

House Engrossed

State of Arizona
House of Representatives
Forty-sixth Legislature
First Regular Session
2003

CHAPTER 81

HOUSE BILL 2340

AN ACT

AMENDING SECTION 20-1094.01, ARIZONA REVISED STATUTES; RELATING TO CREDIT
LIFE AND DISABILITY REINSURERS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 20-1094.01, Arizona Revised Statutes, is amended
3 to read:

4 20-1094.01. Reserve requirements

5 A. An unaffiliated credit life and disability reinsurer shall secure
6 liabilities that are assumed under a reinsurance agreement subject to
7 approval pursuant to this article IN ANY OF THE FOLLOWING:

8 1. With funds withheld. or

9 2. WITH FUNDS THAT ARE maintained in a trust fund that complies with
10 section 20-261.02 and in an amount that is not less than one hundred ten per
11 cent of the amount of the liabilities assumed.

12 3. WITH CLEAN, IRREVOCABLE AND UNCONDITIONAL LETTERS OF CREDIT THAT
13 COMPLY WITH SECTION 20-261.02, SUBSECTION B.

14 B. For the purposes of this section, the director shall value
15 securities in the manner prescribed in sections 20-511 and 20-512.

APPROVED BY THE GOVERNOR APRIL 21, 2003.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 21, 2003.

Passed the House February 18, 2003,

Passed the Senate April 15, 2003,

by the following vote: 43 Ayes,

by the following vote: 28 Ayes,

16 Nays, 1 Not Voting

1 Nays, 1 Not Voting

Jake Flake
Speaker of the House

Kaufmann
President of the Senate

Norman L. Sprou
Chief Clerk of the House

Norma Chastain
Asst. Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill was received by the Governor this
15 day of April, 2003

at 4:37 o'clock P M.

Sandra Hamrey
Secretary to the Governor

Approved this 21 day of

April, 2003,

at 8²⁰ o'clock A. M.

Jon Rangel
Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State
this 21 day of April, 2003

at 11:38 o'clock A. M.
Janice L. Brewer
Secretary of State