

INTERIM STUDY PROPOSAL 2023-086

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REQUESTING THE SENATE COMMITTEE ON INSURANCE AND COMMERCE TO
STUDY AN INCREASE OF THE MINIMUM MOTOR VEHICLE LIABILITY
INSURANCE REQUIREMENTS.

WHEREAS, in Arkansas, an individual who operates a motor vehicle is
required to have minimum motor vehicle liability insurance coverage for the
individual operating the motor vehicle; and

WHEREAS, the minimum motor vehicle liability insurance coverage amounts
were established in 1999; and

WHEREAS, the minimum motor vehicle liability insurance coverage in
Arkansas includes:

- (1) Not less than twenty-five thousand dollars (\$25,000) for
bodily injury or death of one (1) person in any one (1) accident;
- (2) Not less than fifty thousand dollars (\$50,000) for bodily
injury or death of two (2) or more persons in any one (1) accident; and
- (3) Not less than twenty-five thousand dollars (\$25,000) for
damage to or destruction of property of others in any one (1) accident; and

WHEREAS, the minimum motor vehicle liability insurance coverage amounts
have not been increased in twenty-four (24) years; and

WHEREAS, four (4) of the surrounding states have the same minimum motor
vehicle liability insurance coverage amounts; and

WHEREAS, Louisiana has lower or matching minimum motor vehicle
liability insurance coverage amounts than Arkansas of fifteen thousand
dollars (\$15,000) for bodily injury or death of one (1) person in any one (1)
accident, thirty thousand dollars (\$30,000) for bodily injury or death of two
(2) or more persons in any one (1) accident, and twenty-five thousand dollars
(\$25,000) for damage to or destruction of property of others in any one (1)
accident; and

1 WHEREAS, Texas has higher minimum motor vehicle liability insurance
2 coverage amounts than Arkansas of thirty thousand dollars (\$30,000) for
3 bodily injury or death of one (1) person in any one (1) accident, sixty
4 thousand dollars (\$60,000) for bodily injury or death of two (2) or more
5 persons in any one (1) accident, and twenty-five thousand dollars (\$25,000)
6 for damage to or destruction of property of others in any one (1) accident,
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8 NOW THEREFORE,

9 BE IT PROPOSED BY THE SENATE COMMITTEE ON INSURANCE AND COMMERCE OF THE
10 NINETY-FOURTH GENERAL ASSEMBLY:

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12 THAT the Senate Committee on Insurance and Commerce conduct a study to:

13 (1) Identify the needs and costs associated with increasing the
14 minimum motor vehicle liability insurance requirements;

15 (2) Identify the concerns related to increasing the minimum
16 motor vehicle liability insurance requirements;

17 (3) Determine the impact on insurance premium rates for an
18 average Arkansas driver if the minimum motor vehicle liability insurance
19 requirements are increased; and

20 (4) Determine the appropriate amount of increase for the minimum
21 motor vehicle liability insurance requirements.

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23 Respectfully submitted,

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27 Senator Ricky Hill

28 District 11

29 Prepared by: ANS/ANS
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