

SENATE BILL REPORT

HB 1215

As of March 22, 2011

Title: An act relating to clarifying the application of the fifteen-day storage limit on liens for impounded vehicles.

Brief Description: Clarifying the application of the fifteen-day storage limit on liens for impounded vehicles.

Sponsors: Representatives Liias, Rodne, Goodman and Kenney.

Brief History: Passed House: 3/01/11, 97-0.

Committee Activity: Transportation: 3/21/11.

SENATE COMMITTEE ON TRANSPORTATION

Staff: Katherine Taylor (786-7434)

Background: Impoundment, is the taking and holding of a vehicle in legal custody without the consent of the owner by a registered tow truck operator (RTTO).

When a vehicle is impounded, an RTTO must send an impound notice to the legal owner, based on information received from law enforcement. After a vehicle is considered abandoned, an RTTO must file an abandoned vehicle report (AVR) with the Department of Licensing (DOL). In response to the AVR, DOL provides information to the RTTO regarding the owner of the vehicle. Once this information is received, the RTTO must send by certified mail a notice of custody and sale to the owner.

After 15 days from the receipt of information from DOL, the RTTO may no longer accumulate storage charges. If the vehicle remains unclaimed, the RTTO must conduct a sale at public auction. The RTTO may not hold the vehicle for longer than 90 days, except in the case of a law enforcement or judicial order.

Vehicles may be redeemed by their legal owners any time before the start of the auction upon payment of towing and storage charges.

The RTTOs collect towing and storage charges on abandoned vehicles via a lien against the sale of the vehicle at auction. If the vehicle sale proceeds are less than the lien, the remaining charges owed to the RTTO are sent to a collection agency for recovery of the deficient claim.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

All surplus funds after the sale of an abandoned vehicle at auction and satisfaction of the RTTO lien are deposited in the Motor Vehicle Fund.

Summary of Bill: The 15-day deadline after which storage charges may no longer be accumulated is clarified to be in addition to storage charges accumulated prior to the receipt of the information from DOL.

Abandoned vehicles that are redeemed by an owner prior to their sale at auction are not subject to the 15-day limit and must pay all accumulated storage charges from the time of impoundment up to the time of redemption.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: Clarifies current law, reflects current practices, and does not change how law enforcement enforces the law.

Persons Testifying: PRO: Stu Halsan, Towing and Recovery Association.