

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

Act 476 of the Regular Session

1 State of Arkansas  
2 87th General Assembly  
3 Regular Session, 2009  
4

As Engrossed: S3/2/09

A Bill

SENATE BILL 357

5 By: Senator Bookout  
6 By: Representative Hawkins  
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9 **For An Act To Be Entitled**

10 AN ACT TO ALLOW UPON CERTAIN CONDITIONS A VENDOR  
11 CHOSEN BY THE DIRECTOR OF THE DEPARTMENT OF  
12 FINANCE AND ADMINISTRATION TO REPORT MOTOR  
13 VEHICLE INSURANCE POLICIES AND POLICY  
14 CANCELLATIONS IN LIEU OF THE REPORTING  
15 REQUIREMENTS FOR INSURANCE COMPANIES; AND FOR  
16 OTHER PURPOSES.

17  
18 **Subtitle**

19 TO ALLOW UPON CERTAIN CONDITIONS A  
20 VENDOR TO REPORT MOTOR VEHICLE INSURANCE  
21 POLICIES AND POLICY CANCELLATIONS.  
22  
23

24 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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26 SECTION 1. Arkansas Code § 12-12-211(e), concerning the Arkansas Crime  
27 Information Center and access to records, is amended to read as follows:

28 (e) The center shall provide access to the insurance verification  
29 database that contains the information provided to the Department of Finance  
30 and Administration or to a vendor designated by the Department of Finance and  
31 Administration under § 27-22-107 to law enforcement officers during the  
32 course of traffic stops.  
33

34 SECTION 2. Arkansas Code § 27-22-107(a) is amended to read as follows:

35 (a) (1) ~~Beginning January 1, 1998, each~~ Each insurance company



1 providing motor vehicle liability insurance coverage required under § 27-22-  
2 104(a) ~~shall, before the seventh day of each calendar month, shall provide~~  
3 before the seventh day of each calendar month to the Revenue Division of the  
4 Department of Finance and Administration a record of each motor vehicle  
5 insurance policy in effect as of the previous month that was issued by the  
6 insurance company. The reports shall be provided to the division through any  
7 means of electronic or ~~electro-magnetic~~ electromagnetic medium available to  
8 and approved by the department, unless the insurance company qualifies for an  
9 exception to this electronics reporting requirement as a result of being a  
10 small or low-volume insurer as may otherwise be provided for under  
11 regulations promulgated by the Department of Finance and Administration.

12 ((2)(A) The Director of the Department of Finance and  
13 Administration may choose a vendor to provide an online insurance  
14 verification system which will comply with the industry standards as  
15 recommended by the Insurance Industry Committee for Motor Vehicle  
16 Administration (IICMVA) when there are two or more vendors that demonstrate  
17 to the department the ability to meet the IICMVA standard.

18 (i) The department shall notify each insurance company in  
19 writing of the chosen vendor. If the insurance company elects to participate  
20 in the online insurance verification system that complies with the industry  
21 standards, the company may then work with the vendor and the department on an  
22 agreeable schedule to convert to the new system.

23 (ii) If an insurance company elects to participate in the  
24 online insurance verification system, then the insurance company will be  
25 exempt from providing the report before the seventh (7<sup>th</sup>) day of each calendar  
26 month as the department and law enforcement will be able to obtain data  
27 online in real time.

28 (B) If the director certifies that seventy percent (70%) or more  
29 of the motor vehicle insurance policies in effect on a specific date are  
30 being accessed according to the industry standards in the online insurance  
31 verification system, each insurance company shall provide access to the data  
32 through the online insurance verification system.

33 (C) At the discretion of the department, rules and regulations  
34 may be established to offer insurers who write fewer policies an alternative  
35 method for reporting insurance policy data.

36 (D) The department shall select a vendor under the

1 Arkansas Procurement Law § 19-11-201 et seq.

2 */s/ Bookout*

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**APPROVED: 3/19/2009**

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