

Stricken language would be deleted from and underlined language would be added to present law.

State of Arkansas
89th General Assembly
Regular Session, 2013

As Engrossed: S2/7/13
A Bill

SENATE BILL 206

By: Senator J. Hutchinson

For An Act To Be Entitled

AN ACT TO CLARIFY THE RESPONSIBILITY FOR REMITTING
PREMIUM TAXES APPLICABLE TO DOMESTIC SURPLUS LINES
INSURANCE COMPANIES; AND FOR OTHER PURPOSES.

Subtitle

TO CLARIFY THE RESPONSIBILITY FOR
REMITTING PREMIUM TAXES APPLICABLE TO
DOMESTIC SURPLUS LINES INSURANCE
COMPANIES.

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

SECTION 1. Arkansas Code § 23-65-320 is amended to read as follows:

23-65-320. Domestic surplus lines insurers.

(a) A domestic insurer possessing policyholder surplus of at least twenty million dollars (\$20,000,000) may be:

- (1) Designated as a domestic surplus lines insurer with the written approval of the Insurance Commissioner; and
- (2) Allowed to write surplus lines insurance in any jurisdiction in which it is eligible.

(b) A domestic surplus lines insurer is:

- (1) ~~Subject to the surplus lines premium tax;~~
- ~~(2)~~ (2) *Deemed* a nonadmitted surplus lines insurer in the State of Arkansas; and
- ~~(3)~~ (2) *Deemed* a nonadmitted surplus lines insurer under the Dodd-Frank Wall Street Reform and Consumer Protection Act, Pub. L. No. 111-203.



(c) A domestic surplus lines insurer is not subject to:

(1) The Arkansas Property and Casualty Insurance Guaranty Act, § 23-90-101 et seq.; or

(2) The Arkansas Life and Health Insurance Guaranty Association Act, § 23-96-101 et seq.

~~(d) All provisions of the Arkansas Insurance Code regarding financial and solvency requirements apply to domestic surplus lines insurers unless domestic surplus lines insurers are otherwise specifically exempted~~ A surplus lines broker that obtains surplus lines insurance from a domestic surplus lines insurer shall comply with § 23-65-315.

(e) Unless specifically exempt, the insurance laws of this state regarding financial and solvency requirements apply to a domestic surplus lines insurer.

/s/J. Hutchinson