

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

Act 468 of 2003
SENATE BILL 528

4
5 By: Senator T. Smith
6
7

For An Act To Be Entitled

8
9 AN ACT TO ALLOW A WAIVER OF THE REQUIREMENT FOR
10 GROUP SELF INSURERS TO MAINTAIN EXCESS INSURANCE
11 UNDER THE WORKERS' COMPENSATION LAW; AND FOR
12 OTHER PURPOSES.
13

Subtitle

14
15 AN ACT TO ALLOW A WAIVER OF THE
16 REQUIREMENT FOR GROUP SELF INSURERS TO
17 MAINTAIN EXCESS INSURANCE UNDER THE
18 WORKERS' COMPENSATION LAW.
19
20

21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
22

23 SECTION 1. Arkansas Code § 11-9-404(a)(3)(C)(vi), concerning
24 qualifying as a group self insurer under the Workers' Compensation Law, is
25 amended to read as follows:

26 (vi)(a) That the groups maintain excess insurance
27 with an insurance company authorized to do business in this state in an
28 amount acceptable to the commission.

29 (b) However, this subdivision shall not be
30 applicable to municipalities, counties, or the State of Arkansas and its
31 political subdivisions.

32 (c) Subdivision (a)(3)(C)(vi)(a) shall not be
33 applicable to any other group self-insurer that, after application to the
34 commission, has been determined by the commission to be financially stable,
35 so that excess insurance is not necessary or in the public interest. This
36 subdivision (a)(3)(C)(vi)(c) shall expire July 1, 2005, unless extended by



1 an act of the General Assembly.

2 (d) The commission may by rule prescribe
3 standards, forms and procedures, and may establish financial requirements,
4 including the posting of a bond or other security if deemed necessary, for
5 application to waive the requirements of this subdivision (a)(3)(C)(vi)(a).
6 This subdivision (a)(3)(C)(vi)(d) shall expire July 1, 2005, unless extended
7 by an act of the General Assembly.

8
9 SECTION 3. EMERGENCY CLAUSE. It is found and determined by the
10 General Assembly of the State of Arkansas that the financial well being of
11 self-insured employers in this state is unduly burdened by the requirement to
12 obtain excess insurance; and that this act is immediately necessary to
13 relieve that burden. Therefore, an emergency is declared to exist and this
14 act being immediately necessary for the preservation of the public peace,
15 health, and safety shall become effective on:

16 (1) The date of its approval by the Governor;

17 (2) If the bill is neither approved nor vetoed by the Governor,
18 the expiration of the period of time during which the Governor may veto the
19 bill; or

20 (3) If the bill is vetoed by the Governor and the veto is
21 overridden, the date the last house overrides the veto.

22
23
24 APPROVED: 3/18/2003