

1 State of Arkansas  
2 90th General Assembly  
3 Regular Session, 2015  
4

As Engrossed: H3/16/15 H3/18/15

# A Bill

HOUSE BILL 1906

5 By: Representative Hammer  
6

## For An Act To Be Entitled

8 TO ALLOW A REVIEW OF A DECISION BY AN ADVISORY  
9 ORGANIZATION; TO PROVIDE THE AUTHORITY FOR THE STATE  
10 FIRE MARSHAL ENFORCEMENT SECTION TO ASSIST THE  
11 INSURANCE COMMISSIONER IN REVIEWING RATE FILINGS; AND  
12 FOR OTHER PURPOSES.  
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## Subtitle

15 TO ALLOW A REVIEW OF A DECISION BY AN  
16 ADVISORY ORGANIZATION; AND TO PROVIDE THE  
17 AUTHORITY FOR THE STATE FIRE MARSHAL  
18 ENFORCEMENT SECTION TO ASSIST THE  
19 INSURANCE COMMISSIONER IN REVIEWING RATE  
20 FILINGS.  
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24 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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26 SECTION 1. Arkansas Code § 12-13-105, concerning the duties of the  
27 State Fire Marshal Enforcement Section, is amended to add two additional  
28 subdivisions to read as follows:

29 (8) Review fire protection class code determinations by an  
30 advisory organization and determine if the evaluation of fire protection  
31 services is reasonable and appropriate; and

32 (9) Upon request, make recommendations to the Insurance  
33 Commissioner concerning filings made to the commissioner concerning fire  
34 protection standards.  
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36 SECTION 2. Arkansas Code Title 12, Chapter 13, Subchapter 1, is



1 amended to add an additional section to read as follows:

2 12-13-117. Review of fire protection class code determinations by  
3 advisory organizations – Recommendations to Insurance Commissioner.

4 (a) The State Fire Marshal Enforcement Section may review fire  
5 protection standards filings filed by an advisory organization with the  
6 Insurance Commissioner if:

7 (1) The filing is based on the effectiveness of fire protection  
8 services; and

9 (2) Upon request of the Insurance Commissioner or a person  
10 affected by a rate filing.

11 (b) The State Fire Marshall Enforcement Section shall review a fire  
12 protection class code determination by:

13 (1) Reassessing the fire protection services of each area of the  
14 state under approved standards to determine whether or not the analysis of  
15 the area's fire protection services were graded accurately considering the  
16 area's concerns, characteristics, and equipment and support available for  
17 fire protection services;

18 (2) Advising the commissioner if the fire protection class code  
19 determination is reasonable and appropriate; and

20 (3) Recommending further review or action by the commissioner  
21 concerning the fire protection class code determination.

22 (c) A recommendation by the State Fire Marshal Enforcement Section is  
23 not binding on the commissioner.

24 (d) The State Fire Marshal Enforcement Section shall make its  
25 recommendations under this section to the commissioner within thirty (30)  
26 days after receipt of a request to review a fire protection standards filing.

27 (e) The State Fire Marshal Enforcement Section shall draw upon the  
28 experience and knowledge of different individuals in this state to make an  
29 informed recommendation to the commissioner.

30  
31 SECTION 3. Arkansas Code § 23-67-218(b), concerning records and  
32 reports of advisory organizations, is amended to read as follows:

33 (b)(1) The commissioner may designate ~~one (1) or more~~ an advisory  
34 organizations organization to assist ~~him or her~~ the commissioner in  
35 gathering, compiling, and reporting the information.

36 (2) ~~No~~ An insurer ~~shall be~~ is not required to record or report

1 *its experience on a classification basis inconsistent with its own rating*  
2 *system.*

3 *(3) The commissioner may request a review of fire protection*  
4 *standards previously approved if filed by an advisory organization.*

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*/s/Hammer*

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