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## HOUSE BILL 2663

State of Washington 63rd Legislature 2014 Regular Session

By Representatives Pollet, Kretz, Goodman, Rodne, Gregerson, and Freeman Read first time 01/24/14. Referred to Committee on Transportation.

- AN ACT Relating to regulating tow truck operators not regulated under chapter 46.55 RCW; amending RCW 46.63.020; adding a new chapter
- 3 to Title 46 RCW; and prescribing penalties.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 <u>NEW SECTION.</u> **Sec. 1.** APPLICABILITY. This chapter does not apply
- 6 to registered tow truck operators regulated under chapter 46.55 RCW.
- 7 Licensing under this chapter does not relieve the tow truck operator
- 8 from the licensing requirements for other activities including, but not
- 9 limited to, motor vehicle transporters under chapter 46.76 RCW, hulk
- 10 haulers under chapter 46.79 RCW, and vehicle wreckers under chapter
- 11 46.80 RCW, as applicable.
- 12 <u>NEW SECTION.</u> **Sec. 2.** DEFINITIONS. The definitions in this
- 13 section apply throughout this chapter unless the context clearly
- 14 requires otherwise.
- 15 (1) "Tow truck" means any vehicle used in towing by a tow truck
- 16 operator. "Tow truck" includes any truck or automobile when using
- 17 equipment such as a trailer, dolly, tow bar, rope, chain, or cable to
- 18 tow another vehicle.

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1 (2) "Tow truck operator" or "operator" means a business that tows vehicles for monetary compensation.

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- (3) "Towing" or "to tow" means the moving of a vehicle owned by another person from one place to another by any means including, but not limited to, the use of a tow truck, flatbed truck, trailer, dolly, tow bar, lifts, rope, chain, or cable.
- NEW SECTION. Sec. 3. LICENSING. (1) A person shall not engage in 8 or offer to engage in the activities of a tow truck operator without a current license from the department authorizing him or her to engage in such activities.
- 11 (2) Any person engaging in or offering to engage in the activities 12 of a tow truck operator without the license required under this chapter 13 is guilty of a gross misdemeanor and is also subject to traffic 14 infractions and civil penalties that may be imposed by the department 15 or the state patrol under this chapter.
- NEW SECTION. Sec. 4. APPLICATION--CONTENTS, BOND, INSURANCE, FEE, CERTIFICATE. (1) Application for licensing as a tow truck operator must be made on forms furnished by the department, be accompanied by an inspection certification from the Washington state patrol, be signed by the applicant or an agent, and include the following information:
- 21 (a) The name and address of the person, firm, partnership, 22 association, or corporation under whose name the business is to be 23 conducted;
  - (b) The names and addresses of all persons having an interest in the business, or if the owner is a corporation, the names and addresses of the officers of the corporation;
- 27 (c) The names and addresses of all employees who serve as tow truck drivers;
- 29 (d) Proof of minimum insurance required under subsection (3) of 30 this section;
- 31 (e) The vehicle registration and vehicle identification numbers of 32 all tow trucks of which the applicant is the registered owner;
  - (f) Any other information the department may require; and
- 34 (g) A certificate of approval from the Washington state patrol 35 certifying that the applicant has an established place of business and 36 that mail is received at the address shown on the application.

(2) Before issuing a license to an applicant, the department must require the applicant to file with the department a surety bond in the amount of five thousand dollars running to the state and executed by a surety company authorized to do business in this state. The bond must be approved as to form by the attorney general and conditioned that the operator conduct his or her business in conformity with this chapter, and to compensate any person, company, or the state for failure to comply with this chapter or the rules adopted under this chapter, or for fraud, negligence, or misrepresentation in the handling of these vehicles. Any person injured by the tow truck operator's failure to fully perform duties imposed under this chapter and the rules adopted under this chapter is entitled to recover actual damages, including reasonable attorneys' fees, against the surety and the tow truck Successive recoveries against the bond are permitted, but operator. the aggregate liability of the surety to all persons must not exceed the amount of the bond. As a condition of authority to do business, the operator must keep the bond in full force and effect. Failure to maintain the penalty value of the bond or cancellation of the bond by the surety automatically cancels the operator's license.

