

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

A Bill

SENATE BILL 66

4
5 By: Senator Hendren
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For An Act To Be Entitled

9 AN ACT TO CLARIFY THE PROCEDURE FOR UPDATING THE
10 VEHICLE INSURANCE DATABASE; TO ESTABLISH A
11 PROCEDURE FOR THE REVOCATION AND REINSTATEMENT OF
12 REGISTRATION OF A MOTOR VEHICLE DUE TO LACK OF
13 LIABILITY INSURANCE FOR THREE (3) CONSECUTIVE
14 MONTHS; AND FOR OTHER PURPOSES.

Subtitle

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17 TO CLARIFY THE PROCEDURE FOR UPDATING
18 THE VEHICLE INSURANCE DATABASE.
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21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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23 SECTION 1. Arkansas Code Title 27, Chapter 22, Subchapter 1 is amended
24 to add an additional section to read as follows:

25 27-22-109. Motor vehicle insurance comparison-Registration,
26 revocation, and reinstatement procedures.

27 (a) The Director of the Department of Finance and Administration
28 shall, at least monthly, compare all current motor vehicle registrations in
29 the Vehicle Insurance Database to the information provided to the Department
30 of Finance and Administration under § 27-22-107.

31 (b)(1) If the comparison under subsection (a) of this section shows
32 that a motor vehicle is not insured for three (3) consecutive months, then
33 the department shall provide notice of noncompliance to the owner of the
34 motor vehicle.

35 (2) The owner has thirty (30) days to provide the department
36 with proof that the vehicle is covered, either by:



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

3 (B) An insurance policy in amounts required under § 27-22-
 4 104 issued by an insurance company authorized to do business in this state.

5 (c)(1) If the owner fails to provide satisfactory proof under
 6 subsection (b) of this section, then the department shall proceed to suspend
 7 the registration of the uninsured vehicle effective thirty (30) days after
 8 the notice of noncompliance was issued.

9 (2) The department shall not reissue a registration for a motor
 10 vehicle or have a registration renewed on a motor vehicle that is suspended
 11 under this subsection (c) unless the owner:

12 (A) Presents proof of insurance coverage or other
 13 financial security; and

14 (B) Pays the reinstatement fees provided for in subsection
 15 (e) of this section.

16 (3)(A) If the owner presents proof within thirty (30) days of
 17 the notice being sent under subsection (b) of this section that insurance
 18 coverage or other financial security was in effect at the time the notice was
 19 sent, then the vehicle insurance database shall be updated and the
 20 registration suspension actions shall cease at no cost to the owner of the
 21 vehicle.

22 (B) If the owner presents proof more than thirty (30) days
 23 after the notice was sent under subsection (b) of this section that insurance
 24 coverage or other financial security was in effect at the time the notice was
 25 sent, then the vehicle insurance database shall be updated and the
 26 registration shall be restored effective on the date the proof is presented.

27 (d)(1) If the department suspends a motor vehicle registration under
 28 this section, then the suspension is subject to the notice and hearing
 29 procedures under § 27-19-404.

30 (2) A motor vehicle registration that is suspended under this
 31 section shall remain suspended, not be renewed, and not be issued until:

32 (A) The owner or someone acting on the owner's behalf
 33 deposits sufficient security as provided for under the Motor Vehicle Safety
 34 Responsibility Act, § 27-19-101 et seq.; or

35 (B) The owner furnishes the department one (1) of the
 36 following:

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

3 (ii) An insurance policy in amounts required under §
4 27-22-104 issued by an insurance company authorized to do business in this
5 state.

6 (e)(1) To reinstate the suspended registration and be reissued a new
7 or renewed registration for any suspended motor vehicle, the owner shall
8 present the proof of renewed or new financial coverage required in
9 subdivision (d)(1) or (2) of this section to the department and shall pay to
10 the department a fee in the amount of fifty dollars (\$50.00) for
11 reinstatement of the registration.

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

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

19 (f)(1)(A) The registration of a vehicle that is out of service shall
20 be suspended upon receipt of a notice from the owner stating that the vehicle
21 is out of service.

22 (B) Once the vehicle is returned to service, the owner
23 shall submit proof of insurance coverage or other financial security and the
24 registration shall be restored at no charge.

25 (2) The out-of-service notice shall be on a form designed and
26 approved by the Director of the Department of Finance and Administration.

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

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