

Stricken language would be deleted from present law. Underlined language would be added to present law.

1 State of Arkansas
2 81st General Assembly
3 Regular Session, 1997

As Engrossed: H3/6/97 H3/19/97 H3/20/97 H3/26/97

A Bill

SENATE BILL 491

4
5 By: Senator Dowd
6 By: Representative Young

For An Act To Be Entitled

9 "AN ACT TO PROHIBIT THE CANCELLATION OF PROPERTY AND
10 CASUALTY INSURANCE DUE TO CLAIMS RESULTING FROM NATURAL
11 CAUSES; AND FOR OTHER PURPOSES."

Subtitle

14 "AN ACT TO PROHIBIT THE CANCELLATION OF
15 PROPERTY AND CASUALTY INSURANCE DUE TO
16 CLAIMS RESULTING FROM NATURAL CAUSES."

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

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20 SECTION 1. (a) No insurance policy or contract covering damages to
21 property shall be cancelled nor the renewal thereof denied solely as a result
22 of claims arising from natural causes. A natural cause is defined as an act
23 occasioned exclusively by the violence of nature where all human agency is
24 excluded from creating or entering into the cause of the damage or injury.

25 (b) Any insurer which violates the provisions of this act
26 shall be subject to the procedures and penalties provided under the Arkansas
27 Trade Practices Act.

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

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

1 act are declared to be severable.

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4 hereby repealed.

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6 SECTION 5. EMERGENCY. It is found and determined by the General
7 Assembly of the State of Arkansas that the laws of this state concerning
8 insurance matters covered by this act are inadequate for the protection of the
9 public. Therefore an emergency is declared to exist and this act being
10 immediately necessary for the preservation of the public peace, health and
11 safety shall become effective on the date of its approval by the Governor. If
12 the bill is neither approved nor vetoed by the Governor, it shall become
13 effective on the expiration of the period of time during which the Governor
14 may veto the bill. If the bill is vetoed by the Governor and the veto is
15 overridden, it shall become effective on the date the last house overrides the
16 veto.

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/s/Sen. Dowd

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