

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

1 Enrolled, An Act,

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3 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 issuance of these policies in the name of the plan; and to 10 11 provide that no policy issued in the name of the plan shall create liability to the department, or any of its officers or 12 13 employees, or the state. BE IT ENACTED BY THE LEGISLATURE OF ALABAMA: 14 15 Section 1. Section 32-7-35, Code of Alabama 1975, is amended to read as follows: 16 "\$32-7-35 17 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 of 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

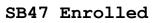
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29	committee, consisting of members approved by the commissioner.
30	When any such plan has been approved, Once the commissioner
31	approves the plan, all such insurance companies authorized to
32	issue motor vehicle liability policies in this state shall
33	subscribe thereto and participate thereinto 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 Insurancecommissioner from any ruling or
49	decision of the <u>governing committee</u> 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 $_{\underline{\prime}}$ for a
54	review thereof. The court shall summarily hear the petition
55	and may enter any appropriate order or judgment.

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(d) This section shall not revoke any exception granted





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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72	President and Presiding Officer of the Senate
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77	Speaker of the House of Representatives
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80	SB47
81	Senate 27-Feb-24
82	I hereby certify that the within Act originated in and passed
83	the Senate.
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85	Patrick Harris,
86	Secretary.
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91	House of Representatives
92	Passed: 19-Mar-24
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97	By: Senator Shelnutt