

1 State of Arkansas
2 80th General Assembly
3 Regular Session, 1995
4 By: Senator Bradford

A Bill

SENATE BILL 235

For An Act To Be Entitled

"AN ACT TO MAKE THE BORROWING OR ARRANGING OF FUNDS BY A
LICENSEE FROM A CONSUMER NOT IN THE ORDINARY COURSE OF
BUSINESS OF MAKING LOANS A DEFINED UNFAIR METHOD OF
COMPETITION AND UNFAIR OR DECEPTIVE ACT OR PRACTICE; AND
FOR OTHER PURPOSES."

Subtitle

"TO MAKE IT A TRADE PRACTICE VIOLATION
FOR A LICENSEE TO BORROW OR ARRANGE FOR
FUNDS FROM A CONSUMER NOT IN THE
ORDINARY COURSE OF BUSINESS OF MAKING
LOANS."

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

SECTION 1. Arkansas Code 23-66-206 is hereby amended by adding a new
subsection (13) at the end of the existing section to read as follows:

"(13) Borrowing from Consumers is wherein the licensee borrows or
arranges for funds from his consumer who is not in the ordinary course of
business of making loans."

SECTION 2. Arkansas Code 23-64-218 is hereby amended by revising
subsection (a)(4) to read as follows:

"(a)(4) Misappropriation or conversion to his own use or illegal
withholding of moneys belonging to policyholders, insurers, beneficiaries, or
others and received in conduct of business under the license; including the
obtaining or arranging of loans from any of his consumers when that consumer
is not in the ordinary course of business of making loans;"

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SECTION 3. All provisions of this act of a general and permanent nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code Revision Commission shall incorporate the same in the Code.

SECTION 4. 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 5. All laws and parts of laws in conflict with this act are hereby repealed.

