

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
4

As Engrossed: H3/27/03

A Bill

Act 1787 of 2003
HOUSE BILL 2814

5 By: Representative Biggs
6
7

For An Act To Be Entitled

9 AN ACT TO RE-ADOPT THE REQUIREMENTS FOR INSURANCE
10 RESERVES FOR *DOMESTIC* TITLE AND AVIATION TITLE
11 INSURANCE; AND FOR OTHER PURPOSES.
12

Subtitle

13 TO RE-ADOPT REQUIREMENTS FOR *DOMESTIC*
14 TITLE AND AVIATION TITLE INSURANCE
15 RESERVES.
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19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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21 SECTION 1. Arkansas Code Title 23, Chapter 63, Subchapter 1 is amended
22 to add an additional section to read as follows:

23 23-64-614. Domestic title insurance and aviation title insurance
24 reserves.

25 (a) In addition to an adequate reserve as to outstanding losses, a
26 domestic title insurer shall maintain its own guaranty fund or unearned
27 premium reserve of no less than ten percent (10%) of the total amount of the
28 risk premium written in the calendar year for title insurance contracts,
29 which shall be assigned originally to the reserve.

30 (b)(1) During each of the twenty (20) years after the year in which a
31 title insurance contract was issued, the reserve applicable to the contract
32 may be reduced by five percent (5%) of the original amount of the reserve.

33 (2) This section does not apply to foreign or alien title or
34 aviation title insurers licensed in this state.

35 /s/ Biggs

36 APPROVED: 4/22/2003

