

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

As Engrossed: S3/2/09
A Bill

SENATE BILL 357

5 By: Senator Bookout
6 By: Representative Hawkins
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9 **For An Act To Be Entitled**

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
18 **Subtitle**

19 TO ALLOW UPON CERTAIN CONDITIONS A
20 VENDOR TO REPORT MOTOR VEHICLE INSURANCE
21 POLICIES AND POLICY CANCELLATIONS.
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24 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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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 an online insurance
13 verification system which will comply with the industry standards as
14 recommended by the Insurance Industry Committee for Motor Vehicle
15 Administration (IICMVA) when there are two or more vendors that demonstrate
16 to the department the ability to meet the IICMVA standard.

17 (i) The department shall notify each insurance company in
18 writing of the chosen vendor. If the insurance company elects to participate
19 in the online insurance verification system that complies with the industry
20 standards, the company may then work with the vendor and the department on an
21 agreeable schedule to convert to the new system.

22 (ii) If an insurance company elects to participate in the
23 online insurance verification system, then the insurance company will be
24 exempt from providing the report before the seventh (7th) day of each calendar
25 month as the department and law enforcement will be able to obtain data
26 online in real time.

27 (B) If the director certifies that seventy percent (70%) or more
28 of the motor vehicle insurance policies in effect on a specific date are
29 being accessed according to the industry standards in the online insurance
30 verification system, each insurance company shall provide access to the data
31 through the online insurance verification system.

32 (C) At the discretion of the department, rules and regulations
33 may be established to offer insurers who write fewer policies an alternative
34 method for reporting insurance policy data.

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

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/s/ Bookout