



Testimony in Support of SB372
Senator Business and General Government Committee
Submitted by Pam Leavitt, Northwest Credit Union Association

Chair Riley and members of the Committee, please see attached our comments in support of SB372, a bill to reduce the period of time in which towors must provide notice to owners and lienholders of vehicle after towing the vehicle.

Credit unions are not-for-profit financial cooperatives, organized to meet the needs of their members. They are democratically owned and controlled institutions, governed by its members. Oregon's 59 credit unions serve over 2 million members – your constituents. Credit unions provide the financial services consumer need and want – home loans, car loans, business loans, savings and checking accounts, financial counseling and financial education programs.

Please see a few points for the record:

- Towed, impounded or stored vehicles incur towing storage fees as soon as they are hooked up to a tow truck. The fees, particularly storage fees, can accumulate very quickly, so it is in the best interest of all parties associated with the vehicle to receive notification as soon as possible.
- Timing is paramount in helping owners recover their vehicle or allowing the lienholder to recover the vehicle to ensure the towing, impound and storage fees do not eclipse the overall value of the vehicle.
- The towing and storage fees negatively impact the loan value, or possibly, even eclipse the value of the vehicle creating a total loss, especially if the car needs repairs.
- These negative impacts and potential losses are mitigated when the lienholder receives notice from law enforcement or the towing company more expeditiously, which can allow them to assist the owner in recovering the vehicle or recover the vehicle directly.

For your information, here are the outstanding vehicle loan numbers for all 58 credit unions in Oregon (as of Sept. 2018 Call Report data):

New Vehicles: \$3,515,428,673.00
Used Vehicles: \$3,327,117,675.00
Total: \$6,842,546,348.00

Thank you for the opportunity to provide testimony to you today, and for your consideration of this bill.