

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 84th General Assembly
3 Regular Session, 2003
4

As Engrossed: H3/27/03

A Bill

HOUSE BILL 2707

5 By: Representatives House, Parks
6 By: Senator Baker
7
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For An Act To Be Entitled

10 AN ACT TO AMEND ARKANSAS CODE TITLE 23, CHAPTER
11 112, SUBCHAPTER 6 TO ADD A SECTION TO REQUIRE AN
12 *OUT-OF-STATE PURCHASER* AT A SALVAGE AUCTION TO
13 OBTAIN A BUYER'S IDENTIFICATION CARD AND TO LEVY
14 A FEE FOR THE BUYER'S IDENTIFICATION CARD FOR
15 OUT-OF-STATE PURCHASERS; AND FOR OTHER PURPOSES.
16

Subtitle

17 TO REQUIRE AN *OUT-OF-STATE PURCHASER* AT
18 SALVAGE AUCTIONS TO HAVE A BUYER'S
19 IDENTIFICATION CARD AND TO LEVY A FEE ON
20 OUT-OF-STATE BUYERS.
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24 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
25

26 SECTION 1. Arkansas Code § 23-112-602, concerning the definitions for
27 the subchapter applicable to license used car dealers, is amended to add an
28 additional subdivision to read as follows:

29 (12) "Salvage auction" means an auto auction that sells wrecked,
30 salvage, damaged, or water-damaged motor vehicles wholesale using an auction
31 format and that sells exclusively to licensed motor vehicle dealers.
32

33 SECTION 2. Arkansas Code Title 23, Chapter 112, Subchapter 6 is
34 amended to add two (2) additional sections to read as follows:

35 23-112-613. Salvage auction buyer's identification cards.

36 (a) On and after January 1, 2004, sales of motor vehicles at a salvage



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1 auction shall be open only to persons possessing a valid used motor vehicle
2 dealer license under § 23-112-607 or possessing an Arkansas car buyer's
3 identification card under this section.

4 (b)(1)(A) The car buyer's identification card authorizing persons to
5 bid or buy motor vehicles at a salvage auction shall be available to any
6 person, business, or corporation, or an employee thereof, that:

7 (i) Possesses a valid wrecker license under § 27-14-
8 2001 or is a licensed motor vehicle dealer from another state under §23-112-
9 614; and

10 (ii) Registers with the Department of Arkansas State
11 Police.

12 (B) Buyer's identification cards shall be issued by the
13 department on a form prescribed by the department and shall contain as a
14 minimum the name, address, driver's license number, any dealer's or wrecker's
15 license numbers, physical description, and signature of the applicant and the
16 name and address of the employer of the applicant.

17 (2) The department is to issue the buyer's identification card:

18 (A) At no charge to the cardholder if the cardholder is a
19 licensed wrecker under § 27-14-2001 and is an Arkansas resident wrecker; or

20 (B) At a fee not to exceed two hundred dollars (\$200) if
21 the cardholder is an out-of-state resident dealer, wrecker, or similarly
22 equivalent licensee.

23 (3) The buyer's identification card shall be renewable each year
24 for a fee of the same amount.

25 (4) The fees collected under this subsection shall be remitted
26 to the State Treasury, there to be deposited as special revenues to the
27 credit of the Department of Arkansas State Police Fund, to be used to offset
28 the administrative costs for issuance of the car buyer's identification card
29 under this section.

30 (c)(1) It shall be the duty of the owner, manager, or person in charge
31 of a salvage auction to:

32 (A) Prohibit the bidding by any person who does not
33 possess a valid Arkansas used motor vehicle dealer license or who does not
34 possess a buyer's identification card;

35 (B) Refuse to sell a motor vehicle to any person if the
36 person does not possess a valid Arkansas used motor vehicle dealer license or

1 does not possess a valid buyer's identification card; and

2 (C) Prohibit any person who intends to purchase without a
3 valid Arkansas used motor vehicle dealer license or a buyer's identification
4 card from being present at the salvage auction site during a sale, except
5 under subdivision (c)(2) of this section.

6 (2) Each buyer's identification cardholder or each licensed
7 Arkansas used motor vehicle dealer may be accompanied at the salvage auction
8 by anyone in accordance with that salvage auction's guidelines.

9 (d)(1) A buyer's identification card may be cancelled if the person
10 pleads guilty, nolo contendere, or is found guilty of:

11 (A) Unauthorized use of a vehicle;

12 (B) Theft of property or theft by receiving if a stolen
13 motor vehicle or stolen vehicle parts were involved; or

14 (C) Violating any provisions of this subchapter.

15 (2) A buyer's identification card issued to a licensed used
16 motor vehicle dealer or salesman or to a licensed wrecker may be cancelled if
17 the person's license is cancelled or if the license is no longer valid.

18 (e)(1) The owner, manager, or person in charge of a salvage auction
19 shall keep a register of all sales of motor vehicles for three (3) years from
20 the date of the sale.

21 (2) The sale transaction register shall show the make, model,
22 year, body style, vehicle identification number, the name and address of the
23 seller and buyer, and the buyer's identification card number or the Arkansas
24 used motor vehicle dealer's license number.

25 (3) The register shall be made available for inspection by law
26 enforcement officers of the state, county, or municipality during regular
27 business hours on business days at the salvage auction's business location.

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29 23-112-614. Dealers from other states.

30 Nothing in § 23-112-613 shall prohibit a car dealer from another state
31 from buying at a salvage auction in Arkansas if the state in which the dealer
32 is licensed extends the same privilege to an Arkansas licensed dealer and if
33 the out-of-state car dealer obtains a buyer's identification card as required
34 in § 23-112-613.

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36 */s/ House, et al*