

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas
2 85th General Assembly
3 Regular Session, 2005
4

As Engrossed: H1/20/05

A Bill

HOUSE BILL 1076

5 By: Representative Thyer
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For An Act To Be Entitled

9 AN ACT TO PROHIBIT A TORTFEASOR'S INSURANCE
10 CARRIER FROM CONDITIONING SETTLEMENT OF A
11 JUDGMENT OR CLAIM UPON ISSUING ITS CHECK JOINTLY
12 TO THE INJURED PARTY AND *THE INJURED PARTY'S*
13 INSURANCE CARRIER; AND FOR OTHER PURPOSES.
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Subtitle

15 TO PROHIBIT A TORTFEASOR'S INSURANCE
16 CARRIER FROM CONDITIONING SETTLEMENT OF
17 A JUDGMENT OR CLAIM UPON ISSUING ITS
18 CHECK JOINTLY TO THE INJURED PARTY AND
19 *THE INJURED PARTY'S* INSURANCE CARRIER.
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23 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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25 SECTION 1. Arkansas Code § 23-89-207 is amended to read as follows:
26 23-89-207. Insurer's right of reimbursement.

27 (a) Whenever a recipient of benefits under § 23-89-202(1) and (2)
28 recovers in tort for injury, either by settlement or judgment, the insurer
29 paying the benefits has a right of reimbursement and credit out of the tort
30 recovery or settlement, less the cost of collection, as defined.

31 (b) All cost of collection thereof shall be assessed against the
32 insurer and insured in the proportion each benefits from the recovery.

33 (c) The insurer shall have a lien upon the recovery to the extent of
34 its benefit payments.

35 (d)(1) The insurer for the party who is liable in damages to the
36 injured party shall not condition settlement or payment of a judgment in



1 favor of the injured party upon issuing its check jointly to the injured
2 party and the injured party's insurance company provided that the injured
3 party or his or her legal representative certifies in writing to the insurer
4 for the party who is liable in damages to the injured party that all valid
5 claims against the recovery or settlement will be honored.

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7 /s/ Thyer
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