## TECHNICAL BULLETIN

## **Out-of-State Tow Companies Operating in Arkansas**

• August 2017 •

The state law regarding *intrastate* towing and licensing out-of-state tow companies has been clarified. HB 1867 / Act 998 will be in effect August 1, 2017 (90 days after Sine Die).

Act 998 requires any tow company operating in the State of Arkansas for hire and towing vehicles within the state to be licensed by the Arkansas Towing & Recovery Board, meeting the requirements in the statute and the rules for a tow facility and requirements for permitting a tow vehicle.

Out-of-State tow vehicles towing either direction across the border between Arkansas and a neighboring state or through Arkansas are exempted from the licensing and permitting provisions. Nothing in the law, including Act 998 interferes with interstate commerce.

A licensed tow company located in a neighboring state who's corporate limits abut Arkansas and who's population is greater than the population of the adjoining Arkansas city are exempted from the statute and may apply for a license. Currently there are two (2) cities that meet the criteria for the exemption, Texarkana and Memphis. No other tow companies domiciled outside the State of Arkansas will be licensed by this agency.

For a tow company to be licensed in Arkansas and engage in *intrastate commerce* (tow within the boundaries of the state from Point A to Point B) the following conditions must be meet•

- **1.** A tow company must apply for a license with the Arkansas Towing & Recovery Board meeting **ALL** of the licensing criteria in the statute and the rule.
  - An adequate facility in which to conduct business located in Arkansas.
  - A location easily accessible to the public (non consent)
  - A secure filing system, records must be maintained for three (3) years.
  - A published telephone number, this does not require a phone directory listing.
  - The signage requirements, both outside and posted in the customer areas.
- **2.** A Tow Vehicle Safety Permit Inspection form must be completed for each tow vehicle, inspections must be completed by a certified law enforcement officer or an Arkansas Towing & Recovery Board investigator.
- **3.** All tow vehicles must be licensed with the DFA . Office of Motor Vehicles bearing an Arkansas license plate, complying with the commercial vehicle licensing laws of the State of Arkansas. The exception is tow vehicles bearing an apportioned license plate.

For all of the statutes pertaining to towing and the Arkansas Towing & Recovery Board go to www,artowing.org. The current RULES are posted on-line as well as the statutes ACA §27-50-1101 & ACA §27-50-1201 et.seq.



## State of Arkansas Towing & Recovery Board

7418 North Hills Boulevard • North Little Rock, Arkansas 72116