

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.

State of Arkansas  
83rd General Assembly  
Regular Session, 2001

*As Engrossed: H3/21/01*

## A Bill

HOUSE BILL 1195

By: Representative Hendren

### For An Act To Be Entitled

AN ACT TO AMEND ARKANSAS CODE TITLE 27, CHAPTER 22 SUBCHAPTER 1 TO ADD AN ADDITIONAL SECTION TO REQUIRE THE OFFICE OF MOTOR VEHICLE TO SUSPEND THE REGISTRATION OF ANY VEHICLE WHICH IS UNINSURED FOR THREE (3) CONSECUTIVE MONTHS; TO PROVIDE FOR NOTICE OF THE SUSPENSION AND A REINSTATEMENT FEE; AND FOR OTHER PURPOSES.

### Subtitle

TO REQUIRE THE OFFICE OF MOTOR VEHICLE TO SUSPEND THE REGISTRATION OF ANY VEHICLE WHICH IS UNINSURED FOR 3 CONSECUTIVE MONTHS.

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

SECTION 1. Arkansas Code Title 27, Chapter 22, Subchapter 1, is amended to add an additional section to read as follows:

27-22-108. Motor vehicle insurance comparison - Registration revocation and reinstatement procedures.

(a) With the information provided to the Department of Finance and Administration under § 27-22-107, the Office of Motor Vehicles shall, at least monthly, compare all current motor vehicle registrations against the Vehicle Insurance Database.

(b) If the comparison under subsection (a) of this section shows that a motor vehicle is not insured for three (3) consecutive months, the Office of Motor Vehicles shall provide notice of noncompliance to the owner of the motor

1 vehicle and that owner has *thirty (30)* days to provide to the office proof  
2 that the vehicle is covered, either by:

3 (1) A certificate of self-insurance under the provisions of § 27-  
4 19-107; or

5 (2) An insurance policy in amounts required under § 27-22-104  
6 issued by an insurance company authorized to do business in this state.

7 (c)(1) If the owner fails to provide satisfactory proof, the department  
8 shall proceed to suspend the registration of the uninsured vehicle effective  
9 *thirty (30)* days after the notice of noncompliance was issued.

10 (2) An owner who has the owner's vehicle registration suspended  
11 in accordance with this subsection shall not be reissued a registration for  
12 that vehicle or have a registration renewed on the vehicle until the owner  
13 presents proof of insurance coverage, or other financial security, and pays  
14 the reinstatement fees provided for in subsection (e) of this section.

15 (3)(A) If proof that insurance coverage or other financial  
16 security was in effect at the time the notice was sent is presented within  
17 *thirty (30)* days of the notice being sent, the vehicle insurance database  
18 shall be updated and the registration suspension actions shall cease at no  
19 cost to the owner of the vehicle; or

20 (B) If proof that insurance coverage or other financial  
21 security was in effect at the time the notice was sent is presented later than  
22 *thirty (30)* days after the notice was sent, the vehicle insurance database  
23 shall be updated and the registration will be restored effective on the date  
24 the proof was presented.

25 (d) Any suspension by the department under this section shall be  
26 subject to the notice and hearing procedures under § 27-19-404, and shall  
27 remain in effect and no registration shall be renewed for or issued to any  
28 person whose vehicle registration is so suspended until:

29 (1) The person shall deposit or there shall be deposited on the  
30 person's behalf sufficient security as provided for under the Motor Vehicle  
31 Safety Responsibility Act, 27-19-101; or

32 (2) The person shall furnish the department one of the following:

33 (A) A certificate of self-insurance under the provisions of  
34 § 27-19-107; or

35 (B) An insurance policy in amounts required under § 27-22-  
36 104 issued by an insurance company authorized to do business in this state.

(e)(1) In order to reinstate the suspended registration and be reissued a new or renewed registration for any suspended motor vehicle, the owner shall present the proof of renewed or new financial coverage required in subdivision (d)(1) or (2) of this section to the department and shall pay to the department a fifty dollar (\$50.00) fee for reinstatement of the registration.

(2) The revenues derived from this reinstatement fee shall be deposited as special revenues to the State Central Services Fund and credited as direct revenues to be used by the department to offset the costs of administering this section.

(3) This fee shall be in addition to any registration fees, other fees, or other penalties for violations of the motor vehicle registration laws which shall be due and payable at the time of reinstatement.

(f) The registration of a vehicle that is out of service shall be suspended upon receipt of a notice from the owner stating that the vehicle is out of service. Once the vehicle is returned to service, the owner shall submit proof of insurance coverage or other financial security and the registration shall be restored at no charge. The out of service notice shall be on a form designed and approved by the Director of the Department of Finance and Administration.

(g) The department shall promulgate necessary rules and regulations for the administration of this section.

/s/ Hendren