



DEPARTMENT OF JUSTICE
OFFICE OF THE ATTORNEY GENERAL

DATE: March 19, 2019
TO: Honorable Floyd Prozanski, Chair of the Senate Committee on Judiciary
FROM: Aaron Knott, Legislative Director
SUBJECT: SB 548 : Creating a Board of Towing

This testimony is presented in support of SB 548.

Background:

In collaboration with the towing industry, the Department of Justice hosted during the 2018 a Towing Workgroup with tow companies, legislators, ODOT and consumer protection advocates to consider whether Oregon should create a body tasked with the regulation of the tow industry. Towing is a high complaint industry for Oregon consumers and while the industry is subject to fairly comprehensive statutory rules and regulations, both consumers and tow companies complain that these laws are often disregarded, putting those towers who comply with Oregon law at a competitive disadvantage and exposing consumers to fraud and exploitation.

There is currently no agency tasked with the overseeing the various laws applicable to the towing industry. The Department of Justice has limited civil jurisdiction under the Unlawful Trade Practices Act in certain cases, but there is no dedicated, industry specific regulatory body tasked with monitoring and assuring compliance with existing law through administrative sanctions and processes.

Concept:

This bill is the product of the Department's Towing Workgroup. The measure creates the Oregon Board of Towing, empowered to receive and investigate complaints related to the towing industry and take remedial and enforcement action. Because there is no licensing regime for towers, the Board of Towing would have authority to take action on a tower's business

certificate, limit or exclude them from participating in the Oregon State Police non-preference tow rotation, or impose civil penalties. The board would be comprised of members of the towing industry, law enforcement, the insurance industry, consumer advocates and a citizen representative. The structure, staffing and remedy provisions of the board are modeled on other small professional boards elsewhere within Oregon statute.

A fiscal impact is anticipated for the staffing of the board.

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