

# FINAL BILL REPORT

## SHB 1130

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Synopsis as Enacted

**Brief Description:** Modifying who is authorized to redeem an impounded vehicle.

**Sponsors:** House Committee on Business & Financial Services (originally sponsored by Representatives Hurst and Dahlquist).

**House Committee on Transportation**  
**House Committee on Business & Financial Services**  
**Senate Committee on Financial Institutions, Housing & Insurance**

#### **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). To be licensed, an applicant must meet financial responsibility standards, provide a list of all employee drivers of a tow truck, pass an inspection by Washington State Patrol (WSP), complete the appropriate forms, and pay the appropriate fees.

Impoundment, 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. If the vehicle is 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.

Once a vehicle is impounded, the impounding tow truck operator (operator) is required to notify the legal and registered owners of the vehicle. This notice must be given in writing within 24 hours of impoundment and must inform the owner of the identity of the person or agency authorizing the impound. The notification must also include the impounding tow firm's name, address, and telephone number.

An impounded vehicle may only be redeemed by:

- the legal owner;
- the registered owner;
- a person authorized in writing by the registered owner or the vehicle's insurer;
- a person who is determined and verified by the operator to have the permission of the registered owner of the vehicle; or

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- a person who has purchased a vehicle from the registered owner who produces proof of ownership or written authorization and signs a receipt.

**Summary:**

An impounded vehicle may also be redeemed by:

- a vendor working on behalf of the vehicle's insurer;
- a third-party insurer that has a duty to repair or replace the vehicle; or
- a vendor working on behalf of a third-party insurer that has a duty to repair or replace the vehicle.

In order to redeem a vehicle, a third-party insurer or a vendor working on behalf of a third-party insurer must obtain consent from the registered owner or the owner's agent to move the vehicle. The third-party insurer must document the consent in the insurer's claim file.

If a third-party insurer or a vendor working for a third-party insurer redeems a vehicle, the registered owner of that vehicle must be granted access to the vehicle and allowed to reclaim possession of the vehicle.

An "owner's agent" is the legal owner of the vehicle, a driver in possession of the vehicle with the registered owner's permission, or an adult member of the registered owner's family.

**Votes on Final Passage:**

House	97	0	
Senate	48	0	(Senate amended)
House			(House refused to concur)
Senate	46	0	(Senate amended)
House	95	2	(House concurred)

**Effective:** July 28, 2013