

1 IN THE HOUSE

BY RULES COMMITTEE
BY REQUEST OF THE GOVERNOR

2 HOUSE BILL NO. 28

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SECOND LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to motor vehicle insurance;
7 amending Sec. 6 of Ch. 124, SLA 1951 by
8 adding a new subsection (12); and providing
9 for an effective date."

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

11 Section 1. Sec. 6 of Ch. 124, SLA 1951 is amended by the
12 addition of a new subsection to read as follows:

13 N (12) TRANSFER REQUIRING INSURANCE. Every dealer who,
14 upon transferring by sale, lease, or otherwise any new or
15 E used vehicle of a type subject to registration, requires the
16 transferee to insure the vehicle, and every lending agency
17 W which, as the holder of any security interest in such vehicle,
18 requires its obligor to insure the vehicle, shall, if the
19 required insurance policy is obtained by the dealer or lending
20 M agency and the policy does not insure the transferee or
21 obligor against damages resulting from the ownership or
22 A operation of the vehicle arising by reason of personal
23 injury to or the death of any person, or from injury to pro-
24 T perty, notify the transferee or obligor of such fact and of
25 the general scope of the insurance required by such dealer or
26 T lending agency in writing on a document other than the insur-
27 ance policy, and the transferee or obligor shall acknowledge
28 E such notice in writing on a document other than the insurance
29 R policy, but the notice or acknowledgement need not be given

HB #28 as amended

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if the insurance is obtained by the dealer or lending agency
because of the failure or refusal of the transferee or obli-
gor to furnish insurance or to renew insurance in accordance
with the terms of the contract of sale, encumbrance, or
other loan agreement.

Sec. 2. This Act takes effect July 1, 1961.

Passed by the House February 24, 1961.