

1 State of Arkansas  
2 80th General Assembly  
3 Regular Session, 1995

# A Bill

HOUSE BILL 1672

4 By: Representatives M. Wilson, B. G. Hendrix, Maddox, Cunningham, Miller,  
5 Newman, McGee, Allen, McKissack, Young, et al

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## For An Act To Be Entitled

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9 "AN ACT TO AUTHORIZE THE LICENSING OF LENDING  
10 INSTITUTIONS, OFFICERS OR EMPLOYEES OF LENDING  
11 INSTITUTIONS, SUBSIDIARIES OR AFFILIATES OF LENDING  
12 INSTITUTIONS, OR OFFICERS OR EMPLOYEES OF A SUBSIDIARY OR  
13 AN AFFILIATE OF A LENDING INSTITUTION, TO SELL FIXED OR  
14 VARIABLE ANNUITIES; AND FOR OTHER PURPOSES."

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## Subtitle

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17 "AUTHORIZING FINANCIAL INSTITUTIONS TO  
18 SELL ANNUITIES."

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

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22 SECTION 1. Arkansas Code 23-64-203(b)(2)(B) is amended to read as  
23 follows:

24 "(B) However, a lending institution, an officer or employee of a  
25 lending institution, a subsidiary or affiliate of a lending institution, or  
26 an officer or employee of a subsidiary or affiliate of a lending institution,  
27 otherwise qualified therefor, may be issued a license to sell mortgagor's  
28 decreasing term life insurance, mortgagor's accident and health and sickness  
29 insurance, credit life insurance, credit accident, credit property, and  
30 credit health and accident insurance, and to sell fixed or variable  
31 annuities."

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33 SECTION 2. All provisions of this act of a general and permanent  
34 nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas  
35 Code Revision Commission shall incorporate the same in the Code.

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

SECTION 4. All laws and parts of laws in conflict with this act are hereby repealed.

SECTION 5. EMERGENCY. It is hereby found and determined by the General Assembly that, as the result of the recent United States Supreme Court decision in the case Nations Bank v. Variable Annuity Life Ins., Co., Arkansas insurance laws prohibiting the sale of annuity products by lending institutions and their subsidiaries and affiliates are in urgent need of modification and clarification in order that Arkansas lending institutions will not suffer a competitive disadvantage to foreign lending institutions, and that this act is designed to modify and clarify such laws in order to accomplish such purpose. Therefore, an emergency is hereby declared to exist and this act being necessary for the immediate preservation of the public peace, health and safety shall be in full force and effect from and after its passage and approval.

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