

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

A Bill

HOUSE BILL 1525

4
5 By: Representative G. Hodges
6 By: Senator J. Dotson

For An Act To Be Entitled

9 AN ACT TO AMEND THE DEFINITION OF "REBATES" AS USED
10 IN THE BUSINESS OF INSURANCE; TO MODIFY THE MINIMUM
11 THRESHOLD VALUE OF TOKEN GIFTS IN THE BUSINESS OF
12 INSURANCE; AND FOR OTHER PURPOSES.

Subtitle

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15 TO AMEND THE DEFINITION OF "REBATES" AS
16 USED IN THE BUSINESS OF INSURANCE; AND TO
17 MODIFY THE MINIMUM THRESHOLD VALUE OF
18 TOKEN GIFTS IN THE BUSINESS OF INSURANCE.
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22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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24 SECTION 1. Arkansas Code § 23-66-206(9), concerning the definition of
25 "rebates" used in the business of insurance, is amended to add an additional
26 subdivision to read as follows:

27 (C) Token gifts of one hundred dollars (\$100) or less in
28 wholesale value that are used for advertisement purposes are not prohibited
29 under this subdivision (9), including without limitation pens, calendars,
30 notebooks, and other items;

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32 SECTION 2. Arkansas Code § 23-66-308(c), concerning the applicability
33 of the prohibition on rebates, discounts, or abatements, is amended to read
34 as follows:

35 (c) This section shall not be construed as prohibiting:

36 (1) The payment of commissions or other compensation to licensed



1 agents, brokers, or solicitors;

2 (2) An insurer from allowing or returning to its participating
3 policyholders, members, or subscribers any dividends, savings, or unabsorbed
4 premium deposits; ~~or~~

5 (3) A licensed insurance consultant who is also a licensed
6 producer from adjusting or refunding to his or her clients any part of a
7 consulting fee under a prior written agreement with a client paying total
8 annual premiums, for all lines of business, of one hundred thousand dollars
9 (\$100,000) or more based on commissions received by the consultant from
10 insurers; or

11 (4) Token gifts of one hundred dollars (\$100) or less in
12 wholesale value that are used for advertisement purposes, including without
13 limitation pens, calendars, notebooks, and other items.

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