

# **House of Representatives**

General Assembly

File No. 452

January Session, 2023

Substitute House Bill No. 6657

House of Representatives, April 5, 2023

The Committee on Transportation reported through REP. LEMAR of the 96th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

#### AN ACT CONCERNING NONCONSENSUAL TOWING.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. Subsection (a) of section 14-66 of the general statutes is
- 2 repealed and the following is substituted in lieu thereof (*Effective October*
- 3 1, 2023):
- 4 (a) (1) No person, firm or corporation shall engage in the business of
- 5 operating a wrecker for the purpose of towing or transporting motor
- 6 vehicles, including motor vehicles which are disabled, inoperative or
- 7 wrecked or are being removed in accordance with the provisions of
- 8 section 14-145, as amended by this act, 14-150 or 14-307, unless such
- 9 person, firm or corporation is a motor vehicle dealer or repairer licensed
- under the provisions of subpart (D) of this part. (2) The commissioner
- shall establish and publish a schedule of uniform rates and charges for
- 12 the nonconsensual towing and transporting of motor vehicles and for
- the storage of motor vehicles which shall be just and reasonable. <u>Such</u>
- schedule shall include a charge for the release of a motor vehicle that
- 15 <u>has been connected to a wrecker but not yet removed from the private</u>
- 16 property from which it is to be towed. Upon petition of any person, firm
- 17 or corporation licensed in accordance with the provisions of this section,

18 but not more frequently than once every two years, the commissioner 19 shall reconsider the established rates and charges and shall amend such 20 rates and charges if the commissioner, after consideration of the factors 21 stated in this subdivision, determines that such rates and charges are no 22 longer just and reasonable. In establishing and amending such rates and 23 charges, the commissioner [may] shall consider factors, including, but 24 not limited to, the Consumer Price Index, rates set by other jurisdictions, 25 charges for towing and transporting services provided pursuant to a 26 contract with an automobile club or automobile association licensed 27 under the provisions of section 14-67, [and] rates published in standard 28 service manuals and operating costs of the towing industry in the state, 29 including the cost of fuel, wreckers, heavy duty wreckers, motor vehicle 30 parts, equipment, personnel, workers' compensation insurance, 31 unemployment compensation and insurance premiums. The 32 commissioner shall hold a public hearing for the purpose of obtaining 33 additional information concerning such rates and charges. (3) With 34 respect to the nonconsensual towing or transporting and the storage of 35 motor vehicles, no such person, firm or corporation shall charge more 36 than the rates and charges published by the commissioner. Any person, 37 <u>firm or corporation</u> aggrieved by any action of the commissioner under 38 the provisions of this section may take an appeal therefrom in 39 accordance with section 4-183, except venue for such appeal shall be in 40 the judicial district of New Britain.

Sec. 2. Section 14-66b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2023*):

(a) Each owner of a wrecker registered pursuant to subsection (c) of section 14-66 shall keep and maintain a record [stating] that includes the following information: (1) The registration number of each motor vehicle towed or transported and the registration number of each wrecker used to tow or transport such motor vehicle; (2) the date and time the tow commenced and was completed; (3) the location from which the disabled motor vehicle was towed and the destination of such tow; (4) the mileage of the wrecker at the commencement and completion of the tow; (5) the charge for tow service and any other

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charges incurred for services related to such tow; (6) the name and address of the person requesting tow service; (7) the written authorization to tow the motor vehicle as described in section 14-145a, as amended by this act, if applicable; (8) one or more photographs of the motor vehicle that (A) shows the condition of the motor vehicle and the reason that the motor vehicle is being towed, and (B) is taken prior to the motor vehicle being connected to the wrecker; and [(7)] (9) any other information the commissioner deems necessary, specified in regulations adopted in accordance with the provisions of chapter 54. Such records shall be retained at the place of business of the wrecker service for a period of two years and shall be available for inspection during regular business hours by any law enforcement officer or inspector designated by the Commissioner of Motor Vehicles.

- (b) Each owner of a wrecker shall also keep and maintain copies of any written contracts with owners or lessees of property authorizing the towing or removal of motor vehicles from the property of such owner or lessee, or with lending institutions repossessing any motor vehicles, as provided in section 14-145, as amended by this act, and such contracts shall be available for inspection by motor vehicle owners, agents of the owners, or lending institutions, upon request.
- (c) The Commissioner of Motor Vehicles may permit any licensed motor vehicle dealer or repairer who operates a wrecker service to maintain, in an electronic format prescribed by the commissioner, all records, photographs, documents and forms required by the Department of Motor Vehicles. Such records, photographs, documents and forms shall be produced in written format, upon request by the department, during the licensee's business hours on the same day of such request.
- 80 (d) Any person who violates any provision of this section shall be deemed to have committed an infraction.
- Sec. 3. Section 14-145 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2023*):

(a) (1) [An] For the purposes of this section, "residential complex" means a multifamily dwelling, a condominium, as defined in section 47-68a, or a common interest community, as defined in section 47-202, (A) that is used for residential purposes, and (B) for which a common parking area is provided, regardless of whether each resident or unit has been assigned a specific parking space in the common parking area.

