

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

As Engrossed: H1/27/25

A Bill

HOUSE BILL 1193

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

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.
12
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Subtitle

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

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 If an insured or third-party claimant makes a demand or files a claim
25 for damages to a motor vehicle, either with an insurer or in a court of law,
26 and there is an outstanding lien or encumbrance on the motor vehicle, the
27 motor vehicle liability insurer shall tender payment in the name of the
28 insured or third-party claimant and the lienholder.
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30 /s/Cavanaugh
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