

1 **State of Arkansas**
2 **78th General Assembly**
3 **Regular Session, 1991**
4 **By: Representative Dawson**

A Bill

HOUSE BILL

For An Act To Be Entitled

8 "AN ACT TO PROHIBIT WORKERS' COMPENSATION INSURERS FROM
9 RETROACTIVELY CHANGING THE EXPERIENCE RATINGS OF THEIR
10 INSUREDS; AND FOR OTHER PURPOSES."

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

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14 SECTION 1. Hereafter, no workers' compensation insurer shall
15 retroactively change the experience rating (experience mod) of any insured.
16 Workers' compensation insurers may, on or before the renewal date of the
17 policy, change experience ratings prospectively.

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19 SECTION 2. All provisions of this Act of a general and permanent nature
20 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
21 Revision Commission shall incorporate the same in the Code.

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23 SECTION 3. If any provision of this Act or the application thereof to
24 any person or circumstance is held invalid, such invalidity shall not affect
25 other provisions or applications of the Act which can be given effect without
26 the invalid provision or application, and to this end the provisions of this
27 Act are declared to be severable.

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29 SECTION 4. All laws and parts of laws in conflict with this Act are
30 hereby repealed.

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32 SECTION 5. EMERGENCY CLAUSE. It is hereby found and determined by the
33 General Assembly that some workers' compensation insurers are changing the
34 experience rating (experience mod) retroactively on their insureds; this Act
35 prohibits that practice and provides that the change in experience ratings

1 shall be applied prospectively only; and that until this Act goes into effect,
2 that inequitable practice will continue. Therefore, an emergency is hereby
3 declared to exist and this Act being immediately necessary for the
4 preservation of the public peace, health and safety shall be in full force and
5 effect from and after its passage and approval.

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