

Introduced: 3/28/67
Referred: Commerce and
Judiciary

1 IN THE HOUSE

BY MOORE

2 HOUSE BILL NO. 325

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to time limit on certain defenses in
7 insurance policies."

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

9 * Section 1. AS 21.51.050 is amended to read:

10 Sec. 21.51.050. TIME LIMIT ON CERTAIN DEFENSES. There shall be
11 a provision as follows:

12 "Time Limit on Certain Defenses: (1) After 90 days [THREE YEARS]
13 from the date of issue of this policy no misstatements, except fraudu-
14 lent misstatements, knowingly made by the applicant in the application
15 for the policy shall be used to void the policy or to deny a claim for
16 loss incurred or disability (as defined in the policy) commencing after
17 the expiration of the 90-day [THREE-YEAR] period."

18 (A) The foregoing policy provision shall not be so con-
19 strued as to affect any legal requirement for avoidance of a policy
20 or denial of a claim during the initial 90-day [THREE-YEAR] period,
21 or to limit the application of secs. 170 - 210 of this chapter in
22 the event of misstatement with respect to age or occupation or
23 other insurance.

24 (B) A policy which the insured has the right to continue
25 in force subject to its terms by the timely payment of premium (1)
26 until at least age 50 or (11) in the case of a policy issued after
27 age 44, for at least five years from its date of issue, may con-
28 tain in lieu of the foregoing the following provision (from which
29 the clause in parentheses may be omitted at the insurer's option)

1 under the caption "Incontestable":

2 "After this policy has been in force for a period of 90 days
3 [THREE YEARS] during the lifetime of the insured (excluding any
4 period during which the insured is disabled), it shall become in-
5 contestable as to the statements contained in the application."

6 "(2) No claim for loss incurred or disability (as defined in
7 the policy) commencing after 90 days [THREE YEARS] from the date of
8 issue of this policy shall be reduced or denied on the ground that a
9 disease or physical condition not excluded from coverage by name or
10 specific description effective on the date of loss had existed before
11 the effective date of coverage of this policy."

12 * Sec. 2. AS 21.51 is amended by adding a new section to read:

13 Sec. 21.51.155. INCONTESTABILITY. There shall be a provision as
14 follows:

15 "This policy shall be incontestable after it has been in force
16 during the lifetime of the insured for a period of 90 days from its date
17 of issue, except for the nonpayment of premiums, and except for fraudu-
18 lent misstatements knowingly made by the applicant in the application
19 for this policy. This section shall not be construed to limit the
20 application of secs. 170 - 210 of this chapter in the event of misstate-
21 ment with respect to age or occupation or other insurance."
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