# A-Engrossed Senate Bill 488

Ordered by the Senate April 24 Including Senate Amendments dated April 24

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#### **SUMMARY**

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

[Requires office of Attorney General to conduct study on fees and costs associated with recovering from towers vehicles that have been stolen and subsequently recovered and towed. Requires office to report results of study to interim committees of Legislative Assembly related to judiciary no later than September 15, 2018.]

[Sunsets December 31, 2018.]

[Declares emergency, effective on passage.]

Requires law enforcement agency that recovers vehicle reported as stolen to share owner's contact information with tower that assumes control of vehicle. Requires tower to attempt to provide certain notice to owner of stolen vehicle as soon as is practicable.

Allows person who owns stolen, totaled vehicle recovered by tower to transfer person's

Allows person who owns stolen, totaled vehicle recovered by tower to transfer person's interest in vehicle to tower in payment or partial payment of tower's fees. Prohibits tower from assessing additional fees after person transfers interest in vehicle to tower. Prohibits tower from engaging in certain collections activities against person who transfers interest in vehicle within 14 days of date person receives notice that stolen, totaled vehicle was recovered by tower.

Requires tower in physical possession of vehicle to permit owner or person in lawful possession of vehicle to inspect vehicle during certain hours.

A BILL FOR AN ACT 1 Relating to towing; creating new provisions; and amending ORS 98.852, 98.858, 819.012 and 822.015. Be It Enacted by the People of the State of Oregon: 3 STOLEN VEHICLES AND SHARING VEHICLE OWNER'S 5 CONTACT INFORMATION WITH TOWERS **SECTION 1.** ORS 98.852 is amended to read: 98.852. As used in ORS 98.854 to 98.862: (1) "Consideration" has the meaning given that term in ORS 171.725. 10 (2) "Law enforcement agency" has the meaning given that term in ORS 131.915. 11 [(2)] (3) "Motor vehicle" has the meaning given that term in ORS 801.360. 12 [(3)] (4) "Parking facility" has the meaning given that term in ORS 98.805. 13 14 [(4)] (5) "Tower" means a person that: 15 (a) Owns or operates a tow vehicle for profit; or

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter [italic and bracketed] is existing law to be omitted. New sections are in **boldfaced** type.

SECTION 2. Section 3 of this 2017 Act is added to and made a part of ORS 98.854 to 98.862.

(b) Is employed by a person that owns or operates a tow vehicle for profit.

[(5)] (6) "Tow vehicle" has the meaning given that term in ORS 801.530.

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- SECTION 3. (1) After a motor vehicle reported as stolen is recovered by a law enforcement agency, the agency shall share the owner's contact information, including home address and telephone number, from either the Law Enforcement Data System or the stolen vehicle police report, with any tower that assumes control of the vehicle. The contact information may be used only for the purposes described in subsection (2) of this section.
- (2) As soon as is practicable after recovering the motor vehicle, the tower shall attempt to provide notice to the owner of the stolen motor vehicle:
  - (a) That the motor vehicle has been recovered; and
  - (b) Of the current location of the vehicle.
- (3) Fees charged by the tower for storage of a stolen motor vehicle may not begin to accrue until the date that the tower first attempts to notify the owner of the stolen motor vehicle under subsection (2) of this section.

### STOLEN VEHICLES AND TRANSFER OF TITLE TO TOWER

SECTION 4. Section 5 of this 2017 Act is added to and made a part of the Oregon Vehicle Code.

SECTION 5. (1) If a tower recovers a vehicle after a theft and the vehicle is totaled, the person who is the owner of the vehicle may transfer the person's interest in the vehicle to the tower in payment or partial payment of the tower's fees for recovery and storage of the vehicle.

- (2) A tower that accepts a transfer of interest in a vehicle from a person under this section may not assess fees against the person for storage of the totaled vehicle that occurs on and after the date of the transfer of interest.
- (3) Notwithstanding the provisions for liens under ORS 98.812 and 98.835, if a person transfers their interest in a vehicle under this section to a tower within 14 days of the date the person receives notice under section 3 of this 2017 Act, the tower may not bring an action against the person for, or otherwise take any affirmative steps to collect or permit an agency or assignee to collect, any amount as compensation for towing, caring for or storing the totaled vehicle.
- (4) A tower that receives title under this section is responsible for any fees imposed by the Department of Transportation for transferring title.

