

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.

1 State of Arkansas
2 85th General Assembly
3 Regular Session, 2005
4

As Engrossed: H3/30/05

A Bill

HOUSE BILL 2912

5 By: Representatives *Harris, Matayo*
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For An Act To Be Entitled

9 AN ACT CONCERNING PROOF OF AUTOMOBILE LIABILITY
10 INSURANCE COVERAGE; AND FOR OTHER PURPOSES.
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Subtitle

14 AN ACT CONCERNING PROOF OF AUTOMOBILE
15 LIABILITY INSURANCE COVERAGE.
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19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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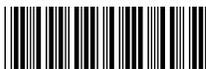
21 *SECTION 1. Purpose.*

22 *(a) The General Assembly declares that the presence of a current*
23 *license plate on a motor vehicle has become one (1) indication that the motor*
24 *vehicle is covered by liability security.*

25 *(b) The General Assembly further declares that the provisions of*
26 *Arkansas Code § 27-22-104(3)(A), which requires owners of motor vehicles to*
27 *surrender the license plates of motor vehicles when the operator of the motor*
28 *vehicle is unable to present proof of the vehicle's insurance coverage as*
29 *required when requested by a law enforcement officer or if a check of the*
30 *vehicle insurance database at the time of a traffic stop fails to show*
31 *current insurance coverage, should become an integral part of the enforcement*
32 *of the laws requiring all motor vehicles to be covered by liability security.*
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34 *SECTION 2. Arkansas Code § 27-22-104 is amended to read as follows:*
35 *27-22-104. Insurance required – Minimum coverage.*

36 *(a)(1) It shall be unlawful for any person to operate a motor vehicle*



1 within this state unless the vehicle is covered by a certificate of self-
2 insurance under the provisions of § 27-19-107, or by an insurance policy
3 issued by an insurance company authorized to do business in this state.

4 (2) Failure to present proof of insurance coverage at the time
5 of arrest and a failure of the vehicle insurance database to show current
6 insurance coverage at the time of the traffic stop creates a rebuttable
7 presumption that the motor vehicle is uninsured.

8 (b) The policy shall provide as a minimum the following coverage:

9 (1) Not less than twenty-five thousand dollars (\$25,000) for
10 bodily injury or death of one (1) person in any one (1) accident;

11 (2) Not less than fifty thousand dollars (\$50,000) for bodily
12 injury or death of two (2) or more persons in any one (1) accident; and

13 (3) If the accident has resulted in injury to or destruction of
14 property, not less than twenty-five thousand dollars (\$25,000) for the injury
15 to or destruction of property of others in any one (1) accident.

16 (c)(1) If the operator of the motor vehicle is unable to present proof
17 of the vehicle's insurance coverage as required in subsection (a) of this
18 section when requested by a law enforcement officer or if a check of the
19 vehicle insurance database at the time of the traffic stop fails to show
20 current insurance coverage, the operator shall be issued, in addition to any
21 traffic citation issued for a violation of this section, a notice of
22 noncompliance with the provisions of this section on a form to be provided to
23 the Department of Finance and Administration.

24 (2) The officer shall forward a copy of the notice of
25 noncompliance to the department within ~~ten (10) days~~ five (5) calendar days
26 of issuance, excluding Saturdays, Sundays, and legal holidays.

27 (3)(A) In addition, the officer shall remove and impound the
28 license plate attached to the vehicle.

29 (B) The license plate shall be returned to the Office of
30 Driver Services or to the local revenue office.

31 (d)(1) The law enforcement officer who removes and impounds the
32 license plate pursuant to subdivision (c)(3)(A) of this section shall issue
33 for attachment to the rear of the vehicle a temporary sticker denoting its
34 use in lieu of an official license plate.

35 (2) The sticker shall bear the date upon which it shall expire
36 in written or stamped numerals or alphabetic characters not less than three

1 inches (3") in height.

2 (3) This temporary sticker shall only be effective for a period
3 of ~~ten (10) days~~ five (5) calendar days, excluding Saturdays, Sundays, and
4 legal holidays, beginning from the day on which the license plate was taken.

5 (4) The temporary stickers shall be designed by the department
6 and supplied at no cost to all law enforcement agencies authorized to enforce
7 traffic laws in Arkansas.

8 (5) If the vehicle is being driven after the expiration of the
9 temporary sticker provided for in this section, the vehicle shall be
10 immediately impounded.

11 (e)(1) Upon receipt of the notice of noncompliance by the department,
12 the department shall proceed to suspend the registration of the uninsured
13 vehicle effective ~~ten (10) days~~ five (5) calendar days, excluding Saturdays,
14 Sundays, and legal holidays, after the license plate was taken and the notice
15 of noncompliance was issued.

16 (2) However, if the vehicle was insured at the time of the
17 offense, the owner of the vehicle shall have ~~ten (10) days~~ five (5) calendar
18 days, excluding Saturdays, Sundays, and legal holidays, to present to the
19 Office of Motor Vehicle proof of insurance coverage or other financial
20 security in effect at the time of the offense, whereupon the license plate
21 shall be returned at no cost to the owner of the vehicle.

22 (3) If the owner fails to provide proof that the vehicle was
23 properly insured at the time of the offense, the chief administrative officer
24 of the Office of Motor Vehicle shall destroy, or shall cause to be destroyed,
25 the license plate removed from the owner's vehicle and shall suspend the
26 registration of the vehicle.

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

31 (1) The person shall deposit or there shall be deposited on his
32 or her behalf sufficient security as provided for under the Motor Vehicle
33 Safety Responsibility Act, § 27-19-101 et seq.; or

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

36 (A) A certificate of self-insurance under the provisions

1 of § 27-19-107; or

2 (B) A sufficient insurance policy issued by an insurance
3 company authorized to do business in this state.

4 (g)(1) In order to reinstate the suspended registration and be
5 reissued a license plate for any suspended motor vehicle, the owner shall
6 present the proof of renewed or new financial coverage required in
7 subdivision (f)(1) or (2) of this section to the department ~~and shall pay to~~
8 ~~the department a twenty dollar (\$20.00) fee for reinstatement of the~~
9 ~~registration and reissuance of the license plate. For the first offense there~~
10 shall be a reinstatement fee of fifty dollars (\$50.00), for a second offense
11 there shall be a reinstatement fee of one hundred fifty dollars (\$150), and
12 for any subsequent offense there shall be a reinstatement fee of three
13 hundred dollars (\$300). The reinstatement fee provided in this subdivision
14 (g)(1) shall be in addition to other appropriate registration fees allowed by
15 law and reinstatement shall depend on proof of compliance with the compulsory
16 liability law.

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

21 (3) This ~~fee~~ reinstatement fee in subdivision (g)(1) of this
22 section shall be in addition to any other fines, fees, or other penalties for
23 other violations of this section.

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

26 /s/ Harris, et al
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