



**ARKANSAS INSURANCE DEPARTMENT
LEGAL DIVISION**

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BULLETIN 7-99

DATE: July 20, 1999

TO: ALL LICENSED PROPERTY AND CASUALTY INSURERS; SURPLUS
LINES INSURERS; TRADE ASSOCIATIONS

FROM: ARKANSAS INSURANCE DEPARTMENT

SUBJECT: WATERCRAFT LIABILITY

Act 468 of 1999 mandates those motorboats of more than fifty horsepower (50 HP) and personal watercraft be covered by an insurance policy that provides at least fifty thousand dollars (\$50,000) of liability insurance per occurrence. The effective date for this legislation is July 30, 1999. Existing policies with limits less than \$50,000 will be deemed to comply with the Act on and after the effective date.

If split limits are utilized for compliance with Act 468, those limits must provide at least \$50,000 per person and \$50,000 for property damage.

Insurers are responsible for supplying evidence of coverage. Since the law requires that evidence of coverage be maintained in the watercraft, it might be helpful if the paper on which the evidence of coverage was provided was somewhat water-resistant. The Department will not be developing a specific form for use by insurers in response to the Act. Because enforcement by the Game and Fish Commission and Coast Guard will begin on July 31, 1999, it is important that you provide evidence of coverage to your insureds as quickly as possible.

For further information, please contact Lenita Blasingame, Director and/or Alexa Grissom, Senior Analyst, Property and Casualty Division, (501) 371-2800. Our e-mail address is: aid.pc@mail.state.ar.us

MIKE PICKENS
INSURANCE COMMISSIONER