

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.

State of Arkansas
83rd General Assembly
Regular Session, 2001

As Engrossed: H2/7/01

A Bill

HOUSE BILL 1432

By: Representative Hunt

For An Act To Be Entitled

AN ACT TO AMEND ARKANSAS CODE 27-14-913, 27-14-2302,
AND 27-50-1101 TO CLARIFY THE PROCEDURE FOR DECLARING
THAT A MOTOR VEHICLE IS ONLY TO BE SOLD FOR SCRAP, TO
BE DISMANTLED, OR TO BE DESTROYED; CLARIFYING THE
DEFINITION OF JUNK VEHICLES, AND PROVIDING A PROCEDURE
TO TITLE THOSE VEHICLES; AND FOR OTHER PURPOSES.

Subtitle

TO CLARIFY THE PROCEDURE FOR SCRAPPING
AND TITLING JUNK MOTOR VEHICLES.

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

SECTION 1. Arkansas Code 27-14-913 is amended to read as follows:
27-14-913. Sale of motor vehicles to be dismantled, etc.

(a) Any owner who sells a motor vehicle as scrap or to be dismantled or
destroyed shall assign a certificate of title thereto to the purchaser and
shall deliver the certificate, as assigned, to the office with ~~an application~~
~~for a permit to dismantle~~ a notice that the vehicle is to be dismantled.

(b)(1) If the motor vehicle is at least ten (10) years old and no
certificate of title is available, the purchaser shall deliver a bill of sale
in lieu of the certificate of title to the office.

(2)(A) The bill of sale shall identify the make, model, and
serial number of the motor vehicle, and this information shall be verified by
a municipal police officer's, sheriff's, or deputy sheriff's signature on the
bill of sale.

(B)(i) The verifying law enforcement officer shall cause

1 the bill of sale to be forwarded to the office, and for such service the city
2 or county, as the case may be, shall receive a five dollar (\$5.00) fee, which
3 shall be placed in the city or county general fund.

4 (ii) The office shall thereupon cancel the
5 certificate of title to the motor vehicle and ~~issue to the purchaser a permit~~
6 ~~to dismantle the motor vehicle~~ record the notice that the motor vehicle is to
7 be dismantled, which shall authorize the person to possess or transport the
8 motor vehicle, or to transfer ownership thereto, by endorsement on the ~~permit~~
9 bill of sale.

10 (c) A certificate of title shall not again be issued for a vehicle for
11 which a ~~permit~~ notice of intent to dismantle has been ~~issued except upon~~
12 ~~application containing such information as the office shall require and a~~
13 ~~certificate of inspection in the form and content prescribed by the office~~
14 recorded, except upon certification within ninety (90) days of the date of
15 filing, from the person filing the notice, that the notice of intent to
16 dismantle was filed in error.

17 (d) The term "motor vehicle", as used in this section, shall not be
18 applicable to any vehicle which meets each and every one of the following
19 conditions:

- 20 (1) Is so badly damaged or deteriorated as to be inoperable;
21 (2) Is not equipped with parts and accessories which are
22 essential to the operation of a motor vehicle;
23 (3) Does not have current license plate or plates;
24 (4) Is over ten (10) years of age;
25 (5) Is not equipped with a gas tank;
26 (6) Is not equipped with tires; and
27 (7) Has no value except as junk.

28
29 SECTION 2. Arkansas Code 27-14-2302(c), concerning the titling of
30 damaged and salvaged motor vehicles, is amended to read as follows:

31 (c)(1) An Arkansas certificate of title issued from an out-of-state
32 certificate of title or comparable ownership document which carries a
33 designation such as "damaged", "salvaged", "water-damaged", "reconstructed",
34 "rebuilt", or other similar classification shall have a brand notation printed
35 in the remarks section on its face as would be required by this subchapter to
36 be printed on an Arkansas certificate of title issued under the provisions of

1 either subsection (b) or subsection (e) of this section.

2 (2)(A) Provided, however, that an Arkansas certificate of title
3 shall not be issued from an out-of-state junking certificate or other
4 ownership document bearing a designation of "junk", "nonrepairable", or
5 similar classification, it being the intent of this section that any motor
6 vehicle damaged to the extent that it has been ~~labeled as "junk"~~ so designated
7 shall be dismantled for parts or scrap and shall not be titled in the State of
8 Arkansas.

9 (B)(i) An Arkansas title may only be issued if the state
10 that placed the designation on the certificate of title or issued the junking
11 certificate removes the designation or cancels the junking certificate and
12 replaces it with a certificate of title.

13 (ii) The designation placed on the certificate of
14 title or issuance of junking certificate may only be modified or removed by
15 that state.

16 (iii) No court of this state shall have jurisdiction
17 to change or modify the designation or finding of another state issuing a
18 certificate of title or the junking certificate.

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20 SECTION 3. Arkansas Code 27-50-1101(a)(5), concerning the sale of
21 abandoned motor vehicles, is amended to read as follows:

22 (5) The towing and storage firm or the owner or operator of the
23 automobile repair business shall ~~give written notice to the National Insurance~~
24 ~~Crime Bureau, and upon receipt of a response therefrom,~~ obtain written
25 verification that the Arkansas Crime Information Center records do not list
26 the vehicle as having been reported stolen. The verification shall be on a
27 form prescribed by the department, a municipal police department, a county
28 sheriff's department, or the Arkansas State Police. Upon receipt of the form,
29 the holder shall then sell the vehicle at public sale to the highest bidder.

30 /s/ Hunt
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