Department of Finance and Administration

Legislative Impact Statement

Bill: HB1171

Bill Subtitle: TO AMEND THE LAW CONCERNING THE REQUIREMENTS FOR RELIGIOUS DENOMINATIONS TO QUALIFY AS SELF-INSURERS.

Basic Change :

Sponsors: Rep. Haak and Sen. Bryant

HB1171 amends § 27-19-107(a)(2)(A) to modify the requirements for a religious denomination to qualify as a self-insurer of motor vehicles. Current law allows a religious denomination, a person with 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 (OMV) for purposes of complying with the motor vehicle liability insurance requirements in the state.

To qualify as a self-insurer, a religious denomination must:

- Have more than 25 members who own motor vehicles registered in this state and prohibit its members from purchasing insurance of any form as being contrary to its religious tenets; or
- Share liability among members for liability insurance purposes.

HB1171 provides that a religious denomination may qualify as a self-insurer if it discourages, rather than prohibits, its members from purchasing insurance of any form as being contrary to its religious tenets.

Revenue Impact :

None

<u>Taxpayer Impact:</u>

A religious denomination that discourages its members from purchasing insurance may qualify as a self-insurer under § 27-19-107.

Resources Required:

None.

Time Required :

Adequate time is provided for implementation.

Procedural Changes:

None.

Other Comments :

None.

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