



ARKANSAS  
INSURANCE  
DEPARTMENT



Hugh McDonald  
SECRETARY OF COMMERCE

Jimmy Harris  
COMMISSIONER  
ARKANSAS INSURANCE  
DEPARTMENT

April 28, 2026

Senator Tyler Dees, Co-Chair  
Representative Matthew Shepherd, Co-Chair  
Administrative Rules Subcommittee  
Arkansas Legislative Council  
Via Rebecca Miller-Rice [miller.ricer@blr.arkansas.gov](mailto:miller.ricer@blr.arkansas.gov)

Re: Request to be Excluded from Promulgating Rules for Act 772 of 2025

Dear Senator Dees and Representative Shepherd;

Pursuant to Arkansas Code § 25-15-216(c), the Arkansas Insurance Department respectfully requests that it be excluded from the requirements of Arkansas Code § 25-15-216(b)(3)-(5), because it believes that promulgation of a rule to implement Act 772 of 2025 is unnecessary.

Act 772 prohibits a health benefit plan from providing coverage for a human organ transplant or post-transplant care if the transplant is performed in China or a country known to participate in forced organ harvesting. The Act also prohibits coverage if the organ to be transplanted is obtained from China or a country known to participate in forced organ harvesting. The Department is unaware of any further clarity it could provide through rulemaking, nor is it aware of any other countries that participate in forced organ harvesting per Arkansas Code § 23-79-171(c).

The Department respectfully requests that the Administrative Rules Subcommittee and Arkansas Legislative Council determine that rulemaking is unnecessary and excuse the Department from having to promulgate a rule for Act 772 of 2025.

Sincerely,

A handwritten signature in blue ink, appearing to read "Sara Farris", with a long horizontal flourish extending to the right.

Sara Farris  
General Counsel  
Arkansas Insurance Department  
(501) 371-2829  
[Sara.farris@arkansas.gov](mailto:Sara.farris@arkansas.gov)

1 State of Arkansas  
2 95th General Assembly  
3 Regular Session, 2025  
4

As Engrossed: S4/7/25

## A Bill

SENATE BILL 311

5 By: Senator C. Penzo  
6 By: Representative McAlindon  
7

### For An Act To Be Entitled

9 AN ACT TO CREATE THE END ORGAN AND GENOMIC  
10 HARVESTING ACT; TO PROHIBIT COVERAGE OF CERTAIN HUMAN  
11 ORGAN TRANSPLANT OR POST-TRANSPLANT CARE; TO PROHIBIT  
12 CERTAIN GENETIC SEQUENCERS AND GENETIC ANALYSIS  
13 TECHNOLOGIES; AND FOR OTHER PURPOSES.  
14  
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### Subtitle

16  
17 TO CREATE THE END ORGAN AND GENOMIC  
18 HARVESTING ACT; TO PROHIBIT COVERAGE OF  
19 CERTAIN HUMAN ORGAN TRANSPLANT OR POST-  
20 TRANSPLANT CARE; AND TO PROHIBIT CERTAIN  
21 GENETIC SEQUENCERS AND GENETIC ANALYSIS  
22 TECHNOLOGIES.  
23

24 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
25

26 SECTION 1. DO NOT CODIFY. Title.

27 This act shall be known and may be cited as the "End Organ and Genomic  
28 Harvesting Act".  
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30 SECTION 2. Arkansas Code Title 20, Chapter 9, Subchapter 1, is amended  
31 to add an additional section to read as follows:

32 20-9-106. Prohibition on certain genetic sequencers and genetic  
33 analysis technologies – Definitions.

