

1 SB208  
2 115720-1  
3 By Senators Pittman, Brooks and Glover  
4 RFD: Banking and Insurance  
5 First Read: 12-JAN-10

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8 SYNOPSIS: This bill would require property insurers  
9 to clearly notify their insureds at the application  
10 process and at renewal of the range of premium  
11 discounts, credits, differentials, reduced  
12 deductibles, or other policy savings available on  
13 properties having fixtures or construction  
14 techniques demonstrated to help reduce windstorm  
15 damage.

16 Insurers of commercial properties would be  
17 required to notify applicants and policyholders  
18 that a premium reduction may be available if steps  
19 have been taken to reduce windstorm damage, and to  
20 contact the agent for further information.

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22 A BILL  
23 TO BE ENTITLED  
24 AN ACT

25  
26 Relating to residential property insurance  
27 providers; to require insurers at application and renewal to

1 clearly notify the applicant and policyholder of the  
2 availability of each premium discount, credit, rate  
3 differential, lower deductible, or policy premium cost saving  
4 for properties having fixtures or construction techniques  
5 demonstrated to reduce the amount of loss or damage in a  
6 windstorm; and to require commercial property insurers to  
7 notify applicants and policyholders of the possibility of  
8 premium reductions for improvements for windstorm resistance.

9 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

10 Section 1. (a) All insurers, at the issuance of a  
11 new policy and at each renewal, shall clearly notify the  
12 applicant or policyholder of a residential property insurance  
13 policy of the availability and the range of each premium  
14 discount, credit, other rate differential, reduction in  
15 deductibles, or other premium cost reduction for properties on  
16 which fixtures or construction techniques demonstrated to  
17 reduce the amount of loss in a windstorm have been installed  
18 or implemented. The notice must describe generally what  
19 measures the policyholders may take to reduce their windstorm  
20 premium.

21 (b) All insurers, at the issuance of a new policy  
22 and at each renewal of a commercial property insurance policy,  
23 shall include a notice that advises the policyholder that a  
24 reduction in premium may be available if the policyholder has  
25 taken steps to prevent or reduce damage from windstorm and  
26 that the policyholder may contact its agent, broker, or  
27 insurer for additional information.

1                   (c) This section applies to policies issued or  
2 renewed after the effective date of this act.

3                   Section 2. This act shall become effective on the  
4 first day of the third month following its passage and  
5 approval by the Governor, or its otherwise becoming law.