

Introduced: 5/31/80
Referred: Rules

1 IN THE SENATE

BY THE RULES COMMITTEE BY REQUEST

2

SENATE RESOLUTION NO. 29

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

ELEVENTH LEGISLATURE - SECOND SESSION

5

Relating to insurance for boats with

6

loans from the division of business

7

loans, Department of Commerce and

8

Economic Development.

9

BE IT RESOLVED BY THE SENATE:

10

WHEREAS the division of business loans in the Department of Commerce and

11

Economic Development has loaned a substantial amount of state money to more

12

than 550 purchasers of fishing boats; and

13

WHEREAS regulations of the Department of Commerce and Economic Develop-

14

ment require that each purchaser of a boat who is indebted to the department

15

purchase insurance to cover the debt due to the Department; and

16

WHEREAS the purchaser of the insurance is free to obtain the insurance

17

from an agent or broker of his choice; and

18

WHEREAS the division of business loans has received reports from indi-

19

viduals who purchased boats with loans from the division, as well as from

20

prospective borrowers, that boat insurance is difficult to obtain and very

21

expensive, and that the delays in obtaining insurance sometimes delay loans

22

for a fishing season or longer; and

23

WHEREAS the division of business loans proposed a solution which facili-

24

tates the writing of marine insurance and the renewal of policies; and

25

WHEREAS there are now over 100 fishermen from all over Alaska partici-

26

pating in the program proposed by the division of business loans; and

27

WHEREAS a substantial majority of the participants were previously

28

insured through out-of-state insurance brokers and agents; and

29

WHEREAS the average hull and machinery insurance premium rate paid by

1 participants in the program of the division of business loans has been mea-
2 surably lowered; and

3 WHEREAS the participation of local Alaska insurance agents has been
4 increased by a factor of four since the program was initiated;

5 BE IT RESOLVED by the Alaska Senate that the division of business loans
6 of the Department of Commerce and Economic Development is encouraged to
7 continue reasonable efforts to facilitate the availability of marine insurance
8 at reasonable prices from Alaska insurance agents and brokers to purchasers
9 of fishing vessels which are financed by the division.
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29