

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 87th General Assembly
3 Regular Session, 2009
4

As Engrossed: S2/24/09

A Bill

SENATE BILL 431

5 By: Senator T. Smith
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For An Act To Be Entitled

9 AN ACT CONCERNING THE USE OF INSURANCE PROCEEDS
10 IN CONTRAVENTION OF A SECURITY AGREEMENT; AND FOR
11 OTHER PURPOSES.
12

Subtitle

14 CONCERNING THE USE OF INSURANCE PROCEEDS
15 IN CONTRAVENTION OF A SECURITY
16 AGREEMENT.
17
18

19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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21 SECTION 1. Arkansas Code § 5-37-203 is amended to read as follows:

22 5-37-203. Defrauding a secured creditor.

23 (a) A person commits the offense of defrauding a secured creditor if
24 he or she:

25 (1) ~~destroys~~ Destroys, removes, cancels, encumbers, transfers,
26 or otherwise disposes of property subject to a security interest with the
27 purpose to hinder enforcement of the security interest; or

28 (2) Uses motor vehicle insurance policy proceeds in excess of
29 one thousand dollars (\$1,000) obtained from a settlement of a property damage
30 claim on a motor vehicle subject to a security interest in contravention of
31 the security agreement that creates or provides for the security interest in
32 the motor vehicle.

33 (b) Defrauding a secured creditor is a Class D felony.
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35 SECTION 2. Arkansas Code Title 23, Chapter 89, Subchapter 2 is amended
36 to add an additional section to read as follows:



