certificates in the State in which such non-
29 resident resides, if the law of such other State provides for

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action in relation thereto similar to that provided for in subsection (c) of this section.

(c) Upon receipt of such certification that the operating privilege of a resident of this territory has been suspended or revoked in any such other State pursuant to a law providing for its suspension or revocation for failure to deposit security for the payment of judgment arising out of a motor vehicle accident, under circumstances which would require the Commissioner to suspend a nonresident's operating privilege had the accident occurred in this territory, the Commissioner shall suspend the license of such resident if he was the operator, and all of his registrations if he was the owner of a motor vehicle involved in such accident. Such suspension shall continue until such resident furnished evidence of his compliance with the law of such other State relating to the deposit of such security.

Section 7. The security under this act shall be in such form and in such amount as the Commissioner may require but in no case in excess of the limits specified in section three of this act in reference to the acceptable limits of a policy or bond. The person depositing security shall specify in writing the person or persons on whose behalf the deposit is made and, at any time while such deposit is in the custody of the Commissioner or Territorial Treasurer, the person depositing it may, in writing, amend the specification of the person or persons on whose behalf the deposit is made to include an additional person or persons; Provided, however, that a single deposit of security shall be applicable only on behalf of persons required to furnish security because of the same accident.

The Commissioner may reduce the amount of security ordered

1 -in any case within six months after the date of the accident if,
2 in his judgment, the amount ordered is excessive. In case the
3 security originally ordered has been deposited the excess de-
4 posited over the reduced amount ordered shall be returned to the
5 depositor or his personal representative forthwith, notwithstand-
6 ing the provisions of section eight of this act.

7 Section 8. Security deposited in compliance with the re-
8 quirements of this act shall be retained by the Commissioner in
9 his custody and shall be applicable only to the payment of a
10 judgment or judgments rendered against the person or persons on
11 whose behalf the deposit was made, for damages arising out of
12 the accident in question in a civil action, begun not later than
13 one year after the date of such accident, or within one year
14 after the date of deposit of any security under subparagraph
15 (c) of section five of this act, or to the payment in settlement
16 agreed to by the depositor, of a claim or claims arising out of
17 such accident. Such deposit or any balance thereof shall be
18 returned to the depositor or his personal representative when
19 evidence satisfactory to the Commissioner has been filed with
20 him that there has been a release from liability, or a final
21 adjudication of nonliability, or a duly acknowledged agreement,
22 in accordance with subparagraph (d) of section four of this
23 act, or whenever, after the expiration of one year (1) from the
24 date of the accident, or (2) from the date of any security under
25 subparagraph (c) of section five of this act, the Commissioner
26 shall be given reasonable evidence that there is no such action
27 pending and no judgment rendered in such action left unpaid.

28 Section 9. The Commissioner shall require proof of finan-
29 cial responsibility to satisfy any claim for damages, by reason

1 of bodily injury to, or the death of, any one person of at least
2 five thousand dollars (\$5,000.00), or by reason of bodily injury
3 to, or the death of, more than one person on account of any such
4 accident, of at least ten thousand dollars (\$10,000.00), and for
5 damage to property of at least ~~one~~^{five} thousand dollars (\$~~1~~⁵,000.00),
6 from any person whose license has been suspended or revoked
7 because of a conviction or a forfeiture of any bail, for:

8 (a) Any violation of any provision of either Chapter 5,
9 Title 50, ASLA 1949, and any amendment thereof, or of Chapter
10 124, Session Laws of Alaska 1951, and any amendment thereof;

11 (b) Homicide or assault or assault and battery arising out
12 of the operation of a motor vehicle;

13 (c) Such other violations as constitute cause for suspen-
14 sion or revocation of licenses in this territory; or

15 (d) An offense in any other State which, if committed in
16 this territory, would be a violation of any of the aforesaid
17 provisions of law of this territory.

18 - Whenever the Commissioner shall require proof of financial
19 responsibility from the owner of any motor vehicle, he shall
20 require proof in the amounts herein specified for each vehicle
21 owned or registered by such person.

