

State of Arkansas  
95th General Assembly  
Regular Session, 2025

## A Bill

HOUSE BILL 1811

By: Representative Steimel  
By: Senator B. Johnson

Filed with: House Committee on Insurance and Commerce  
pursuant to A.C.A. §10-3-217.

### For An Act To Be Entitled

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

### Subtitle

TO AMEND PROPERTY AND CASUALTY LAW; AND  
TO REQUIRE REASONABLE PROOF OF PAYMENT  
OF A DEDUCTIBLE TO RECOUP RECOVERABLE  
DEPRECIATION UNDER PROPERTY AND CASUALTY  
LAW.

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

SECTION 1. Arkansas Code Title 23, Chapter 88, Subchapter 1, is  
amended to add an additional section to read as follows:

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

(a) As used in this section:

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

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

(3) "Property insurance policy" means an insurance policy issued

1 by a property and casualty insurer that provides first-party coverage for  
2 loss or damage to real property; and

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

4 (B) "Reasonable proof of payment" includes:

5 (i) A canceled check;

6 (ii) A money order receipt;

7 (iii) A credit card statement;

8 (iv) A copy of an executed installment plan

9 contract; or

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

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

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

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

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

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

31 Referred requested by the Arkansas House of Representatives

32 Prepared by: ANS/AMS