

1 IN THE HOUSE

BY FINK

2 HOUSE BILL NO. 361

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the settlement of insurance
7 claims."

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

9 * Section 1. AS 21.89 is amended by adding a new section to read:

10 Sec. 21.89.020. INTEREST TO BE PAID CLAIMANTS. (a) Whenever
11 there is an insurance claim, interest at the rate of eight per cent
12 a year shall be paid on sums owed under the terms of the insurance
13 contract to a party thereto or a third party starting from the follow-
14 ing dates:

15 (1) in the case of a life insurance death claim, starting
16 from 14 days after the proper party has filed a claimant statement and
17 death certificate;

18 (2) in the case of a disability claim, starting from 14
19 days after the proper party has filed a physician's statement and
20 claimant's statement;

21 (3) in the case of all other forms of insurance claims,
22 starting from 30 days after the insured or third party claimant files
23 a claim with the insurance company on any sums determinable at that
24 time and 30 days after any additional sums are determinable; the term
25 "determinable" applies only to the amounts and not to liability.

26 (b) A bonafide offer of settlement by the insurance carrier
27 stops the running of interest if the offer is at least equal to the
28 final settlement or judgment.
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