

STATE OF ALASKA

DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT

DIVISION OF INSURANCE

TONY KNOWLES, GOVERNOR

P.O. BOX 110805
JUNEAU, ALASKA 99811-0805
PHONE: (907) 465-2615
FAX: (907) 465-3422
TDD: (907) 465-5437

BULLETIN 97-08

TO: ALL INSURERS AUTHORIZED TO WRITE ALASKA MOTOR VEHICLE INSURANCE

RE: AMENDMENTS TO LAWS RELATING TO MOTOR VEHICLE INSURANCE

The Alaska Statutes (AS) relating to motor vehicle insurance policies have been amended recently. The purpose of this bulletin is to notify you of the changes that are most likely to have an immediate, material impact on the nature of contracts of motor vehicle insurance.

1. Effective July 1, 1997, AS 28.40.100(a)(22) is amended and AS 28.20.445(h) is repealed. The amendment clarifies the definition of what constitutes an "underinsured motor vehicle." In line with prior legislative intent, the revised definition deletes references to provisions of the insured's own policy(ies). AS 28.20.445(h) was a duplicate and, thus, unnecessary definition of "underinsured motor vehicle."

2. Effective July 1, 1997, AS 28.22.211 is repealed. AS 28.22.211 provided for certain limitations of the insurance carrier's maximum limit of liability based upon the limit of liability of the insured's own motor vehicle liability coverage limits and reductions in the amounts payable based upon payments from other sources. This provision has been repealed, consistent with prior legislative intent.

We recommend that you review your forms to assure that they continue to conform with statutory requirements and to avoid confusion in claims handling.

If you have any questions or would like further information, please call John Ference at (907) 4652560, write to him at the above address, or email him at John_Ference@commerce.state.ak.us

Dated this 21st day of July, 1997.



Marianne K. Burke
Director of Insurance