

1 State of Arkansas  
2 88th General Assembly  
3 Regular Session, 2011  
4

*As Engrossed: S3/8/11*  
**A Bill**

HOUSE BILL 1559

5 By: Representative Kerr  
6

7 **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.  
11

12  
13 **Subtitle**

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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18  
19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
20

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) A description of the vehicle including its  
7 identification number;

8                   (ii) The identification of the agent who is to move  
9 the vehicle;

10                   (iii) The date the owner of the vehicle authorized  
11 release of the vehicle to the insurance company; and

12                   (iv) A statement that the insurance company will  
13 indemnify and hold harmless the storage facility for all liability and costs  
14 it incurs defending itself in any civil or criminal claim arising from moving  
15 the vehicle without a release document from the owner.

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

18           (c) The storage facility shall make the vehicle available for  
19 immediate release and removal during regular business hours of the storage  
20 facility upon receipt of:

21                   (1) The letter described under subsection (b) of this section;

22                   (2) The release of any law enforcement or other official hold;

23 and

24                   (3) Settlement of all fees incurred up to and including the date  
25 of removal.

26           (d)(1) If an insurance company or its agent moves a vehicle as  
27 provided under this section, the insurance company shall indemnify and hold  
28 harmless the storage facility for liability and all expenses associated with  
29 civil or criminal claims arising from moving the vehicle without a release  
30 document from the owner.

31                   (2) In any action in which a storage facility prevails against  
32 an insurance company for indemnification under this subsection (d), in  
33 addition to any damages suffered, the storage facility shall be awarded  
34 attorneys' fees and costs incurred.

35           (e) This section shall not be construed to restore or grant any right,  
36 title, or interest in the vehicle or its contents as may have been waived

1 under § 27-50-1209(a).

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/s/Kerr

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**APPROVED: 04/05/2011**

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