

2005 AK H 350

AUTHOR: Chenault

VERSION: Introduced

VERSION DATE: 01/09/2006

HOUSE BILL NO. 350

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FOURTH LEGISLATURE - SECOND SESSION

A BILL FOR AN ACT ENTITLED

"An Act relating to enforcement of insurance unfair claim settlement practices by a person affected by a violation; permitting penalties for a single-act unfair claim settlement practice; and providing for an effective date."

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

* Section 1. AS 21.36.125(b) is repealed and reenacted to read:

(b) The provisions of this section may be enforced by the director under applicable law or by a court of competent jurisdiction in an action brought by a person harmed by a violation of this section.

* Sec. 2. AS 21.36.320(c) is amended to read:

(c) If the director or a court acting under AS 21.36.125(b) determines that a person violated this chapter, the director shall serve upon the person charged an order requiring that person to cease and desist from engaging in the act or practice.

* Sec. 3. AS 21.36.320(d) is amended to read:

(d) In addition to an order issued under (c) of this section, the director may, after a hearing, order restitution and assess a penalty of not more than \$2,500 for each violation or \$25,000 for engaging in a general business practice in violation of this chapter. In addition to these remedies, a court acting under AS 21.36.125(b) may award compensatory or punitive damages as warranted.

* Sec. 4. AS 21.36.320(e) is amended to read:

(e) If the director or a court acting under AS 21.36.125(b) determines after a hearing that the person charged knew or should have known that the person was in violation of this chapter, in addition to the penalty prescribed in (d) of this section, a suspension or revocation of the person's license and a penalty of not more than \$25,000 for each violation or \$250,000 for engaging in the general business practice in violation of this

chapter may also be ordered by the director.

* Sec. 5. AS 21.36.320(h) is repealed.

* Sec. 6. This Act takes effect immediately under AS 01.10.070(c).

Copyright 2004 State Net. All Rights Reserved.

