

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas
2 84th General Assembly
3 Regular Session, 2003

A Bill

HOUSE BILL 2382

4
5 By: Representative Bradford
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For An Act To Be Entitled

9 AN ACT TO ESTABLISH THE MULTI-AGENCY INSURANCE
10 TRUST FUND TO PROVIDE FOR PROPERTY, INLAND
11 MARINE, BOILER AND MACHINERY, AND RELATED
12 COVERAGE; TO ASSIST PARTICIPATING AGENCIES IN THE
13 MINIMIZATION OF INSURANCE COSTS; AND FOR OTHER
14 PURPOSES.

Subtitle

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17 TO ESTABLISH THE MULTI-AGENCY INSURANCE
18 TRUST FUND TO PROVIDE FOR PROPERTY,
19 INLAND MARINE, BOILER AND MACHINERY, AND
20 RELATED COVERAGE.
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23 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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25 Section 1. Arkansas Code Title 21, Chapter 2, is amended to add a new
26 subchapter to read as follows:

27 21-2-801. Title.

28 This subchapter may be cited as the "The Arkansas Multi-Agency
29 Insurance Trust Fund Act".
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31 21-2-802. Definitions.

32 For the purposes of this subchapter:

33 (1) "Annual aggregate deductible" means the maximum amount payable
34 annually from the fund for covered losses;

35 (2) "Insurance Commissioner" means the State Insurance Department
36 Commissioner or the commissioner's successor;



1 (3) "Risk manager" shall means the Administrator of the Risk
2 Management Division of the State Insurance Department;

3 (4) "State agency" means any state agency, board, bureau, commission,
4 council, department, institution, or other similar entity; and

5 (5) "Trust fund" means the Arkansas Multi-Agency Insurance Trust Fund.

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7 21-2-803. Arkansas Multi-Agency Insurance Trust Fund.

8 (a) There is established on the books of the State Treasurer, the
9 State Auditor and the Chief Fiscal Officer of the State, a separate fund to
10 be known as the Arkansas Multi-Agency Insurance Trust Fund.

11 (b) No money shall be appropriated from the trust fund for any purpose
12 except by state agencies to pay:

13 (1) Insurance and reinsurance premiums;

14 (2) Loss adjustment expenses;

15 (3) Related educational and training expenses;

16 (4) Insured claims falling below the annual aggregate deductible
17 level; and

18 (5) Expenses including, but not limited to, actuarial,
19 consultant, and service contract fees.

20 (c)(1) The assets of the trust fund may be invested and reinvested as
21 the Insurance Commissioner may determine.

22 (2) All income derived through investment of the fund as
23 established herein shall be credited as investment income to the trust fund.

24 (3) For the purposes of investment, trust fund moneys invested
25 and interest earned thereon shall be administered as trust funds under § 19-
26 3-219(a).

27 (4) Further, all moneys deposited to the trust fund shall not be
28 subject to any deduction, tax, levy, or any other type of assessment.

29 (d) All moneys received by the risk manager including, but not limited
30 to, the premiums collected and any insured loss or loss expenses paid by
31 insurance or reinsurance companies, shall be deposited in the trust fund
32 created in this subchapter.

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