

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 86th General Assembly  
3 Regular Session, 2007  
4

As Engrossed: H3/14/07

# A Bill

HOUSE BILL 2548

5 By: Representative Rosenbaum  
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## For An Act To Be Entitled

9 AN ACT TO PERMIT NEGATIVE EQUITY FINANCING IN THE  
10 SALE OF MOTOR VEHICLES; AND FOR OTHER PURPOSES.  
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### Subtitle

12 TO PERMIT NEGATIVE EQUITY FINANCING IN  
13 THE SALE OF MOTOR VEHICLES.  
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17 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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19 *SECTION 1. Arkansas Code Title 23, Chapter 112, Subchapter 3 is*  
20 *amended to add an additional section to read as follows:*

21 *23-112-317. Negative equity financing and disclosures permitted.*

22 *A new or used motor vehicle dealer or a new or used motor vehicle*  
23 *lessor is not required to be licensed by the State Bank Department in order*  
24 *to:*

25 *(1)(A) Pay in connection with a credit sale transaction any*  
26 *amount necessary to satisfy a lease, a security interest, or a lien upon a*  
27 *motor vehicle that is either returned or traded in to the new or used motor*  
28 *vehicle dealer or the new or used motor vehicle lessor by the purchaser of a*  
29 *new or used motor vehicle.*

30 *(B) The amount paid by the new or used motor vehicle*  
31 *dealer or by the new or used motor vehicle lessor may be included and*  
32 *disclosed as part of the credit sale transaction; or*

33 *(2)(A) Pay in connection with a lease transaction, any amount*  
34 *necessary to satisfy a lease, a security interest, or a lien upon a motor*  
35 *vehicle that is either returned or traded in to the new or used motor vehicle*  
36 *dealer or the new or used motor vehicle lessor by the lessee of a new or used*



1 motor vehicle.

2 (B) The amount paid by the new or used motor vehicle  
3 dealer or by the new or used motor vehicle lessor may be included and  
4 disclosed as part of the amount to be paid by the lessee under the lease  
5 transaction.

6 /s/ Rosenbaum

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