TATE OF ALA

DEPARTMENT OF COMMERCE AND **ECONOMIC DEVELOPMENT**

DIVISION OF INSURANCE

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ORDER R94-01

Withdrawal of Approval of Insurance Services Office Rate Filings

The Director of the Division of Insurance does hereby find, as follows:

Background:

- The Insurance Services Office, Inc. has converted its rate structure to a prospective loss cost system.
- According to regulations in the Alaska Administrative Code, Section 3 AAC 29.280(b), insurers that intend to continue to use rates previously filed by a rating organization shall provide support for the continued use of those rates within one year of the effective date of the initial filing by a rating organization of prospective loss costs for a kind of insurance.
- Bulletin 93-02, effective March 1, 1993, was sent to insurance companies notifying them that the director intended to call a hearing after December 31, 1993 during which members or subscribers of the rating organization desiring to continue to use rates in effect before the implementation of loss costs shall provide support for the continued use of those rates.
- Since there are many insurance companies which are members or subscribers to Insurance Services Office, Inc. and are writing business in Alaska which have not yet complied with regulation 3 AAC 29.280, the Division of Insurance intends to withdraw its approval of rates filed by Insurance Services Office, Inc. prior to the conversion to prospective loss costs.

Order:

Under the authority of AS 21.39.050(c), the Division of Insurance withdraws its approval of the following rate filings filed by the Insurance Services Office, Inc. prior to the conversion to a prospective loss cost system.

Personal Lines

Dwelling Fire	DF 89-RLA1
Homeowners	H 90-RLA1
Personal Auto	PP 89-RLA1
Personal Inland Marine	PM 90-RLA1
Personal Liability	PC 83-RLA1

Commercial Lines

Businessowners B 89-RLA1 Commercial Auto CA 89-BRLA1 Commercial Fire CF 90-RLA1 Commercial Inland Marine **CM 90-RLA1** Crime CR 90-RLA1 Farmowners F 90-RLA1 General Liability GL 89-TPOP1 GL 89-BPRD1 Glass G 90-RLA1

Since the rating organization submitted and had approved revised loss cost filings for each of the above kinds of insurance, the rates in these filings are either excessive or inadequate.

These filings will no longer be approved as of June 1, 1994.

Date: April 6, 1994

David J. Walsh, Director Division of Insurance

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