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- (3)(a) Before the department may issue a license to an applicant, the applicant must provide proof of minimum insurance requirements of:
- (i) One hundred thousand dollars for liability for bodily injury or property damage per occurrence; and
- (ii) Fifty thousand dollars of legal liability per occurrence, to protect against vehicle damage, including, but not limited to, fire and theft, from the time a vehicle comes into the custody of an operator until it is delivered to the owner or to another person at the owner's direction.
- (b) Cancellation of or failure to maintain the insurance required under (a)(i) and (ii) of this subsection automatically cancels the operator's license.
- (4) The fee for each original license and annual renewal is one hundred dollars per company, plus fifty dollars per truck. The department must forward the license fee to the state treasurer for deposit in the motor vehicle fund.
- (5) The applicant must submit an inspection certificate from the state patrol before the department may issue or renew an operator's license.

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1 (6) Upon approval of the application, the department must issue a 2 license certificate to the tow truck operator to be displayed 3 prominently at the operator's place of business.

- NEW SECTION. Sec. 5. PERMIT REQUIRED--INSPECTIONS OF EQUIPMENT. (1) A tow truck operator must apply for and keep current a tow truck permit for each tow truck of which the operator is the registered owner. Application for a tow truck permit must be accompanied by a report from the Washington state patrol covering a physical inspection of each tow truck capable of being used by the applicant.
  - (2) Upon receipt of the fee provided in section 4(4) of this act and a satisfactory inspection report from the state patrol, the department must issue each tow truck an annual tow truck permit or decal. The class of the tow truck, determined according to section 6 of this act, must be stamped on the permit or decal. The permit or decal must be displayed on the passenger side of the truck's front windshield.
  - (3) A tow truck number from the department must be affixed in a permanent manner to each tow truck.
  - (4) The Washington state patrol must conduct an annual inspection of each tow truck operator's equipment and facilities during the operator's normal business hours. Unscheduled inspections may be conducted without notice at the operator's place of business by an inspector to determine the fitness of a tow truck or equipment.
  - (5) If at the time of the annual or subsequent inspections the equipment does not meet the requirements of this chapter, and the deficiency is a safety-related deficiency, or the equipment is necessary to the truck's performance, the inspector must cause the registered tow truck operator to remove that equipment from service as a tow truck until the equipment has been satisfactorily repaired. A red tag must be placed on the windshield of a tow truck taken out of service, and the tow truck must not provide tow truck service until the Washington state patrol recertifies the truck and removes the tag.
- NEW SECTION. Sec. 6. CLASSIFICATION OF TRUCKS--MARKING REQUIREMENTS--TIME AND PLACE OF INSPECTION--PENALTY. (1) Tow trucks must be classified by towing capabilities and must meet or exceed all equipment standards set by the state patrol for the type of tow trucks

to be used by an operator. A tow truck using equipment such as a dolly, trailer, or other means of transportation that is not in compliance with the equipment standards set by the state patrol is in violation of this chapter.

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- (2) All tow trucks must display the firm's name, city of address, and telephone number. This information must be painted on or permanently affixed to both sides of the vehicle in accordance with rules adopted by the department.
- (3) Before a tow truck is put into tow truck service, or when the reinspection of a tow truck is necessary, the district commander of the state patrol must designate a location and time for the inspection to be conducted. When practicable, the inspection or reinspection must be made within three business days following the request by the operator.
- 14 (4) Failure to comply with any requirement of this section or rules 15 adopted under this section is a traffic infraction.
- NEW SECTION. Sec. 7. BUSINESS LOCATION--REQUIREMENTS. (1) The address that the tow truck operator lists on his or her application must be the business location of the firm where its files are kept. Each separate business location requires a separate license under this chapter.
- 21 (2) Each business location must have a sign displaying the firm's 22 name that is readable from the roadway.
- 23 (3) At the business locations listed, the licensed operator must 24 post in a conspicuous and accessible location:
- 25 (a) All pertinent licenses and permits to operate as a tow truck 26 operator; and
- 27 (b) Information supplied by the department as to where complaints 28 regarding either equipment or service are to be directed.
- NEW SECTION. Sec. 8. FEES--SCHEDULES. (1) An operator must file a fee schedule with the department. All filed fees must be adequate to cover the costs of service provided. Fees may not exceed those filed with the department. At least ten days before the effective date of any change in an operator's fee schedule, the licensed tow truck operator must file the revised fee schedule with the department.
  - (2) A fee that is charged for tow truck service must be calculated

