

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

## A Bill

SENATE BILL 579

4

5 By: Senators Bell, Gordon, Lewellen, Fitch, Hopkins, Todd, Gwatney, Walker, Smith, Bearden, Canada, and Hunter

6

7

8

### For An Act To Be Entitled

9 "AN ACT TO AMEND ARKANSAS CODE 23-87-117(c) PERTAINING TO  
10 THE LIMITATION OF COMPENSATION UNDER CREDIT LIFE AND  
11 DISABILITY INSURANCE POLICIES; AND FOR OTHER PURPOSES."

12

13

### Subtitle

14

15

16

17

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

19

20 SECTION 1. Arkansas Code 23-87-117(c) is amended to read as  
21 follows:

22

23

24

25

26

27

28

29

30

31

32

33

34

35

36

"(c) Provided further, any and all payments to all direct and indirect successors in interests whether through purchase, gift, devise, or otherwise, related to all accounts registered under this section shall also not be deemed compensation. A direct or indirect successor in interest includes, but is not limited to, any person or entity which acquires shares of stock in an insurer or reinsurer or the owner of an insurer or reinsurer, either directly from a shareholder whose account was in existence on January 17, 1989, and which was registered with the commissioner as described in subsection (b) (or from a direct or indirect successor in interest of such a shareholder) or from the issuer of such stock if the stock was previously reacquired by the issuer from a shareholder whose account was in existence on January 17, 1989, and which was so registered (or from a direct or indirect successor in interest of such a shareholder), provided that the total number of shareholders of such insurer or reinsurer or the owner of such insurer

1 or reinsurer, including direct or indirect successors in interest, does  
2 not exceed the total number of shareholders whose accounts were in  
3 existence on January 17, 1989, and were registered with the commissioner  
4 as described in subsection (b)."

5

6 SECTION 2. All provisions of this act of a general and permanent  
7 nature are amendatory to the Arkansas Code of 1987 Annotated and the  
8 Arkansas Code Revision Commission shall incorporate the same in the  
9 Code.

10

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

16

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

19

20 SECTION 5. EMERGENCY. It is hereby found and determined by the  
21 General Assembly that the present insurance laws are inadequate for the  
22 protection of the public; and the immediate passage of this act is  
23 necessary in order to provide for the protection of the public.  
24 Therefore, an emergency is declared to exist and this act being  
25 immediately necessary for the preservation of the public peace, health  
26 and safety shall become effective on the date of its approval by the  
27 Governor. If the bill is neither approved nor vetoed by the Governor,  
28 it shall become effective on the expiration of the period of time during  
29 which the Governor may veto the bill. If the bill is vetoed by the  
30 Governor and the veto is overridden, it shall become effective on the  
31 date the last house overrides the veto.

32

33

34