

1 State of Arkansas  
2 95th General Assembly  
3 Regular Session, 2025  
4

# A Bill

HOUSE BILL 1811

5 By: Representative Steimel  
6 By: Senator B. Johnson  
7

## For An Act To Be Entitled

8 AN ACT TO AMEND PROPERTY AND CASUALTY LAW; TO REQUIRE  
9 REASONABLE PROOF OF PAYMENT OF A DEDUCTIBLE TO RECOUP  
10 RECOVERABLE DEPRECIATION UNDER PROPERTY AND CASUALTY  
11 LAW; AND FOR OTHER PURPOSES.  
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## Subtitle

15 TO AMEND PROPERTY AND CASUALTY LAW; AND  
16 TO REQUIRE REASONABLE PROOF OF PAYMENT  
17 OF A DEDUCTIBLE TO RECOUP RECOVERABLE  
18 DEPRECIATION UNDER PROPERTY AND CASUALTY  
19 LAW.  
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22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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24 SECTION 1. Arkansas Code Title 23, Chapter 88, Subchapter 1, is  
25 amended to add an additional section to read as follows:

26 23-88-107. Reasonable proof of payment for deductible – Recoverable  
27 depreciation – Definitions.

28 (a) As used in this section:

29 (1) "Fraudulent insurance act" means the same as defined in §  
30 23-66-501;

31 (2) "Person" means an individual, corporation, association,  
32 partnership, limited liability company, or other legal entity;

33 (3) "Property insurance policy" means an insurance policy issued  
34 by a property and casualty insurer that provides first-party coverage for  
35 loss or damage to real property; and

36 (4)(A) "Reasonable proof of payment" means evidence of payment.



(B) "Reasonable proof of payment" includes:

(i) A canceled check;

(ii) A money order receipt;

(iii) A credit card statement;

(iv) A copy of an executed installment plan

contract; or

(v) Another financing arrangement that requires full payment of a deductible over time.

(b)(1) A person insured under a property insurance policy shall pay any deductible applicable to a first-party claim made under the property insurance policy.

(2) A person that fails to pay a deductible applicable to a first-party claim under subdivision (b)(1) of this section is committing a fraudulent insurance act.

(c) A person that waives a deductible, provides a rebate in lieu of a deductible, or otherwise does not require a deductible to be paid under a property insurance policy is committing a fraudulent insurance act.

(d) A property and casualty insurer that issues a property insurance policy with replacement cost coverage may refuse to pay a claim for withheld recoverable depreciation or a replacement cost holdback under the property insurance policy until the insurer receives reasonable proof of payment by the policyholder of any deductible applicable to the claim filed under the property insurance policy.

(e) A person that violates this section is subject to the Trade Practices Act, § 23-66-201 et seq.