

1 State of Arkansas
2 92nd General Assembly
3 Regular Session, 2019
4

A Bill

HOUSE BILL 1660

5 By: Representative Cavenaugh
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For An Act To Be Entitled

8 AN ACT TO AMEND THE LAW CONCERNING A LESSOR'S OR A
9 LESSEE'S RIGHTS WHEN GOODS BECOME ACCESSIONS; AN FOR
10 OTHER PURPOSES.
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Subtitle

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13 TO AMEND THE LAW CONCERNING A LESSOR'S OR
14 A LESSEE'S RIGHTS WHEN GOODS BECOME
15 ACCESSIONS.
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19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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21 SECTION 1. Arkansas Code § 4-2A-310(4), concerning a lessor's and
22 lessee's rights when goods become accessions, is amended to read as follows:

23 (4) The interest of a lessor or a lessee under a lease contract
24 described in subsection (2) or (3) is subordinate to the interest of

25 (a) a buyer in the ordinary course of business or a lessee in
26 the ordinary course of business of any interest in the whole acquired after
27 the goods became accessions; ~~or~~

28 (b) a creditor with a security interest in the whole perfected
29 before the lease contract was made to the extent that the creditor makes
30 subsequent advances without knowledge of the lease contract; or

31 (c) a financial institution or secured creditor with purchase
32 money security interests in automobiles, trucks, tractors, and all other
33 motor-propelled conveyances that have a balance of purchase money due to the
34 financial institution or the secured creditor.
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