

1 **State of Arkansas**
2 **79th General Assembly**
3 **Regular Session, 1993**
4 **By: Senator Hoofman**

A Bill

ACT 683 OF 1993
SENATE BILL 668

For An Act To Be Entitled

8 "AN ACT TO AMEND ARKANSAS CODE 11-9-404(a)(2)(A) TO PERMIT
9 AN EMPLOYER TO POST AN IRREVOCABLE LETTER OF CREDIT AS
10 PROOF OF ABILITY TO PAY WORKERS_ COMPENSATION BENEFITS AND
11 THEREBY QUALIFY AS A SELF-INSURER; AND FOR OTHER
12 PURPOSES."

Subtitle

13
14
15 "QUALIFICATION AS WORKERS_ COMPENSATION SELF-INSURER."

16
17 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

18
19 SECTION 1. Arkansas Code 11-9-404(a)(2)(A) is amended to read as
20 follows:

21 "(A) The commission, as a condition to such authorization, may require
22 the employer, except municipalities, counties, or the State of Arkansas or its
23 political subdivisions, to deposit in a depository designated by the
24 commission either an indemnity bond, irrevocable letter of credit, or
25 securities of any kind and in an amount determined by the commission, subject
26 to such reasonable conditions as the commission may prescribe. The conditions
27 shall include authorization to the commission, in case of default, to sell any
28 securities sufficient to pay compensation awards or to bring suit on the bonds
29 or the letter of credit to procure prompt payment of compensation under this
30 chapter;"

31
32 SECTION 2. All provisions of this act of a general and permanent nature
33 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
34 Revision Commission shall incorporate the same in the Code.

35
36 SECTION 3. If any provision of this act or the application thereof to

1 any person or circumstance is held invalid, such invalidity shall not affect
2 other provisions or applications of the act which can be given effect without
3 the invalid provision or application, and to this end the provisions of this
4 act are declared to be severable.

5

6 SECTION 4. All laws and parts of laws in conflict with this act are
7 hereby repealed.

8

9 APPROVED: 3/24/93

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

30

31

32

33

34

35