

1 IN THE HOUSE

BY *House Commerce Committee*

2 HOUSE BILL NO. *62*

3 IN THE LEGISLATURE OF THE TERRITORY OF ALASKA

4 TWENTY-SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act to require countersignature, by
7 resident agents, of insurance policies
8 written in Alaska; and setting an effective
9 date."

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

11 Section 1. Application of Act. No company, association,
12 reciprocal exchange, person or persons authorized to transact
13 insurance or offer indemnity contracts in this Territory except-
14 ing reciprocal mutuals organized under the laws of this Terri-
15 tory and life insurance companies on life insurance contracts
16 and health and accident contracts written therein, shall make,
17 write, place or cause to be made, written or placed, any policy
18 or contract of insurance or indemnity of any kind or character,
19 or a general or floating policy covering risks on property
20 located in the Territory of Alaska, liability created by or ac-
21 cruing under the laws of this Territory, or undertakings to be
22 performed in this Territory, except through their licensed resi-
23 dent insurance agents, who shall countersign all policies (and
24 dailies) or indemnity contracts so issued and collect the pre-
25 miums therefor, or see to their collection in due course, and
26 who shall keep a record of the same, which shall contain the
27 usual and customary information concerning the risk undertaken,
28 including the full premium paid or to be paid therefor, to the
29 end that the Territory may receive the taxes required by law to

1 be paid on premiums collected for insurance on property or under-
2 takings located in this Territory; and no person shall pay or
3 forward any premium or application for insurance or in any man-
4 ner secure, help or aid in the placing of any insurance, or
5 effect any contract of insurance or indemnity upon property,
6 liability or undertakings located in this Territory with any
7 such insurer which is not authorized to transact its business
8 in this Territory. The practice of signing policies in blank is
9 likewise prohibited.

10 Sec. 2. Exception. Nothing contained in Section 1 shall
11 be construed as preventing the free and unlimited right to
12 negotiate wholly outside of this Territory contracts of insur-
13 ance by licensed non-resident brokers, provided the policies,
14 dailies, endorsements or evidence of such contracts covering
15 properties or insurable interests in this Territory are counter-
16 signed by a resident agent of this Territory, in which event the
17 countersigning agent shall receive a commission of not less than
18 five per cent of the premium paid. This Act shall not apply to
19 the following contracts:

20 (a) Policies covering property in transit while in
21 the possession or custody of any common carrier, or the rolling
22 stock or other property of any common carrier used and employed
23 by it as a common carrier of freight and passengers in inter-
24 state commerce;

25 (b) Contracts of reinsurance or retrocessions made
26 by or for admitted companies;

27 (c) Contracts of life and disability insurance;

28 (d) Contracts of title insurance.
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30 Sec. 3. At the time of the filing of the annual statement

1 of every such company with the insurance commissioner there shall
2 be attached thereto an affidavit of the president, manager or
3 chief executive officer in the United States stating that this
4 Act has not been violated.

5 Sec. 4. It shall be unlawful for any insurance company
6 doing business in this Territory to make, write, place or cause
7 to be made, written or placed in this Territory any policy,
8 duplicate policy or contract of insurance of any kind or charac-
9 tor, or any general or floating policy upon persons or property
10 resident, situated or located in this Territory, from or through
11 a broker who has not secured a license in this Territory.

12 Sec. 5. Any insurer violating any of the provisions of
13 this Act is guilty of a misdemeanor ^{and upon conviction shall be} punishable by a fine not
14 exceeding \$500.00 for each violation thereof, ^{In the event of such} and/or upon his
15 ^{conviction the} discretion the commissioner may suspend or revoke the license
16 of such an insurer, but such violation shall not invalidate the
17 insurance contract.

18 Sec. 6. This Act shall take effect and be in force on
19 April 1, 1955.
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p. 3, line 13: following word "misdemeanor" insert "and upon conviction thereof shall be"

p. 3, line 14: following word "thereof" insert a period; strike words "and/or upon his discretion the" and insert words "In the event of such conviction the insurance"