

**ARKANSAS SENATE**  
85th General Assembly - Regular Session, 2005  
**Amendment Form**

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**Subtitle of House Bill No. 2721**

"TO AMEND THE TOWING AND RECOVERY LAWS OF THE STATE OF ARKANSAS  
FOR THE PROTECTION OF THE CONSUMERS OF THE STATE."

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**Amendment No. 1 to House Bill No. 2721.**

Amend House Bill No. 2721 as originally introduced:

Delete Section 2 entirely and substitute:

"SECTION 2. Arkansas Code § 27-50-1203 is amended to read as follows:  
27-50-1203. Arkansas Towing and Recovery Board -- Creation.

(a)(1) There is hereby created the Arkansas Towing and Recovery Board consisting of nine (9) members appointed by the Governor and confirmed by the Senate, who shall serve terms of three (3) years.

(2) ~~four~~ Four (4) members shall be appointed from the towing industry and shall be licensed by the board to engage in nonconsent towing, with one (1) of the members being a resident of each of the four (4) congressional districts; two (2) members who are permitted to engage in the consent-only business shall be appointed from the state at large; two (2) members who are not associated with the towing industry shall be appointed from the state at large; and one (1) member shall be appointed from the insurance industry.

~~(b) The board shall annually elect a chairman from its membership.~~

(b) The appointed board members shall be residents of the State of Arkansas at the time of appointment and throughout their terms.

(c)(1) The members shall determine by majority vote of the quorum of the board who shall serve as chair.

(2) The chair shall be elected annually from the membership of the board.

(d)(1) The board shall meet at such times and places that the chair deems necessary, but no meetings shall be held outside the State of Arkansas.

(2) Five (5) of the members of the board shall constitute a quorum for the purpose of transacting business.

(3) All actions of the board shall be by a quorum.

~~(e)(1)~~ (e)(1) The board shall promulgate rules and regulations to carry out the intent of this subchapter and shall regulate the towing industry, including:

(A) Establishing reasonable licensing, insurance, and safety equipment requirements for any person engaging in nonconsent towing and related services under this subchapter; ~~and~~

(B) Establishing reasonable tow truck safety requirements



for any tow vehicle as defined in this subchapter;

(C) Establishing a procedure to accept and investigate complaints for a consumer who claims that he or she has been overcharged for consent or nonconsent towing or storage fees;

(D) Determining and sanctioning excessive or unnecessary non-consensual towing fees charged to consumers;

(E) Requiring all entities permitted, licensed, or regulated under this subchapter to provide itemized billing for towing or storage fees that explains how the charges were calculated; and

(F) Requiring all entities permitted, licensed, or regulated under this subchapter to maintain a copy of their current maximum rate schedule posted in a conspicuous place and readily accessible to the public.

(2) The promulgation and adoption of rules and regulations shall in all respects be in the manner provided by the Arkansas Administrative Procedure Act, § 25-15-201 et seq.

(3) After the promulgation and adoption of rules or regulations, any proposed change to add to, amend, repeal, or change any of the rules or regulations shall not have effect until reviewed and approved by the Subcommittee on Administrative Rules and Regulations of the Legislative Council subsequent to the time that the General Assembly next meets in regular session unless a finding exists that imminent peril to the public health, safety, or welfare requires immediate adoption, amendment, or repeal of the rules or regulations.

~~(d)(1)(f)(1)~~ The board shall have the authority to levy applicable towing business license fees not to exceed one hundred dollars (\$100) per license, and the board shall have the authority to levy an applicable tow vehicle safety permit fee not to exceed twenty-five dollars (\$25.00) per tow vehicle safety permit.

(2) Furthermore, the board shall also have the authority to impose late filing fees in an amount not to exceed the original amount of the license fee or safety permit fee.

~~(e)(g)(1)~~ The board shall have the authority to employ and discharge any personnel as may be necessary to administer and enforce the provisions of this subchapter and the rules and regulations promulgated hereunder.

(2) The board shall employ an investigator to investigate consumer complaints related to overcharging for consent or nonconsent towing or storage fees, violations of this subchapter, and violations of the rules promulgated by the Arkansas Towing and Recovery Board under this subchapter.

~~(f)(h)~~ The board shall have the authority to obtain office space, furniture, stationery, and other proper supplies and conveniences reasonably necessary to carry out the provisions of this subchapter.

~~(g)(i)~~ Each member of the board may receive expense reimbursement and stipends in accordance with § 25-16-901 et seq.

~~(h)(1)(j)~~ The board shall have the authority to establish a maximum amount to be charged by a towing business for each notification to an owner and a lienholder as required by this subchapter.

~~(2) This authority shall not extend to the setting of any other rate or tariff within the towing industry."~~

AND

Delete Section 3 entirely

AND

Renumber the remaining sections of the bill

The Amendment was read the first time, rules suspended and read the second time and \_\_\_\_\_

By: Senator Salmon

JSE/JSE - 03-22-2005 13:20

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Secretary