

Hall of the House of Representatives

85th General Assembly - Regular Session, 2005

Amendment Form

Subtitle of Senate Bill No. 233

"AN ACT TO PROVIDE COMPREHENSIVE AND UNIFORM INSURANCE REFORM."

Amendment No. 1 to Senate Bill No. 233.

Amend Senate Bill No. 233 as engrossed, S2/2/05 (version: 02-02-2005 14:21):

Add Representative Thomason as cosponsor of the bill

AND

Page 6, line 7 delete "customer" and substitute "customer for a placement of insurance"

AND

Page 6, line 8 delete "represents the customer" and substitute "acts as a broker as defined by § 23-64-102"

AND

Immediately following Section 13 add an additional section to read as follows:

"Section 14. Arkansas Code § 23-66-505 is amended to read as follows:
23-66-505. Mandatory reporting of fraudulent insurance acts.

(a) A person engaged in the business of insurance having knowledge or a reasonable belief that a fraudulent insurance act is being, will be, or has been committed shall provide to the Insurance Commissioner the information required by, and in a manner prescribed by, the commissioner.

(b) Any person engaged in the business of insurance who knowingly fails to report as required by subsection (a) of this section shall be guilty of a misdemeanor and upon conviction shall be punished by a fine not to exceed one thousand dollars (\$1,000) or by imprisonment for a period not to exceed one (1) year, or by both fine and imprisonment.

(c) Any other person having knowledge or a reasonable belief that a fraudulent insurance act is being, will be, or has been committed may provide to the commissioner the information required by, and in a manner prescribed by, the commissioner.

(d)(1) Upon the request of the commissioner, a person engaged in the business of insurance shall provide to the commissioner all information the



commissioner deems relevant pertaining to any investigation of a fraudulent act or related criminal violation.

(2) The refusal of any person to fully comply with the commissioner's request for information shall be grounds for the suspension, revocation, denial, or nonrenewal of any license or authority held by the person to engage in an insurance or other business subject to the commissioner's jurisdiction.

(3) Any proceeding for the suspension, revocation, denial, or nonrenewal of any license or authority shall be conducted pursuant to § 23-63-213."

AND

Appropriately renumber the remaining sections of the bill

AND

Page 11, line 25 delete "automobile or homeowners" and substitute "automobile, homeowners multi-peril, or dwelling fire policy,"

AND

Page 11, delete lines 29 and 30 and substitute the following:

"(2) If an automobile, homeowners multi-peril, or dwelling fire policy rate is increased by twenty percent (20%) or more under this section,"

AND

Page 11, line 34 delete "automobile or homeowners" and substitute "automobile, homeowners multi-peril, or dwelling fire"

AND

Page 12, delete line 6 and substitute the following:

~~"pursuant to under~~ this section until the filings are amended or withdrawn.

(f) Subsections (c) and (d) of this section take effect on June 30, 2006."

AND

Page 12, delete lines 10 and 11 and substitute the following:

"23-67-223. Comparison data for private passenger automobile, homeowners multi-peril, and dwelling fire insurance policies."

AND

Page 12, delete lines 13 and 14 and substitute the following:

"of premiums charged and coverage available for private passenger automobile, homeowners multi-peril, and dwelling fire insurance policies for typical individuals and families broken"

AND

Page 12, line 20 delete "and homeowners" and substitute "automobile, homeowners multi-peril, and dwelling fire"

AND

Page 12, line 28 delete "The provisions" and substitute "(a) The provisions"

AND

Page 12, delete line 30 and substitute the following:

"liability and fiduciary insurance.

(b) Section 23-67-208 shall not apply to malpractice insurance."

AND

Page 15, line 19 delete "for thirty (30) days"

AND

Page 15, line 21 delete "25%" and substitute "twenty percent (20%)"

AND

Page 15, delete lines 28 and 29 and substitute the following:

"filings subject to the standards for rates under § 23-67-502 within sixty (60) days after the date of the filing.

(e) Notwithstanding subsection (d) of this section, the commissioner may approve an excessive rate if he or she finds that the failure to approve the rate may tend to substantially lessen competition in the Arkansas malpractice insurance market."

AND

Page 48, delete lines 18 through 25 and substitute the following:

"(a)(1) Upon written request, each licensed property and casualty insurer shall mail or deliver the policyholder's claim loss information to the policyholder or his or her authorized producer within thirty (30) days of the request by the policyholder.

(2)(A) "Claim loss information" as used in this section means the date of loss, property insured, and amount paid.

(B) "Claim loss information" does not include supporting claim file documentation, including, but not limited to, copies of claim files, investigation reports, evaluation statements, insured's statements, and documents protected by a common law or statutory privilege.

(b) The insurer may charge a reasonable fee for providing the information.

(c) The insurer shall not be required to maintain claim loss information for more than five (5) years following the termination of coverage."

AND

Page 48, immediately following SECTION 32, add an additional section to read as follows:

"SECTION 33. Arkansas Code §23-65-311 is amended by adding an additional subsection to read as follows:

"(e)(1) Upon written request, each approved but non-admitted surplus line insurer shall mail or deliver the policyholder's claim loss information to the policyholder or his or her surplus line broker within thirty (30) days of the request by the policyholder.

(2)(A) "Claim loss information" as used in this subsection (e) means the date of loss, property insured, and amount paid.

(B) "Claim loss information" does not include supporting claim file documentation, including, but not limited to, copies of claim files, investigation reports, evaluation statements, insured's statements, and documents protected by a common law or statutory privilege.

(3) The surplus line insurer may charge a reasonable fee for providing the information as part of the expense of underwriting the policy.

(4) The surplus line insurer shall not be required to maintain claim loss information for more than five (5) years following the termination of coverage."

The Amendment was read _____
By: Representatives Stovall, Thomason
DLP/RCK - 03-16-2005 09:41
DLP278

Chief Clerk