

1 SB587
2 121107-1
3 By Senators Pittman and Brooks
4 RFD: Banking and Insurance
5 First Read: 01-APR-10

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8 SYNOPSIS: This bill would establish a process by
9 which the Department of Insurance may assist
10 consumers and would require the commissioner to
11 post certain information on the department's
12 website and prepare an annual legislative report.

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14 A BILL
15 TO BE ENTITLED
16 AN ACT

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18 To add Sections 27-2-8.1 and 27-2-8.2 to the Code of
19 Alabama 1975, relating to insurance; to establish a process by
20 which the department may assist consumers; and to amend
21 Section 27-2-9, Code of Alabama 1975, to require certain
22 information be posted on the department's website and require
23 annual legislative reports.

24 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

25 Section 1. Sections 27-2-8.1 and 27-2-8.2 are added
26 to the Code of Alabama 1975, to read as follows:

27 §27-2-8.1.

1 (a) The commissioner shall establish within the
2 department a process to assist Alabama citizens in
3 understanding, evaluating, and comparing insurance products
4 available to them. Particular attention shall be given to
5 addressing questions involving policies of personal and
6 commercial insurance lines.

7 (b) In order to implement this process, the
8 commissioner may do any of the following:

9 (1) Train personnel to meet with and appear before
10 citizen groups to disseminate and gather information on
11 insurance products of interest to them.

12 (2) Develop a computer system capable of comparing
13 features and rates of various insurance policies.

14 (3) Develop and implement an outreach program to
15 manage the entry of additional insurers into the Alabama
16 market.

17 §27-2-8.2.

18 (a) It shall be the duty of the commissioner to
19 compile and release annually for public dissemination a list
20 of all written requests for assistance by citizens received by
21 the department pursuant to Section 27-2-8.2(a).

22 (b) The list shall include a separate itemization of
23 each request for assistance received and of the line of
24 insurance involved.

25 Section 2. Section 27-2-9, Code of Alabama 1975, is
26 amended to read as follows:

27 "§27-2-9.

1 "As early as consistent with full and accurate
2 preparation, the commissioner shall annually make a report ~~to~~
3 ~~the Governor of his~~ official transactions during the preceding
4 calendar year to the Governor and to the chairs of the
5 legislative committees with jurisdiction over matters of
6 insurance. He shall include in the The report, which shall
7 also be made available on the department's Web site, shall
8 include all of the following:

9 "(1) A statement of the receipts and expenditures of
10 the department for the preceding year~~7~~.

11 "(2) An exhibit of the financial condition ~~and~~
12 ~~business transactions~~ during the preceding year of insurers
13 authorized to transact business in this state, as disclosed by
14 the financial statements of the insurers filed with the
15 commissioner~~7~~ unless such information is otherwise
16 confidential or privileged.

17 "(3) Names of insurers whose business was closed
18 during the year, the cause thereof and amount of assets and
19 liabilities as ascertainable~~7~~.

20 "(4) Names of insurers against whom delinquency or
21 similar proceedings were instituted and a concise statement of
22 the circumstances and results of each such proceeding~~7~~

23 "(5) ~~His recommendations~~ Recommendations as to
24 amendments or supplementation of laws affecting insurance~~7~~.

25 "(6) ~~His recommendations~~ Recommendations concerning
26 the condition, operation, and functioning of the department~~7~~
27 ~~and.~~

1 "(7) Such other pertinent information and matters as
2 ~~he deems~~ deemed to be in the public interest."

3 Section 3. This act shall become effective on the
4 first day of January 2011, following its passage and approval
5 by the Governor, or its otherwise becoming law.