22 Section 10. If a person fails to furnish proof of finan-
23 cial responsibility as required by section nine of this act,
24 the Commissioner shall, until such proof shall be furnished,
25 suspend or revoke the license of such person to operate a motor
26 vehicle or refuse to return any license which shall have been
27 suspended or revoked, or suspend or revoke the registration of
28 any such motor vehicle or vehicles, or refuse thereafter to
29 register any motor vehicle transferred by him, if it shall not

1 appear to the Commissioner's satisfaction that the transfer is a
2 bona fide sale or, if any such person shall not be a resident of
3 this territory, withdraw from him the privilege of operating any
4 motor vehicle in this territory and the privilege of operation
5 within this territory of any motor vehicle owned by him.

6 No appeal taken from the judgment of a court shall act as
7 a stay to any action of the Commissioner authorized by this act.

8 The Commissioner may likewise suspend or revoke the license
9 of any person or the registration of any motor vehicle where such
10 proof of financial responsibility shall not have been furnished,
11 where such person's license or registration may have been sus-
12 pended or revoked in any other State.

13 The clerk of the court in which any conviction mentioned in
14 said section nine or order is rendered or other action taken,
15 or the court, where it has no clerk, shall immediately forward
16 to the Commissioner a certified copy or transcript thereof. A
17 certified copy or transcript of the conviction, order or record
18 of other action of the court shall be prima facie evidence of
19 the convictions therein stated.

20 Section 11. A person subject to the requirements of this
21 act, and not the owner of a motor vehicle, may operate a motor
22 vehicle when the owner of such motor vehicle has furnished ac-
23 ceptable proof of financial responsibility to the Commissioner.

24 The operator's license of such nonowner shall be restricted
25 to operating the vehicle or vehicles for which the owner has
26 filed said proof of financial responsibility, and he shall not
27 operate any other motor vehicle.

28 In the event such a person is a nonresident, his operating
29 privilege in this territory shall be limited to motor vehicles

1 for which the owner has furnished to the Commissioner acceptable
2 proof of financial responsibility, and he shall not operate any
3 other motor vehicle in this territory.

4 A person who violates this section shall be subject to a
5 fine not exceeding ~~one~~^{five} hundred dollars (~~\$100.00~~^{\$500.}) and his license
6 or driving privilege may be suspended or revoked by the Com-
7 missioner.

8 Section 12. Whenever it appears that a period of three
9 years has elapsed since the driving license or operating privi-
10 lege was revoked or suspended, as provided in section nine,
11 unless otherwise required by law, the Commissioner may restore
12 such person's driving privilege provided no right of action or
13 judgment arising out of the operation of a motor vehicle shall
14 then be outstanding against such person.

15 Section 13. If a person fails to pay and satisfy every
16 judgment rendered against him for damages because of personal
17 injury or death, or damage to property in excess of ~~one~~^{five} hundred
18 dollars (~~\$100.00~~^{\$500.}), resulting from the ownership, maintenance,
19 use or operation of a motor vehicle and every judgment based on
20 an agreement or contract made in settlement of damages arising
21 out of a motor vehicle accident, within sixty days after its
22 entry, or if an appeal is taken therefrom within that time,
23 within sixty days after the judgment as entered or modified
24 becomes final, the operator's license and all registration certi-
25 ficates of any such person, other than a chauffeur or operator
26 employed by the owner of a motor vehicle and so acting at the
27 time of the damage, injuries or death resulting in the judgment,
28 shall, upon receiving a certified copy of a transcript of the
29 final judgment from the court in which it was rendered showing

1 it, to have been still unsatisfied more than sixty days after it
2 became final, be forthwith suspended by the Commissioner.

3 If the Commissioner is satisfied that a judgment debtor or
4 his insurance carrier was, within the said sixty-day period,
5 ready, willing and able to pay the said judgment but was pre-
6 vented from so doing by reason of the refusal or legal inability
7 of the judgment creditor to accept payment, then the Commissioner
8 may, in his discretion, extend the sixty-day limitation herein
9 prescribed for any reasonable time necessary to complete the
10 formality of payment of the judgment and shall not suspend the
11 judgment debtors driver's license, operating privilege or cer-
12 tificate of registration.

13 The judgment herein mentioned shall be a judgment of a
14 court of competent jurisdiction of this territory or any other
15 State or of a District Court of the United States.