SECTION 6. ORS 819.012 is amended to read:

- 819.012. (1) A person other than an insurer commits the offense of failure to follow procedures for a totaled vehicle if the person:
- (a) Is the registered owner of a vehicle that is a totaled vehicle as defined in ORS 801.527 (1) and does not surrender the certificate of title for the vehicle either to the Department of Transportation or to the insurer within 30 days of the declaration or other relevant act by the insurer.
- (b) Is the registered owner of a vehicle that is a totaled vehicle as defined in ORS 801.527 (2) and does not notify the department of the status of the vehicle within 30 days of the day that the vehicle became a totaled vehicle.
- (c) Is the registered owner of a vehicle that is a totaled vehicle as defined in ORS 801.527 (3) and does not surrender the certificate of title for the vehicle to the department within 30 days of the date the vehicle became a totaled vehicle.
  - (d) Receives or purchases a totaled vehicle and does not surrender the certificate of title for the

vehicle to the department within 30 days of purchase or receipt of the vehicle.

- (2) A person is not required to surrender the certificate of title if the person is unable to obtain the certificate for the vehicle. If the person is unable to obtain the certificate, the person shall notify the department that the vehicle is a totaled vehicle and shall notify the department of the reason that the person is unable to surrender the certificate.
  - (3) A person is not required to surrender the certificate of title if:
- (a) The person transferred their interest in the totaled vehicle to a tower pursuant to section 5 of this 2017 Act; or
- (b) The person is a tower that received interest in the totaled vehicle pursuant to section 5 of this 2017 Act and the tower subsequently transfers interest in the totaled vehicle to a dismantler within 30 days of the date the tower received interest in the totaled vehicle.
- [(3)] (4) If the vehicle is one for which title was issued in a form other than a certificate, the person shall notify the department that the vehicle is a totaled vehicle and shall follow procedures adopted by the department by rule.
- [(4)] (5) The offense described in this section, failure to follow procedures for a totaled vehicle, is a Class A misdemeanor.

#### SECTION 7. ORS 822.015 is amended to read:

- 822.015. (1) In addition to any exemptions from the vehicle code under ORS 801.026, ORS 822.005 does not apply to the following vehicles or persons:
- (a) Road rollers, farm tractors, farm trailers, trolleys, implements of husbandry, emergency vehicles, well-drilling machinery and boat or utility trailers with a gross weight of 1,800 pounds or less.
- (b) The owner of a vehicle as shown by the vehicle title issued by any jurisdiction if the person owned the vehicle primarily for personal, family or household purposes. If the person has sold, traded, displayed or offered for sale, trade or exchange more than five vehicles in one calendar year, the person shall have the burden of proving that the person owned the vehicles primarily for personal, family or household purposes or for other purposes that the Department of Transportation, by rule, defines as constituting an exemption under this section.
- (c) A receiver, trustee, personal representative or public officer while performing any official duties.
- (d) The lessor or security interest holder of a vehicle as shown by the vehicle title issued by any jurisdiction.
- (e) Except as otherwise provided in this paragraph, a manufacturer who sells vehicles the manufacturer has manufactured in Oregon. Nothing in this paragraph prevents any manufacturer from obtaining a vehicle dealer certificate under ORS 822.020. This paragraph does not exempt a manufacturer who sells or trades campers or travel trailers.
- (f) An insurance adjuster authorized to do business under ORS 744.505 or 744.515 who is disposing of vehicles for salvage.
- (g) Except as otherwise provided in this paragraph, a person who sells or trades or offers to sell or trade a vehicle that has been used in the operation of the person's business. This paragraph does not exempt a person who is in the business of selling, trading, displaying, rebuilding, renting or leasing vehicles from any requirement to obtain a certificate for dealing in those vehicles.
- (h) A person who receives no money, goods or services, either directly or indirectly, for displaying a vehicle or acting as an agent in the buying or selling of a vehicle.
  - (i) A person who collects, purchases, acquires, trades or disposes of vehicles and vehicle parts

for the person's own use in order to preserve, restore and maintain vehicles for the person's own use or for hobby or historical purposes.

