

Frequently Asked Questions

We get a lot of calls that are related and seem to plague all tow companies. From time-to-time we will attempt to answer those common questions in our quarterly newsletter. But if your question simply will not wait you can always call the office and we'll do our best to help get you pointed in the right direction. Here is a situation we get a lot.

Q Some time ago my company worked an accident towing a vehicle involving a fatality. The insurance company has been in touch since we towed the vehicle, we have executed all of our notifications on time. Our paperwork is in order. The insurance company asked that we store the vehicle until the claim was completed and any pending litigation was resolved. In good faith we did as we were asked.

Now six months later they've closed the file and are ready to move the vehicle but they are complaining about the storage portion of the bill which is well over \$6,000.00. They knew it was here, they asked me to store it. I think I should be compensated for my services. I want to be fair and I do not want to face a disciplinary hearing, what should I have done in this case?

A Although the tow board is not in the business of telling a tow company how to run their business, applying the statutes, putting some best business practices into play and common sense will go a long way in keeping you out of trouble. When you know or suspect that a vehicle in your possession will turn into a long term storage arrangement you will always be better off to communicate with the parties involved and manage the business relationship rather than simply responding to the insurance company. Insurance companies are big, busy organizations where claims can get delayed or lost. Use this checklist to help ::

- Make sure any agreements, promises or commitments are in writing.
- If on the phone keep a log. Note the date and time the conversation took place. Keep notes of the conversation, write down the name of the person you spoke with.
- Follow up a phone conversation in writing to the insurance company outlining any agreements

or promises that were made.

- Invoice and settle the tow and recovery costs along with any initial storage fees as quickly as possible. Don't let the insurance company set the time schedule.
- Contractually change your relationship with the insurance company from towing to a storage facility. Contract for the storage of the vehicle through a written agreement.
- Remember, time is important, you have deadlines that must be met in order to comply with the law. **ACA §27-50-1209 (b) (2)** *The sale shall not occur later than ninety (90) days after perfection of the lien or forty-five (45) days after the release of any law enforcement hold or other official hold, whichever is later.*
- Don't get stuck with the vehicle in lieu of getting paid. Remember, Arkansas has a 'no dump law'. **ACA §23-101-110 (e) (1)** *A creditor or insurer may not abandon salvage to a towing or storage facility in lieu of payment of storage fees without the consent of the facility and the claimant.*
- If at any time the storage contract is broken as a storage facility you can initiate an abandoned vehicle lien process outlined in **ACA §27-50-1101.**

Remember when a complaint is filed against your tow company your best defense is thorough, complete documentation. Strong communication and a basic understanding of the laws and rules that govern your business will help too.

Non-Consent Rotation Who's In – Who's Out?

If you own a tow company and you want to participate in a non-consent rotation program with local law enforcement or the Arkansas State Police there is one point you need to understand and appreciate. Are you ready? Here it comes

“Participation on a non-consent rotation list is a privilege, not a right.”

That's right, you heard it here first, and someone finally stated the truth. A law enforcement agency is or

should be viewed as any other client and you should do everything you can to keep their business. Let's establish some perspective.

- Law enforcement or the city or county through an ordinance or contract establishes the rules by which you must operate. You must follow the rules.
- They may use a single vendor, open up the list to everyone or establish criteria for inclusion. Their choice!
- When you are on scene you are a representative of that law enforcement agency, you should act like it.

No one is defending law enforcement agencies that mandate ridiculously low tow and storage fees unreasonable rules or a sheriff that uses his brother-in-law. However, you can be certain a majority of the problems we see in this office between a tow company and law enforcement stems from an attitude of entitlement by the tow owner. This needs to change. Free advice. Do what we all know this industry does best. Work hard, giving the customer the highest value and service for their dollar .. just make sure law enforcement benefits from that work ethic as well. Your call. Just trying to help.

A Note from the Director Being Consistent and Fair.

During the past six (6) months I've received a lot of phone calls from tow owners or their staff. Most of the time the call involves an issue we can handle easily, sometimes it takes a little work, we get it done. You are very fortunate, the tow board staff are great problem solvers and they enjoy 'fixing' things .. for you, for the consumer or law enforcement.

There is however one question or comment I hate to hear, "...why are we doing it this way. I never had to do that before?"

