

As Engrossed: 4/8/93

1 **State of Arkansas**
2 **79th General Assembly**
3 **Regular Session, 1993**
4 **By: Representative Hawkins**

A Bill

ACT 1252 OF 1993
HOUSE BILL 1741

For An Act To Be Entitled

8 "AN ACT TO AMEND ARKANSAS CODE 27-19-713 TO EXTEND
9 COVERAGE OF MOTOR VEHICLE INSURANCE POLICIES TO MOTOR
10 VEHICLES LOANED TO THE INSURED; AND FOR OTHER PURPOSES."

Subtitle

13 "TO EXTEND COVERAGE OF MOTOR VEHICLE POLICIES TO MOTOR
14 VEHICLES LOANED TO THE INSURED."

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

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

19 "(1) Extension of Coverage. Every motor vehicle liability insurance
20 policy, every motor vehicle physical damage insurance policy, every motor
21 vehicle uninsured and underinsured motorist insurance policy, and every motor
22 vehicle insurance policy covering death or bodily injury insuring a motor
23 vehicle licensed in this state and/or the occupants of the motor vehicle shall
24 extend their liability, physical damage, uninsured and underinsured motorist
25 and death or bodily injury coverages to include any other motor vehicle
26 operated by the insured individual and its occupants if the other motor
27 vehicle is loaned by a duly licensed automobile dealer as a temporary
28 substitute, with or without compensation, to the insured individual for use as
29 a temporary substitute vehicle while the insured's vehicle is out of use
30 because of breakdown, repair, or servicing or if the other motor vehicle is
31 loaned by a duly licensed automobile dealer for use as a demonstrator vehicle.
32 Provided, however, coverage shall extend to such loaned or demonstrator
33 vehicle only to the extent of the coverage provided, if any, to the automobile
34 being repaired or serviced. Such extensions of liability, physical damage,
35 uninsured and underinsured motorist and death or bodily injury coverages are
36 primary."

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

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

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

/s/Rep. Hawkins

APPROVED: 4/20/93

