

1 HB122
2 209003-1
3 By Representative Rich
4 RFD: Insurance
5 First Read: 02-FEB-21
6 PFD: 01/26/2021

SYNOPSIS: Under existing law, property insurers are generally required to file all rates for approval by the Commissioner of Insurance, with certain exceptions.

This bill would exempt flood insurance from the requirement for insurers to file rates for approval by the Commissioner of Insurance.

A BILL
TO BE ENTITLED
AN ACT

Relating to insurance, to amend Section 27-13-21, Code of Alabama 1975; to exempt flood insurance from the rate filing and approval requirement.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. Section 27-13-21 of the Code of Alabama 1975, is amended to read as follows:

"§27-13-21.

1 "(a) This ~~The provisions of this~~ article shall apply
2 to insurance against loss to property located in this state,
3 or to any valuable interest therein, by fire, lightning,
4 windstorm, explosion, or by theft or physical damage to motor
5 vehicles and all other kinds of insurance which fire insurance
6 companies are authorized to write in this state, except this
7 article shall not apply to reinsurance, aviation insurance,
8 flood insurance, and marine insurance, which term shall mean,
9 and include, insurance and reinsurance against any, and all,
10 kinds of loss or damage to all of the following subject
11 matters of insurance and interests therein:

12 "(1) Hulls, vessels, and craft of every kind .

13 "(2) Aids to navigation .

14 "(3) Dry docks and marine railways, including marine
15 builders' and repairers' risks, and whether complete or in
16 process of, or awaiting, construction .

17 "(4) All marine protection and indemnity risks,and.

18 "(5) All goods, freights, cargoes, merchandise,
19 effects, disbursements, profits, ~~moneys~~ monies, bullion,
20 precious stones, securities, choses in action, evidences of
21 debt, valuable papers, bottomry and respondentia interest, and
22 all other kinds of property and interests therein, in respect
23 to, appertaining to, or in connection with any and all risks
24 or perils of navigation, transit, or transportation on or
25 under any seas, lakes, rivers, or other waters, or in the air
26 or on land in connection with, or incident to, export, import,
27 or waterborne risks, or while being assembled, packed, crated,

1 baled, compressed, or similarly prepared for ~~such~~ shipment, or
2 while awaiting the same, or during any delays, storage,
3 transshipment, or reshipment incident thereto, including the
4 insurance of war risks in respect to any or all of the
5 aforesaid subject matters of insurance.

6 "(b) This ~~The provisions of this~~ article shall,
7 ~~however,~~ apply to inland marine insurance in the manner
8 provided in Section 27-13-22, and to flood insurance for motor
9 vehicles."

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