16 The license and registration certificates shall remain so
17 suspended and shall not be renewed, nor shall a motor vehicle
18 be thereafter registered in the name of that person while the
19 judgment remains unsatisfied, subsisting and until
20 every such judgment is satisfied or discharged, and until he
21 gives proof of his ability to respond in damages, as required
22 in this act, for future accidents.

23 A discharge in bankruptcy shall not relieve the judgment
24 debtor from any of the requirements of this act.

25 The clerk of the court in which the judgment is rendered,
26 or the court where it has no clerk, shall forward to the
27 Commissioner, immediately after the expiration of the sixty days
28 a certified copy of the judgment or a transcript thereof, as
29 aforesaid.

1 the judgment debtor, against whom a judgment has been obtained
2 as a result of such accident, was insured in an insurance com-
3 pany, authorized to do business in this territory, against public
4 liability for injuries or death to one person to the extent of
5 five thousand dollars (\$5,000.00) and for injuries or death to
6 more than one person to the extent of ten thousand dollars
7 (\$10,000.00) and for damage to property to the extent of ^{five} ~~one~~
8 thousand dollars (~~\$1,000.00~~^{\$5,000.00}) arising out of a single motor vehicle
9 accident and that the judgment has not been paid because, sub-
10 sequent to the date of such accident, such insurance company
11 has become insolvent or bankrupt, or the commissioner of banking
12 and insurance has undertaken control thereof for the purpose of
13 liquidation, he shall not suspend the operator's license and the
14 registration certificates of such judgment debtor, if such judg-
15 ment debtor files proof of his ability to respond in damages
16 for future accidents as required by this act.

17 Section 16. For the purposes of sections nine to fourteen
18 of this act when:

19 (a) Five thousand dollars (\$5,000.00) has been credited
20 upon any judgment or judgments rendered in excess of that amount
21 for bodily injury to or the death of one person as the result of
22 one accident;

23 (b) Subject to the limit of five thousand dollars (\$5,000.00)
24 for one person so injured or killed, the sum of ten thousand
25 dollars (\$10,000.00) has been credited upon any judgment or
26 judgments rendered in excess of that amount for bodily injury to
27 or the death of more than one person as the result of one acci-
28 dent; or

29 (c) ^{five} ~~one~~ thousand dollars (~~\$1,000.00~~^{\$5,000.00}) has been credited

1 upon any judgment or judgments rendered in excess of that amount
2 for damages to property as the result of one accident--

3 Such payment or payments shall be deemed a satisfaction of
4 the judgment or judgments.

5 Section 17. A judgment debtor to whom this chapter applies
6 may, for the sole purpose of giving authority to the Commissioner
7 to authorize the judgment debtor to operate a motor vehicle
8 thereafter, on due notice to the judgment creditor, apply to the
9 court in which the trial judgment was obtained for the privilege
10 of paying the judgment in installments. The court, in its dis-
11 cretion and without prejudice to any other legal remedies which
12 the judgment creditor may have, may so order, fixing the amounts
13 and times of payment of the installments. The Commissioner may,
14 in his discretion, while the judgment debtor is not in default
15 in paying the installments and upon his giving proof of ability
16 to respond in damages for future accidents, as hereinafter pro-
17 vided, restore, or refrain from suspending his license or regis-
18 tration certificate or certificates, or either or both of
19 them. The license or certificate or certificates, or either or
20 both or all of them, shall be suspended as hereinbefore provided
21 when the Commissioner is satisfied that the judgment debtor has
22 failed to comply with the terms of the court order.

23 Section 18. Such proof of financial responsibility shall
24 be furnished as shall be satisfactory to the Commissioner.

25 The proof may be evidence of the insuring of the person
26 against public liability and property damage in the foregoing
27 amounts in the form of a certificate signed by a duly licensed
28 agent of the company issuing the motor vehicle liability policy;
29 Provided, such policy shall be noncancelable, except after ten

1 days' written notice to the Commissioner; provided, that when an
2 agent of an insurance company certifies to evidence of the in-
3 suring of a person from whom proof of financial responsibility
4 is required, by the company for which he is authorized to solicit,
5 negotiate or effect contracts of insurance, the ~~company~~ ^{said agent} shall
6 notify the Commissioner of the expiration of the policy referred
7 to in the certificate at least ten days before the effective
8 date of the expiration and shall promptly notify the Commissioner
9 of the renewal of the insurance policy.