34 (a) As used in this section:

35 (1) "Foreign adversary" means the same as the definition of  
36 prohibited foreign party under § 18-11-802;



1           (2) "Genetic sequencer" means a device or platform used to  
2 conduct genetic analysis, resequencing, isolation, or other genetic research;

3           (3) "Human genome" means deoxyribonucleic acid (DNA) or  
4 ribonucleic acid (RNA) found in human cells;

5           (4) "Medical facility" means a facility for the delivery of  
6 healthcare services that:

7           (A) Either:

8                   (i) Receives state moneys, including interagency  
9 pass-through appropriations from the United States Government; or

10                   (ii) Is licensed, registered, or permitted in this  
11 state to provide healthcare services; and

12           (B) Conducts research or testing on, with, or relating to  
13 genetic analysis or the human genome;

14           (5) "Operational and research software" means computer programs  
15 used for the operation, control, analysis, or other necessary functions of  
16 genetic analysis or genetic sequencers; and

17           (6) "Research facility" means a facility that:

18                   (A) Receives state moneys, including interagency pass-  
19 through appropriations from the United States Government; and

20                   (B) Conducts research on, with, or relating to genetic  
21 analysis or the human genome.

22           (b) Beginning on October 1, 2025, a medical facility or research  
23 facility in this state shall not put into service within this state any new  
24 or additional genetic sequencers or operational and research software used  
25 for genetic analysis produced by a foreign adversary, a state-owned  
26 enterprise of a foreign adversary, a company domiciled within a foreign  
27 adversary, or a company-owned or company-controlled subsidiary of a company  
28 domiciled within a foreign adversary for the purpose of conducting genetic  
29 analysis.

30           (c) A medical facility or research facility in this state shall report  
31 in writing to the Secretary of the Department of Health on all instances of  
32 ongoing usage of genetic sequencers and operational and research software  
33 used for genetic sequencers produced by a foreign adversary, a state-owned  
34 enterprise of a foreign adversary, a company domiciled within a foreign  
35 adversary, or a company-owned or company-controlled subsidiary of a company  
36 domiciled within a foreign adversary on January 1 of each year until the

1 equipment is no longer in use.

2 (d)(1) A medical facility, research facility, or other company or  
3 entity shall store all genetic sequencing data outside of foreign adversary  
4 countries.

5 (2) Remote access to data storage, other than open data, from  
6 foreign adversary countries is prohibited.

7 (3) If a medical facility, research facility, or other company  
8 or entity stores genetic sequencing data, including through contracts with a  
9 third-party data storage company, the medical facility, research facility, or  
10 other company or entity shall ensure the security of genetic sequencing data  
11 using reasonable encryption methods, restrictions on access, and other  
12 cybersecurity best practices.

13 (e) On or before December 31 of each year, a medical facility or  
14 research facility shall certify in writing to the Attorney General and the  
15 Department of Health that the medical facility or research facility is  
16 complying with this section.

17 (f)(1) A person or entity determined to be in violation of this  
18 section or found guilty of a violation of this section shall be subject to a  
19 fine of ten thousand dollars (\$10,000) per violation.

20 (2) Each unique instance of an individual's genome having  
21 undergone genetic sequencing or analysis using prohibited genetic sequencers  
22 or prohibited operational and research software shall be considered a  
23 separate violation.

24 (g)(1) Any person may notify the Attorney General of a violation or  
25 potential violation of this section.

26 (2) If the person notifying the Attorney General is an employee  
27 of the entity accused of a violation, the person shall be afforded all  
28 protections of a whistleblower under the Arkansas Whistle-Blower Act, § 21-1-  
29 601 et seq.

30 (3) If the person notifying the Attorney General is a patient or  
31 research subject of an entity found guilty of a violation of this section and  
32 the person's genetic information was used in violation of this section, the  
33 entity shall also be found to have violated the Deceptive Trade Practices  
34 Act, § 4-88-101 et seq.

35 (4) The Attorney General may investigate allegations of  
36 violations of this section.

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2 SECTION 3. Arkansas Code Title 23, Chapter 79, Subchapter 1, is  
3 amended to add an additional section to read as follows:

4 23-79-169. Insurance coverage of certain human organ transplant or  
5 post-transplant care prohibited – Definitions.

