

Introduced: 1/22/75
Referred: Commerce and
Judiciary

1 IN THE HOUSE

BY SWANSON

2 HOUSE BILL NO. 44

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to motor vehicle insurance."

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

8 * Section 1. AS 28 is amended by adding a new chapter to read:

9 CHAPTER 21. MOTOR VEHICLE INSURANCE ACT.

10 Sec. 28.21.010. STATEMENT OF PURPOSE. The purpose of this chapter
11 is to provide a means of prompt and equitable compensation to persons
12 for damage to motor vehicles arising from the ownership, operation,
13 maintenance or use of a motor vehicle.

14 Sec. 28.21.020. INSURANCE REQUIRED FOR REGISTERED MOTOR VEHICLES.

15 (a) Every registrant or owner of a motor vehicle required to be register-
16 ed in the state shall have insurance in effect throughout the required
17 registration period for payment of benefits under this chapter.

18 (b) A nonresident owner or registrant of a motor vehicle registered
19 outside the state shall have insurance for the payment of benefits under
20 this chapter if the vehicle is operated in the state for an aggregate of
21 30 days or more in a calendar year.

22 Sec. 28.21.030. PAYMENT OF PREMIUM FOR INSURANCE AT REGISTRATION.

23 (a) The owner of a motor vehicle, as a condition of registering the
24 motor vehicle in the state, shall pay to the department a fee in an amount
25 to be determined by the commissioner to be an adequate premium for the
26 insurance required by this chapter.

27 (b) Nonresident owners or registrants of vehicles registered outside
28 the state required to carry insurance under sec. 20(b) of this chapter
29 shall pay a fee in an amount determined by the commissioner to be an

1 adequate premium for insurance required by this chapter.

2 Sec. 28.21.040. DETERMINATION OF THE AMOUNT OF THE PREMIUM. (a)

3 In determining the amount of the premium the commissioner may consider

4 (1) the size of the motor vehicle;

5 (2) the value of the motor vehicle;

6 (3) the length of use in Alaska if the insured is a nonresident
7 owner or the automobile is registered outside the state and insurance
8 is required by sec. 20(b) of this chapter;

9 (4) any other factors found to be relevant by the commissioner.

10 (b) In determining the amount of the premium the commissioner may
11 not consider the driving record of the person registering the motor
12 vehicle.

13 Sec. 28.21.050. INSURANCE. The commissioner shall contract with one
14 or more insurers authorized to transact business in the state to provide
15 insurance coverage for the payment of benefits under this chapter. The
16 contracts shall be awarded on the basis of competitive bidding by
17 authorized insurers.

18 Sec. 28.21.060. LIABILITY FOR MOTOR VEHICLE INSURANCE BENEFITS.

19 (a) The insurer is liable to pay benefits for accidental damage to the
20 motor vehicle arising out of the ownership, operation, maintenance or
21 use of a motor vehicle subject to the provisions of this section. Damage
22 to the motor vehicle consists of physical damage to or destruction of
23 the property and loss of use of the property so damaged or destroyed.

24 (b) Benefits are due under this chapter without regard to fault.

25 (c) Benefits under this chapter consist of the lesser of the
26 reasonable repair costs or replacement costs less depreciation and, where
27 applicable, the value of loss of use.

28 (d) Damage to motor vehicles arising outside the state are included
29 in the benefits under this chapter.

1 Sec. 28.21.070. CLAIMS. (a) Persons suffering damage compen-
2 sable under the provisions of this chapter may claim benefits by filing
3 a claim with the insurer responsible to pay the benefits under the
4 contractual agreement with the department.

5 (b) Benefits must be paid within 30 days after the insurer
6 receives reasonable proof of the fact and amount of the loss sustained.

7 Sec. 28.21.080. TORT EXEMPTION. (a) When accidental damage to
8 a motor vehicle arises out of the ownership, operation, maintenance or
9 use of a motor vehicle which is covered by the insurance benefits of
10 this chapter, the owner, registrant, operator, or occupant and persons
11 legally responsible for the acts of the owner, registrant, operator
12 or occupant involved in the accident are exempt from tort liability for
13 damage to the motor vehicle.

14 (b) This exemption shall apply when the law of this state is
15 controlling in determining tort liability.

16 Sec. 28.21.090. LIMITATION OF ACTIONS. No action for the
17 recovery of benefits under this chapter may be commenced later than
18 one year after the date of the accident.

19 Sec. 28.21.100. CRIMINAL PENALTIES. A person who owns or is
20 legally responsible for a motor vehicle for which insurance is required
21 by this chapter, and who operates or allows the motor vehicle to be
22 operated on a public highway in the state without the required insur-
23 ance is guilty of a misdemeanor, and upon conviction is punishable by
24 imprisonment for not more than one year, or by a fine of not more than
25 \$1,000, or by both.

26 Sec. 28.21.110. SHORT TITLE. This chapter may be cited as the
27 Alaska Mini-No Fault Act.

28 Sec. 28.21.120. DEFINITIONS. In this chapter unless the context
29 requires otherwise

1 (1) "accidental damage" includes all damage except the
2 damage resulting from intentional acts done for the purpose of causing
3 damage;

4 (2) "commissioner" means the commissioner of revenue;

5 (3) "department" means the Department of Revenue;

6 (4) "motor vehicle" means a self-propelled vehicle designed
7 for operation on a public highway by other than muscle power;

8 (5) "owner" means a person other than a lienholder or secured
9 party who has legal title to a motor vehicle or is entitled to the use
10 and possession of a motor vehicle subject to a security interest held
11 by another person other than a lessee under a lease not intended as
12 security.