



Hugh McDonald
SECRETARY OF COMMERCE

Alan McClain
COMMISSIONER,
ARKANSAS INSURANCE
DEPARTMENT

March 21, 2025

BULLETIN NO. 06-2025

TO: ALL INSURANCE CARRIERS AND ALL LICENSED PRODUCERS AND ADJUSTERS DOING BUSINESS IN THIS STATE, ANY OTHER INTERESTED PARTIES

FROM: ARKANSAS INSURANCE DEPARTMENT

SUBJECT: SEVERE STORMS AND TORNADOS ON OR ABOUT MARCH 14, 2025

The Arkansas Insurance Department is issuing this Bulletin to assist consumers, individuals, and entities it regulates as they deal with urgent needs caused by the severe weather causing property damage in Arkansas on or about March 14, 2025.

MORATORIUM AGAINST CANCELLATION AND NON-RENEWAL

On March 15, 2025, Governor Sanders declared a state of emergency with the issuance of DR 25-03: Emergency Declaration for Severe Storms and Tornadoes on or about March 14, 2025. This severe weather has disrupted the lives of many Arkansans through loss of life, physical injury, severe damage, evacuations, and the loss of basic services.

To assist Arkansas residents struggling to overcome these obstacles, the Arkansas Insurance Department is hereby issuing a sixty (60) day moratorium on the cancellation and non-renewal of personal lines policies for the non-payment of premiums for Arkansans.

This moratorium shall apply to all insurance policies issued which cover risks in adversely impacted areas.

This moratorium extension is not automatic. To be eligible for the 60-day moratorium, interested policyholders must request this extension from their insurance carriers and must have suffered significant property damage, injuries, or related loss of life as a result of the severe storms occurring on or about March 14, 2025. Insurers are encouraged to contact their policyholders in the affected areas and work with them in providing relief under this moratorium. The 60-day moratorium period, where requested by the policyholder, shall be effective beginning on the date of the issuance of the Proclamation to Declare a State of Emergency in Arkansas.

Policyholders are advised that this moratorium is not a waiver; it is only an extension or grace period in which to pay premiums. Insurers are directed to work with affected policyholders in paying the premiums that become due during the moratorium period by either allowing a payment plan or a further extension of the due date for the amount in full.

This moratorium applies only to cancellation or non-renewals attributed to a failure to pay premiums during the applicable 60-day period.

If a policy is to be cancelled or non-renewed for any other allowable reason, the cancellation or non-renewal may be made pursuant to statutory notice requirements and for legally recognized reasons.

The Department requests that insurance companies take into consideration that persons in the areas affected may be unable to receive a notice of cancellation or non-renewal due to evacuation or delayed postal and electronic delivery service in those areas.

For those policies with an automatic bank draft/electronic funds transfer arrangement, the Department is aware that the policyholder must contact their financial institution for these payments to cease. Therefore, the insurance company may continue deducting those premiums unless the policyholder contacts the insurance company, requests that such temporarily cease, and the policyholder contacts their financial institution and requests that this arrangement temporarily cease.

PUBLIC ADJUSTING PROHIBITED

The Department also reiterates that unlicensed public adjusting is illegal in the State of Arkansas. In the aftermath of a catastrophic event in the state, insurance companies assign adjusters to process claims. Any instance of a person or entity operating without an adjuster's license issued by the Department, or employed by insurer, or seeking compensation from an insured for providing the insured adjusting services who is not a licensed attorney should be reported to the Arkansas Supreme Court Committee on the Unauthorized Practice of Law at 501-376-0313.

Any questions regarding this Bulletin should be directed to insurance.consumers@arkansas.gov at the Arkansas Insurance Department or by phone at 501-371-2600.



ALAN MCCLAIN
INSURANCE COMMISSIONER
STATE OF ARKANSAS

3/21/25
DATE