

# Department of Finance and Administration

## Legislative Impact Statement

**Bill: SB574**

**Bill Subtitle: TO RECOGNIZE A LIABILITY SHARING ORGANIZATION AS AN INSURER FOR MOTOR VEHICLE LIABILITY INSURANCE PURPOSES.**

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### **Basic Change :**

**Sponsor: Sen. B. Ballinger**

SB574 amends § 27-19-107(a) regarding the type of organizations and persons that may qualify to obtain a certificate of self-insurance for purposes of complying with the motor vehicle liability insurance requirements in the state. Current law allows a religious denomination, a person with twenty-five (25) vehicles registered in the state, or a political subdivision or municipality to obtain a certificate of self-insurance issued by the Office of Motor Vehicle.

### **Revenue Impact :**

None.

### **Taxpayer Impact :**

A taxpayer with membership to a religious organization that has more than 25 members may qualify for self-insured insurance status.

### **Resources Required :**

None.

### **Time Required :**

Adequate time has been provided.

### **Procedural Changes :**

Online Insurance Verification will provide certification to religious organizations in addition to religious denominations.

### **Other Comments :**

None.

### **Legal Analysis :**

SB574 appears to contain a drafting error. In expanding the definition of a "religious denomination" that is eligible to obtain a certificate of self-insurance, the bill appears to remove the ability for other individuals and entities who are not religious denominations to obtain a certificate of self-insurance.

Under SB574, only a religious denomination would qualify for a certificate of self-insurance from the Office of Motor Vehicles of the Department of Finance and Administration.