

State of Arkansas  
76th General Assembly  
Regular Session, 1987  
By: Representative B. Wood

HOUSE BILL 1404

"AN ACT TO AMEND SECTION 7 OF ACT 898 OF 1981, THE SAME BEING  
ARKANSAS STATUTES ANNOTATED SECTION 66-3507; AND FOR OTHER  
PURPOSES."

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

SECTION 1. Section 7 of Act 898 of 1981, the same being Arkansas  
Statutes Annotated §66-3507, is hereby amended to read as follows:

"Section 7. Group insurance offered to a resident of this State under a  
group policy issued to a group other than one described in Sections 2 through  
6 shall be subject to the following requirements:

(A) No such group policy or certificate shall be delivered in this State  
unless the Commissioner finds that:

- (1) the issuance of the group policy is not contrary to the best  
interest of the public;
- (2) the issuance of the group policy would be actuarially sound;
- (3) the issuance of the group policy would result in economies of  
acquisition or administration; and
- (4) the benefits are reasonable in relation to the premiums charged.

(B) The premium for the policy shall be paid either from the policy-  
holder's funds or from funds contributed by the covered persons, or from both.

(C) An insurer may exclude or limit the coverage on any person as to  
whom evidence of individual insurability is not satisfactory to the insurer.

(D) The Commissioner may issue regulations implementing the requirements  
of subsection (A) of this Section."

SECTION 2. All laws and parts of laws in conflict with this Act are  
hereby repealed.

