

Department of Finance and Administration

Legislative Impact Statement

Bill: SB749

Bill Subtitle: TO ALLOW A LIENHOLDER TO FILE ELECTRONICALLY A LIEN ON A MOTOR VEHICLE, AN ALL-TERRAIN VEHICLE, A MOBILE HOME OR MANUFACTURED HOME, OR AN IMPLEMENT OF HUSBANDRY IN CERTAIN CIRCUMSTANCES.

Basic Change :

Sponsor: Sen. Sample

Under this bill, the electronic lien option is a paperless method that allows the Arkansas Department of Finance and Administration and a financial institution or lienholder to exchange information electronically. Lienholders would now have the option to file their liens electronically if the Department determines that it is technologically feasible and adequate resources are available.

Revenue Impact :

Unknown increase of service fees for the Commercial Driver's License Fund.

Taxpayer Impact :

Lienholders would now have the option to file their liens electronically for a fee and if the Department determines that it is technologically feasible and adequate resources are available.

Resources Required :

Computer Programming will be necessary to code new fees, establish new account type holders, title issuing process and create a new external portal. This programming is estimated to cost \$93,000.00.

Time Required :

Adequate time has been allowed.

Procedural Changes :

Revise the Motor Vehicle Procedures Manual and distribute to Revenue Offices.

Other Comments :

None.

Legal Analysis :

SB749 allows lienholders to file liens on motor vehicles electronically once DFA has established an online system. This bill does not require DFA to take any immediate action, but makes the option available at DFA's discretion, once the technology and procedures are established.