

Stricken language would be deleted from and underlined language would be added to law as it existed prior to the 82nd General Assembly.

1 State of Arkansas
2 82nd General Assembly
3 Regular Session, 1999
4

As Engrossed: S3/26/99 H3/31/99 H4/7/99

A Bill

SENATE BILL 887

5 By: Senator Fitch
6
7

For An Act To Be Entitled

9 "AN ACT TO AMEND ARKANSAS CODE 27-14-2303, REGARDING
10 SALVAGE TITLES; TO CLARIFY THE APPLICABILITY OF THE
11 SALVAGE TITLE LAW; TO PROVIDE A REMEDY FOR AGGRIEVED
12 PURCHASERS; AND FOR OTHER PURPOSES. "
13

Subtitle

14 "AN ACT TO AMEND ARKANSAS CODE 27-14-
15 2303, REGARDING SALVAGE TITLES; TO
16 CLARIFY THE APPLICABILITY OF THE SALVAGE
17 TITLE LAW; TO PROVIDE A REMEDY FOR
18 AGGRIEVED PURCHASERS. "
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21

22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
23

24 SECTION 1. Arkansas Code 27-14-2303 is amended to read as follows:

25 "27-14-2303. Disclosure requirements.

26 (a)(1) When any dealer in this state offers for sale a motor vehicle
27 which carries a title branded pursuant to this subchapter, the dealer shall
28 disclose to any prospective buyer or purchaser, prior to sale, the nature of
29 the title brand and shall furnish him a description of the damage sustained by
30 the motor vehicle on file with the Office of Motor Vehicle.

31 (2) The disclosure shall be on a buyer's notification form to be
32 prescribed by the Consumer Protection Division of the Office of the Attorney
33 General.

34 (3)(A) The form shall be fully filled out and affixed to a side
35 window of the motor vehicle with the title "Buyer's Notification" facing to
36 the outside.

1 (B) The form may be removed temporarily from the window
2 during any test drive, but it shall be replaced as soon as the test drive is
3 over.

4 (b)(1) When any motor vehicle owner who is not a dealer knowingly
5 offers for sale or trade a motor vehicle which carries a title branded
6 pursuant to this subchapter, such owner shall disclose to any prospective
7 buyer or purchaser, prior to sale or trade, the nature of the title brand and
8 shall furnish him a description of the damage sustained by the motor vehicle
9 as on file with the Office of Motor Vehicle.

10 (2) The disclosure shall be on a buyer's notification form to be
11 prescribed by the Consumer Protection Division of the Office of the Attorney
12 General.

13 (c)(1) The forms to be prescribed by the Consumer Protection Division
14 shall have an acknowledgment section that the seller shall require the buyer
15 to sign prior to completing a sales transaction on a motor vehicle that
16 carries a branded title.

17 (2) The seller shall retain a copy of the signed notification
18 form.

19 (d)(1) Failure of the seller to procure the buyer's acknowledgment
20 signature shall render the sale voidable at the election of the buyer.

21 (2) The election to render the sale voidable shall be limited to
22 ~~thirty (30)~~ sixty (60) days after the sales transaction.

23 (3) The buyer's right to render voidable the purchase is in
24 addition to any other right or remedy which may be available to the buyer. In
25 the event the seller makes full refund of the purchase price to the buyer
26 within ten (10) days after receipt of the buyer's election to void the sales
27 transaction, the seller shall be subject to no further liability in connection
28 with the sales transaction."

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30 SECTION 2. Arkansas Code 27-14-2305 is amended to read as follows:

31 "27-14-2305. Applicability of subchapter.

32 The provisions of this subchapter shall not apply to motor vehicles more
33 than five (5) model years old. Any title which is branded pursuant to this
34 subchapter shall retain the brand on the title for the life of the vehicle."
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36 SECTION 3. All provisions of this act of a general and permanent nature

1 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
2 Revision Commission shall incorporate the same in the Code.

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

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

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/s/ Fitch