

SENATE BILL REPORT

ESHB 2372

As of February 27, 2012

Title: An act relating to tow trucks.

Brief Description: Concerning tow truck employee certification and private impound rates.

Sponsors: House Committee on Transportation (originally sponsored by Representatives Pollet, Kenney, Reykdal, Dickerson, Jinkins, Wylie, Hasegawa, Pettigrew, Billig, Pedersen, Ryu, Fitzgibbon, Darneille, Blake, Finn, Eddy and Kagi).

Brief History: Passed House: 2/13/12, 55-43.

Committee Activity: Transportation: 2/27/12.

SENATE COMMITTEE ON TRANSPORTATION

Staff: Kim Johnson (786-7472)

Background: State law regulates tow truck operators (operators) who impound vehicles from private or public property and/or tow for law enforcement agencies. Impounds, the taking and holding of a vehicle in legal custody without the consent of the owner, may only be performed by registered operators. 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 the owner's agent.

Operators are issued a tow truck permit by the Department of Licensing (DOL), following payment of a \$100 per company and a \$50 per truck fee, plus an inspection by the Washington State Patrol (WSP). Operators must also file a surety bond of \$5,000 with DOL and meet certain minimum insurance requirements. An operator must file a fee schedule with DOL. An operator may not charge a fee that exceeds those filed with DOL.

In order for an operator to provide towing services for the WSP, an application must be approved and a letter of appointment issued by the WSP. As part of the application process, the WSP requires compliance with standards for equipment, performance, pricing, and practices. These standards are only binding on those towing operators appointed by the WSP for the purpose of performing towing services at the request of the WSP. Current rules establish requirements related to criminal background checks for owners, officers, and employees of operators. The WSP also sets maximum rates for towing services for WSP originated calls.

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.

State law also requires the WSP to classify tow trucks in rule. The WSP has established requirements for class A, class B, class B-2, class C, class D, class E, class S, and class S-1 tow trucks. The classes are based on size, equipment, and capabilities of the tow truck.

Summary of Bill: Legislative findings are made regarding the public knowing what the charges and fees will be for the private impound of vehicles parked on private property, and that those charges should be uniform and reasonable throughout the state.

All owners and officers of registered tow truck operator businesses and all employees who serve as tow truck drivers must meet the criminal background requirements in the same manner as those operators authorized to perform public impounds for the WSP. An operator must notify the WSP and DOL of any changes in ownership or corporate officers. In addition, the operator must notify the WSP of any employees hired as tow truck drivers within three days of hiring.

Maximum rates for private impounds performed by operators using class A, class D, or class E tow trucks are established:

- towing hourly rate may not exceed 150 percent of the rate established for class A tow trucks for WSP originated calls;
- daily storage rate may not exceed 150 percent of the rate established for WSP originated calls; and
- after-hours release fee may not exceed 100 percent of the rate established for WSP originated calls.

The maximum rate requirements apply to all operators whether or not they hold letters of appointment from the WSP to respond to WSP-originated calls. These requirements do not apply to other classes of tow trucks than those specified and do not apply to law enforcement impounds or private voluntary towing. Additionally the requirements only apply if a vehicle is parked and upright, has all its wheels and tires attached, does not have a broken axle, and has not been involved in an accident at the location from which it is being impounded.

Appropriation: None.

Fiscal Note: Available.

[OFM requested ten-year cost projection pursuant to I-960.]

Committee/Commission/Task Force Created: No.

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