

Stricken language would be deleted from and underlined language would be added to present law.
Act 592 of the Regular Session

State of Arkansas
89th General Assembly
Regular Session, 2013

As Engrossed: H3/20/13
A Bill

HOUSE BILL 2043

By: Representative Linck

For An Act To Be Entitled

AN ACT CONCERNING THE PROCEDURES FOR OBTAINING OR
CANCELING THE TITLE TO A MOBILE HOME OR MANUFACTURED
HOME; AND FOR OTHER PURPOSES.

Subtitle

CONCERNING THE PROCEDURES FOR OBTAINING
OR CANCELING THE TITLE TO A MOBILE HOME
OR MANUFACTURED HOME.

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

SECTION 1. Arkansas Code § 27-14-1602 is amended to read as follows:
27-14-1602. Registration – Fee.

(a) An owner of a manufactured home or a mobile home shall be permitted to register the manufactured home or mobile home with the Office of Motor Vehicle for the purpose of receiving a certificate of title to the home or for any other purpose.

(b) ~~The registration~~ A certificate of title shall be issued upon the payment of a registration fee of twenty-six dollars (\$26.00) and a title fee of ten dollars (\$10.00).

SECTION 2. Arkansas Code § 27-14-1603 is amended to read as follows:
27-14-1603. Cancellation of title.

(a) If a manufactured home or a mobile home is to be affixed to real estate, the manufacturer's certificate of origin or the original document of title may be surrendered to the Department of Finance and Administration for cancellation.



(b) The Department of Finance and Administration shall cancel a certificate of origin or the original document of title to a manufactured home or mobile home upon receipt of:

(1) The original manufacturer's certificate of origin or the original document of title showing an assignment of the manufactured home or mobile home to the party that will affix the manufactured home or mobile home to the real estate;

(2) An application for cancellation of the manufacturer's certificate of origin or the original document of title; and

(3)(A) A copy of an affidavit of affixation to be recorded under § 14-15-402 in the county in which the manufactured home or mobile home is to be affixed.

(B) The affidavit of affixation shall include:

(i) The name of the manufacturer, the make, the model name, the model year, the dimensions, and the manufacturer's serial number of the manufactured home or mobile home;

(ii) A statement that the party executing the affidavit of affixation is:

(a) The owner of the real estate described in the affidavit of affixation; or

(b) Authorized by the owner of the real estate described in the affidavit to execute the affidavit of affixation on the owner's behalf;

(iii) The street address and the legal description of the real estate to which the manufactured home or mobile home is or shall be permanently affixed; and

(iv) One (1) of the following statements and applicable information:

(a) If the manufactured home or mobile home is subject to a security interest or lien:

(1) The name and address of each party holding a security interest or lien whether shown on a certificate of title issued by the department or otherwise perfected;

(2) The original principal amount secured by each security interest or lien; and

(3) A statement that each security

interest or lien shall be released that attaches proof of the commitment to release the security interest or lien executed by the holder of the security interest or lien; or

(b) A statement that if a security interest or lien on the manufactured home or mobile home previously existed, the security interest or lien has been released that attaches proof of the release executed by the holder of the security interest or lien.

(c) The department shall also cancel an existing title or manufacturer's certificate of origin to any home to be affixed to real estate if the owner affixing the home:

(1) Presents a court order directing the department to issue a title for cancellation, an application for cancellation of title or manufacturer's certificate of origin, and a copy of an affidavit of affixation to be recorded under § 14-15-402 in the county in which the home is to be affixed; or

(2) Follows the bonded title procedure of this state under § 27-14-409(c) and submits an application for cancellation of title or manufacturer's certificate of origin and a copy of an affidavit of affixation to be recorded under § 14-15-402 in the county in which the home is to be affixed.

~~(b)(1)(d) The Director of the Department of Finance and Administration may require the filing of pertinent information for the cancellation of manufactured home titles or mobile home titles.~~

~~(2) The director shall have the authority to may promulgate rules and regulations to establish a procedure for the cancellation of manufactured home titles or mobile home titles to administer this section.~~

SECTION 3. Arkansas Code Title 27, Chapter 14, Subchapter 16, is amended to add a new section to read as follows:

27-14-1604. Issuance of new title in the event of severance.

(a) As used in this section:

(1) "Lender applicant" means an individual or entity that intends to sever a manufactured home or mobile home from the real estate to which it is affixed and is a lender that holds a lien, security interest, or encumbrance against the manufactured home or mobile home for which a title has been cancelled under § 27-14-1603; and

(2) "Owner applicant" means an individual or entity that intends to sever a manufactured home or mobile home from the real estate to which it is affixed and is the owner or purchaser of the manufactured home or mobile home.

(b) The Department of Finance and Administration shall issue a new certificate of title for a manufactured home or mobile home to be severed from the real estate to which it is affixed upon receipt of the following from a lender applicant or an owner applicant:

(1) A completed application for title accompanied by payment of a registration fee of twenty-six dollars (\$26.00) and a title fee of ten dollars (\$10.00);

(2) Proof of payment of the current year's property taxes, if any;

(3) The following information:

(A) A statement from:

(i) The owner applicant that there are no liens, security interests, or encumbrances upon the manufactured home or mobile home; or

(ii) The lender applicant that there are no liens, security interests, or encumbrances upon the manufactured home or mobile home other than that of the lender applicant; and

(B) A statement from an attorney licensed to practice law in Arkansas or a title insurance agent licensed in Arkansas that the manufactured home or mobile home is free and clear of, or has been released from, all recorded liens, security interests, or encumbrances other than that of a lender applicant;

(4)(A) A copy of an affidavit of severance to be recorded under § 14-15-402 in the county in which the manufactured home or mobile home was affixed.

(B) The affidavit of severance shall include the name, residence, and mailing address of the applicant and a description of the manufactured home or mobile home, including without limitation the name of the manufacturer, make, model name, model year, dimensions, and the manufacturer's serial number of the manufactured home or mobile home; and

(5) Relevant supporting documents and recording information concerning a lien, security interest, or encumbrance upon the manufactured

home or mobile home if requested by the department.

(c) The department shall record the lien of a lender applicant on the certificate of title to be issued under this section upon receipt of a copy of the instrument creating and evidencing the lien as required under § 27-14-802.

(d) The department shall also issue a new certificate of title for a manufactured home or mobile home to be severed from the real estate to which it is affixed if the applicant:

(1) Presents a court order directing the department to issue a new title and submits an application for issuance of a new certificate of title or manufacturer's certificate of origin and a copy of an affidavit of severance to be recorded under § 14-15-402 in the county in which the manufactured home or mobile home is to be affixed; or

(2) Follows the bonded title procedure under § 27-14-409(c), and submits an application for cancellation of title or manufacturer's certificate of origin and a copy of an affidavit of affixation to be recorded under § 14-15-402 in the county in which the manufactured home or mobile home is to be affixed.

(e) The Director of the Department of Finance and Administration may promulgate rules to implement and administer this section.

/s/Linck

APPROVED: 04/02/2013