

Hall of the House of Representatives

86th General Assembly - Regular Session, 2007

Amendment Form

Subtitle of House Bill No. 2548

"TO PERMIT NEGATIVE EQUITY FINANCING IN THE SALE OF MOTOR VEHICLES."

Amendment No. 1 to House Bill No. 2548.

Amend House Bill No. 2548 as originally introduced:

Delete SECTION 1 in its entirety and substitute the following:

"SECTION 1. Arkansas Code Title 23, Chapter 112, Subchapter 3 is amended to add an additional section to read as follows:

23-112-317. Negative equity financing and disclosures permitted.

A new or used motor vehicle dealer or a new or used motor vehicle lessor is not required to be licensed by the State Bank Department in order to:

(1)(A) Pay in connection with a credit sale transaction any amount necessary to satisfy a lease, a security interest, or a lien upon a motor vehicle that is either returned or traded in to the new or used motor vehicle dealer or the new or used motor vehicle lessor by the purchaser of a new or used motor vehicle.

(B) The amount paid by the new or used motor vehicle dealer or by the new or used motor vehicle lessor may be included and disclosed as part of the credit sale transaction; or

(2)(A) Pay in connection with a lease transaction, any amount necessary to satisfy a lease, a security interest, or a lien upon a motor vehicle that is either returned or traded in to the new or used motor vehicle dealer or the new or used motor vehicle lessor by the lessee of a new or used motor vehicle.

(B) The amount paid by the new or used motor vehicle dealer or by the new or used motor vehicle lessor may be included and disclosed as part of the amount to be paid by the lessee under the lease transaction."



The Amendment was read _____

By: Representative Rosenbaum
DLP/SML - 03-12-2007 14:18
DLP393

Chief Clerk