

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas
2 84th General Assembly
3 Regular Session, 2003

A Bill

HOUSE BILL 1357

4
5 By: Representatives Weaver, Adams, Bennett, Berry, Biggs, Blair, Bledsoe, Bolin, P. Bookout, Boyd,
6 Bradford, Chesterfield, Childers, Clemons, Cowling, Creekmore, Dees, Dickinson, Eason, Edwards,
7 Elliott, D. Evans, Fite, Gillespie, Gipson, Green, Haak, Harris, Hathorn, Hickinbotham, Jackson, C.
8 Johnson, Jones, Kenney, Ledbetter, Lendall, Lewellen, Mathis, Milligan, Oglesby, Pate, Petrus, L. Prater,
9 Rankin, Roebuck, Scrimshire, Scroggin, Seawel, Stovall, Sullivan, J. Taylor, C. Taylor

For An Act To Be Entitled

10
11
12 AN ACT TO APPROPRIATE MONEY FROM THE STATE
13 INSURANCE DEPARTMENT TRUST FUND TO THE ARKANSAS
14 COMPREHENSIVE HEALTH INSURANCE POOL; AND FOR
15 OTHER PURPOSES.
16

Subtitle

17
18 AN ACT TO APPROPRIATE MONEY FROM THE
19 STATE INSURANCE DEPARTMENT TRUST FUND TO
20 THE ARKANSAS COMPREHENSIVE HEALTH
21 INSURANCE POOL.
22

23
24
25 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
26

27 SECTION 1. APPROPRIATION - ARKANSAS COMPREHENSIVE HEALTH INSURANCE
28 POOL. There is hereby appropriated, to the State Insurance Department, to be
29 payable from the State Insurance Department Trust Fund, for payments to the
30 Arkansas Comprehensive Health Insurance Pool as set out in § 23-79-507(e),
31 for each fiscal year of the biennial period ending June 30, 2005, a sum not
32 to exceed.....\$8,000,000.
33

34 SECTION 2. Arkansas Code § 19-5-922, creating the State Insurance
35 Department Trust Fund, is amended to read as follows:

36 19-5-922. State Insurance Department Trust Fund.



1 (a) There is hereby established on the books of the Treasurer of
 2 State, Auditor of State, and Chief Fiscal Officer of the State a fund to be
 3 known as the State Insurance Department Trust Fund.

4 (b)(1) Such fund shall consist of those special revenues as specified
 5 in § 19-6-301(172), the first \$100,000 of workers' compensation premium taxes
 6 transferred from the various funds created in § 11-9-301 as provided in § 11-
 7 9-303(c), grants, refunds, gifts, and any remaining funds of the Arkansas
 8 Earthquake Authority as provided in § 23-102-119 and examination of insurers
 9 payments as set out in §§ 23-61-201 - 23-61-206.

10 (2) Funds transferred from the State Insurance Department Trust
 11 Fund shall be used:

12 (A) ~~there to be used to~~ To defray the expenses of the
 13 State Insurance Department in the discharge of its administrative and
 14 regulatory powers and duties as prescribed by law and as set out in § 23-61-
 15 701 et seq.; and

16 (B) To defray the administrative expenses and losses
 17 incurred by the Arkansas Comprehensive Health Insurance Pool or its
 18 successor.

19
 20 SECTION 3. Arkansas Code § 23-61-702, creating the State Insurance
 21 Department Trust Fund, is amended to read as follows:

22 23-61-702. The State Insurance Department Trust Fund - Creation.

23 (a) There is hereby established on the books of the Treasurer of
 24 State, the Auditor of State, and the Chief Fiscal Officer of the State a fund
 25 to be known as the "State Insurance Department Trust Fund" to be used to:

26 (1) Defray ~~defray~~ Defray the expenses of the State Insurance Department
 27 in the discharge of its administrative and regulatory powers and duties as
 28 prescribed by law; or

29 (2) Defray the administrative expenses and losses incurred by
 30 the Arkansas Comprehensive Health Insurance Pool or its successor.

31 (b) No money is to be appropriated from this fund for any purpose
 32 except:

33 (1) As provided in subsection (a) of this section;

34 (2) For ~~for~~ For the personal services and operating expenses,
 35 maintenance and operations, and support of and improvements to the
 36 department, ~~and;~~ or

1 (3) ~~at~~ At the direction of the Insurance Commissioner, for the
2 use, benefit, and support of the department.

3 (c) The fund established pursuant to this section shall be
4 administered, disbursed, and invested under the direction of the commissioner
5 and the Treasurer of State.

6 (d) All income derived through grants, refunds, and gifts to the State
7 Insurance Department Trust Fund shall be credited as income to the fund and
8 deposited therein.

9 (e) Further, all moneys deposited to the aforementioned fund shall not
10 be subject to any deduction, tax, levy, or any other type of assessment,
11 except as may be provided in this subchapter.

12
13 SECTION 4. Arkansas Code § 23-79-507, concerning the funding of the
14 Arkansas Comprehensive Health Insurance Pool, is amended to add a new
15 subsection to read as follows:

16 (e) Payment from the State Insurance Department Trust Fund.

17 (1)(A) Following the close of each fiscal year, the board and
18 the plan administrator shall determine whether the pool has incurred a
19 deficit as calculated under subdivision (b)(2) of this section.

20 (B) If a deficit under subdivision (b)(2) of this section
21 has been incurred, the Treasurer of State shall, during the next fiscal year,
22 transfer from the State Insurance Department Trust Fund, in equal quarterly
23 installments, a sum equal to the deficit but not to exceed eight million
24 dollars (\$8,000,000), for deposit into the pool.

25 (2) For any fiscal year in which the board and the plan
26 administrator determine that the pool did not incur a deficit as calculated
27 under subdivision (b)(2) of this section, the Treasurer of State shall not,
28 during the following fiscal year, transfer any funds to the pool from the
29 State Insurance Department Trust Fund under subdivision (e)(1)(B) of this
30 section.