

Offered: 5/2/85
Referred: Finance

Original sponsors: Zharoff, Eliason
and P.Fischer

BY THE LABOR AND
COMMERCE COMMITTEE

1 IN THE SENATE

2 CS FOR SENATE CONCURRENT RESOLUTION NO. 20 (L&C)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - FIRST SESSION

5 Relating to insurance of fishing ves-
6 sels.

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

8 WHEREAS the cost of marine hull insurance for commercial fishing
9 vessels in the state is prohibitively expensive, and often this insurance
10 is only available in part or not available at all; and

11 WHEREAS this problem occurs statewide and is preventing vessel owners
12 from diversifying into other fisheries and in some cases preventing vessel
13 owners from fishing; and

14 WHEREAS this situation has resulted primarily from the high number of
15 fishing accidents in recent years; and

16 WHEREAS the high number of accidents has resulted in tragic and in
17 almost all cases, avoidable instances of loss of life; and

18 WHEREAS underwriters of marine insurance in the state have ceased
19 issuing policies of insurance for this type of risk due to this situation;
20 and

21 WHEREAS many marine insurance underwriters are not familiar with the
22 fishing industry and the causes of fishing accidents;

23 BE IT RESOLVED by the Alaska State Legislature that the Governor is
24 requested to direct the Department of Commerce and Economic Development,
25 division of insurance, to conduct a study to provide the underwriters of
26 marine insurance in the state with information concerning fisheries
27 management and safety that will encourage them to make insurance available
28 at competitive rates; and be it

29 FURTHER RESOLVED that the study

1 (1) quantify the contribution of operator factors and
2 nonoperator factors, such as weather;

3 (2) identify which of these operator and nonoperator factors
4 could be reduced by changes in fisheries management policy;

5 (3) identify specific types of safety problems;

6 (4) determine the viability of a statewide or industry insurance
7 pool;

8 (5) make recommendations designed to achieve safer vessel
9 operations; and be it

10 FURTHER RESOLVED that the findings of this study be reported to the
11 legislature on the first day of the Second Session of the Fourteenth
12 Legislature and to the Department of Public Safety so that they may
13 consider adoption of safety regulations that address the factors causing an
14 increase in the cost of marine insurance.