6 (a) As used in this section:

7 (1) "Forced organ harvesting" means the removal of one (1) or  
8 more organs from a living person, or from a person killed for the purpose of  
9 removal of one (1) or more organs, by means of coercion, abduction,  
10 deception, fraud, or abuse of power over a position of vulnerability;

11 (2)(A) "Health benefit plan" means:

12 (i) An individual, blanket, or group plan, policy,  
13 or contract for healthcare services issued, renewed, or extended in this  
14 state by a healthcare insurer, health maintenance organization, hospital  
15 medical service corporation, or self-insured governmental or church plan in  
16 this state; and

17 (ii) Any health benefit program receiving state or  
18 federal appropriations from the State of Arkansas, including the Arkansas  
19 Medicaid Program and the Arkansas Health and Opportunity for Me Program  
20 established by the Arkansas Health and Opportunity for Me Act of 2021, § 23-  
21 61-1001 et seq.

22 (B) "Health benefit plan" includes without limitation  
23 indemnity and managed care plans.

24 (C) "Health benefit plan" does not include:

25 (i) A plan that provides only dental benefits or eye  
26 and vision care benefits;

27 (ii) A disability income plan;

28 (iii) A credit insurance plan;

29 (iv) Insurance coverage issued as a supplement to  
30 liability insurance;

31 (v) Medical payments under an automobile or  
32 homeowners insurance plan;

33 (vi) A health benefit plan provided under Arkansas  
34 Constitution, Article 5, § 32, the Workers' Compensation Law, § 11-9-101 et  
35 seq., or the Public Employee Workers' Compensation Act, § 21-5-601 et seq.;

36 (vii) A plan that provides only indemnity for

1 hospital confinement;

2 (viii) An accident-only plan;

3 (ix) A specified disease plan; or

4 (x) Plans providing health benefits to state and  
5 public school employees under § 21-5-401 et seq.; and

6 (3)(A) "Healthcare insurer" means any insurance company,  
7 hospital and medical service corporation, or health maintenance organization  
8 that issues or delivers health benefit plans in this state and is subject to  
9 any of the following laws:

10 (i) The insurance laws of this state;

11 (ii) Section 23-75-101 et seq., pertaining to  
12 hospital and medical service corporations; or

13 (iii) Section 23-76-101 et seq., pertaining to  
14 health maintenance organizations.

15 (B) "Healthcare insurer" does not include an entity that  
16 provides only dental benefits or eye and vision care benefits.

17 (b) Regardless of a claim filed by a medical facility or provider, a  
18 health benefit plan that is offered, issued, or renewed in this state shall  
19 not provide coverage for a human organ transplant or post-transplant care if:

20 (1) The transplant operation is performed in the People's  
21 Republic of China or another country known to have participated in forced  
22 organ harvesting, as designated by rule by the Insurance Commissioner; or

23 (2) The human organ to be transplanted is procured by sale or  
24 donation originating in the People's Republic of China or another country  
25 known to have participated in forced organ harvesting, as designated by rule  
26 by the commissioner.

27 (c)(1) The commissioner may designate by rule any additional country  
28 as having participated in forced organ harvesting if the government of that  
29 country funds, sponsors, or otherwise facilitates forced organ harvesting.

30 (2) If under subdivision (c)(1) of this section the commissioner  
31 designates an additional country as having participated in forced organ  
32 harvesting, the commissioner shall provide written notice to healthcare  
33 insurers.

34 (d) A healthcare insurer may seek reimbursement or setoff from a  
35 medical facility or provider if a claim is submitted and paid in violation of  
36 this section.

1 (e) Notwithstanding any other provision of this section, care that is  
2 provided to save the life of an individual after the individual receives a  
3 prohibited organ transplant shall be covered.

4 (f) The commissioner shall develop and promulgate rules for the  
5 implementation and administration of this section.

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7 SECTION 4. DO NOT CODIFY. SEVERABILITY CLAUSE. If any provision of  
8 this act or the application of this act to any person or circumstance is held  
9 invalid, the invalidity shall not affect other provisions or applications of  
10 this act which can be given effect without the invalid provision or  
11 application, and to this end, the provisions of this act are declared  
12 severable.

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14 /s/C. Penzo

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17 **APPROVED: 4/17/25**  
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