

1 State of Arkansas
2 89th General Assembly
3 Regular Session, 2013
4

As Engrossed: S2/7/13
A Bill

SENATE BILL 206

5 By: Senator J. Hutchinson
6

7 **For An Act To Be Entitled**

8 AN ACT TO CLARIFY THE RESPONSIBILITY FOR REMITTING
9 PREMIUM TAXES APPLICABLE TO DOMESTIC SURPLUS LINES
10 INSURANCE COMPANIES; AND FOR OTHER PURPOSES.
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13 **Subtitle**

14 TO CLARIFY THE RESPONSIBILITY FOR
15 REMITTING PREMIUM TAXES APPLICABLE TO
16 DOMESTIC SURPLUS LINES INSURANCE
17 COMPANIES.
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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 § 23-65-320 is amended to read as follows:

23 23-65-320. Domestic surplus lines insurers.

24 (a) A domestic insurer possessing policyholder surplus of at least
25 twenty million dollars (\$20,000,000) may be:

26 (1) Designated as a domestic surplus lines insurer with the
27 written approval of the Insurance Commissioner; and

28 (2) Allowed to write surplus lines insurance in any jurisdiction
29 in which it is eligible.

30 (b) A domestic surplus lines insurer is:

31 (1) ~~Subject to the surplus lines premium tax;~~

32 ~~(2)~~ *Deemed* a nonadmitted surplus lines insurer in the State of
33 Arkansas; and

34 ~~(3)~~ (2) *Deemed* a nonadmitted surplus lines insurer under the
35 Dodd-Frank Wall Street Reform and Consumer Protection Act, Pub. L. No. 111-
36 203.



1 (c) A domestic surplus lines insurer is not subject to:

2 (1) The Arkansas Property and Casualty Insurance Guaranty Act, §
3 23-90-101 et seq.; or

4 (2) The Arkansas Life and Health Insurance Guaranty Association
5 Act, § 23-96-101 et seq.

6 ~~(d) All provisions of the Arkansas Insurance Code regarding financial~~
7 ~~and solvency requirements apply to domestic surplus lines insurers unless~~
8 ~~domestic surplus lines insurers are otherwise specifically exempted. A~~
9 ~~surplus lines broker that obtains surplus lines insurance from a domestic~~
10 ~~surplus lines insurer shall comply with § 23-65-315.~~

11 (e) Unless specifically exempt, the insurance laws of this state
12 regarding financial and solvency requirements apply to a domestic surplus
13 lines insurer.

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15 /s/J. Hutchinson

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18 **APPROVED: 02/26/2013**