

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas *As Engrossed: H1/16/01 H1/19/01 H1/24/01*

2 83rd General Assembly

A Bill

3 Regular Session, 2001

HOUSE BILL 1178

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5 By: Representatives Teague, French

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For An Act To Be Entitled

9 AN ACT TO PROVIDE THAT NO INSURANCE COMPANY, EXCLUDING
10 LIFE AND DISABILITY INSURANCE COMPANIES AND LONG-TERM
11 CARE INSURANCE COMPANIES, MAY CANCEL A POLICY OR
12 INCREASE PREMIUMS DUE TO CLAIMS FILED WHICH RESULTED
13 IN NO LOSS TO THE INSURANCE COMPANY; AND FOR OTHER
14 PURPOSES.

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Subtitle

17 TO PROVIDE THAT NO INSURANCE COMPANY,
18 EXCLUDING LIFE AND DISABILITY AND LONG-
19 TERM CARE INSURANCE COMPANIES, MAY
20 CANCEL A POLICY OR INCREASE PREMIUMS DUE
21 TO CLAIMS FILED WHICH RESULTED IN NO
22 LOSS TO THE INSURANCE COMPANY.

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

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27 SECTION 1. Arkansas Code Title 23, Chapter 63, Subchapter 1 is amended
28 to add the following new section:

29 23-63-110. (a) No insurance policy or contract, after being issued by an
30 insurer authorized to transact business in this state, except the business of
31 life or disability or long-term care insurance, may be cancelled nor may the
32 premium for such policy be increased solely as a result of claims made under
33 the policy which resulted in no loss to the insurer.

34 (b) Any insurer that violates the provisions of this section shall be
35 subject to the procedure and penalties provided under the Trade Practices Act,
36 beginning at § 23-66-201.

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/s/ Teague