

Introduced: 3/6/80
Referred: State Affairs

1 IN THE SENATE

BY THE COMMERCE COMMITTEE

2 SENATE BILL NO. 513

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to minimum standards for insurance
7 contracts."

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

9 * Section 1. AS 21.33 is amended by adding a new section to read:

10 Sec. 21.33.115. APPLICABILITY OF MINIMUM STANDARDS. All insurance
11 contracts, except those for wet marine or transportation insurance,
12 placed with or written by an unauthorized insurer are subject to the
13 provisions of AS 21.42.215 - 21.42.230.

14 * Sec. 2. AS 21.42.010(2) is amended to read:

15 (2) policies or contracts not issued for delivery in this
16 state or delivered in this state, except as provided in

17 (A) AS 21.42.120 (approval of forms for delivery in
18 jurisdictions where local approval not provided for); and

19 (B) AS 21.42.215 (minimum standards) when the policy
20 or contract of insurance is performed in this state or the insured
21 event occurs in this state and the insured or intended insured is
22 a resident of this state;

23 * Sec. 3. AS 21.42.010 is amended by adding a new subsection to read:

24 (b) In this section, "intended insured" means a person who has an
25 insurable interest in the expected insurance coverage and whose interest
26 was contemplated by the parties at the time of entering into the in-
27 surance contract.

28 * Sec. 4. AS 21.42 is amended by adding a new section to read:

29 Sec. 21.42.215. MINIMUM STANDARDS. (a) By regulation, the

1 director may establish minimum standards applicable to the coverage,
2 terms, and conditions of an insurance policy, certificate of coverage,
3 contract form, or a rider, endorsement, or application forming a
4 part of an insurance policy. The minimum standards adopted are to be
5 applied to all new, renewal, and in-force policies within a reasonable
6 time, as specified by the director, after the adoption of the regula-
7 tions. The minimum standards may not be applied to new and renewal
8 policies until 90 days after adoption of the regulation, and may not
9 be applied to in-force policies until one year after adoption. For
10 purposes of this subsection, "in-force policies" are those which are
11 in force on the effective date of this Act.

12 (b) All policies issued or in force in this state are to be
13 construed as meeting or containing the applicable minimum standards.

14 (c) After adopting minimum standards by regulation, the director
15 may waive, in whole or in part, the filing requirement in AS 21.42.120
16 for any kind of insurance for which minimum standards may be applied.

17 (d) Notwithstanding (a) and (b) of this section, the director
18 may, upon request by the insurer, exempt an insurer from these minimum
19 standards. The request for exemption must fully explain the reasons
20 for it, and is subject to the approval of the director. Failure of
21 the director to respond to the request within 30 days after receipt
22 constitutes a denial of the request.