



**DEPARTMENT OF JUSTICE**  
OFFICE OF THE ATTORNEY GENERAL

DATE: February 8, 2016

TO: Honorable Senator Lee Beyer, Senate Committee on Business and Transportation

FROM: Aaron Knott, Department of Justice Legislative Director

SUBJECT: SB 1546 – Motor Vehicle Towing

**BACKGROUND**

The Oregon Department of Justice has long fought for the interests of Oregon consumers. SB 1546 requires an owner of a parking facility to affirmatively call a tow truck each time it would like a vehicle on its property to be removed, with limited exceptions: if the vehicle blocks emergency vehicle access to the parking facility, prevents entry to the premises, blocks another vehicle, or parks without permission at an apartment complex. A violation of SB 1546 would not only be an Unlawful Trade Practices Act (“UTPA”) violation – which it is under current law – but also a Class D violation, which carries a presumptive fine of \$110.

**CONCERNS WITH SB 1546**

We are concerned of potentially unintended consequences of SB 1546 that would hurt both consumers and businesses. Customers want to be able to park in a parking lot offered by a business. However, if non-customers fill up the lot, particularly in urban areas, customers may be precluded from parking conveniently near the business. Customers who cannot find parking may even decide not to patronize the business. Furthermore, the UTPA does not cover business-to-business transactions, which would possibly apply here.

A business wants to worry about serving its customers and making sales. It does not want to be actively monitoring its parking lot. This is why businesses enter into agreements with towers so that towers will quickly tow away any vehicles that should not be parked in a lot. While SB 1546 may hurt both consumers and businesses alike, it is also not fair to consumers for their vehicles to be towed away when they did not know they should not be parking in a particular lot. This tension is something that must be addressed. Therefore, to improve this legislation, these competing interests should be more appropriately balanced.

**RECOMMENDATION**

Clear and conspicuous signage should be required in parking lots. SB 1546 could specify clear minimum requirements that signs in parking lots must meet so that consumers leaving their vehicles there can be fairly put on notice that they cannot park in the lot if they are not shopping at that business. In so doing, failure to comply with such signage requirements should be made a UTPA violation.

**CONTACT**

Please contact Department of Justice Legislative Director Aaron Knott with any further questions or concerns. [aaron.d.knott@doj.state.or.us](mailto:aaron.d.knott@doj.state.or.us) or 503-798-0987