

FINAL BILL REPORT

HB 2592

C 56 L 10
Synopsis as Enacted

Brief Description: Prohibiting incentive towing programs for private property impounds.

Sponsors: Representatives Hunt and Hasegawa.

House Committee on Transportation
Senate Committee on Transportation

Background:

Tow truck operators who impound vehicles from private or public property, or tow for law enforcement agencies, are regulated by the Department of Licensing (DOL) and the Washington State Patrol (WSP). Impounds, the taking and holding of a vehicle in legal custody without the consent of the owner, may only be performed by registered tow truck operators (RTTOs). If on public property, the impound is at the direction of a law enforcement officer; if the vehicle is on private property, the impound is at the direction of the property owner or his or her agent.

The RTTOs are issued a tow truck permit by the DOL, following payment of a \$100 per company and \$50 per truck fee, plus an inspection by the WSP. The RTTOs must also file a surety bond of \$5,000 with the DOL and meet certain insurance requirements.

Except where the impounded vehicle has a fair market value only equal to its scrap value, an RTTO may not ask for or receive compensation, gratuities, or rewards from a person authorized to sign an impound authorization related to the impounding of a vehicle beyond the costs of towing, storage, or other services rendered. An RTTO is also prevented from having an interest in a contract, agreement, or understanding between a person having control of private property and an agent of the person authorized to sign an impound authorization. Finally, an RTTO may not have an interest in an entity whose functions include acting as an agent or representative of a property owner for the purpose of authorizing impounds. A violation of these prohibitions is a gross misdemeanor.

Summary:

Registered tow truck operators are prohibited from entering into any contract or agreement or offering an incentive to a person authorized to order a private impound that is related to the

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authorization of an impound. These incentives include monetary or nonmonetary things of value, but do not include items of de minimus value that are given in the ordinary course of business such as:

- promotional items including pens, calendars, and cups;
- holiday gifts such as cookies or candy;
- flowers for occasions such as illness or death; or
- the cost of a meal for one person.

The provision of the signs required to be posted on private property and the labor and materials associated with this placement is not a violation of this prohibition.

Votes on Final Passage:

House	95	2
Senate	48	0

Effective: June 10, 2010