

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 87th General Assembly
3 Regular Session, 2009
4

As Engrossed: H3/5/09
A Bill

SENATE BILL 218

5 By: Senator Altes
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8 **For An Act To Be Entitled**

9 AN ACT TO EXEMPT THE CASH SURRENDER VALUE OF A
10 LIFE INSURANCE POLICY FROM THE CLAIMS OF
11 CREDITORS; AND FOR OTHER PURPOSES.
12

13 **Subtitle**

14 TO EXEMPT THE CASH SURRENDER VALUE OF A
15 LIFE INSURANCE POLICY FROM THE CLAIMS OF
16 CREDITORS.
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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 § 16-66-209 is amended to read as follows:
22 16-66-209. Exemption – Proceeds of life, health, accident, and
23 disability insurance.

24 (a) All To the extent permitted by the Arkansas Constitution, all
25 moneys paid or payable to any resident of this state ~~as the insured or~~
26 ~~beneficiary designated~~ under any an insurance policy ~~or policies~~ providing
27 for the payment of life, sick, accident, or disability benefits shall be
28 exempt from liability or seizure under judicial process of any court and
29 shall not be subjected to the payment of any debt by contract or otherwise by
30 any writ, order, judgment, or decree of any court.

31 (b) As used in this section, "moneys" means a payment made under an
32 insurance policy to compensate:

33 (1) The insured or beneficiary for a claim under the policy; or
34 (2) The owner, insured, or beneficiary for the cash surrender
35 value of the policy.

36 (c) However, Nothing in this section shall be construed to affect the



1 validity of any sale, assignment, mortgage, pledge, or hypothecation of ~~any a~~
2 policy of insurance, or, ~~if any~~ the avails, proceeds, or benefits thereof,
3 ~~shall in no way be affected by the provisions of this section of a policy of~~
4 insurance.

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/s/ Altes