

1 State of Arkansas As Engrossed: H1/27/25 H1/30/25

2 95th General Assembly

A Bill

3 Regular Session, 2025

HOUSE BILL 1193

4

5 By: Representative Cavanaugh

6 By: Senator B. Johnson

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For An Act To Be Entitled

9 AN ACT TO REQUIRE AN INSURER TO INCLUDE A LIENHOLDER
10 ON PAYMENTS MADE UNDER AN INSURANCE POLICY; AND FOR
11 OTHER PURPOSES.

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Subtitle

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16 TO REQUIRE AN INSURER TO INCLUDE A
17 LIENHOLDER ON PAYMENTS MADE UNDER AN
18 INSURANCE POLICY.

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19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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21 SECTION 1. Arkansas Code Title 23, Chapter 89, Subchapter 2, is
22 amended to add an additional section to read as follows:

23 23-89-218. Lienholder included on payment of insurance proceeds.

24 (a) If an insured or third-party claimant makes a demand or files a
25 claim for damages to a motor vehicle, either with an insurer or in a court of
26 law, and there is a perfected lienholder for an automobile loan on the motor
27 vehicle, the motor vehicle liability insurer shall tender payment in the name
28 of the insured or third-party claimant and the lienholder.

29 (b) This section applies only to a lienholder that has a physical
30 location in this state.

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/s/Cavanaugh

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