- (j) A manufactured structure dealer subject to the licensing requirement of ORS 446.671 or a person exempt from licensing under ORS 446.676 when selling a vehicle, trailer or semitrailer accepted in trade as part of a manufactured structure transaction. A manufactured structure dealership or exempt person may not directly sell more than three vehicles per calendar year under authority of this paragraph, but by consignment with a dealer certified under ORS 822.020 or 822.040 may sell an unlimited number of vehicles acquired as described in this paragraph.
  - (k) A lien claimant who sells vehicles in order to foreclose possessory liens.
- (L) A lien claimant who, in a 12-month period, sells 12 or fewer vehicles that the lien claimant acquired through possessory liens if the vehicles are sold at the business location of the lien claimant.
  - (m) Electric personal assistive mobility devices.
  - (n) A tower that received title for a vehicle under section 5 of this 2017 Act.
- (2) Notwithstanding ORS 822.005, the following may participate with other dealers in a display of vehicles, including but not limited to an auto show, if the display is an event that lasts for 10 days or less and is an event for which the public is charged admission:
  - (a) A person who is licensed as a vehicle dealer in another jurisdiction; or
  - (b) Any employee of a person who is licensed as a vehicle dealer in another jurisdiction.
- (3) Notwithstanding ORS 822.005, a person who is licensed as a vehicle dealer in another jurisdiction or an employee of a person who is certified or licensed as a vehicle dealer may participate in a vehicle auction if the vehicle auction is:
- (a) Conducted by a vehicle dealer who holds a vehicle dealer certificate issued or renewed under ORS 822.020 or 822.040; and
  - (b) Open only to certified or licensed vehicle dealers or their employees.
- (4) The department shall adopt rules to carry out the provisions of this section, including but not limited to specifying which dealers may take vehicles on consignment from other jurisdictions.

## RIGHT TO INSPECT VEHICLE

SECTION 8. ORS 98.858 is amended to read:

98.858. (1) A tower in physical possession of a motor vehicle shall permit the owner or person in lawful possession of a motor vehicle the tower has towed to:

- (a) Redeem or inspect the motor vehicle:
- (A) Between 8 a.m. and 6 p.m. Monday through Friday, excluding legal holidays;
- (B) At all other hours, within 60 minutes after asking the tower to release or allow for the inspection of the motor vehicle; and
- (C) Within 30 minutes of a time mutually agreed upon between the tower and the owner or person in lawful possession of the motor vehicle;
- (b) Contact the tower at any time to receive information about the location of the motor vehicle and instructions for obtaining release of the motor vehicle; and
- (c) Obtain all personal property of an emergency nature in the motor vehicle within the time allowed under paragraph (a) of this subsection.
- (2) A tower may not charge the owner or person in lawful possession of the motor vehicle a fee in any amount to obtain personal property of an emergency nature except for a gate fee between

limited to prescription medication, eyeglasses, clothing, identification, a wallet, a page card, a checkbook, cash and child safety car and booster seats.  CAPTIONS  SECTION 9. The unit captions used in this 2017 Act are provided only for the	1	the hours of 6 p.m. and 8 a.m. Monday through Friday, or on a Saturday, a Sunday or a legal holi
limited to prescription medication, eyeglasses, clothing, identification, a wallet, a page card, a checkbook, cash and child safety car and booster seats.  CAPTIONS  SECTION 9. The unit captions used in this 2017 Act are provided only for the of the reader and do not become part of the statutory law of this state or expectations is lative intent in the enactment of this 2017 Act.	2	day.
card, a checkbook, cash and child safety car and booster seats.  CAPTIONS  SECTION 9. The unit captions used in this 2017 Act are provided only for the of the reader and do not become part of the statutory law of this state or expectations is lative intent in the enactment of this 2017 Act.	3	(3) As used in this section, "personal property of an emergency nature" includes but is not
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