

**SB47 ENROLLED**



1 SB47  
2 DM1CNT-2  
3 By Senator Shelnuttt  
4 RFD: Banking and Insurance  
5 First Read: 06-Feb-24



## SB47 Enrolled

1 Enrolled, An Act,

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4 Relating to motor vehicle insurance; to amend Section  
5 32-7-35, Code of Alabama 1975, to establish the Alabama  
6 Automobile Insurance Plan; to provide for the Commissioner of  
7 Insurance Department to approve the Alabama Automobile  
8 Insurance Plan to equitably apportion the cost of certain high  
9 risk motor vehicle liability policies; to authorize the  
10 issuance of these policies in the name of the plan; and to  
11 provide that no policy issued in the name of the plan shall  
12 create liability to the department, or any of its officers or  
13 employees, or the state.

14 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

15 Section 1. Section 32-7-35, Code of Alabama 1975, is  
16 amended to read as follows:

17 "§32-7-35

18 (a) After consultation with insurance companies  
19 authorized to issue ~~automobile~~motor vehicle liability policies  
20 in this state, the Commissioner of Insurance shall approve a  
21 reasonable plan, to be known as the Alabama Automobile  
22 Insurance Plan, ~~or plans~~ for the equitable apportionment of  
23 costs among ~~such~~insurance companies ~~or~~for motor vehicle  
24 liability policy applicants ~~for such policies and~~ for motor  
25 vehicle liability policies who ~~are in good faith entitled to~~  
26 ~~but~~ are unable to procure such policies through ordinary  
27 methods. The Alabama Automobile Insurance Plan shall be  
28 administered in accordance with the plan by a governing



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29 committee, consisting of members approved by the commissioner.  
30 ~~When any such plan has been approved,~~ Once the commissioner  
31 approves the plan, all ~~such~~ insurance companies authorized to  
32 issue motor vehicle liability policies in this state shall  
33 subscribe ~~thereto and participate therein~~ to the plan.

34 (b) The governing committee may authorize one or more  
35 service providers to issue motor vehicle liability policies in  
36 the name of the Alabama Automobile Insurance Plan and provide  
37 policyholder and claims services. Any policy issued pursuant  
38 to this section shall be recognized as if issued by an  
39 insurance company authorized to issue insurance in this state.  
40 Such a policy shall also be considered as proof of financial  
41 responsibility or insurance pursuant to Chapter 7 and Chapter  
42 7A of Title 32, or any other applicable requirement of state  
43 law.

44 (c) Any applicant for ~~any such policy,~~ or any person  
45 insured ~~under any such plan~~ by a policy provided under the  
46 Alabama Automobile Insurance Plan, and any insurance company  
47 affected by the administration of the plan may appeal to the  
48 ~~Commissioner of Insurance~~ commissioner from any ruling or  
49 decision of the governing committee ~~manager or committee~~  
50 ~~designated to operate such plan.~~ Any person aggrieved  
51 hereunder by any order or act of the Commissioner of Insurance  
52 ~~may,~~ within 10 days after notice thereof, may file a petition  
53 in the Circuit Court of Montgomery County, Alabama, for a  
54 review thereof. The court shall summarily hear the petition  
55 and may enter any appropriate order or judgment.

56 (d) This section shall not revoke any exception granted



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57 to the automobile assigned risk plan under any other provision  
58 of this code.

59 (e) Annually, the governing committee shall file an  
60 audited financial report with the commissioner.

61 (f) The commissioner may establish regulations required  
62 to implement the purposes of this section."

63 Section 2. This act shall become effective on October  
64 1, 2024.



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President and Presiding Officer of the Senate

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Speaker of the House of Representatives

SB47

Senate 27-Feb-24

I hereby certify that the within Act originated in and passed the Senate.

Patrick Harris,  
Secretary.

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House of Representatives

Passed: 19-Mar-24

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By: Senator Shelnut