

1 State of Arkansas  
2 80th General Assembly  
3 Regular Session, 1995  
4 By: Representative Vess

# A Bill

HOUSE BILL 2138

## For An Act To Be Entitled

"AN ACT TO AMEND A.C.A. § 16-61-112 TO ALLOW AN ASSIGNEE  
OF A BAD FAITH CLAIM TO MAINTAIN THE CLAIM UNDER LIMITED  
CIRCUMSTANCES; AND FOR OTHER PURPOSES."

## Subtitle

"TO ALLOW AN ASSIGNEE OF A BAD FAITH  
CLAIM TO MAINTAIN THE CLAIM UNDER  
LIMITED CIRCUMSTANCES."

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

SECTION 1. Arkansas Code Annotated §16-61-112 is amended by adding the following new subsection:

"(c) Where the subject of the assignment is a claim in bad faith by an insured assignor against his insurer, and the assignee holds a judgment in excess of the insured\_s policy limits that gave rise to the insured\_s claim of bad faith, the assignee may maintain the assigned claim in the same manner as other assignments authorized by statute."

SECTION 2. Saving Clause. Nothing herein shall be deemed to affect any rights or obligations existing at the time of the effective date of this act.

SECTION 3. 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 4. If any provision of this act or the application thereof to

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

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6       SECTION 5. All laws and parts of laws in conflict with this act are  
7 hereby repealed.

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