

1 State of Arkansas  
2 89th General Assembly  
3 Regular Session, 2013  
4

As Engrossed: H4/2/13

# A Bill

HOUSE BILL 2205

5 By: Representative Payton  
6

## For An Act To Be Entitled

8 AN ACT TO AMEND THE UNIFORM MOTOR VEHICLE  
9 ADMINISTRATION, CERTIFICATE OF TITLE, AND ANTITHEFT  
10 ACT, ARKANSAS CODE § 27-14-101 ET SEQ.; AND FOR OTHER  
11 PURPOSES.  
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## Subtitle

14 TO AMEND THE UNIFORM MOTOR VEHICLE  
15 ADMINISTRATION, CERTIFICATE OF TITLE, AND  
16 ANTITHEFT ACT, ARKANSAS CODE § 27-14-101  
17 ET SEQ.  
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21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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23 *SECTION 1. Arkansas Code § 27-14-2301(6) and (7), concerning the*  
24 *definitions used in disclosure of damage and repair on a certificate of*  
25 *title, is amended to read as follows:*

26 *(6)(A) "Salvage vehicle" means a motor vehicle that is:*

27 *~~(A)(i) Water-damaged~~ Is water-damaged; or*

28 *~~(B)(ii) Sustains any other~~ Has sustained damage in*

29 *~~an amount equal to or exceeding~~ totaling at least four thousand dollars*

30 *~~(\$4,000) and at least~~ seventy percent (70%) of its average retail value as*

31 *~~determined under criteria established by rule of the Office of Motor Vehicle~~*

32 *~~listed in the current southwestern regional NADA Official Used Car Guide.~~*

33 *(B) A motor vehicle that has damage of at least one*

34 *hundred twenty percent (120%) of its average retail value as listed in the*

35 *current southwestern regional NADA Official Used Car Guide is considered a*

36 *parts-only salvage vehicle for tax purposes; and*



1           (7) ~~“Water-damaged” means damage to a motor vehicle caused by~~  
 2 ~~submerging or partially submerging the vehicle in water to the extent that~~  
 3 ~~the vehicle was submerged or partially submerged at any water level above the~~  
 4 ~~dashboard of the vehicle, regardless of the actual dollar amount of the~~  
 5 ~~damage~~ a motor vehicle damaged by water that:

6                   (A) Saturated or contaminated an electronic or electrical  
 7 system necessary for the safe and reliable operation of the motor vehicle; or

8                   (B) Rose to the point that it covered the sill and entered  
 9 the passenger compartment.

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 11           SECTION 2. Arkansas Code § 27-14-2302(a)(3), concerning the issuance  
 12 of a damage or salvage certificate of title, is amended to read as follows:

13           (3) ~~If a person other than an insurer owns a~~ The owner of a  
 14 ~~salvage vehicle for which a salvage vehicle title has not been issued, the~~  
 15 ~~owner shall~~ may:

16                   (A) surrender the certificate of title for the salvage  
 17 ~~vehicle to the office within thirty (30) days following the date that the~~  
 18 ~~motor vehicle became a salvage vehicle~~ Assign the certificate of title to a  
 19 person licensed under § 27-14-2001; or

20                   (B) Retain the salvage vehicle if the owner:

21                           (i) Surrenders the certificate of title for the  
 22 salvage vehicle to the office within thirty (30) days after the date that the  
 23 motor vehicle became a salvage vehicle; and

24                           (ii) Obtains a salvage vehicle title under this  
 25 section.

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 27           SECTION 3. Arkansas Code § 27-14-2302(g)(1), concerning the issuance  
 28 of a damage or salvage certificate of title, is amended to read as follows:

29           (g)(1) If an insurer has the responsibility under this subchapter to  
 30 surrender the certificate of title on a salvage vehicle for which it has  
 31 taken title or to notify the office that a motor vehicle is a salvage  
 32 vehicle, prior salvage vehicle, or “parts only” vehicle, the insurer may  
 33 delegate its responsibility to surrender the certificate of title or to  
 34 notify the office to:

35                   (A) a A servicing organization; or

36                   (B) ~~to~~ a A buyer of the salvage vehicle from the insurer

1 if the buyer is licensed under § 27-14-2001 as a dealer or wrecker.

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3 SECTION 4 Arkansas Code § 27-14-2302(h)(2), concerning the issuance of  
4 a damage or salvage certificate of title, is repealed.

5 ~~(2) An owner under this subsection may be an insurer that owns~~  
6 ~~the salvage vehicle.~~

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8 SECTION 5. Arkansas Code § 27-14-2302, concerning the issuance of a  
9 damage or salvage certificate of title, is amended to add an additional  
10 subsection to read as follows:

11 (i) An owner under this section includes an insurer that owns the  
12 salvage vehicle.

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14 SECTION 6. Arkansas Code § 27-14-2305(a), concerning the applicability  
15 of Subchapter 23 for the disclosure of damage and repair on a certificate of  
16 title to motor vehicles, is repealed.

17 ~~(a) The provisions of this subchapter shall not apply to motor~~  
18 ~~vehicles more than seven (7) model years old prior to the calendar year of~~  
19 ~~the occurrence.~~

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21 /s/Payton  
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