

1 **State of Arkansas**
2 **80th General Assembly**
3 **Regular Session, 1995**

A Bill

ACT 592 OF 1995
HOUSE BILL 1672

4 **By: Representatives M. Wilson, B. G. Hendrix, Maddox, Cunningham, Miller, Newman,**
5 **McGee, Allen, McKissack, Young, et al**

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For An Act To Be Entitled

9 "AN ACT TO AUTHORIZE THE LICENSING OF LENDING
10 INSTITUTIONS, OFFICERS OR EMPLOYEES OF LENDING
11 INSTITUTIONS, SUBSIDIARIES OR AFFILIATES OF LENDING
12 INSTITUTIONS, OR OFFICERS OR EMPLOYEES OF A SUBSIDIARY OR
13 AN AFFILIATE OF A LENDING INSTITUTION, TO SELL FIXED OR
14 VARIABLE ANNUITIES; AND FOR OTHER PURPOSES."

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Subtitle

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17 "AUTHORIZING FINANCIAL INSTITUTIONS TO
18 SELL ANNUITIES."

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20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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22 SECTION 1. Arkansas Code 23-64-203(b)(2)(B) is amended to read as
23 follows:

24 "(B) However, a lending institution, an officer or employee of a
25 lending institution, a subsidiary or affiliate of a lending institution, or an
26 officer or employee of a subsidiary or affiliate of a lending institution,
27 otherwise qualified therefor, may be issued a license to sell mortgagor's
28 decreasing term life insurance, mortgagor's accident and health and sickness
29 insurance, credit life insurance, credit accident, credit property, and credit
30 health and accident insurance, and to sell fixed or variable annuities."

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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.

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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.

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7 hereby repealed.

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9 SECTION 5. EMERGENCY. It is hereby found and determined by the General
10 Assembly that, as the result of the recent United States Supreme Court
11 decision in the case Nations Bank v. Variable Annuity Life Ins., Co., Arkansas
12 insurance laws prohibiting the sale of annuity products by lending
13 institutions and their subsidiaries and affiliates are in urgent need of
14 modification and clarification in order that Arkansas lending institutions
15 will not suffer a competitive disadvantage to foreign lending institutions,
16 and that this act is designed to modify and clarify such laws in order to
17 accomplish such purpose. Therefore, an emergency is hereby declared to exist
18 and this act being necessary for the immediate preservation of the public
19 peace, health and safety shall be in full force and effect from and after its
20 passage and approval.

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APPROVED: 3-13-95

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