

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 86th General Assembly  
3 Regular Session, 2007  
4

*As Engrossed: S1/31/07*

# A Bill

SENATE BILL 88

5 By: Senators J. Jeffress, Broadway, Baker, Glover, G. Jeffress  
6 By: Representative Maxwell  
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## For An Act To Be Entitled

10 AN ACT TO REQUIRE ALL MOTORISTS TO CARRY MINIMUM  
11 MOTOR VEHICLE LIABILITY INSURANCE COVERAGE; TO  
12 REQUIRE NAMED DRIVER EXCLUSIONS TO BE LISTED ON  
13 PROOF OF INSURANCE CARDS; AND TO REQUIRE THAT A  
14 NOTICE CONCERNING A NAMED DRIVER EXCLUSION BE  
15 GIVEN TO THE INSURED; AND FOR OTHER PURPOSES.  
16

## Subtitle

17 TO REQUIRE ALL MOTORISTS TO CARRY  
18 MINIMUM MOTOR VEHICLE LIABILITY  
19 INSURANCE COVERAGE; NAMED DRIVER  
20 EXCLUSIONS TO BE LISTED ON PROOF OF  
21 INSURANCE CARDS; AND A NOTICE CONCERNING  
22 A NAMED DRIVER EXCLUSION TO THE INSURED.  
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26 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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28 SECTION 1. Arkansas Code § 23-89-213(b), concerning requirements for  
29 proof of automobile insurance cards, is amended to read as follows:

30 (b) ~~This~~ The proof-of-insurance card or any temporary proof of  
31 insurance issued by the insurance company shall contain the following  
32 information:

33 (1) The name, address, telephone number, and National  
34 Association of Insurance Commissioners' code number of the insurer;

35 (2) The name and telephone number of the local agent through  
36 whom the policy was issued, if any, or a blank space where a local agent's



1 name may be stamped or filled in;

2 (3) The policy number;

3 (4) The effective date of the insurance policy coverage and the  
4 expiration date of the insurance policy coverage;

5 (5) The vehicle identification number and a brief description of  
6 the insured vehicle, except that an insurance card for fleet vehicles is not  
7 required to list a separate vehicle identification number for each vehicle in  
8 the fleet; ~~and~~

9 (6) The name and address of the insured person; and

10 (7) The name of each person excluded from coverage under the  
11 insurance policy.

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13 SECTION 2. Arkansas Code § 27-22-103(a), concerning penalties for  
14 operating a motor vehicle without the minimum automobile insurance coverage,  
15 is amended to read as follows:

16 (a) Except as provided in subsection (b) of this section, any person  
17 who operates a motor vehicle within this state shall be subject to a  
18 mandatory fine of not less than fifty dollars (\$50.00) nor more than two  
19 hundred fifty dollars (\$250) unless both the vehicle ~~is~~ and the person's  
20 operation of the vehicle are covered by a certificate of self-insurance or an  
21 insurance policy as required under § 27-22-104(a)(1).

22  
23 SECTION 3. Arkansas Code § 27-22-104(a), concerning the offense of  
24 operating a motor vehicle without the minimum automobile insurance coverage,  
25 is amended to read as follows:

26 (a)(1) It shall be unlawful for any person to operate a motor vehicle  
27 within this state unless both the vehicle ~~is~~ and the person's operation of  
28 the motor vehicle are covered by a certificate of self-insurance under the  
29 provisions of § 27-19-107, or by an insurance policy issued by an insurance  
30 company authorized to do business in this state.

31 (2) Failure to present proof of insurance coverage at the time  
32 of arrest ~~and~~ or a failure of the Vehicle Insurance Database or proof of  
33 insurance card issued under § 23-89-213 to show current insurance coverage at  
34 the time of the traffic stop creates a rebuttable presumption that the motor  
35 vehicle or the person's operation of the motor vehicle is uninsured.

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1 SECTION 4. Arkansas Code § 27-22-104(c)(1)(A), concerning the failure  
2 to furnish proof of the minimum automobile insurance coverage, is amended to  
3 read as follows:

4 (c)(1)(A) If the operator of the motor vehicle is unable to present  
5 proof of ~~the vehicle's~~ insurance coverage as required in subsection (a) of  
6 this section when requested by a law enforcement officer or if a check of the  
7 database at the time of the traffic stop fails to show current insurance  
8 coverage, the operator shall be issued, in addition to any traffic citation  
9 issued for a violation of this section, a notice of noncompliance with the  
10 provisions of this section on a form to be provided to the Department of  
11 Finance and Administration.

