

1 **State of Arkansas**  
2 **78th General Assembly**  
3 **Regular Session, 1991**  
4 **By: Representative Foster**

# A Bill

**HOUSE BILL**

## **For An Act To Be Entitled**

8 "AN ACT TO REQUIRE ARKANSAS MOTOR VEHICLE TITLE  
9 CERTIFICATES TO CARRY THE SAME OR SIMILAR CLASSIFICATION  
10 AS A SALVAGE, RECONSTRUCTED, OR REBUILT TITLE CERTIFICATE  
11 FROM ANOTHER STATE UPON REISSUANCE OF THE TITLE IN  
12 ARKANSAS; AND FOR OTHER PURPOSES."

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14 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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16 SECTION 1. Purpose. When insurance pays a claim on a vehicle damaged  
17 by collision or other occurrence to the extent that the claim exceeds a  
18 certain percentage of the fair market value of the vehicle, many states  
19 require a salvage designation on the title certificate. Forty-eight (48)  
20 states have salvage titling laws which require a "brand" on the title  
21 certificate indicating whether a vehicle is "salvaged", "reconstructed",  
22 "rebuilt", or otherwise classified as required by the laws of that state.  
23 Since Arkansas does not have a salvage title law, an out-of-state owner of a  
24 vehicle with a title classification, as aforementioned, may bring the title to  
25 Arkansas and have an Arkansas title issued with no classification of any  
26 nature. Therefore, it is found by the General Assembly of the State of  
27 Arkansas that it is in the public interest that the laws of the State of  
28 Arkansas require an Arkansas title so issued to have the same classification  
29 as shown on the out-of-state title.

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31 SECTION 2. Classification Required on Reissuing Title. An Arkansas  
32 motor vehicle title certificate issued from an out-of-state motor vehicle  
33 title certificate or comparable ownership document which carries a "brand"  
34 such as "salvaged", "reconstructed", "rebuilt", or other similar  
35 classification shall carry the same or similar classification as shown on the

1 out-of-state title.

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3 SECTION 3. All provisions of this act of general and permanent nature  
4 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code  
5 Revision Commission shall incorporate the same in the Code.

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7 SECTION 4. If any provisions of this act or the application thereof to  
8 any person or circumstance is held invalid, the invalidity shall not affect  
9 other provisions or applications of the act which can be given effect without  
10 the invalid provisions or application, and to this end the provisions of this  
11 act are declared to be severable.

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13 SECTION 5. All laws and parts of laws in conflict with this act are  
14 hereby repealed.

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16 SECTION 6. Emergency. It is hereby found and determined by the  
17 Seventy-Eighth General Assembly of the State of Arkansas that forty-eight  
18 (48) other states have salvage titling laws which require a "brand" on the  
19 title certificate; that Arkansas does not have such a law and out-of-state  
20 motor vehicles with "branded" title certificates can have any reference to  
21 that damage removed from the reissued Arkansas title; and that it is therefore  
22 in the public interest of the consumer that the laws of the State of Arkansas  
23 be changed to require an Arkansas title to have the same salvage or rebuilt  
24 classifications as shown on the out-of-state title. Therefore, in order to  
25 protect the consumers of Arkansas from any further harm, an emergency is  
26 hereby declared to exist, and this act being necessary for the immediate  
27 preservation of the public peace, health, and safety, shall be in full force  
28 and effect from and after its passage and approval.

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