

1 State of Arkansas
2 91st General Assembly
3 Regular Session, 2017
4

As Engrossed: S3/20/17

A Bill

SENATE BILL 775

5 By: Senator B. Sample
6

For An Act To Be Entitled

8 AN ACT TO REQUIRE THE REPORTING OF A MOTOR VEHICLE
9 ACQUIRED OR PURCHASED BY A JUNK YARD OR SALVAGE YARD;
10 AND FOR OTHER PURPOSES.
11

Subtitle

14 TO REQUIRE THE REPORTING OF A MOTOR
15 VEHICLE ACQUIRED OR PURCHASED BY A JUNK
16 YARD OR SALVAGE YARD.
17

18
19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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21 *SECTION 1. Arkansas Code Title 27, Chapter 14, is amended to add an*
22 *additional subchapter to read as follows:*
23

Subchapter 25 – Junk Yard and Salvage Yard Reporting

27-14-2501. Legislative Findings.

The General Assembly finds that:

28 (1) The titles to junk vehicles and salvage vehicles acquired or
29 purchased by junk yards and salvage yards are being used to sell stolen motor
30 vehicles overseas;

31 (2) Federal law requires that a junk yard or salvage yard report
32 the vehicle identification number of each motor vehicle acquired or purchased
33 in order to prevent the sale of stolen motor vehicles; and

34 (3) The reporting of vehicle identification numbers is necessary
35 to assist the Department of Finance and Administration in identifying stolen
36 motor vehicles and preventing their unlawful sale.



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27-14-2502. Definitions.

As used in this subchapter:

(1) "Junk vehicle" means a motor vehicle:

(A) Incapable of being operated on a public street, road, and highway; and

(B) With no monetary value except as a source of parts or scrap;

(2) "Junk yard" means an establishment or business that acquires or purchases a junk vehicle to:

(A) Resell in its entirety or to dismantle and sell as spare parts; or

(B) Rebuild, restore, or crush;

(3) "Salvage vehicle" means a motor vehicle that is:

(A) Water-damaged; or

(B) Sustains any other damage in an amount equal to or exceeding seventy percent (70%) of its average retail value as determined under criteria established by rule of the Office of Motor Vehicle;

(4) "Salvage yard" means an establishment or business that acquires or purchases a salvage vehicle to:

(A) Resell in its entirety or to dismantle and sell as spare parts; or

(B) Rebuild, restore, or crush; and

(5) "Water-damage" means damage to a motor vehicle caused by submersion or partial submersion of the motor vehicle in water to the extent that the motor vehicle was submerged or partially submerged at any water level above the dashboard of the motor vehicle, regardless of the actual dollar amount of the damage.

27-14-2503. Report required.

(a) Within two (2) business days from the date the junk vehicle or salvage vehicle is acquired or purchased, a junk yard or salvage yard shall deliver in a format approved by the Director of the Department of Finance and Administration a report containing:

(2) The name, address, telephone number, and the National Motor Vehicle Title Information System identification number of the junk yard or

1 salvage yard filing the report;

2 (3) The vehicle identification number of each junk vehicle or
3 salvage vehicle acquired or purchased;

4 (4) The date the junk vehicle or salvage vehicle was acquired or
5 purchased;

6 (5) The name of the individual or entity from whom the junk
7 vehicle or salvage vehicle was acquired or purchased; and

8 (6) The intended disposition of the junk vehicle or salvage
9 vehicle.

10 (b) A report as provided under subsection (a) of this section is not
11 required if a junk yard or salvage yard does not acquire or purchase a junk
12 vehicle or salvage vehicle during a business day.

13 (c) If approved by the director, a junk yard or salvage yard may
14 satisfy the requirements of subsection (a) of this section by submitting to
15 the director a copy of information provided under federal law or regulation
16 containing substantially the same information required by this section.

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18 27-14-2504 – Penalties.

19 (a)(1) A junk yard or salvage yard that fails to timely file the
20 report required under § 27-14-2503 shall be subject to a penalty of one
21 hundred dollars (\$100) per vehicle that is not timely reported.

22 (2) The Office of Motor Vehicle may abate a portion or all of
23 the penalty assessed under this subsection if the failure of the junk yard or
24 salvage yard to timely file the report required by this subsection is
25 explained to the satisfaction of the Director of the Department of Finance
26 and Administration.

27 (3)(A) The director may file a petition with the Circuit Court
28 of Pulaski County or the county where the junk yard or salvage yard is
29 located to enjoin further operation of the business if the junk yard or
30 salvage yard fails to comply with the reporting requirements of this
31 subsection.

32 (B) However, a petition for injunction shall not be filed
33 until at least thirty days (30) days after the director provides written
34 notice to the junk yard or salvage yard of the failure to file the required
35 reports and provides the junk yard or salvage yard an opportunity to request
36 a hearing to present proof of compliance with the reporting requirements of §

1 27-14-2503.

2 (b) The penalties collected under this section shall be deposited into
3 the State Central Services Fund.

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5 SECTION 2. EFFECTIVE DATE. This act is effective on and after
6 November 13, 2017.

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/s/B. Sample

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