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H.B. 5459 -- An Act Concerning Wreckers

Transportation Committee public hearing -- March 10, 2010

Testimony of Raphael L. Podolsky

Recommended Committee action: DELETION OF SUBSECTION 1(h)

Subsection 1(h) of this bill (lines 106-110) allows towing companies to add a charge of up to \$50 for releasing an inoperable vehicle for the "lifting, transporting or towing" the vehicle from the premises. We oppose this proposal and urge that it be removed from the bill.

The Department of Motor Vehicles already sets maximum prices that can be charged by towing companies for non-consensual tows and for storage. In a non-consensual tow (such as the towing of an illegally parked or unregistered motor vehicle), the owner of the vehicle has not agreed to the amount charged. In such cases, the state puts limits on charges to prevent price-gouging. The storage charge that is approved by DMV is a unitary charge and covers all aspects of the storage, from initial placement of the vehicle on the storage lot until its final release to the customer. Thus, Sec. 14-63-36c(e) of the Regulations of Connecticut State Agencies (RCSA) provides that "no additional fee shall be charged by a licensed wrecker service for releasing a vehicle to its owner or a person legally entitled to its custody." Sec. 14-63-36c(d) prohibits additional fees for non-consensual tows dispatched at night or on weekends and holidays. Sec. 14-63-36c(f) prohibits extra charges for allowing emergency access to the vehicle. These specific regulations reflect DMV's effort to respond to previous efforts by companies to split the storage fee into subparts.

Although the wording of lines 106-110 is ambiguous, it appears that their purpose is to allow the towing company to charge extra for moving the vehicle on its own lot when the owner comes to claim it. The placement of the vehicle on the storage lot, however, is inherently part of the storing and release of the vehicle and is not separate from the release. It is common for towed vehicles to be inoperable, and they need to be returned to the owner in a manner that allows the owner to have the vehicle towed to another location. Indeed, the owner is probably already paying a second towing charge to have the vehicle moved to a repair shop or his own property.

The requirement that the regulated towing charge be unitary in nature and not subject to additional splitting and add-ons is reasonable and is the most effective way of preventing charging abuses. We urge the Committee to remove subsection 1(h) from the bill.