

1 State of Arkansas
2 82nd General Assembly
3 Regular Session, 1999

A Bill

HOUSE BILL 1348

4
5 By: Representative Wilkins
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For An Act To Be Entitled

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9 "AN ACT TO AMEND ARKANSAS CODE 23-40-111 TO REQUIRE
10 PERSONS AND ENTITIES SELLING OR OFFERING TO SELL
11 PREPAID FUNERAL BENEFITS TO BE REVIEWED FOR BUSINESS
12 FITNESS AND TRUSTWORTHINESS PRIOR TO ISSUANCE OF A
13 PERMIT OR RENEWAL OF A PERMIT; AND FOR OTHER
14 PURPOSES. "

Subtitle

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17 "TO PROVIDE FOR REVIEW OF BUSINESS
18 FITNESS AND TRUSTWORTHINESS OF
19 APPLICANTS BEFORE ISSUANCE OR RENEWAL OF
20 A PERMIT TO SELL PREPAID FUNERAL
21 BENEFITS. "

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

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26 SECTION 1. Ark. Code Ann. §23-40-111 is amended to read as
27 follows:

28 "~~23-40-111 Issuance, denial, or cancellation of permit; Cancellation or~~
29 denial.

30 (a) The Insurance Commissioner may issue a permit conditioned upon
31 satisfactory completion of all requirements of this chapter prior to the
32 applicant's offering for sale or selling prepaid funeral benefits. In
33 addition, prior to the issuance of either an initial or renewal permit, the
34 applicant must be deemed by the Commissioner to be competent, trustworthy, and
35 financially responsible to engage in the sale of prepaid funeral contracts in
36 this state.

1 (b)(1) The Insurance Commissioner may cancel a permit, deny an initial
 2 application for permit, or refuse to renew a permit for failure to meet the
 3 requirements of Ark. Code Ann. §23-40-111(a), or for the applicant's failure
 4 to comply with any material provision of this chapter or any valid rule or
 5 regulation which the Insurance Commissioner has prescribed after thirty (30)
 6 days' notice to the applicant or permittee setting forth the grounds for such
 7 cancellation, denial of application for initial permit, or refusal to renew,
 8 and after a hearing if the applicant or permittee requests a hearing.

9 (2) No organization shall be entitled to a new permit for a period
 10 of one (1) year after cancellation or refusal by the Insurance Commissioner to
 11 renew its permit, but shall thereafter be entitled to a new permit upon
 12 satisfactory proof of compliance with this chapter.

13 (c) Any person aggrieved by the action of the Insurance Commissioner may
 14 appeal therefrom to any state court of competent jurisdiction.”
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16 SECTION 2. All provisions of this Act of a general and permanent nature
 17 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
 18 Revision Commission shall incorporate the same in the Code.
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20 SECTION 3. If any provision of this Act or the application thereof to
 21 any person or circumstance is held invalid, such invalidity shall not affect
 22 other provisions or applications of the Act which can be given effect without
 23 the invalid provision or application, and to this end the provisions of this
 24 Act are declared to be severable.
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26 SECTION 4. All laws and parts of laws in conflict with this Act are
 27 hereby repealed.
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