

Introduced: 3/30/83
Referred: Labor & Commerce

FILE

1 IN THE HOUSE

BY THE LABOR AND
COMMERCE COMMITTEE

2

HOUSE BILL NO. 308

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

THIRTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

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

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

8 * Section 1. AS 21.39.155(a) is amended to read:

9 (a) The director may require carriers, except a reciprocal
10 insurer formed under AS 21.75, as a condition of writing a line of
11 insurance dealing with workers' compensation, to participate in an
12 assigned risk pool if the director finds that mandatory carrier par-
13 ticipation is in the public interest.

14 * Sec. 2. AS 21.75.050 is amended by adding a new subsection to read:

15 (c) A domestic reciprocal insurer formed under this chapter by
16 two or more municipalities shall (1) comply with (a) of this section
17 or post a bond for an amount equal to the capital that would be re-
18 quired of a domestic stock insurer writing the same lines of insurance
19 for which the reciprocal insurer seeks to be authorized, and (2)
20 maintain a surplus of \$250,000 or a surplus sufficient to operate the
21 reciprocal insurer for one year, whichever is greater.

22 * Sec. 3. AS 21.75.060(a) is amended to read:

23 (a) Two [TWENTY-FIVE] or more persons domiciled in this state
24 may organize a domestic reciprocal insurer and make application to the
25 director for a certificate of authority to transact insurance.

26 * Sec. 4. AS 21.75 is amended by adding a new section to read:

27 Sec. 21.75.340. DEFINITIONS. In this chapter "municipality"
28 means a political subdivision incorporated under the laws of the state
29 that is a home rule or general law city, a home rule or general law

1 borough, or a unified municipality.

2 * Sec. 5. AS 21.80.180(5) is amended to read:

3 (5) "insolvent insurer" means an insurer

4 (A) authorized to transact insurance in this state,
5 except an assessable reciprocal insurer formed by municipalities
6 or public utilities, the Medical Indemnity Corporation of Alaska,
7 and the Health Care Providers Joint Underwriting Association
8 established under AS 21.88.010 - 21.88.900, either at the time
9 the policy was issued or when the insured event occurred, and

10 (B) determined to be insolvent by a court of competent
11 jurisdiction;

12 * Sec. 6. AS 21.80.180(6) is amended to read:

13 (6) "member insurer" means a person, except an assessable
14 reciprocal insurer formed by municipalities or public utilities, the
15 Medical Indemnity Corporation of Alaska, and the Health Care Providers
16 Joint Underwriting Association established under AS 21.88.010 - 21.-
17 88.900, who

18 (A) writes any kind of insurance to which AS 21.80.-
19 010 - 21.80.190 apply under AS 21.80.020 including the exchange
20 of reciprocal or inter-insurance contracts, and

21 (B) is licensed to transact insurance in this state;