

1 State of Arkansas
2 94th General Assembly
3 Regular Session, 2023

A Bill

SENATE BILL 324

4
5 By: Senator J. Dismang
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For An Act To Be Entitled

8 AN ACT TO EXEMPT CERTAIN NONPROFIT AGRICULTURAL
9 MEMBERSHIP ORGANIZATIONS FROM INSURANCE REGULATION;
10 AND FOR OTHER PURPOSES.
11

Subtitle

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14 TO EXEMPT CERTAIN NONPROFIT AGRICULTURAL
15 MEMBERSHIP ORGANIZATIONS FROM INSURANCE
16 REGULATION.
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19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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21 SECTION 1. Arkansas Code § 23-60-104(a), concerning the applicability
22 of the Arkansas Insurance Code and rules promulgated by the Insurance
23 Commissioner under the Arkansas Insurance Code, is amended to add an
24 additional subdivision to read as follows:

25 (4)(A) A nonprofit agricultural membership organization.

26 (B) Any risk arising out of a contract for coverage for
27 healthcare services between a member of a nonprofit agricultural membership
28 organization and a nonprofit agricultural membership organization, or its
29 affiliate, may be reinsured by an insurer that is authorized to transact
30 insurance in this state.
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32 SECTION 2. Arkansas Code § 23-60-104(b), concerning definitions used
33 for exceptions to the Arkansas Insurance Code, is amended to add an
34 additional subdivision to read as follows:

35 (3) "Nonprofit agricultural membership organization" means an
36 organization that:



- 1 (A) Is incorporated under the laws of this state;
- 2 (B) Has a physical presence in every county of this state;
- 3 (C) Has a purpose of promoting the interests of farmers or
- 4 their affiliates in this state; and
- 5 (D) Provides coverage for healthcare services for members
- 6 and their families pursuant to contracts between members and the organization
- 7 or its affiliate.

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9 SECTION 3. Arkansas Code § 23-76-103(c), concerning the applicability

10 of law concerning hospital and medical service corporations, is amended to

11 read as follows:

- 12 (c) This chapter does not apply to a:
- 13 (1) Healthcare sharing ministry as defined in § 23-60-104(b); ~~or~~
 - 14 (2) Direct healthcare agreement as defined in § 23-60-104(b); or
 - 15 (3) Nonprofit agricultural membership organization as defined in
 - 16 § 23-60-104.