Stricken language would be deleted from and underlined language would be added to present law. Act 958 of the Regular Session

1	State of Arkansas	As Engrossed: H4/10/25	
2	95th General Assembly	A Bill	
3	Regular Session, 2025		SENATE BILL 519
4			
5	By: Senator J. Boyd		
6			
7			
8	For An Act To Be Entitled		
9	AN ACT TO AMEND THE STANDARD NONFORFEITURE LAW FOR		
10	LIFE INSURANCE; TO REGULATE THE PAYMENT OF INTEREST		
11	ON DEFERRED PAYMENT OF ANY CASH SURRENDER VALUE		
12	ACCORDING TO THE TERMS OF THE POLICY; AND FOR OTHER		
13	PURPOSES.		
14			
15			
16		Subtitle	
17	TO AM	MEND THE STANDARD NONFORFEITURE	E LAW
18	FOR LIFE INSURANCE; AND TO REGULATE THE		
19	PAYMENT OF INTEREST ON DEFERRED PAYMENT		
20	OF ANY CASH SURRENDER VALUE ACCORDING TO		
21	THE 7	TERMS OF THE POLICY.	
22			
23	BE IT ENACTED BY THE G	ENERAL ASSEMBLY OF THE STATE O	F ARKANSAS:
24			
25	SECTION 1. Arka	nsas Code § 23-81-203(c), conc	erning the right of an
26	insurer to defer the p	ayment of any cash surrender v	alue Standard
27	Nonforfeiture Law for	Life Insurance, is amended to	read as follows:
28	(c) The On and	after January 1, 2026, the ins	urer shall reserve the
29	right to defer the payment of any cash surrender value for a period of six		
30	(6) months after demand therefor with surrender of the policy <u>according to</u>		
31	the terms of the policy, subject to the following:		
32	<u>(1) The p</u>	olicy death benefit shall rema	in in force until payment
33	is made; and		
34	<u>(2) If pa</u>	yment is not made within <i>forty</i>	-five (45) days after
35	demand is made for the surrender of the policy, in addition to the cash		
36	surrender value, the insurer shall pay interest on the cash surrender at the		

As Engrossed: H4/10/25 SB519

1	rate specified under § 23-81-118 and accruing from the date of surrender		
2	until the cash surrender value is paid in full within the six-month period.		
3			
4	/s/J. Boyd		
5			
6			
7	APPROVED: 4/21/25		
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
33			
34			
35			
36			