

1 IN THE HOUSE

BY MR. NORENE

2 HOUSE BILL NO. 133

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIRST LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act to prevent tie-in sales with life
7 insurance."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 Section 1. PROHIBITION AGAINST TIE-IN SALES BY LIFE INSUR-
10 ANCE COMPANIES. No life insurance company shall hereafter deliver
11 in this state, as a part of or in combination with any insurance,
12 endowment or annuity contract, any agreement or plan, additional
13 to the rights, dividends, and benefits arising out of any such
14 insurance, endowment, or annuity contract.

15 (1) Which provides for the accumulation of profits over
16 a period of years and for payment of all or any part of such
17 accumulated profits only to members or policyholders of a desig-
18 nated group or class who continue as members of policyholders until
19 the end of a specified period of years; or

20 (2) Which provides that on the death of anyone, other
21 than a beneficiary or a person insured thereunder, the owner or
22 beneficiary of the policy shall receive the payment or granting
23 of anything of value; or

24 (3) Which provides that the whole or any part of the
25 premiums or consideration for the policy, dividends, coupons, res-
26 erves, special reserves, or the excess interest therefrom or any
27 funds or money in excess of the normal reserve required to meet
28 the contractual guarantees of the policy, are to be placed or
29 invested in special funds or segregated accounts not involving

1 insurance or life contingency features, and the funds or earnings
2 therefrom divided among those taking the policy, their benefi-
3 ciaries or assignees; or

4 (4) Which provides for the sale, solicitation, or de-
5 livery of any stock or shares of stock in any company, or provides
6 for a benefit certificate, securities or any special advisory
7 board contract, or other contracts or resolutions of similar
8 nature, or provides for policy dividends bearing a stated rela-
9 tionship to dividends on the stock of any company, as an induce-
10 ment to or in connection with the sale or acceptance of such
11 policy.