10 The proof may also be a bond of a surety company or a bond
11 with individual surety owning real estate, conditioned for the
12 payment of the foregoing amounts and not cancelable except after
13 ten days' written notice to the Commissioner. The bond shall
14 constitute a lien in favor of the territory upon the real estate
15 of any surety, and this lien shall exist in favor of a holder
16 of a judgment on account of damage, caused by the operation of
17 the person's motor vehicle, upon the filing of a notice to that
18 effect by the Commissioner in the office of the clerk of the
19 precinct where the real estate is located.

20 The proof may also be a deposit by the person with the Com-
21 missioner of a sum of money or collateral in the amount of ~~eleven~~ ^{thirteen}
22 thousand dollars (~~\$11,000.00~~ ^{\$13,000.00}). Any collateral shall be deter-
23 mined by and shall be satisfactory to the Commissioner.

24 Additional evidence of financial responsibility shall be
25 furnished the Commissioner at any time upon his request there-
26 for.

27 Section 19. The bond, money or collateral mentioned in
28 section eighteen of this act shall be held by the Commissioner
29 to satisfy any execution issued against the person in any cause

1 arising out of damage caused by the operation of a motor vehicle
2 owned or operated by him. Money or collateral so deposited shall
3 not be subject to attachment or execution unless the attachment
4 or execution arises out of an action for damages, including per-
5 sonal injury or death, as a result of the operation of a motor
6 vehicle. A person who furnishes proof of financial responsi-
7 bility by a deposit of money or collateral shall, upon the ser-
8 vice of a writ or summons arising out of an action for damages,
9 including personal injury or death, caused by the operation of a
10 motor vehicle, give written notice of the service to the Commis-
11 sioner, who shall require that additional evidence of financial
12 responsibility be furnished to satisfy a judgment in any other
13 action. If a judgment rendered against the principal on a bond
14 is not satisfied within thirty days after its rendition, the
15 judgment creditor may, for his own use and benefit and at his
16 sole expense, bring an action in the name of the territory against
17 the company or person executing the bond.

18 Section 20. Upon the request of any insurance company,
19 any person furnishing any financial responsibility or any surety
20 on a bond herein provided for, the Commissioner shall furnish
21 such company, person or surety a certified abstract of the
22 operating record of any person subject to the provisions of this
23 act. If there is no record of his conviction of a violation
24 of a provision of law relating to the operation of motor
25 vehicles or of an injury or damage caused by him as herein
26 provided, the Commissioner shall so certify. The Commissioner
27 shall collect one dollar (\$1.00) for each certificate.

28 Section 21. The Commissioner shall, upon written request,
29 furnish a person who has been injured in person or property by

1 a motor vehicle, with such information as has been furnished to
2 him as evidence of the financial responsibility of an operator
3 or owner of a motor vehicle.

4 Section 22. Any operator or registrant whose operator's
5 license or registration certificate, or either or both of them,
6 has been suspended as herein provided, or whose policy of lia-
7 bility insurance or surety bond has been canceled or who neglects
8 to furnish additional evidence of financial responsibility upon
9 the Commissioner's request, shall immediately return to the Com-
10 missioner his operator's license or registration certificate
11 and the number plates issued thereunder. If any person fails
12 to return the same as herein provided, the Commissioner shall
13 forthwith direct any United States Marshal, deputy Marshal,
14 Territorial Highway Patrolman, or other peace officer in the
15 Territory to secure possession thereof, and return the same to
16 the Commissioner's office.

