

1 State of Arkansas
2 88th General Assembly
3 Regular Session, 2011

A Bill

HOUSE BILL 1559

4
5 By: Representative Kerr

For An Act To Be Entitled

8 AN ACT TO AUTHORIZE THE AGENT OF AN INSURANCE COMPANY
9 TO MOVE A TOTAL-LOSS VEHICLE FROM A STORAGE FACILITY;
10 AND FOR OTHER PURPOSES.

Subtitle

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14 TO AUTHORIZE THE AGENT OF AN INSURANCE
15 COMPANY TO MOVE A TOTAL-LOSS VEHICLE FROM
16 A STORAGE FACILITY.

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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 50, Subchapter 12 is
22 amended to add an additional section to read as follows:

23 27-50-1216. Moving a total-loss vehicle from a storage facility.

24 (a) As used in this section, "storage facility" means a facility where
25 a wrecked or inoperable vehicle is stored that charges storage fees to a
26 vehicle owner as a result of the claim from the wrecked or inoperable
27 vehicle.

28 (b)(1)(A) If an insurance company determines that a vehicle is a total
29 loss claim, the insurance company may authorize its agent to move the vehicle
30 to a location of its choosing without:

31 (i) The approval of the storage facility; and

32 (ii) A release document from the owner.

33 (B) Instead of a release document, the insurance company
34 shall obtain a verbal release from the vehicle owner to move the total loss
35 vehicle as provided under this section and document the verbal release in the
36 claim file.



1 (2)(A) To authorize the moving of the vehicle, the insurance
 2 company shall submit notice to the storage facility on company letterhead of
 3 the intent to move the vehicle by regular mail, hand-delivery, facsimile, or
 4 electronic transmission.

5 (B) The notice shall include:

6 (i) The identification of the agent who is to move
 7 the vehicle; and

8 (ii) A statement that the insurance company will
 9 indemnify and hold harmless the storage facility for any cost it incurs
 10 defending itself in any civil or criminal claim arising from moving the
 11 vehicle without a release document from the owner.

12 (C) The owner and any lienholder of the vehicle shall
 13 receive a copy of the notice by regular mail.

14 (c) Upon receipt of the letter described under subsection (b) of this
 15 section and settlement of all fees incurred up to and including the date of
 16 removal, the storage facility shall make the vehicle available for immediate
 17 release and removal during regular business hours of the storage facility.

18 (d) If an insurance company or its agent moves a vehicle as provided
 19 under this section, the storage facility shall be indemnified by the
 20 insurance company and otherwise held harmless against liability for all costs
 21 associated with civil or criminal claims arising from moving the vehicle
 22 without a release document from the owner.

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