

1 **State of Arkansas**  
2 **80th General Assembly**  
3 **Regular Session, 1995**  
4 **By: Representative Young**

# **A Bill**

**ACT 527 OF 1995**  
**HOUSE BILL 1562**

## **For An Act To Be Entitled**

8 "AN ACT TO CLARIFY THE ARKANSAS CODE TO PROVIDE THAT WHEN  
9 AN INSURED REJECTS FIRST PARTY AUTOMOBILE COVERAGE OR  
10 UNINSURED MOTORISTS COVERAGE THE INSURER IS NOT THEREAFTER  
11 REQUIRED TO NOTIFY THE INSURED OF THE AVAILABILITY OF THE  
12 COVERAGE; AND FOR OTHER PURPOSES."

### **Subtitle**

15 "WHEN INSURED REJECTS FIRST PARTY AUTO  
16 COVERAGE OR UNINSURED MOTORISTS COVERAGE  
17 THE INSURER IS NOT THEREAFTER REQUIRED  
18 TO NOTIFY THE INSURED OF AVAILABILITY OF  
19 THE COVERAGE."

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

23 SECTION 1. Arkansas code 23-89-203 is amended to read as follows:

24 "§ 23-89-203. Rejection of coverage.

25 (a) The named insured shall have the right to reject in writing all or  
26 any one (1) or more of the coverages enumerated in § 23-89-202.

27 (b) After a named insured or applicant for insurance rejects this  
28 coverage, the insurer or any of its affiliates shall not be required to notify  
29 any insured in any renewal, reinstatement, substitute, amended, or replacement  
30 policy as to the availability of such coverage."

32 SECTION 2. Arkansas Code 23-89-403 is amended to read as follows:

33 "§ 23-89-403. Bodily injury coverage required.

34 (a) No automobile liability insurance covering liability arising out of  
35 the ownership, maintenance, or use of any motor vehicle shall be delivered or  
36 issued for delivery in this state with respect to any motor vehicle registered

1 or principally garaged in this state unless coverage is provided therein or  
2 supplemental thereto and is not less than limits described in § 27-19-605,  
3 under provisions filed with and approved by the Insurance Commissioner, for  
4 the protection of persons insured thereunder who are legally entitled to  
5 recover damages from owners or operators of uninsured motor vehicles because  
6 of bodily injury, sickness, or disease, including death, resulting therefrom.

7 (b) After a named insured or applicant for insurance rejects this  
8 coverage, the insurer or any of its affiliates shall not be required to notify  
9 any insured in any renewal, reinstatement, substitute, amended, or replacement  
10 policy as to the availability of such coverage."

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12 SECTION 3. All provisions of this act of a general and permanent nature  
13 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code  
14 Revision Commission shall incorporate the same in the Code.

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16 SECTION 4. If any provision of this act or the application thereof to  
17 any person or circumstance is held invalid, such invalidity shall not affect  
18 other provisions or applications of the act which can be given effect without  
19 the invalid provision or application, and to this end the provisions of this  
20 act are declared to be severable.

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

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25 SECTION 6. EMERGENCY. It is hereby found and determined by the General  
26 Assembly that the present insurance laws should be clarified to indicate that  
27 once an insured has rejected certain automobile insurance that the insurer  
28 should not be required thereafter to notify the *insured* of the availability of  
29 the rejected coverage at such time as the coverage not rejected is renewed,  
30 reinstated, substituted, amended, or replaced; that this act so provides; and  
31 this act should go into effect immediately in order to clarify the law as soon  
32 as possible. Therefore, an emergency is hereby declared to exist and this act  
33 being necessary for the immediate preservation of the public peace, health and  
34 safety shall be in full force and effect from and after its passage and  
35 approval.

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*/s/Rep. Young*

APPROVED: 3-6-95

