

Stricken language would be deleted from present law. Underlined language would be added to present law.

1 State of Arkansas
2 81st General Assembly
3 Regular Session, 1997

As Engrossed: S3/17/97 H3/24/97

A Bill

ACT 1111 OF 1997
SENATE BILL 578

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5 By: Senator Gordon
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For An Act To Be Entitled

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9 "AN ACT TO AMEND ARKANSAS CODE ANNOTATED § 23-63-1202 TO
10 REQUIRE ADDITIONAL ANNUAL INFORMATION FROM PROPERTY AND
11 CASUALTY INSURERS REGARDING PROPERTY AND CASUALTY CLAIMS
12 EXPERIENCED IN THIS STATE; AND FOR OTHER PURPOSES."
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Subtitle

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15 "TO REQUIRE ADDITIONAL ANNUAL
16 INFORMATION FROM PROPERTY AND CASUALTY
17 INSURERS REGARDING PROPERTY AND CASUALTY
18 CLAIMS EXPERIENCED IN THIS STATE"
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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 Annotated § 23-63-1202 is amended to read as
23 follows:

24 "23-63-1202. Contents of report.

25 (a) The report required by this subchapter shall include, but not be
26 limited to, the following types of insurance written by such insurer:

27 (1) Motor vehicle bodily injury liability insurance, including
28 medical pay insurance;

29 (2) Products liability insurance;

30 (3) Medical malpractice insurance;

31 (4) Architects' and engineers' malpractice insurance;

32 (5) Attorneys' malpractice insurance;

33 (6) Motor vehicle personal injury protection insurance;

34 (7) Motor vehicle property liability insurance;

35 (8) Uninsured motorist insurance;

36 (9) Underinsured motorist insurance; and

1 (10) Workers' compensation insurance.

2 (b) The report shall include the following data for the previous year

3 ending on the thirty-first day of December:

4 (1) Direct premiums written;

5 (2) Direct premiums earned;

6 (3) Net investment income, including net realized capital gains

7 and losses, using appropriate estimates where necessary;

8 (4) Incurred claims developed as the sum of, and with figures

9 provided for, the following:

10 (A) Dollar amount of claims paid current year or paid

11 losses, plus

12 (B) Reserves for reported claims at the end of the current

13 year, minus

14 (C) Reserves for reported claims at the end of the previous

15 year, plus

16 (D) Reserves for incurred but not reported claims at the

17 end of the current year, minus

18 (E) Reserves for incurred but not reported claims at the

19 end of the previous year, plus

20 (F) Reserves for loss adjustment expense at the end of the

21 current year reported split between Allocated Loss Adjustment expenses and

22 Unallocated Loss Adjustment expenses, minus

23 (G) Reserves for loss adjustment expense at the end of the

24 previous year reported split between Allocated Loss Adjustment expenses and

25 Unallocated Loss Adjustment expenses;

26 (5) Actual incurred expenses allocated separately to loss

27 adjustment, commissions, other acquisition costs, general office expenses,

28 taxes, licenses, fees, and all other expenses;

29 (6) Net underwriting gain or loss; ~~and~~

30 (7) Net operation gain or loss, including net investment income; ~~and~~

31 (8) Net Investment Gain on Surplus, allocated to the lines as a

32 percentage of the previous years incurred losses;

33 (9) Federal Income Taxes paid, allocated to the lines as a

34 percentage of earned premium; and

35 (10) Return on Surplus with Surplus allocated to the lines based

36 upon earned premiums."

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SECTION 2. Any failure to comply with the provisions of this act shall be punished pursuant to the 'Trade Practices Act,' Arkansas Code Annotated 23-66-201, et seq.

SECTION 3. All provisions of this act of a general and permanent nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code Revision Commission shall incorporate the same in the Code.

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

SECTION 5. All laws and parts of laws in conflict with this act are hereby repealed.

/s/Gordon

APPROVED: 4-04-97