



SUMMARY OF HB22-1314

TOWING BILL OF RIGHTS

HB22-1314 protects vehicle owners from predatory residential towing. The law prohibits towing for superficial reasons and creates new protections for consumers whose vehicles are taken. The law does not apply to commercial/business property or parking lots, or to any tows ordered by law enforcement.

PROTECTIONS BEFORE A VEHICLE IS TOWED:

- Tow truck drivers may not assess drop charges. A towing carrier cannot require payment for unhooking the vehicle from the tow truck at the request of its owner if the vehicle has not yet left the property.
- The towing carrier must photograph a vehicle and its location prior to hooking it up, including the condition of the vehicle and the violation it is being towed for.
- A 24-hour notice must be given before having a vehicle towed from private property, unless the vehicle falls under one of the following categories:
 - Blocking an accessible parking space or access lane, a driveway, or a roadway;
 - Parking in a marked fire zone;
 - Parking in or significantly blocking access to a space reserved for a specific resident, or a lot for the exclusive use of residents;
 - Has received two prior notices for the same rule violation;
 - The vehicle is being repossessed by a creditor.
- Property owners and managers must authorize tows within 24 hours before a car is towed (with the same exceptions as the 24-hour notice). Towing carriers can no longer approve their own tows.
- Towing carriers must post adequate signage at every entrance warning that a car may be towed without notice for the above mentioned for parking violations.
- A towing carrier may not tow a vehicle with an expired registration unless specifically directed by a law enforcement officer.
- Kickbacks for identifying vehicles who are violating rules and need to be towed are expressly prohibited.

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VEHICLE OWNER RIGHTS DURING A TOW:

- If a car owner cannot pay the full bill for a nonconsensual tow from private property, they may still retrieve their vehicle with a deposit of 15% of the total owed, up to \$60, and a signed form stating that they know they owe the balance for any legal towing charges.
- The car owner has the right to retrieve any and all vehicle contents and/or the vehicle itself upon demand.
- Towing carriers must post signage at their storage facility with the maximum rates for nonconsensual tows, PUC contact information, and information that:
 - The vehicle owner has a right to retrieve their vehicle's contents at any time regardless of whether they can pay what is owed.
 - The vehicle owner has a right to retrieve a non-consensually towed vehicle by signing the appropriate form and providing payment of 15% or \$60.
- Towing carriers must notify law enforcement within 30 minutes when a vehicle is towed from private property, and must notify the vehicle owner no later than 10 days.
- Storage facilities must provide a location with enough light to inspect a car for damage.
- Towing carriers can only charge a prorated storage rate for days that a vehicle is stored for less than 24 hours.
- Towing carriers must provide upon request: an itemized bill showing each charge and fee, proof of the towing carrier's insurance, adequate towing records, and/or the carriers accepted forms of payment (at least 2 are required by law).
- Towing carriers must provide the vehicle owner notice in writing of their ability to make a complaint to the PUC should they believe that any part of the tow was illegal.

ACCOUNTABILITY:

- If a car is not retrieved and is sold by the towing carrier, the carrier must sell it for fair market value. Money received for the sale goes to pay any unpaid debts to the tow carrier, banks or law enforcement first, then the tow carrier is required to return the remainder to the vehicle owner.
- A towing carrier may not charge fees for service if they do not comply with all legal requirements, and vehicle owners can recover damages from a carrier who is proven to have towed their car illegally.
- Violations of these requirements and protections are classified as a deceptive trade practice enforceable by the Attorney General.
- The Public Utilities Commission may create rules for industry practices that are determined to be harmful.
- The Public Utilities Commission may deny a towing carrier permit or renewal if the carrier has a history of towing offenses, or if there is a reason to believe issuing the license would not be in the public interest.
- The Towing Task Force's annual report will have expanded content requirements.

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