

State of Arkansas  
76th General Assembly  
Regular Session, 1987  
By: Representative Flanagin

HOUSE BILL 1437

"AN ACT TO AMEND SECTION 621 OF ACT 148 OF 1959, AS AMENDED  
[ARK. STAT. 66-4728]; AND FOR OTHER PURPOSES."

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

SECTION 1. Section 621 of Act 148 of 1959, the same being Arkansas Statutes Section 66-4728, is hereby amended to read as follows:

"Section 621. (1) Insurance Agent Defined. The term 'insurance agent' as used in this section means any authorized or acknowledged agent of a society who acts as such in the solicitation, negotiation or procurement or making of a life insurance, accident and health insurance or annuity contract, except that the term 'insurance agent' shall not include:

Any regular salaried officer or employee of a licensed society who devotes substantially all of his services to activities other than the solicitation of fraternal insurance contracts from the public, and who receives for the solicitation of such contracts no commission or other compensation directly dependent upon the amount of business obtained.

(2) License Required. Any person who in this State acts as an insurance agent for a society as defined in subsection (1) without having a license issued and in force pursuant to the provisions of this section shall upon conviction be guilty of a misdemeanor.

(3) Payment of Commissions Forbidden. No society doing business in this State shall pay any commission or other compensation to any person for any services in obtaining in this State any contract of life, accident or health insurance, or any annuity contract, except to a licensed insurance agent of such society.

(4) Agents shall be licensed and regulated in accordance with the provisions under Sections 144 through 180 of Act 148 of 1959, as amended."

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 All laws and parts of laws in conflict with this Act are hereby repealed.

