

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  
2 85th General Assembly  
3 Regular Session, 2005

# A Bill

HOUSE BILL 1896

4  
5 By: Representative J. Hutchinson  
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## For An Act To Be Entitled

9 AN ACT TO REQUIRE THE INSURANCE COMMISSIONER TO  
10 DETERMINE THE SOLVENCY OF AN ORGANIZATION  
11 OFFERING INSURANCE TO CITIES, COUNTIES, SCHOOL  
12 BOARDS, AND OTHER PUBLIC BENEFICIARIES; AND FOR  
13 OTHER PURPOSES.  
14

## Subtitle

15 REQUIRES THE INSURANCE COMMISSIONER TO  
16 DETERMINE THE SOLVENCY OF AN ORGANIZATION  
17 OFFERING INSURANCE TO CITIES, COUNTIES,  
18 SCHOOL BOARDS, AND OTHER PUBLIC  
19 BENEFICIARIES.  
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23 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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25 SECTION 1. Arkansas Code Title 23, Chapter 61, Subchapter 1 is amended  
26 to add a new section to read as follows:

27 23-61-115. Review of self-insured insurance programs.

28 (a) The Insurance Commissioner shall review the records, accounts, and  
29 assets of any entity or organization that:

30 (1) Offers health, casualty, property, accident, or life  
31 insurance to public beneficiaries; and

32 (2) Administers or contracts with a third-party administrator to  
33 administer the review and payment of insurance claims.

34 (b) The review by the commissioner shall:

35 (1) Determine whether any risk pools or other sources of funds  
36 utilized to pay claims to public beneficiaries are solvent and fiscally



1 sound; and

2 (2) Occur no less than every two (2) years.

3 (c) The commissioner shall provide the results of the review to the  
4 chairs of the House Interim Committee on Insurance and Commerce and the  
5 Senate Interim Committee on Insurance and Commerce.

6 (d) This section shall not apply to any entity or organization that is  
7 subject to examination or review by the commissioner under other provisions  
8 of law.

9 (e) As used in this section "public beneficiaries" means:

10 (1) Employees of municipalities, counties, school districts, or  
11 other political subdivisions of the State of Arkansas;

12 (2) Municipalities, counties, school districts, or other  
13 political subdivisions of the State of Arkansas;

14 (3) Members or employees of Arkansas public school boards;

15 (4) Employees of Arkansas educational cooperatives; and

16 (5) Arkansas public school boards or educational cooperatives.

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