17 Section 23. The Commissioner may consent to cancellation
18 of the bond or the evidence of insurance or return the money or
19 collateral to the person furnishing the same, if three years
20 have elapsed since the date of revocation as provided in section
21 nine of this act, during which period he shall not have again
22 become subjected to the provision of this act as provided in
23 section nine or thirteen of this act, and if no right of action
24 or judgment arising out of the operation of a motor vehicle is
25 then outstanding against him. The Commissioner may direct the
26 return of any money or collateral to the person who furnished
27 it, upon the acceptance and substitution of other evidence of
28 financial responsibility, or at any time after one year from
29 the expiration of a registration or license issued to the per-

1 son, if no written notice has been filed with the Commissioner,
2 stating that an action has been brought against the person by
3 reason of the ownership, maintenance or operation of a motor
4 vehicle and upon the filing by the person with the Commissioner
5 of a certificate that he has abandoned his residence in this
6 territory or that he has made a bona fide sale of all motor
7 vehicles owned by him and does not intend to own or operate a
8 motor vehicle in this territory for a period of one or more
9 years.

10 Section 24. A motor vehicle liability policy furnished as
11 proof of financial responsibility as provided herein shall be a
12 policy of liability insurance issued by an insurance carrier
13 authorized to write and issue such policy in Alaska to the person
14 therein named as insured, or in the case of a nonresident, by
15 an insurance carrier authorized to transact business in any of
16 the States or provinces ^{herein} hereinafter stated. The policy shall:

17 (a) Designate, by explicit description and appropriate
18 reference, all motor vehicles with respect to which coverage is
19 intended to be granted thereby, and insure the insured named
20 therein and any other person using or responsible for the use
21 of any such motor vehicle with the express or implied consent
22 of the insured, against loss from the liability imposed upon the
23 insured or other person by law, for injury to or the death of a
24 person, other than a person who is covered, as respects the
25 injury or death, by any workmen's compensation law, or damage
26 to property, except property of others in charge of the insured
27 or the insured's employees, growing out of the maintenance, use
28 or operation of the motor vehicle in ^{any state} the ~~United States of~~
29 America; or,

1 (b) In the alternative, insure the person therein named
2 as insured against loss from the liability imposed by law upon
3 the insured for injury to or death of a person, other than a
4 person who is covered as respects the injury or death by any
5 workmen's compensation law, or damage to property, except prop-
6 erty of others in charge of the insured or the insured's employ-
7 ees, growing out of the operation or use by the insured of a
8 motor vehicle, except a motor vehicle registered in the name of
9 the insured, and occurring while the insured is personally in
10 control, as driver or occupant, of the motor vehicle within ~~the~~
11 ~~United States of America.~~
any state.

12 The policy shall insure to the amount or limit of five
13 thousand dollars (\$5,000.00), exclusive of interest and costs,
14 on account of injury to or death of one person, and, subject to
15 the same limit with respect to injury to or death of one person,
16 of ten thousand dollars (\$10,000.00), exclusive of interest and
17 costs, on account of one accident resulting in injury to or death
18 of more than one person, and of ^{five} ~~one~~ thousand dollars (\$^{5,000}~~1,000~~.00)
19 for damage to property of others, as herein provided, resulting
20 from one accident, or a binder pending the issuance of any such
21 policy, or an endorsement to an existing policy as hereinafter
22 provided.

23 This section shall not be construed as preventing the in-
24 surance carrier from granting any lawful coverage in excess or
25 in addition to the coverage herein provided for, nor from em-
26 bodying in the policy any agreement, provision or stipulation
27 not contrary to the provisions of this chapter and not otherwise
28 contrary to law.

29 Separate concurrent policies covering respectively (a)

1 bodily injury or death, as aforesaid, and (b) property damage,
2 as aforesaid, shall be considered a "motor vehicle liability
3 policy" within the meaning of this act.

4 Section 25. In the case of a nonresident, a policy, as
5 aforesaid, of an insurance carrier authorized to transact busi-
6 ness in the State in which the motor vehicle described in the
7 certificate is registered, or if none is described, then in the
8 State in which the insured resides, shall be considered suffici-
9 ent within the meaning of this chapter, if the carrier (a) exe-
10 cutes a power of attorney authorizing the Commissioner to
11 accept service of notice or process in an action arising out of
12 a motor vehicle accident in this territory, (b) its governing
13 executive authority duly adopts a resolution providing that its
14 policies shall be deemed to be varied to comply with the law of
15 this territory relating to the terms of motor vehicle liability
16 policies issued therein, and (c) agrees to accept as final and
17 binding any final judgment duly rendered in an action arising
18 out of a motor vehicle accident in a court of competent juris-
19 diction in this territory.

