

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.

Act 589 of the Regular Session

1 State of Arkansas
2 86th General Assembly
3 Regular Session, 2007

A Bill

SENATE BILL 771

4
5 By: Senator Broadway
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7

For An Act To Be Entitled

8
9 AN ACT TO ASSIST THE ADMINISTRATION OF MOTOR
10 VEHICLE TITLES; TO EXPEDITE THE RELEASE AND
11 TRANSFER OF MOTOR VEHICLE TITLES; AND FOR OTHER
12 PURPOSES.
13

Subtitle

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15 AN ACT TO ASSIST THE ADMINISTRATION OF
16 MOTOR VEHICLE TITLES AND TO EXPEDITE THE
17 RELEASE AND TRANSFER OF MOTOR VEHICLE
18 TITLES.
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21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
22

23 SECTION 1. Arkansas Code § 27-14-909 is amended to read as follows:

24 27-14-909. Release of lien by lienholder - Disclosure of information.

25 (a)~~(1)~~ For purposes of this section, a lien or encumbrance ~~shall be~~ is
26 satisfied when the lienholder receives ~~payment in full~~ final payment under §
27 4-4-215.

28 ~~(2) Certified funds for purposes of this section shall mean~~
29 ~~cashier's checks or certified checks as defined in § 4-3-409(d).~~

30 (b)(1) Upon the satisfaction of any lien or encumbrance on a vehicle
31 for which the certificate of title is in the possession of the lienholder,
32 ~~such~~ the lienholder shall within ten (10) business days after receipt of
33 ~~payment in full by certified funds and within thirty (30) business days after~~
34 ~~receipt of payment in full by noncertified funds~~ final payment under § 4-4-
35 215 execute a release of ~~such~~ the lien or encumbrance in the space provided



1 ~~therefor~~ in the certificate of title, or as the Office of Motor Vehicle
2 prescribes, and mail or deliver the certificate of title and ~~release the~~
3 release of lien or encumbrance to the next lienholder named ~~therein~~ in the
4 certificate of title or, if none, to the owner or to any person who delivers
5 to the lienholder an authorization from the owner to receive the certificate
6 of title.

7 (2) Upon the satisfaction of a lien or encumbrance on a vehicle
8 for which the certificate of title is in the possession of a prior
9 lienholder, the lienholder whose lien or encumbrance is paid in full shall
10 within ten (10) business days after receipt of ~~payment in full by certified~~
11 ~~funds and within thirty (30) business days after receipt of payment in full~~
12 ~~by noncertified funds~~ final payment under § 4-4-215 execute a release of lien
13 or encumbrance in the form the office prescribes and deliver the release of
14 lien or encumbrance to the owner or to any person who delivers to the
15 lienholder an authorization from the owner to receive it.

16 (c) This section shall not be construed to apply to manufactured
17 housing or mobile homes.

18 (d) A lienholder named in a certificate of title shall upon written
19 request of the owner or of another lienholder named on the certificate of
20 title disclose any pertinent information as to his or her security agreement
21 and the indebtedness secured ~~by it~~.

22 (e)(1) Any lienholder who fails to comply with subsection (b) of this
23 section shall pay to the person or persons satisfying the lien or encumbrance
24 twenty-five dollars (\$25.00) for the first five (5) business days after
25 expiration of the time period prescribed in subsection (b) of this section,
26 and ~~such~~ the payment shall double for each five (5) days thereafter in which
27 there is continued noncompliance, up to a maximum of five hundred dollars
28 (\$500) for each lien.

29 (2) If delivery of the certificate of title is by mail, the
30 delivery date is the date of the postmark for purposes of this subsection
31 (e).

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33 **APPROVED: 3/28/2007**
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