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- 1 on an hourly basis, and after the first hour must be charged to the
- 2 nearest quarter hour.
- 3 <u>NEW SECTION.</u> **Sec. 9.** AVAILABILITY OF RECORDS, EQUIPMENT, AND
- 4 FACILITIES FOR AUDIT AND INSPECTION. Records, equipment, and
- 5 facilities of a licensed tow truck operator must be made available
- 6 during normal business hours for audit or inspection by the department,
- 7 the Washington state patrol, or any law enforcement agency having
- 8 jurisdiction.
- 9 <u>NEW SECTION.</u> **Sec. 10.** COMPLAINTS, WHERE FORWARDED. (1) All law
- 10 enforcement agencies or local licensing agencies that receive
- 11 complaints involving licensed tow truck operators must forward the
- 12 complaints, along with any supporting documents including all results
- 13 from local investigations, to the department.
- 14 (2) Complaints involving deficiencies of equipment must be
- 15 forwarded by the department to the state patrol.
- 16 <u>NEW SECTION.</u> **Sec. 11.** PRESIDING OFFICER AT LICENSING HEARING.
- 17 The director or the chief of the Washington state patrol may use a
- 18 hearing officer or administrative law judge for presiding over a
- 19 hearing regarding licensing provisions under this chapter or rules
- 20 adopted under this chapter.
- 21 NEW SECTION. Sec. 12. RULES. The director, in cooperation with
- 22 the chief of the Washington state patrol, must adopt rules that carry
- 23 out the provisions and intent of this chapter.
- 24 NEW SECTION. Sec. 13. PENALTIES FOR CERTAIN ACTS OR OMISSIONS.
- 25 A tow truck operator's license may be denied, suspended, or revoked,
- 26 the licensee may be ordered to pay a monetary penalty of a civil nature
- 27 not to exceed one thousand dollars per violation, or the licensee may
- 28 be subjected to any combination of license and monetary penalty,
- 29 whenever the director has reason to believe the licensee has committed,
- 30 or is at the time committing, a violation of this chapter or rules
- 31 adopted under this chapter or any other statute or rule. All orders by
- 32 the director made under this chapter are subject to chapter 34.05 RCW.

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NEW SECTION. Sec. 14. CEASE AND DESIST ORDER. Whenever it appears to the director that any licensed tow truck operator or a person offering towing services has engaged in or is about to engage in any act or practice constituting a violation of this chapter or any rule adopted under this chapter, the director may issue an order directing the operator or person to cease and desist from continuing the act or practice. Reasonable notice of and opportunity for a hearing must be given. The director may issue a temporary order pending a hearing. The temporary order must remain in effect until ten days after the hearing is held and becomes final if the person to whom notice is addressed does not request a hearing within fifteen days after the receipt of notice.

NEW SECTION. Sec. 15. REFUSAL TO ISSUE LICENSE, GROUNDS FOR. If an application for a license to conduct business as a tow truck operator is filed by any person whose license has previously been canceled for cause by the department, or if the department is of the opinion that the application is not filed in good faith or that the application is filed by some person as a subterfuge for the real person in interest whose license has previously been canceled for cause, the department, after a hearing, of which the applicant has been given twenty days' notice in writing and at which the applicant may appear in person or by counsel and present testimony, may refuse to issue the person a license to conduct business as a tow truck operator.

