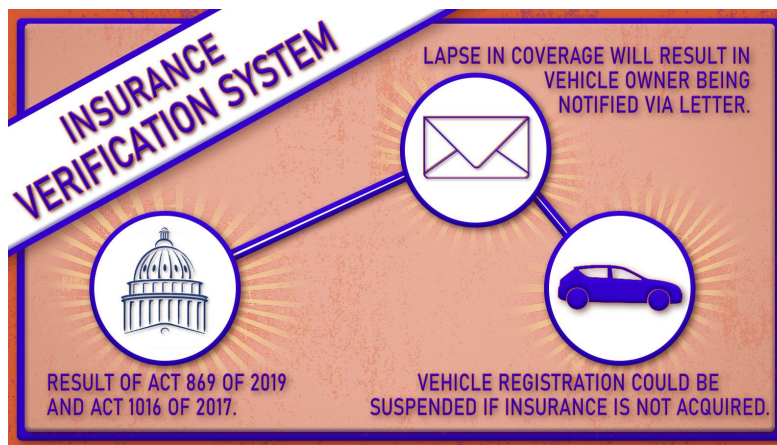




Arkansas House Newsletter

January 3, 2020

New Law Addressing Uninsured Motorists



One of the new laws which took effect this week may reduce the number of uninsured motorists on Arkansas highways.

Nationwide, it is estimated that 1 in 8 drivers do not have insurance. In Arkansas, the uninsured motorist rate has been higher than that national average in recent years. The latest numbers show close to 16% of drivers on our roads may be uninsured. Arkansas State Police write more than 10,000 citations a year for failing to provide proof of insurance.

Legislators along with law enforcement and insurance companies worked for two years to implement a system to address this problem.

The result is the implementation of a real-time insurance verification program. It was created by Act 1016 of 2017. The fees and dates of implementation were created by Act 869 of 2019. It went into effect on January 1, 2020.

The system allows law enforcement real-time data when they run a license plate. It will tell officers if the car is currently insured or if a policy has lapsed.

In addition, it will also result in letters being issued to any Arkansan (with a registered vehicle) if they allow any lapse in insurance coverage. As soon as the system is alerted to the lapse, the owner will be issued a \$100 fine for the lapse in coverage along with a letter notifying them of this. If the fine and proof of insurance are not provided within a certain time frame (normally 30 days), the vehicle's registration will be permanently suspended until the fine is paid and coverage confirmed.

When a similar system was implemented in Alabama, the rates of uninsured motorists on the road dropped from more than 20% to 13%.

This is just one of several laws which took effect this week. You can find a list of other laws on our website www.arkansashouse.org.