

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 87th General Assembly
3 Regular Session, 2009
4

A Bill

SENATE BILL 357

5 By: Senator Bookout
6 By: Representative Hawkins
7
8

For An Act To Be Entitled

9
10 AN ACT TO ALLOW UPON CERTAIN CONDITIONS A VENDOR
11 CHOSEN BY THE DIRECTOR OF THE DEPARTMENT OF
12 FINANCE AND ADMINISTRATION TO REPORT MOTOR
13 VEHICLE INSURANCE POLICIES AND POLICY
14 CANCELLATIONS IN LIEU OF THE REPORTING
15 REQUIREMENTS FOR INSURANCE COMPANIES; AND FOR
16 OTHER PURPOSES.
17

Subtitle

18
19 TO ALLOW UPON CERTAIN CONDITIONS A
20 VENDOR TO REPORT MOTOR VEHICLE INSURANCE
21 POLICIES AND POLICY CANCELLATIONS.
22
23

24 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
25

26 SECTION 1. Arkansas Code § 12-12-211(e), concerning the Arkansas Crime
27 Information Center and access to records, is amended to read as follows:

28 (e) The center shall provide access to the insurance verification
29 database that contains the information provided to the Department of Finance
30 and Administration or to a vendor designated by the Department of Finance and
31 Administration under § 27-22-107 to law enforcement officers during the
32 course of traffic stops.
33

34 SECTION 2. Arkansas Code § 27-22-107(a) is amended to read as follows:

35 (a) (1) ~~Beginning January 1, 1998, each~~ Each insurance company
36 providing motor vehicle liability insurance coverage required under § 27-22-



1 104(a) ~~shall, before the seventh day of each calendar month,~~ shall provide
2 before the seventh day of each calendar month to the Revenue Division of the
3 Department of Finance and Administration a record of each motor vehicle
4 insurance policy in effect as of the previous month that was issued by the
5 insurance company. The reports shall be provided to the division through any
6 means of electronic or ~~electro-magnetic~~ electromagnetic medium available to
7 and approved by the department, unless the insurance company qualifies for an
8 exception to this electronics reporting requirement as a result of being a
9 small or low-volume insurer as may otherwise be provided for under
10 regulations promulgated by the Department of Finance and Administration.

11 (2)(A) The Director of the Department of Finance and
12 Administration may choose a vendor to provide the report under subdivision
13 (a)(1) of this section in lieu of the insurance company when there are two
14 (2) or more vendors that demonstrate to the department the ability to:

15 (i) Accept from the insurance company in real-time
16 each motor vehicle insurance policy issued and in effect and each motor
17 vehicle insurance policy cancelled; and

18 (ii) Notify the department in real-time of each
19 motor vehicle insurance policy issued and in effect and each motor vehicle
20 insurance policy cancelled.

21 (B) The department shall notify each insurance company in
22 writing of the chosen vendor. After receiving notice of the chosen vendor,
23 the insurance company may elect to:

24 (i) Report in real-time directly to the chosen
25 vendor a record of each motor vehicle insurance policy issued and in effect
26 and each motor vehicle insurance policy cancelled; or

27 (ii) Continue to report directly to the division as
28 provided in subdivision (a)(1) of this section.

29 (C) If the director certifies that seventy percent (70%)
30 or more of the motor vehicle insurance policies in effect on a specific date
31 are being reported to the chosen vendor rather than to the department, the
32 reporting options provided in subdivision (a)(2)(B) of this section expire
33 and each insurance company shall report directly to the chosen vendor as
34 provided in subdivision (a)(2)(B)(i) of this section.

35 (D) The department shall select a vendor under the
36 Arkansas Procurement Law § 19-11-201 et seq.