20 This section shall be operative as to such insurance car-
21 riers, organized and existing under the laws of such State and
22 not licensed to transact business in this territory, only to
23 the extent and under the same terms and conditions that, under
24 the laws of the State where the motor vehicle is registered or
25 in which the insured resides, like recognition, if a law of like
26 effect is in force, is granted to certificates of insurance
27 carriers organized and existing under and by virtue of the laws
28 of this territory. If under the laws of the State in which a
29 law of like effect is in force, certificates of insurance

1 carriers organized and existing under or by virtue of the laws
2 of this territory are not accepted, the certificates of insur-
3 ance carriers of that State shall not be accepted under this
4 act.

5 Section 26. No motor vehicle liability policy shall be is-
6 sued or delivered in this territory, as proof of financial re-
7 sponsibility, unless such policy discloses the name, address and
8 business of the insured, the coverage afforded by the policy, the
9 premium charged therefor, the policy period, the limit of lia-
10 bility and the agreement that the insurance thereunder is provided
11 in accordance with the coverage defined in sections twenty-four
12 and twenty-five of this act and in this section is subject to all
13 of the provisions of this act.

14 The motor vehicle liability policy shall be subject to the
15 following provisions which need not be contained therein:

16 (a) The liability of a company under a motor vehicle lia-
17 bility policy shall become absolute when loss or damage covered
18 by the policy occurs and the satisfaction by the insured of a
19 final judgment of the loss or damage shall not be a condition
20 precedent to the right or duty of the carrier to make payment on
21 account of the loss or damage. No such policy shall be can-
22 celed or annulled as respects any loss or damage by any agree-
23 ment between the carrier and the insured after the insured has
24 become responsible for the loss or damage and any such cancel-
25 lation or annulment shall be void. Upon the recovery of a final
26 judgment against a person for the loss or damage if the judgment
27 debtor was at the accrual of the cause of action insured against
28 liability therefor under a motor vehicle liability policy, the
29 judgment creditor shall be entitled to have the insurance money

1 applied to the satisfaction of the judgment. The policy may
2 provide that the insured or a person covered by the policy shall
3 reimburse the company for payments made on account of an acci-
4 dent, claim or suit involving a breach of the terms, provisions
5 or conditions of the policy; and, if the policy provides for
6 limits in excess of the limits designated in this section the
7 insurance carrier may plead against the judgment creditor, with
8 respect to the amount of the excess limits of liability any de-
9 fenses which it may be entitled to plead against the insured.
10 The policy may further provide for the prorating of the insur-
11 ance thereunder with other applicable valid and collectible
12 insurance.

13 (b) The policy, any written application therefor and any
14 rider or indorsement which shall not conflict with the provi-
15 sions of this act shall constitute the entire contract between
16 the parties.

17 Effective as of the date such proof is furnished and to
18 the extent of the coverage required by this act and to the extent
19 of the limits of liability specified in section twenty-four of
20 this act, any policy of motor vehicle liability insurance fur-
21 nished as proof of financial responsibility pursuant to section
22 eighteen of this act, either by the filing of a certificate
23 signed by a duly licensed agent of the company issuing the
24 policy as provided in the said section, or otherwise, shall be
25 deemed amended to conform with and to contain all the provisions
26 required by this act, any provision of the policy or certifi-
27 cate to the contrary notwithstanding.

28 An insurance carrier authorized to issue motor vehicle lia-
29 bility policies as provided for in this act may, pending the

1 issuance of the policy, execute an agreement, to be known as a
2 binder; or may, in lieu of the policy, issue an indorsement to
3 an existing policy, each of which shall be construed to provide
4 indemnity or protection in like manner and to the same extent as
5 the policy. The provisions of said sections twenty-four and
6 twenty-five and this section shall apply to the binders and in-
7 dorsements.

