

As Engrossed: 1/15/91, 2/12/91

1 **State of Arkansas**
2 **78th General Assembly**
3 **Regular Session, 1991**
4 **By: Senator Beebe**

A Bill

SENATE BILL 18

For An Act To Be Entitled

8 "AN ACT TO AMEND ARKANSAS CODE 23-89-209 TO CLARIFY THE
9 LAW PERTAINING TO UNDERINSURED MOTORIST COVERAGE; AND FOR
10 OTHER PURPOSES."

11

12 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

13

14 SECTION 1. Subsection (a) of Arkansas Code 23-89-209 is hereby amended
15 to read as follows:

16 "(a) Every insurer writing automobile liability insurance covering
17 liability arising out of the ownership, maintenance, or use of any motor
18 vehicles in this state shall provide underinsured motorist coverage to the
19 named insured unless rejected in writing by the insured. The coverage shall
20 enable the insured or the insured's legal representative to recover from the
21 insurer the amount of damages for bodily injury or death to which the insured
22 is legally entitled from the owner or operator of another motor vehicle.
23 Underinsured motorist coverage shall be at least equal to the limits
24 prescribed for bodily injury or death under Arkansas Code 27-19-605. Coverage
25 of the insured pursuant to underinsured motorist coverage shall not be reduced
26 by the tortfeasor's insurance coverage except to the extent that the injured
27 party would receive compensation in excess of his damages."

28

29 SECTION 2. All provisions of this act of a general and permanent nature
30 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
31 Revision Commission shall incorporate the same in the Code.

32

33 SECTION 3. If any provision of this act or the application thereof to
34 any person or circumstance is held invalid, such invalidity shall not affect
35 other provisions or applications of the act which can be given effect without

jmb008

1 the invalid provision or application, and to this end the provisions of this
2 act are declared to be severable.

3

4 SECTION 4. All laws and parts of laws in conflict with this act are
5 hereby repealed.

6

7 SECTION 5. It is hereby found and determined by the General Assembly
8 that the present underinsured motorist insurance coverage law is being
9 misinterpreted; that under the present misinterpretation persons covered by
10 underinsured motorist coverage may not receive the benefits intended by the
11 law; and that this act clarifies the law and should therefore go into effect
12 immediately in order to resolve the misinterpretation as soon as possible.
13 Therefore an emergency is hereby declared to exist and this act being
14 necessary for the preservation of the public peace, health and safety shall be
15 in full force and effect from and after its passage and approval.

16

17

/s/Beebe

18

19

20

21

22

23

24

25

26

27

28

29

30

31

32

33