

Stricken language would be deleted from and underlined language would be added to present law.

State of Arkansas
89th General Assembly
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As Engrossed: H4/2/13 H4/5/13
A Bill

HOUSE BILL 2205

By: Representative Payton

For An Act To Be Entitled

AN ACT TO AMEND THE UNIFORM MOTOR VEHICLE
ADMINISTRATION, CERTIFICATE OF TITLE, AND ANTITHEFT
ACT, ARKANSAS CODE § 27-14-101 ET SEQ.; AND FOR OTHER
PURPOSES.

Subtitle

TO AMEND THE UNIFORM MOTOR VEHICLE
ADMINISTRATION, CERTIFICATE OF TITLE, AND
ANTITHEFT ACT, ARKANSAS CODE § 27-14-101
ET SEQ.

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

SECTION 1. Arkansas Code § 27-14-2301(6) and (7), concerning the definitions used in disclosure of damage and repair on a certificate of title, is amended to read as follows:

(6)(A) "Salvage vehicle" means a motor vehicle that is:

~~(A)(i) Water-damaged~~ Is water-damaged; or

~~(B)(ii) Sustains any other~~ Has sustained damage in an amount equal to or exceeding totaling at least four thousand dollars (\$4,000) and at least seventy percent (70%) of its average retail value as determined under criteria established by rule of the Office of Motor Vehicle listed in the current southwestern regional NADA Official Used Car Guide.

(B) A motor vehicle that has damage of at least one hundred twenty percent (120%) of its average retail value as listed in the current southwestern regional NADA Official Used Car Guide is considered a parts-only salvage vehicle for tax purposes; and



(7) ~~“Water-damaged” means damage to a motor vehicle caused by submerging or partially submerging the vehicle in water to the extent that the vehicle was submerged or partially submerged at any water level above the dashboard of the vehicle, regardless of the actual dollar amount of the damage~~ a motor vehicle damaged by water that:

(A) Saturated or contaminated an electronic or electrical system necessary for the safe and reliable operation of the motor vehicle; or

(B) Rose to the point that it covered the sill and entered the passenger compartment.

SECTION 2. Arkansas Code § 27-14-2302(a)(3), concerning the issuance of a damage or salvage certificate of title, is amended to read as follows:

~~(3) If a person other than an insurer owns a~~ The owner of a salvage vehicle for which a salvage vehicle title has not been issued, the owner shall may:

(A) surrender the certificate of title for the salvage vehicle to the office within thirty (30) days following the date that the motor vehicle became a salvage vehicle Assign the certificate of title to a person licensed under § 27-14-2001 if that person surrenders the certificate of title for the salvage vehicle to the office within thirty (30) days after assignment of the salvage vehicle and obtains a salvage vehicle title under this section; or

(B) Retain the salvage vehicle if the owner:

(i) Surrenders the certificate of title for the salvage vehicle to the office within thirty (30) days after the date that the motor vehicle became a salvage vehicle; and

(ii) Obtains a salvage vehicle title under this section.

SECTION 3. Arkansas Code § 27-14-2302(g)(1), concerning the issuance of a damage or salvage certificate of title, is amended to read as follows:

(g)(1) If an insurer has the responsibility under this subchapter to surrender the certificate of title on a salvage vehicle for which it has taken title or to notify the office that a motor vehicle is a salvage vehicle, prior salvage vehicle, or “parts only” vehicle, the insurer or a person licensed under § 27-14-2001 may delegate its responsibility to

surrender the certificate of title or to notify the office to:

(A) a A servicing organization; or

(B) ~~to~~ a A buyer of the salvage vehicle from the insurer if the buyer is licensed under § 27-14-2001 as a dealer or wrecker.

SECTION 4 Arkansas Code § 27-14-2302(h)(2), concerning the issuance of a damage or salvage certificate of title, is repealed.

~~(2) An owner under this subsection may be an insurer that owns the salvage vehicle.~~

SECTION 5. Arkansas Code § 27-14-2302, concerning the issuance of a damage or salvage certificate of title, is amended to add an additional subsection to read as follows:

(i) An owner under this section includes an insurer that owns the salvage vehicle.

SECTION 6. Arkansas Code § 27-14-2305, concerning the applicability of Subchapter 23 for the disclosure of damage and repair on a certificate of title to motor vehicles, is amended to read as follows:

27-14-2305. Applicability of subchapter.

~~(a) The provisions of this subchapter shall not apply to motor vehicles more than seven (7) model years old prior to the calendar year of the occurrence.~~

~~(b) Any A title that is branded pursuant to under this subchapter shall retain the brand on the title for the life of the vehicle.~~

/s/Payton