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13 SECTION 5. Arkansas Code § 27-22-104(e), concerning the offense of  
14 operating a motor vehicle without the minimum automobile insurance coverage,  
15 is amended to read as follows:

16 (e)(1) Upon receipt of the notice of noncompliance by the department,  
17 the department shall proceed to suspend the registration of the ~~uninsured~~  
18 vehicle effective ten (10) days after the license plate was taken and the  
19 notice of noncompliance was issued.

20 (2) However, if both the vehicle ~~was~~ and the driver's operation  
21 of the vehicle were insured at the time of the offense, the owner of the  
22 vehicle shall have ten (10) days to present proof of insurance coverage or  
23 other financial security in effect at the time of the offense, whereupon the  
24 license plate shall be returned at no cost to the owner of the vehicle.

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26 SECTION 6. Arkansas Code § 27-22-105 is amended to read as follows:

27 27-22-105. Inadequate insurance during an accident - Penalty.

28 (a) When the operator of any motor vehicle is involved in a motor  
29 vehicle accident in this state and the vehicle or the operator while driving  
30 the vehicle is found not to be adequately insured, as required by § 27-22-  
31 104(a)(1), the operator shall be deemed guilty of a Class A misdemeanor.

32 (b) In addition, if a person is convicted of driving an inadequately  
33 insured vehicle which has been involved in an accident under subsection (a)  
34 of this section, the court may order that the vehicle be impounded until  
35 proof of vehicle insurance coverage is made to the court. The owner of the  
36 vehicle impounded shall be responsible for all costs of impoundment.

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2 SECTION 7. Arkansas Code § 27-19-604(1), concerning exceptions to the  
3 security deposit and license suspension requirements following an automobile  
4 accident, is amended to read as follows:

5 (1) The driver or owner if the owner had in effect at the time  
6 of the accident an automobile liability policy or bond with respect to the  
7 vehicle and the driver's operation of the vehicle involved in the accident  
8 providing the minimum coverage required under § 27-22-104, except that a  
9 driver shall not be exempt under this subdivision if at the time of the  
10 accident, the vehicle was being operated without the owner's permission,  
11 express or implied;

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13 SECTION 8. Arkansas Code Title 23, Chapter 79, Subchapter 3 is amended  
14 to add a new section to read as follows:

15 23-79-313. Motor vehicle liability insurance – Notice of named driver  
16 exclusion.

17 Notice on a form approved by the Insurance Commissioner containing  
18 substantially the following information in the following form shall be given  
19 by the insurer to the insured at the time of the issuance and renewal of a  
20 motor vehicle liability insurance policy containing one (1) or more named  
21 driver exclusions:

22 “NOTICE OF NAMED DRIVER EXCLUSION

23 YOUR POLICY CONTAINS ONE (1) OR MORE NAMED DRIVER EXCLUSIONS THAT  
24 SPECIFICALLY EXCLUDE LIABILITY COVERAGE UNDER THE POLICY WHEN OPERATED BY THE  
25 NAMED DRIVER OR DRIVERS. PLEASE BE AWARE THAT IT IS A VIOLATION OF THE MOTOR  
26 VEHICLE SAFETY RESPONSIBILITY ACT FOR THE NAMED EXCLUDED DRIVER OR DRIVERS TO  
27 OPERATE THE VEHICLE UNLESS THE EXCLUDED DRIVER OR DRIVERS ARE COVERED BY  
28 ANOTHER FORM OF LIABILITY INSURANCE, CERTIFICATE OF SELF-INSURANCE, OR BOND  
29 WHEN OPERATING THE VEHICLE PROVIDING THE MINIMUM COVERAGE REQUIRED BY THE  
30 MOTOR VEHICLE SAFETY RESPONSIBILITY ACT. THE CONSEQUENCES OF VIOLATING THE  
31 MOTOR VEHICLE SAFETY RESPONSIBILITY ACT MAY INCLUDE A FINE, IMPOUNDMENT OF  
32 THE VEHICLE OR VEHICLE'S LICENSE PLATE, SUSPENSION OF DRIVING PRIVILEGES AND  
33 ALL VEHICLE REGISTRATIONS OF THE VEHICLE OWNER, AND CANCELLATION OF THE  
34 INSURANCE POLICY.”

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36 SECTION 9. Arkansas Code § 27-22-107(b), concerning reports given to

1 the Revenue Division of the Department of Finance and Administration to  
2 compile the vehicle insurance database, is amended to read as follows:

3 (b) The reports ~~may~~ shall include:

4 (1) The name, date of birth, driver's license number of each  
5 insured owner or operator, and the address of the named insured;

6 (2) The make, year, and vehicle identification number of each  
7 insured vehicle; and

8 (3) The policy number, effective date, name of each driver  
9 excluded from coverage, and expiration date of each policy.

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11 SECTION 10. EFFECTIVE DATE. This act takes effect January 1, 2008.

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13 /s/ J. Jeffress  
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