**Sec. 16.** RCW 46.63.020 and 2013 2nd sp.s. c 23 s 21 are each amended to read as follows:

Failure to perform any act required or the performance of any act prohibited by this title or an equivalent administrative regulation or local law, ordinance, regulation, or resolution relating to traffic including parking, standing, stopping, and pedestrian offenses, is designated as a traffic infraction and may not be classified as a criminal offense, except for an offense contained in the following provisions of this title or a violation of an equivalent administrative regulation or local law, ordinance, regulation, or resolution:

(1) RCW 46.09.457(1)(b)(i) relating to a false statement regarding the inspection of and installation of equipment on wheeled all-terrain vehicles;

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1 (2) RCW 46.09.470(2) relating to the operation of a nonhighway 2 vehicle while under the influence of intoxicating liquor or a 3 controlled substance;

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- (3) RCW 46.09.480 relating to operation of nonhighway vehicles;
- (4) RCW 46.10.490(2) relating to the operation of a snowmobile while under the influence of intoxicating liquor or narcotics or habit-forming drugs or in a manner endangering the person of another;
  - (5) RCW 46.10.495 relating to the operation of snowmobiles;
- 9 (6) Chapter 46.12 RCW relating to certificates of title, 10 registration certificates, and markings indicating that a vehicle has 11 been destroyed or declared a total loss;
- 12 (7) RCW 46.16A.030 and 46.16A.050(3) relating to the nonpayment of 13 taxes and fees by failure to register a vehicle and falsifying 14 residency when registering a motor vehicle;
- 15 (8) RCW 46.16A.520 relating to permitting unauthorized persons to drive;
  - (9) RCW 46.16A.320 relating to vehicle trip permits;
- 18 (10) RCW 46.19.050 relating to knowingly providing false 19 information in conjunction with an application for a special placard or 20 license plate for disabled persons' parking;
- 21 (11) RCW 46.20.005 relating to driving without a valid driver's license;
- 23 (12) RCW 46.20.091 relating to false statements regarding a driver's license or instruction permit;
- 25 (13) RCW 46.20.0921 relating to the unlawful possession and use of a driver's license;
- 27 (14) RCW 46.20.342 relating to driving with a suspended or revoked license or status;
- 29 (15) RCW 46.20.345 relating to the operation of a motor vehicle 30 with a suspended or revoked license;
- 31 (16) RCW 46.20.410 relating to the violation of restrictions of an 32 occupational driver's license, temporary restricted driver's license, 33 or ignition interlock driver's license;
- 34 (17) RCW 46.20.740 relating to operation of a motor vehicle without 35 an ignition interlock device in violation of a license notation that 36 the device is required;
- 37 (18) RCW 46.20.750 relating to circumventing an ignition interlock device;

- 1 (19) RCW 46.25.170 relating to commercial driver's licenses;
- 2 (20) Chapter 46.29 RCW relating to financial responsibility;

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- 3 (21) RCW 46.30.040 relating to providing false evidence of 4 financial responsibility;
  - (22) RCW 46.35.030 relating to recording device information;
- 6 (23) RCW 46.37.435 relating to wrongful installation of sunscreening material;
- 8 (24) RCW 46.37.650 relating to the sale, resale, distribution, or 9 installation of a previously deployed air bag;
- 10 (25) RCW 46.37.671 through 46.37.675 relating to signal preemption devices;
- 12 (26) RCW 46.37.685 relating to switching or flipping license 13 plates, utilizing technology to flip or change the appearance of a 14 license plate, selling a license plate flipping device or technology 15 used to change the appearance of a license plate, or falsifying a 16 vehicle registration;
- 17 (27) RCW 46.44.180 relating to operation of mobile home pilot vehicles;
- 19 (28) RCW 46.48.175 relating to the transportation of dangerous 20 articles;
- 21 (29) RCW 46.52.010 relating to duty on striking an unattended car 22 or other property;
- 23 (30) RCW 46.52.020 relating to duty in case of injury to or death 24 of a person or damage to an attended vehicle;
- 25 (31) RCW 46.52.090 relating to reports by repairers, storage 26 persons, and appraisers;
- 27 (32) RCW 46.52.130 relating to confidentiality of the driving 28 record to be furnished to an insurance company, an employer, and an 29 alcohol/drug assessment or treatment agency;
- 30 (33) RCW 46.55.020 relating to engaging in the activities of a registered tow truck operator without a registration certificate;
- 32 (34) RCW 46.55.035 relating to prohibited practices by tow truck 33 operators;
  - (35) RCW 46.55.300 relating to vehicle immobilization;
- 35 (36) <u>Section 3(2) of this act relating to engaging in tow truck</u> 36 operator activities without a license;
- 37 (37) RCW 46.61.015 relating to obedience to police officers, 38 flaggers, or firefighters;

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- $((\frac{(37)}{)})$  (38) RCW 46.61.020 relating to refusal to give information to or cooperate with an officer;
- $((\frac{(38)}{)})$  (39) RCW 46.61.022 relating to failure to stop and give identification to an officer;
- $((\frac{(39)}{)})$  <u>(40)</u> RCW 46.61.024 relating to attempting to elude 6 pursuing police vehicles;
- $((\frac{40}{10}))$  (41) RCW 46.61.212(4) relating to reckless endangerment of 8 emergency zone workers;
- $((\frac{41}{1}))$  RCW 46.61.500 relating to reckless driving;
- $((\frac{42}{12}))$  (43) RCW 46.61.502 and 46.61.504 relating to persons under the influence of intoxicating liquor or drugs;
- (((43))) (44) RCW 46.61.503 relating to a person under age twenty-13 one driving a motor vehicle after consuming alcohol;
- (((44))) (45) RCW 46.61.520 relating to vehicular homicide by motor vehicle;
- $\left(\left(\frac{45}{1}\right)\right) = \frac{46}{1}$  RCW 46.61.522 relating to vehicular assault;
- $((\frac{46}{10}))$  RCW 46.61.5249 relating to first degree negligent driving;
- $((\frac{47}{1}))$   $\underline{48)}$  RCW 46.61.527(4) relating to reckless endangerment of roadway workers;
- $((\frac{48}{10}))$  RCW 46.61.530 relating to racing of vehicles on 22 highways;
- (((49))) (50) RCW 46.61.655(7) (a) and (b) relating to failure to secure a load;
- (((50))) (51) RCW 46.61.685 relating to leaving children in an unattended vehicle with the motor running;
- $((\frac{(51)}{)})$  <u>(52)</u> RCW 46.61.740 relating to theft of motor vehicle 28 fuel;
- $((\frac{(52)}{)})$  RCW 46.64.010 relating to unlawful cancellation of or 30 attempt to cancel a traffic citation;
- (((53))) <u>(54)</u> RCW 46.64.048 relating to attempting, aiding, 32 abetting, coercing, and committing crimes;
- (((54))) (55) Chapter 46.65 RCW relating to habitual traffic offenders;
- (((55))) (56) RCW 46.68.010 relating to false statements made to obtain a refund;
- $((\frac{(56)}{(56)}))$  (57) Chapter 46.70 RCW relating to unfair motor vehicle

- business practices, except where that chapter provides for the
  assessment of monetary penalties of a civil nature;
- (((57))) (58) Chapter 46.72 RCW relating to the transportation of passengers in for hire vehicles;
- 5  $((\frac{(58)}{(58)}))$  <u>(59)</u> RCW 46.72A.060 relating to limousine carrier 6 insurance;
- 7  $((\frac{(59)}{)})$  (60) RCW 46.72A.070 relating to operation of a limousine 8 without a vehicle certificate;
- 9 (((60))) (61) RCW 46.72A.080 relating to false advertising by a limousine carrier;
- 11 (((61))) (62) Chapter 46.80 RCW relating to motor vehicle wreckers;
- 12  $((\frac{(62)}{(63)}))$  Chapter 46.82 RCW relating to driver's training 13 schools;
- 14  $((\frac{(63)}{)})$  <u>(64)</u> RCW 46.87.260 relating to alteration or forgery of a
- 15 cab card, letter of authority, or other temporary authority issued
- under chapter 46.87 RCW;
- 17  $((\frac{(64)}{)})$  RCW 46.87.290 relating to operation of an
- 18 unregistered or unlicensed vehicle under chapter 46.87 RCW.
- 19 <u>NEW SECTION.</u> **Sec. 17.** Sections 1 through 15 of this act
- 20 constitute a new chapter in Title 46 RCW.

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