

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.

1 State of Arkansas
2 83rd General Assembly
3 Regular Session, 2001

As Engrossed: S3/2/01 S3/8/01

A Bill

SENATE BILL 596

4
5 By: Senator Miller
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For An Act To Be Entitled

8 AN ACT TO AMEND ARKANSAS CODE 18-45-202
9 CONCERNING THE PRIORITY OF LIENS; AND FOR OTHER
10 PURPOSES.
11

Subtitle

12 AN ACT TO AMEND ARKANSAS CODE 18-45-202
13 CONCERNING THE PRIORITY OF LIENS.
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18 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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20 *SECTION 1. Arkansas Code 18-45-202 is amended to read as follows:*
21 *18-45-202. Priority of lien.*

22 *(a) The lien provided for in this subchapter shall take precedence*
23 *over, and be superior to, any mortgage or other obligation attaching against*
24 *the property in all cases where the holder of the mortgage or other*
25 *obligation shall permit the property to remain in the possession of and be*
26 *used by the person owing and bound for the amount thereof.*

27 *(b)(1) The lien provided for in this subchapter shall be subject to*
28 *the perfected lien of a financial institution or vendor of automobiles,*
29 *trucks, tractors, and all other motor-propelled conveyances for any claim for*
30 *balance of purchase money due thereon.*

31 *(2) However, upon repossession from any person who has a lien*
32 *under § 18-45-201 by a financial institution or vendor, the financial*
33 *institution or vendor shall pay the lienholder under § 18-45-201 the*
34 *reasonable and customary charges for the services, labor or materials*
35 *furnished, not to exceed one thousand dollars (\$1,000).*

36 *(c) The lien shall not take precedence over a bona fide purchaser for*

1 value of any automobile, truck, tractor, and other motor-propelled
2 conveyances without either actual or constructive notice.

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4 SECTION 2. EMERGENCY CLAUSE. It is hereby found and determined by the
5 Eighty-third General Assembly that confusion continues to exist regarding the
6 priority of the possessory lien that mechanics, body shops and towing
7 companies obtain on automobiles, trucks, tractors or other self-propelled
8 conveyances and their ability to sell those vehicles in satisfaction of the
9 debt owed to them by the owner. Therefore, an emergency is declared to exist
10 and this act being immediately necessary for the preservation of the public
11 peace, health and safety shall become effective on the date of its approval
12 by the Governor. If the bill is neither approved nor vetoed by the Governor,
13 it shall become effective on the expiration of the period of time during
14 which the Governor may veto the bill. If the bill is vetoed by the Governor
15 and the veto is overridden, it shall become effective on the date the last
16 house overrides the veto.

17 /s/ Miller
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