



# CITY OF BETHEL

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Introduced by: Mayor Richardson  
Date: November 12, 1996  
Public Hearing: November 26, 1996  
Action: Adopted  
Vote: Unanimous

## ORDINANCE #96-44

### AN ORDINANCE AMENDING THE CITY OF BETHEL BUSINESS LICENSE CODE TO REQUIRE LIABILITY INSURANCE FOR TRANSIENT LODGING BUSINESS

#### BE IT ENACTED BY THE COUNCIL OF THE CITY OF BETHEL, ALASKA:

Section 1. This ordinance is permanent in nature and shall become a part of the Bethel City Code.

Section 2. If any part or provision of this ordinance or application thereof to any person or circumstance adjudged invalid by any court of competent jurisdiction, such judgment shall be confined in its operation to the part, provision or application directly involved in the controversy in which this judgment shall have been rendered, and shall not affect or impair the validity of the remainder of this title or application thereof to other persons or circumstances. The City Council hereby declares that it would have enacted the remainder of this ordinance even without such part, provision or application.

Section 3. Bethel City Code Chapter 5.04 is amended by adding a new Section 5.04 045 reading:

#### 5.04.045 Insurance Required

- (a) For purposes of this section, "transient lodging business" includes, but is not limited to, hotels, motels, bed and breakfast operations, and any other facility or operation that provides one or more rooms on an hourly, daily, weekly, or other period that is less than monthly in exchange for direct or indirect compensation.
- (b) No person may operate a transient lodging business unless there is in effect during the period of such operation a commercial general liability insurance policy in an amount of not less than \$1,000,000 per person and a combined aggregate amount of not less than \$2,000,000 per occurrence. The deductible or self-retained coverage may not exceed \$10,000. Such insurance must include coverage for the business for liability arising out of the negligence of the business, its owners, employees and agents.
- (c) Each application for a business license by a transient lodging business must be accompanied by a copy of the insurance policy required by this section. No business

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license may be granted to a transient lodging business that does not provide a copy of a current policy required by this section. Provided, the clerk may, in the exercise of discretion, accept a certificate of insurance provided to the City by an insurance agent or broker licensed to do business in the State of Alaska in lieu of the policy itself.

(d) The transient lodging business shall provide the clerk with a copy of each confirmation provided by the insurer of renewal of the required policy. Such confirmation must be provided to the City before the date of expiration of the policy that is provided to meet the requirements of this section.

(e) Within seven (7) days of the receipt of the written demand from the City, a transient lodging business shall provide to the City for inspection, copying and review the policy of insurance meeting the requirements of this section. The failure of a transient lodging business to provide the policy as required by this subsection invalidates the transient lodging business license issued to such business under this chapter. A license invalidated under this subsection may be renewed by filing a complete application and payment of the late license fee under Section 060 of this Chapter.

(f) A transient lodging business may not operate if it has failed or refused to produce the policy of insurance as required under subsection (e) or has failed to provide confirmation of renewal prior to the expiration date, including any grace period allowed for the policy.

Section 4. Section 5.04.090, Offenses, of the Bethel City Code is amended by adding new subsections E, F, and G reading:

E. Engage in or operate a business without a license issued pursuant to this chapter.

F. Engage in or operate a business for which insurance is required under this chapter without a policy of such insurance in effect.

G. Fail or refuse to produce a policy of insurance required by this chapter within seven (7) days of the delivery by the clerk of a written request to produce such a policy.

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Section 5. Section 5.04.100 False Statements, of the Bethel City Code is amended to read:


5.05.100 False Statements.

It is unlawful for an executive officer, manager or agent of a corporation or agent of a person to provide false information or documents or to make or permit to be made for his principal or employer a false statement in connection with an application for a business license or in answer to an inquiry from the City Clerk with an intent or purpose to evade the payment of the fee or to obtain, continue, or renew a license without fully complying with the requirements of this chapter. ~~comply with the provisions of this chapter.~~

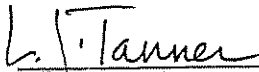
Section 6. Transition. The provisions of this ordinance requiring transient lodging businesses to have in effect a policy of insurance shall become effective for all transient lodging businesses thirty (30) days from the adoption of this ordinance. The City Clerk shall send a notice of the adoption of this ordinance, including an explanation of its requirements, to each transient lodging business licensed to do business within the City. Each transient lodging business presently operating within the City, whether licensed or not, shall provide to the City Clerk for inspection and copying a copy of an insurance policy meeting the requirements of this ordinance within thirty (30) days of the adoption of this ordinance. The City Clerk may, for good cause shown, extend the time within which a transient lodging business must produce the policy. Such an extension is effective only if granted by the City Clerk in writing and only upon written documentation of the reason for delay; the amount of a quoted insurance premium does not serve as good cause.

Section 7. Effective Date. This ordinance shall become effective upon passage.

**PASSED AND APPROVED THIS 26TH DAY OF NOVEMBER, 1996.**

  
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Ruth M. Richardson, Mayor

ATTEST:

  
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L. J. Tanner, City Clerk