

State of Arkansas

77th General Assembly

Regular Session, 1989

A Bill

SENATE BILL

270

By: Senator Cassady

For An Act To Be Entitled

"AN ACT TO AMEND ARKANSAS CODE 27-19-107 TO PROVIDE THAT RELIGIOUS DENONIMATIONS IN CERTAIN CIRCUMSTANCES MAY QUALIFY AS SELF-INSURERS FOR MOTOR VEHICLE LIABILITY INSURANCE PURPOSES; AND FOR OTHER PURPOSES."

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

SECTION 1. Arkansas Code 27-19-107 is hereby amended to read as follows:

"27-19-107. Self-insurers.

(a) Any religious denomination which has more than twenty-five (25) members who own motor vehicles registered in this state and which prohibits its members from purchasing insurance of any form as being contrary to its religious tenets, or any person in whose name more than twenty-five (25) vehicles are registered in this state or any political subdivision or municipality of this state, individually or collectively, may qualify as a self-insurer by obtaining a certificate of self-insurance issued by the office as provided in subsection (b) of this section.

(b) The office may, in its discretion, upon the application of the religious denomination, person, political subdivision, or municipality, individually or collectively, issue a certificate of self-insurance when it is satisfied that the person, political subdivision, or municipality is possessed and will continue to be possessed of ability to pay judgments against them. The certificate may be issued authorizing a religious denomination, person, political subdivision, or municipality, individually or collectively, to act as a self-insurer for either property damage or bodily injury, or both.

(c) (1) Upon not less than five (5) days' notice and a hearing pursuant to such notice, the office may, upon reasonable grounds, cancel a certificate of self-insurance.

(2) Failure to pay any judgment within thirty (30) days after the

judgment shall have become final shall constitute a reasonable ground for the cancellation of a certificate of self-insurance."

SECTION 2. All provisions of this Act of a general and permanent nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code Revision Commission shall incorporate the same in the Code.

SECTION 3. All laws and parts of laws in conflict with this Act are hereby repealed.