



Frank H. Murkowski, Governor

**Department of Community
and Economic Development**

Division of Insurance

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ORDER NUMBER R 02-09

December 10, 2002

**TEMPORARY MODIFICATION OF RATE AND FORM FILING
REQUIREMENTS TO EXPEDITE IMPLEMENTATION OF
TERRORISM RISK INSURANCE ACT OF 2002**

The Director of the Division of Insurance finds:

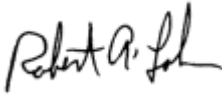
1. On November 26, 2002, President George W. Bush signed into law the Terrorism Risk Insurance Act of 2002 (the Act).
2. Section 106(a)(2)(B) of the Act states that “during the period beginning on the date of this Act and ending on December 31, 2003, rates and forms for terrorism risk insurance covered by this title and filed with any State shall not be subject to prior approval or a waiting period under any law of the State that would otherwise be applicable”
3. Therefore, the Act pre-empts the prior approval and waiting periods provided for in AS 21.39.040(d) and AS 21.42.120(b). This exemption applies only to the extent that the policy language and rates relate to an insured loss as defined in the Act.
4. Under AS 21.39.040(a), an insurer is required to file “every manual, minimum, class rate, rating schedule, or rating plan and every other rating rule, and each modification of any of them that it proposes to use.”
5. Also, AS 21.42.120(a) requires every endorsement form that is delivered, or issued for delivery in Alaska, to be filed with the director.
6. Consistent with the intent of the Act and in the interest of good public policy, the rate and form filing requirements for Alaska must be temporarily modified.
7. AS 21.39.040(f) and AS 21.42.120(d) allow the director to, by order, suspend, modify, or exempt filings from the time period requirements in AS 21.39.040 and AS 21.42.120.

The Director of Insurance Hereby Orders:

The filing requirements for rates and forms that relate to insured losses as defined in the Terrorism Risk Insurance Act of 2002 are modified as follows:

- A. Filing requirements under AS 21.39.040 and AS 21.42.120 are suspended until January 1, 2003.
- B. Beginning January 1, 2003, rates and forms again may not be used before they are filed, as required in AS 21.39.040 and AS 21.42.120. Beginning on January 1, 2003, the requirements of 3 AAC 31.210 will be followed and a filing will be considered filed as of the date the filing is received by the division.
- C. After December 31, 2002, in order for an insurer to continue using rates or forms that were used between from November 26, 2002 and December 31, 2002, the rate or form must be filed with the division in January 2003.

This order is effective December 10, 2002.

A handwritten signature in black ink, appearing to read "Robert A. Lohr". The signature is written in a cursive, flowing style.

Robert A. Lohr
Director