

1 IN THE HOUSE

House
BY *Commerce Committee*

2 HOUSE BILL NO. *60*

3 IN THE LEGISLATURE OF THE TERRITORY OF ALASKA

4 TWENTY-SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act to create an Insurance Commission;
7 authorizing the appointment of an Insur-
8 ance Commissioner; defining powers and
9 duties; repealing Secs. 42-1-1 and 42-4-18
10 ACIA, 1949; and setting an effective date."

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

12 Section 1. Insurance Commission; creation; appointment;
13 terms. There is hereby created the Alaska Insurance Commission
14 to be composed of five members appointed by the Governor for
15 overlapping terms of five years with the advice and consent of
16 the Legislature. ~~Vacancies shall be filled by the appointing~~
17 ~~authority and the person so appointed shall serve for the un-~~
18 ~~expired term of the member replaced.~~ The term of office of
19 members shall commence on July first, and one member shall be
20 appointed each year; Provided, that the five members first ap-
21 pointed shall serve for terms of one, two, three, four, and
22 five years and the Governor shall designate the length of terms
23 of the members first appointed.

24 Sec. 2. Insurance Commission; qualifications. The mem-
25 bers of the commission shall be residents and inhabitants of
26 Alaska and shall be selected as follows: (1) two members shall
27 be selected from persons regularly engaged as agents or brokers
28 of fire or casualty insurance; (2) one member shall be selected
29 from persons who are life insurance agents or brokers; and (3)

p. 1, lines 16, 17, 18: strike entire sentence commencing with word
"Vacancies"

1 two members shall be selected to represent the public and shall
2 have no direct or indirect interest in any insurance business or
3 company, except as policy holders.

4 Sec. 3. Insurance Commission; general powers. The Insur-
5 ance Commission shall have, but not by way of limitation, the
6 following powers: (1) to organize and adopt rules of procedures
7 for the operation and officers of the commission; (2) to appoint
8 a Commissioner of Insurance; (3) to hold hearings on appeals
9 from rulings or orders of the Commissioner of Insurance and re-
10 voke, amend, suspend, revise, or approve such rulings or orders;
11 and, (4) to do all other acts and things necessary to carry out
12 its powers and duties as provided in this Act, and other acts
13 not inconsistent therewith.

14 Sec. 4. Insurance Commissioner; qualifications; term; bond.
15 The Commissioner of Insurance shall be selected on the basis of
16 his knowledge of insurance business. The commissioner shall
17 serve at the pleasure of the commission. Neither the commis-
18 sioner nor any of his assistants or clerks shall be directly or
19 indirectly interested in any insurance company or insurance
20 business except as a policy holder. Before entering the duties
21 of his office the Commissioner shall execute a bond, in com-
22 pliance with law, in the penal sum of Ten Thousand (\$10,000.00)
23 Dollars.

24 Sec. 5. Commissioner of Insurance; general powers. The
25 Commissioner of Insurance shall have, but not by way of limita-
26 tion, the following general powers: ^{and duties} (1) to employ the neces-
27 sary assistants and clerks to carry out the duties of the
28 office; (2) to prepare and furnish all necessary report forms
29 and blanks as an expense of the office; (3) to supervise the

P. 2, line 26: following word "powers" insert words "and duties"

1 conduct of all business relating to insurance companies and
2 societies, domestic and foreign, to the extent authorized or
3 directed by law; (4) to examine personally, or by deputy, the
4 books, papers and property of any insurance company, agent,
5 association or bureau for the making of rates; or of any com-
6 pany ^{engaged in business in the territory of Alaska, or} engaged in organizing, promoting or aiding in the formation
7 of an insurance company; or of any person, firm or corporation
8 who the commissioner reasonably believes is violating a provi-
9 sion of the insurance law; (5) to invoke the aid of any Court
10 of competent jurisdiction through injunction, mandamus or other
11 process to enforce any order or action made or taken by him in
12 pursuance of law; (6) —

13 Sec. 6. Insurance companies; examination; expense. The
14 expenses of an examination into the affairs and condition of
15 any insurance company or society shall be paid by the company or
16 society examined, unless remitted by the commissioner ^{with the approval} of the ^{board of} ^{commissioners}.

17 Sec. 7. Insurance companies; appeal to commission. Any
18 person, agent, adjuster or company affected may appeal, in
19 writing filed with the commissioner, to the Insurance Commis-
20 sion to review any order or action made or taken by the commis-
21 sioner. Appeals must be filed within thirty days after the
22 making or taking of any order or action by the commissioner.

23 Sec. 8. Insurance companies; appeal to court. Any person,
24 agent, adjuster or company aggrieved by the action taken upon
25 review by the commission, may, by verified petition and proof
26 of service of a copy of the petition upon the Insurance Com-
27 missioner, appeal to the District Court of any Judicial Divi-
28 sion in Alaska to review any order or action made or taken by
29 the commission.

p. 3, line 6: after "company" insert "doing business in the Territory of Alaska, or"

p. 3, line 12: following word "law" insert semi-colon and add new subsection as follows: "(6) to execute and enforce all laws of the Territory relating to insurance and for this purpose to conduct examinations, investigations, and hearings in addition to those specifically provided for, useful and proper for the efficient administration and enforcement of the insurance laws of this Territory."

p. 3, line 16: Strike period and insert the following words "with the approval of a majority of the commission."

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Sec. 9. Repealer. Sections 42-1-1 and 42-4-18, Alaska
Compiled Laws Annotated, 1949, are hereby repealed.

Sec. 10. Effective date. This Act shall take effect and
be in force from and after its passage and approval, or upon
its becoming law without such approval, and it is so enacted.