

As Engrossed: 2/21/91

1 **State of Arkansas**
2 **78th General Assembly**
3 **Regular Session, 1991**
4 **By: Representative Hawkins**

A BILL ACT 394 OF 1991
HOUSE BILL 1499

For An Act To Be Entitled

8 "AN ACT TO AMEND ARKANSAS CODE 27-19-713(1) RELATING TO
9 COVERAGE UNDER MOTOR VEHICLE LIABILITY INSURANCE; AND FOR
10 OTHER PURPOSES."

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

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14 SECTION 1. Arkansas Code 27-19-713(1) is hereby amended to read as
15 follows:

16 "(1) EXTENSION OF COVERAGE. Every motor vehicle liability insurance
17 policy and every motor vehicle physical damage insurance policy insuring a
18 motor vehicle licensed in this state shall extend their liability and physical
19 damage coverages to include any other motor vehicle operated by the insured
20 individual if the other motor vehicle is loaned by a *duly licensed automobile*
21 *dealer* as a temporary substitute, with or without compensation, to the insured
22 individual for use as a *temporary substitute* vehicle while the insured's
23 vehicle is out of use because of *breakdown, repair, or servicing*. *Provided,*
24 *however, coverage shall extend to such loaned vehicle only to the extent of*
25 *the coverage provided, if any, to the automobile being repaired or serviced.*
26 *Such extensions of liability and physical damage coverages are primary."*

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28 SECTION 2. All provisions of this act of a general and permanent nature
29 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
30 Revision Commission shall incorporate the same in the Code.

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32 SECTION 3. If any provision of this act or the application thereof to
33 any person or circumstance is held invalid, such invalidity shall not affect
34 other provisions or applications of the act which can be given effect without
35 the invalid provision or application, and to this end the provisions of this
36 act are declared to be severable.

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SECTION 4. All laws and parts of laws in conflict with this act are hereby repealed.

/s/ Bruce Hawkins

APPROVED: 3-7-91