I can't answer your concern from a historical perspective, it's all new to me, and most of the staff here has not been in their current role all that long either.

But I can answer your question. We are familiar with the laws and the statutes and all of the procedures that are in place that allow us to run this office. We know what needs to be done. And I can make you a promise, we are consistent in all that we do-whether you are renewing your license and have a late fee to pay or we're managing a complaint. Large company, mom 'n' pop or a board member, you can be certain you are treated in the same fair and honest manner.

We ask you to play by the rules, to adhere to the laws of the State of Arkansas. In turn I believe we honor the expectations we have of you through the fair and equitable treatment of all tow companies. No favors.

Tow Companies are still having problems with a couple of items when renewing their license.

1. Make sure each **FORM** or application is filled out completely and **SIGNED**. Amazingly law enforcement will forget to fill out the **INSPECTION FORM** before they sign it. **Check YOUR Paperwork.**

2. Make sure the signage is on your truck before making application **ALL Lettering is 2"** high. Attempts to photo shop or draw on the photo will delay your application.

3. The biggest problem, the **Certificate of Liability Insurance**. We cannot accept any other document. This is a standard insurance industry form and should not be difficult to obtain. If you or your agent do not know what one looks like, call the office.

HERE ARE THE 3 BIGGEST

ATRB

A Service provided by the:

Arkansas Towing & Recovery Board

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A Message from the Chair

Wayne Edwards



A lot has happened in the last year with the Arkansas Towing & Recovery Board. Personally I think all of the changes have been a positive and will benefit the tow industry in Arkansas for years to come.

Here are just a few of the items we've accomplished in just under a year.

- In July 2015 Governor Hutchinson appointed three new members to the Board and reappointed one.
- We hired a new director in September 2015
- We moved the office to the central part of the state the first of the year.
- The Board chose to reduce our dependency on outside consultants resulting in a significant cost savings to the agency.
- We took other action that resulted in cost savings that was long overdue.
- The agency is fully staffed with dedicated professional employees.
- I believe we have the best relationship with the Governor's office and the legislative body that we've had in years, maybe ever.
- Unless there is a problem with the application we process license and permits same day.
- Our consumer complaint backlog is all but gone.
- In the next few months our investigators will be able to step up enforcement in an effort to identify those companies and individuals that do not want to play by the rules.
- The staff is working with law enforcement, cities, counties and other state agencies on your behalf.
- And we just received word as we are preparing this newsletter that Governor Hutchison has appointed two new members (Carrie Meeks and Reggie Binns) to the Board and reappointed Junior Phillips.

The current Board is a great mix of new blood and fresh ideas complimented by experienced wisdom and we'll need it all. As much as we've done we have a lot more to do. The tow industry is a growing changing industry and we need to be a state agency that can grow with you and the demands of a very mobile public.

By the Numbers

Have you wondered what the complaint process looks like, what kinds of complaints the Board deals with and what happens with a complaint?

Here are a few numbers that will begin to paint a picture of what the Board and staff see outside of the disciplinary hearings that get all the attention.

From January 1st to May 31st 2016

96 The number of **TELEPHONE COMPLAINTS** received by the agency. Some of these calls were from people who wanted to know if they had a complaint, some dealing with issues over which we have no jurisdiction, claims related to theft of property, damage to vehicles and repossessions.

44 Telephone complaints where **PRICING** was the primary issue. **46%**, nearly half of all the calls the agency receives are from a vehicle owner or an insurance company where they felt they were overcharged for their services.

35 The number of **FORMAL COMPLAINTS** filed with the Board. There is no way of knowing exactly how many of these complaints started out as a telephone call but it is safe to say most did.

23 The number of **Formal Complaints** that were related to a **PRICING ISSUE**, that is **66%** of the written complaints. As you can see the percentage from a telephone call to a written complaint jumped significantly.

Of the formal complaints filed since January 1st **six (6)** or **17%** were **DISMISSED**, no evidence was found that a violation had occurred.

In the past five (5) months, this would include cases from 2015, **58** cases have been closed by the Board or staff through administrative resolution refunding **\$29,308.34** to the complainant, usually a vehicle owner or an insurance company.

During that same period of time the Board has levied fines and **CIVIL PENALTIES** against tow companies totaling **\$16,500.00** following a disciplinary hearing or consent agreement.

As of May 31st 2016 there are 23 open active cases filed with the agency.