

State of Arizona
Senate
Fifty-third Legislature
Second Regular Session
2018

CHAPTER 158
SENATE BILL 1112

AN ACT

AMENDING SECTION 20-420, ARIZONA REVISED STATUTES; RELATING TO THE
TRANSACTION OF INSURANCE BUSINESS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 20-420, Arizona Revised Statutes, is amended to
3 read:

4 20-420. Exemptions from surplus lines provisions

5 A. The sections of this article relating to surplus lines coverages
6 do not apply to reinsurance or to the following classes of insurance
7 placed by licensed insurance producers of this state:

8 1. Ocean marine and foreign trade insurance.

9 2. Insurance on subjects **THAT ARE** located, resident or to be
10 performed wholly outside this state, or on vehicles or aircraft owned and
11 principally garaged outside this state.

12 3. **INSURANCE FOR AN INSURED THAT IS A FEDERALLY RECOGNIZED INDIAN**
13 **TRIBE OR WHO IS A MEMBER OF A FEDERALLY RECOGNIZED INDIAN TRIBE ON**
14 **SUBJECTS OF INSURANCE THAT ARE LOCATED, RESIDENT OR TO BE PERFORMED WHOLLY**
15 **WITHIN THE BOUNDARIES OF A FEDERALLY RECOGNIZED INDIAN RESERVATION.**

16 ~~3.~~ 4. Insurance on property or operations of railroads engaged in
17 interstate commerce.

18 B. Any insurance producer that places any of the classes of
19 insurance prescribed in subsection A of this section with an unauthorized
20 insurer shall keep a record of each coverage in detail as required of
21 surplus lines insurance pursuant to section 20-414. The insurance
22 producer shall preserve the record for not less than three years after the
23 expiration or cancellation date of the insurance policy and shall make the
24 record available in this state and open to the examination of the
25 director.

APPROVED BY THE GOVERNOR APRIL 10, 2018.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 10, 2018.