

1 State of Arkansas *As Engrossed: H3/16/15 H3/18/15 S3/26/15*

2 90th General Assembly

A Bill

3 Regular Session, 2015

HOUSE BILL 1906

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5 By: Representative Hammer

6 *By: Senator Rapert*

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For An Act To Be Entitled

9 TO ALLOW A REVIEW OF A DECISION BY AN ADVISORY
10 ORGANIZATION; TO PROVIDE THE AUTHORITY FOR THE STATE
11 FIRE MARSHAL ENFORCEMENT SECTION TO ASSIST THE
12 INSURANCE COMMISSIONER IN REVIEWING RATE FILINGS; AND
13 FOR OTHER PURPOSES.

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Subtitle

17 TO ALLOW A REVIEW OF A DECISION BY AN
18 ADVISORY ORGANIZATION; AND TO PROVIDE THE
19 AUTHORITY FOR THE STATE FIRE MARSHAL
20 ENFORCEMENT SECTION TO ASSIST THE
21 INSURANCE COMMISSIONER IN REVIEWING RATE
22 FILINGS.

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

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27 SECTION 1. Arkansas Code § 12-13-105, concerning the duties of the
28 State Fire Marshal Enforcement Section, is amended to add two additional
29 subdivisions to read as follows:

30 (8) Review fire protection class code determinations by an
31 advisory organization and determine if the evaluation of fire protection
32 services is reasonable and appropriate; and

33 (9) Upon request, make recommendations to the Insurance
34 Commissioner concerning filings made to the commissioner concerning fire
35 protection standards.

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1 SECTION 2. Arkansas Code Title 12, Chapter 13, Subchapter 1, is
2 amended to add an additional section to read as follows:

3 12-13-117. Review of fire protection class code determinations by
4 advisory organizations – Recommendations to Insurance Commissioner.

5 (a) The State Fire Marshal Enforcement Section may review fire
6 protection standards filings filed by an advisory organization with the
7 Insurance Commissioner if:

8 (1) The filing is based on the effectiveness of fire protection
9 services; and

10 (2) Upon request of the Insurance Commissioner or a person
11 affected by a rate filing.

12 (b) The State Fire Marshall Enforcement Section shall review a fire
13 protection class code determination by:

14 (1) Reassessing the fire protection services of each area of the
15 state under approved standards to determine whether or not the analysis of
16 the area's fire protection services were graded accurately considering the
17 area's concerns, characteristics, and equipment and support available for
18 fire protection services;

19 (2) Advising the commissioner if the fire protection class code
20 determination is reasonable and appropriate; and

21 (3) Recommending further review or action by the commissioner
22 concerning the fire protection class code determination.

23 (c) A recommendation by the State Fire Marshal Enforcement Section is
24 not binding on the commissioner.

25 (d) The State Fire Marshal Enforcement Section shall make its
26 recommendations under this section to the commissioner within thirty (30)
27 days after receipt of a request to review a fire protection standards filing.

28 (e) The State Fire Marshal Enforcement Section shall draw upon the
29 experience and knowledge of different individuals in this state to make an
30 informed recommendation to the commissioner.

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32 SECTION 3. Arkansas Code § 23-67-218(b), concerning records and
33 reports of advisory organizations, is amended to read as follows:

34 (b)(1) The commissioner may designate ~~one (1) or more~~ an advisory
35 ~~organizations~~ organization to assist ~~him or her~~ the commissioner in
36 gathering, compiling, and reporting the information.

1 (2) ~~No~~ An insurer ~~shall be~~ is not required to record or report

2 *its experience on a classification basis inconsistent with its own rating*

3 *system.*

4 (3) The commissioner may request a review of fire protection

5 standards previously approved if filed by an advisory organization.

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7 /s/Hammer

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10 **APPROVED: 04/02/2015**

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