

SB 372 A STAFF MEASURE SUMMARY

Senate Committee On Business and General Government

Action Date: 04/09/19

Action: Do pass with amendments and requesting referral to Ways and Means. (Printed A-Engrossed.)

Vote: 4-1-0-0

Yeas: 4 - Dembrow, Hass, Olsen, Riley

Nays: 1 - Girod

Fiscal: Fiscal impact issued

Revenue: No revenue impact

Prepared By: Tyler Larson, LPRO Analyst

Meeting Dates: 2/21, 4/9

WHAT THE MEASURE DOES:

Requires tower to provide notice to owner and lienholder of vehicle within three calendar days of towing vehicle, or one calendar day if lienholder's e-mail address is available in electronic system established by Oregon Department of Transportation. Reduces amount tower can claim in lien if notice requirement not satisfied. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Impact of updated Oregon Department of Transportation record system on reasonable notice timeframe
- Value of timely notice for vehicle lienholders
- Nature of small towing business and current practices for providing notice to lienholders

EFFECT OF AMENDMENT:

Replaces requirement to provide notice to owner and lienholder of vehicle no later than one business day after towing vehicle with requirement to provide notice to owner and lienholder within three calendar days, or one calendar day if lienholder's e-mail is available in an electronic portal established by Oregon Department of Transportation.

BACKGROUND:

Current statute allows vehicles left or parked without authorization on private property, parked illegally, or otherwise taken into custody to be towed. Towers are required to give notice to the owner and lienholder within 15 or 20 days of storing the vehicle, depending on the nature of the violation that triggered the tow. The tower may place a lien on a towed vehicle in order to recover just and reasonable charges associated with towing and storing the vehicle.

Senate Bill 372-A reduces the notice requirement from 15 or 20 days to within three calendar days, or one calendar day if the lienholder's e-mail is available in an electronic portal established by the Oregon Department of Transportation. The measure also reduces the amount of the lien that a tower can claim when the tower fails to comply with the notice requirements.