8 Section 27. (a) The owner's registration of a vehicle in-
9 volved in an accident to which this act applies shall not be
10 transferred nor the vehicle, in respect to which such registra-
11 tion was issued, registered in any other name until the provi-
12 sions of this act relating to the deposit of security are com-
13 plied with, unless such provisions are inapplicable because of
14 the exceptions stated in section three or because of other excep-
15 tions specified in this act, or until the Commissioner is satis-
16 fied that such transfer is proposed in good faith and not for
17 the purpose or with the effect of defeating the purposes of
18 this Act.

19 (b) If an owner's registration has been suspended here-
20 under, such registration shall not be transferred nor the
21 vehicle, in respect to which such registration was issued,
22 registered in any other name until the Commissioner is satis-
23 fied that such transfer of registration is proposed in good
24 faith and not for the purpose or with the effect of defeating
25 the purposes of this act.

26 (c) Nothing in this section shall in anywise affect the
27 rights of any conditional vendor, chattel mortgagee or lessor
28 of such a vehicle registered in the name of another as owner who
29 becomes subject to the provisions of this act.

1 (d) The Commissioner shall suspend the registration of any
2 vehicle transferred in violation of the provisions of this
3 section.

4 Section 28. (a) The Commissioner shall administer and
5 enforce the provisions of this act and may make rules and regu-
6 lations necessary for the administration thereof and shall pro-
7 vide for hearings upon request of persons aggrieved by orders or
8 acts of the Commissioner under the provisions of this act.

9 (b) Any order or act of the Commissioner, under the pro-
10 visions of this Act, shall be subject to appeal by the aggrieved
11 person or persons to the District Court of the Territory of
12 Alaska in the same manner as appeals from justice's courts to
13 the District Court.

14 Section 29. The Commissioner shall, by means of any
15 printed form he provides, inform every person to whom a driver's
16 license or registration certificate is issued of the contents
17 of this act.

18 Section 30. (a) Any person in whose name more than
19 twenty-five motor vehicles are registered may qualify as a self-
20 insurer by obtaining a certificate of self-insurance issued by
21 the Commissioner as provided in subsection (b) of this section.

22 (b) The Commissioner may, in his discretion, upon the ap-
23 plication of such a person, issue a certificate of self-insurance
24 when he is satisfied that such person is possessed and will con-
25 tinue to be possessed of ability to pay judgments obtained a-
26 gainst such person.

27 (c) Upon not less than five days' notice and a hearing
28 pursuant to such notice, the Commissioner may upon reasonable
29 grounds cancel a certificate of self-insurance. Failure to pay

1 any judgment within thirty days after such judgment shall have
2 become final shall constitute a reasonable ground for the can-
3 cellation of a certificate of self-insurance.

4 Section 31. No action taken by the Commissioner pursuant
5 to this act, the findings, if any, of the Commissioner upon
6 which such action is based, nor the security filed, as provided
7 by this act, shall be referred to in any way, nor be any evidence
8 of the negligence or due care of either party, at the trial of
9 any civil action to recover damages.

10 Section 32. This act shall not apply with respect to any
11 motor vehicle owned by the United States, this territory or any
12 political subdivision of this territory or any municipality
13 therein; nor with respect to any motor vehicle which is subject
14 to the requirements of law requiring insurance or other security
15 on certain types of vehicles.

16 Section 33. (a) Any person who shall forge or, without
17 authority, sign any evidence of proof of financial responsibility
18 or who files or offers for filing any such evidence of proof
19 knowing or having reason to believe that it is forged or signed
20 without authority, shall be fined not more than one thousand
21 dollars (\$1,000.00) or imprisoned for not more than one year,
22 or both.

23 (b) Any person willfully failing to return license or
24 registration as required in section twenty-two of this act shall
25 be fined not more than five hundred dollars (\$500.00) or im-
26 prisoned not to exceed thirty days, or both.

27 (c) Any person who shall violate any provision of this act
28 for which no penalty is otherwise provided shall be fined not
29 more than five hundred dollars (\$500.00) or imprisoned not more

1 than ninety days, or both.

2 Section 34. This Act shall be construed to supplement
3 Title 50, ACLA 1949, Vehicles, and Chapters 1, 2, 3, 4, and 5
4 thereof, and any amendments thereof, and Chapter 124, Session
5 Laws of Alaska 1951, and any amendments thereof.

6 Section 35. This Act shall take effect July 1, 1953.
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