

**REVENUE: No revenue impact**

**FISCAL: Minimal fiscal impact, no statement issued**

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**Action:** Do Pass as Amended and Be Printed Engrossed

**Vote:** 5 - 0 - 0

**Yeas:** Avakian, Beyer, Gordly, Monroe, Prozanski

**Nays:** 0

**Exc.:** 0

**Prepared By:** Anna Braun, Administrator

**Meeting Dates:** 1/22, 4/11

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**WHAT THE MEASURE DOES:** Regulates towing company practices. Prohibits towing without required notice. Requires notice if owner of parking facility hires tower. Prohibits charging more than price disclosed. Prohibits soliciting towing with 1,000 feet of an accident unless pursuant to pre-negotiated payment agreement between tower and motor vehicle road service company. Prohibits parking within 1,000 feet of a property for purposes of monitoring facility for towing business unless signed at each entrance. Prohibits paying owner of parking facility for privilege of towing. Prohibits requiring agreement not to dispute reason for tow, validity of charges, condition of vehicle or personal property. Requires acceptance of cash as payment only if exact change is given the following day. Specifies certain hours of redemption. Authorizes Attorney General rulemaking. Requires compliance with rules, including proof of insurance, to qualify for Department of Transportation towing business certificate. Provides that violations are unlawful trade practices allowing both Attorney General enforcement and private right of action.

**ISSUES DISCUSSED:**

- Abusive towing practices
- "Patrol towing"
- Current level of regulation in the towing industry

**EFFECT OF COMMITTEE AMENDMENT:** Replaces original measure.

**BACKGROUND:** Currently, towing companies are unregulated by the state. Local government authority over towing companies is usually limited to a preference list for use of police departments. The Department of Justice states that each year they receive numerous complaints about towing companies and their business practices. SB 116 A is the product of a work group led by the Department of Justice to regulate towing companies.