

1 SB55
2 197051-1
3 By Senator Williams
4 RFD: Banking and Insurance
5 First Read: 05-MAR-19

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8 SYNOPSIS: Under existing law, the Property Insurance
9 Clarity Act requires insurers authorized to
10 transact homeowners insurance in this state, to
11 annually submit certain information to the
12 Department of Insurance regarding incurred losses,
13 policies in force, and earned premium for the prior
14 calendar year.

15 This bill would authorize the Commissioner
16 of Insurance to create educational and
17 informational programs and presentations for
18 consumers regarding insurance and other matters
19 regulated by the department.

20 This bill would also add hurricanes and
21 nonhurricane wind and hail to the list of perils
22 for which information is to be provided by insurers
23 to the department.

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25 A BILL
26 TO BE ENTITLED
27 AN ACT

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2 Relating to insurance; to amend Sections 27-2-7 and
3 27-22-21, Code of Alabama 1975, to authorize the Commissioner
4 of Insurance to create educational and informational programs
5 and presentations for consumers; and to add hurricanes and
6 nonhurricane wind and hail within the list of perils that
7 insurers writing homeowners insurance are required to provide
8 information regarding to the department pursuant to the
9 Property Insurance Clarity Act.

10 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

11 Section 1. Sections 27-2-7 and 27-22-21 of the Code
12 of Alabama 1975, are amended to read as follows:

13 "§27-2-7.

14 "The commissioner shall:

15 "(1) Organize, supervise, and administer the
16 Department of Insurance so that ~~it~~ the department will perform
17 its lawful functions efficiently and effectively.

18 "(2) Enforce the provisions of this title.

19 "(3) Execute the duties imposed upon him or her by
20 this title.

21 "(4) Have the powers and authority expressly
22 conferred upon him or her by, or reasonably implied from, ~~the~~
23 ~~provisions of~~ this title.

24 "(5) Sign and execute in the name of the state, by
25 "the state Department of Insurance," all contracts or
26 agreements with the federal government or its agencies, other

1 states or political subdivisions thereof, political
2 subdivisions of this state, or with private persons.

3 "(6) Conduct such examinations and investigations of
4 insurance matters, in addition to examinations and
5 investigations expressly authorized, as he or she may deem
6 proper to determine whether any person has violated any
7 provision of this title or to secure information useful in the
8 lawful administration of any such provision. The cost of ~~such~~
9 additional examinations or investigations shall be borne by
10 the state except as otherwise expressly provided.

11 "(7) Invoke any legal, equitable, or special remedy
12 for the enforcement of orders or ~~the provisions of~~ this title.

13 "(8) Have such powers and perform such duties as may
14 be granted to or required of the superintendent of insurance
15 of this state under laws remaining in force after the
16 effective date of this title.

17 "(9) Have such additional powers and duties as may
18 be provided by other laws of this state.

19 "(10) Not issue a license to a natural person under
20 this title or other law unless the natural person is a United
21 States citizen or, if not a citizen of the United States, a
22 person who is legally present in the United States with
23 appropriate documentation from the federal government.

24 "(11) Create educational and informational programs
25 and presentations for consumers regarding insurance and other
26 matters regulated by the department.

27 "§27-22-21.

1 "(a) Each insurance company authorized to transact
2 homeowners insurance business in the State of Alabama shall
3 annually submit to the ~~Alabama Department of Insurance,~~
4 ~~commencing on or before October 1, 2013,~~ department for
5 homeowners insurance policies, computations of the total
6 amount of direct incurred losses, the number of policies in
7 force, and the direct earned premiums for the prior calendar
8 year. The insurance company shall report the computations to
9 the department by zip code. The information received by the
10 department shall be aggregated across all insurance companies
11 collectively and the aggregated totals shall be arranged by
12 zip code. Homeowners insurance shall also include condominium
13 insurance, dwelling fire policies, renters/tenants insurance,
14 and mobile home/manufactured housing property insurance.
15 Creditor-placed property insurance, condominium association
16 insurance, and commercial insurance are excluded from this
17 article.

18 "(b) Based upon the information submitted to or
19 otherwise gathered by the department, the department shall
20 compile and post on the department website the aggregated
21 total of the computations provided in subsection (a) by zip
22 code for the prior calendar year.

23 "(c) Each insurance company authorized to transact
24 homeowners insurance business in the state shall annually
25 submit to the department, ~~commencing on or before October 1,~~
26 ~~2013,~~ computations of the direct incurred losses and the

1 number of policies in force, by zip code, by calendar year for
2 the prior calendar year, for each of the following perils:

3 "(1) Fire.

4 "(2) All nonhurricane wind/hail.

5 "(3) Hurricane.

6 "~~(3)~~(4) All other perils.

7 "(d) Each insurance company authorized to transact
8 homeowners insurance business in the state shall submit to the
9 department catastrophe wind/hail information pursuant to a
10 data call by the department based on a specific catastrophic
11 event."

12 Section 2. This act shall become effective
13 immediately following its passage and approval by the
14 Governor, or its otherwise becoming law.