



DEPARTMENT OF JUSTICE  
OFFICE OF THE ATTORNEY GENERAL

## **SB 488A: Protecting Victims of Car Theft**

**Background:** When a person becomes the victim of automobile theft, the recovery of the vehicle is often thought of as the best possible outcome. In reality, the recovery of the vehicle can trigger additional economic hardship. When law enforcement locates a stolen vehicle, the vehicle is towed if the owner is unable to recover the vehicle from the scene within a short time, often an hour or less. The towed stolen vehicle is thereafter treated like any other vehicle, and all costs associated with that tow and any subsequent storage fees are charged to the owner of the stolen car. A crime victim may learn of the recovery of their vehicle only to find that the vehicle has been essentially “totaled” by the accrual of storage fees. If a tower cannot recoup their expenses through the auctioning of the stolen vehicle, they can pursue any remaining balance against a crime victim via a collections action or through small claims court. This can have a devastating impact on the credit worthiness of the crime victim.

Senate Bill 488A incorporates several proposals meant to lessen the burden on the victims of automotive theft.

**Improved information sharing.** When a stolen car is located by police, and subsequently towed to a lot, the tower generally queries the DMV to obtain the contact information of the registered owner, a process that often takes several days, and often only provides the address of the vehicle’s most recent registration. During this time, the vehicles owner continues to accrue storage and other fees. Law enforcement is often in possession of additional and more recent victim contact information, but prohibitions against the sharing of data contained in the Law Enforcement Database Service (LEDS) can prevent this more recent data, which often includes a phone number, from being relayed to the tower.

SB 488A proposes that at the time a tow truck operator agrees to recover a vehicle that has been reported stolen, the law enforcement agency that contacts the tower must share the owners contact information with the tower. Law enforcement may share the owners contact information, including home address and telephone number, from either the Law Enforcement Database Service (LEDS), or the stolen vehicle police report; this contact information must only be used for the purposes of contacting the victim to notify them that their vehicle has been recovered. A tower may not begin accruing storage fees until notification has been attempted. This will lessen the delay between the recovery of the car and the contacting of the victim, which should in turn lessen the accrual of storage fees.

**Simplified surrender of title.** After a damaged vehicle is recovered, a crime victim may want to “walk away” from a vehicle which has been recovered in a badly damaged condition. The process of auctioning a vehicle involves the imposition of a lien, a process that typically takes 30 days. During this period, a vehicle owner typically cannot surrender their title and abandon their interest in their vehicle even when they wish to do so. SB 488A allows that the individual holding title to a vehicle that has been stolen and recovered but that is considered totaled may

transfer the vehicle's title to the tower in lieu of payment for recovery and storage fees. Once the owner of the vehicle has surrendered title to the tower, they are no longer responsible for any additional fees that may accrue.

**Holding victims harmless.** It is entirely sensible and fair for a tower to pursue a collection action against a person who bears some responsibility for the towing of their vehicle. A crime victim, however, has done nothing wrong, and did not choose that their vehicle be the subject of theft. To allow a tower to pursue costs beyond the auctioned value of the vehicle can further damage the economic prospects of a person already badly damaged by the loss of their vehicle. SB 488A removes the ability of a tower to pursue small claims or other actions against a crime victim who has chosen to surrender their title within 14 days following the tow. The recovery of stolen vehicles is typically a small percentage of the business done by a tower as part of their inclusion in a "preference list," which provides a steady stream of law enforcement tows and other reliable contacts. While prohibiting towers from taking crime victims to small claims or collections will have a modest impact on their overall revenues, the tower will retain their ability to auction the vehicle and collect costs in this manner.

**Allows a right of inspection.** Under existing law, a vehicle owner has no ability to inspect a vehicle for the purposes of determining whether the bill is totaled. This puts the vehicle owner in an inherently compromised position when making a determination of whether or not to relinquish an ownership interest in a vehicle. SB 488A creates the right to inspect a vehicle to make an assessment of whether the bill can be driven.

Nothing in Senate Bill 488A will eliminate the trauma or frequency of car theft, nor guarantee that a crime victim will be able to retrieve their vehicle from a tower regardless of the accrued fees. SB 488A attempts to balance the very real difficulties facing the owners of stolen vehicles with the obvious and credible need of towing companies to maintain a sustainable business model. The Attorney General urges the passage of SB 488A.

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