(2) Except as provided in this subdivision and subdivision (4) of this subsection, an owner or lessee of private property, or [his or her] such owner or lessee's agent, may remove or cause to be removed, or may use a wheel-locking device to render immovable, any motor vehicle left without authorization on such property in accordance with the provisions of this section and sections 14-145a to 14-145c, inclusive, as amended by this act, provided any such owner or lessee, or such owner or lessee's agent, of private [commercial property, or his or her agent, shall install] property, excluding residential property upon which a single-family dwelling is situated, installs conspicuous signage [stating] at all entryways to the private property. Such signage shall (A) state that motor vehicles left without authorization on such private [commercial] property may be removed or rendered immovable [and indicating] at the expense of the owner of the motor vehicle, (B) indicate the name, address and telephone number of the person, firm or corporation licensed under section 14-66, as amended by this act, performing the removal or the person rendering the motor vehicle immovable, where such motor vehicle will be stored, how the vehicle may be redeemed and any costs or fees that may be charged, and (C) list the violations that would cause a motor vehicle to be removed or rendered immovable. An owner or lessee, or such owner or lessee's agent, may not remove or cause to be removed, nor render immovable, a motor vehicle solely because such vehicle is unregistered, or has expired registration, in violation of section 14-12.

[(2) Notwithstanding the provisions of subdivision (1) of this subsection, an] (3) Except as provided in subdivision (4) of this subsection, in the case of removing or causing a motor vehicle to be removed from a residential complex, the owner or lessee of the

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residential complex, or such owner or lessee's agent, shall also affix a written notice to the motor vehicle left without authorization on such residential complex at least twenty-four hours prior to the removal of such motor vehicle. Any such notice shall (A) state that the motor vehicle will be removed from the residential complex without the consent of the owner of the motor vehicle if the motor vehicle remains parked in the same location on the residential complex, (B) describe why the motor vehicle will be removed, (C) indicate the time when the motor vehicle will be removed, which shall be not earlier than twenty-four hours after the time the notice was affixed to the motor vehicle, and (E) be affixed to the motor vehicle at a conspicuous location on the windshield nearest the operator.

(4) An owner or lessee, or such owner or lessee's agent, of private [commercial] property [or such owner or lessee's agent] may tow any motor vehicle left without authorization on such property [and no signage warning of such towing shall be required to be installed by such owner or lessee] without installing signage as described in subdivision (2) of this subsection or affixing written notice to such motor vehicle as described in subdivision (3) of this subsection, as the case may be, if such motor vehicle is left (A) in a space reserved, as required in section 14-253a, for exclusive use by persons who are blind and persons with disabilities and such vehicle does not bear a removable windshield placard or special license plate, as defined in section 14-253a, (B) in an area reserved for authorized emergency vehicles, (C) within ten feet of a fire hydrant, as provided in section 14-251, (D) [blocking building access] occupying without permission, or effectively obstructing access to or from a building or to or from, a space reserved for a specific resident or unit, (E) blocking entry or exit from such property, [or] (F) for forty-eight or more hours, [. (3)] (G) without displaying valid authorization in a parking area marked for the exclusive use of residents, (H) in an area not designated for the parking of motor vehicles, or (I) in violation of a parking ban to facilitate the removal of snow and ice, provided such owner or lessee, or such owner or lessee's agent, posts notice of such parking ban in conspicuous places in the

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building and parking area and communicates such parking ban directly by telephone, electronic mail or text message at least four hours before enacting such parking ban. On and after October 1, 2023, if a motor vehicle remains located on a residential complex a third or subsequent time in the same manner that caused the motor vehicle to be subject to previous written notices as described in subdivision (3) of this subsection, the owner or lessee, or such owner or lessee's agent, need not affix a written notice to such motor vehicle before removing or causing the removal of the motor vehicle.

- (5) A lending institution may repossess any motor vehicle, in accordance with the provisions of section 36a-785, by contracting with a wrecker licensed under section 14-66, as amended by this act, or an entity exempt from such licensure, as provided in subsection (f) of section 14-66, to tow or otherwise remove such motor vehicle in accordance with the provisions of this section and sections 14-145a to 14-145c, inclusive, as amended by this act. In the case of a repossession, no signage as described in subdivision [(1)] (2) of this subsection or written notice as described in subdivision (3) of this subsection shall be required.
- [(4)] (6) This section shall not apply to law enforcement, fire-fighting, rescue, ambulance or emergency vehicles which are marked as such, or to motor vehicles left without authorization on property leased by any governmental agency.
  - (b) (1) (A) When an unauthorized motor vehicle is towed or otherwise removed by a wrecker licensed under section 14-66, as amended by this act, or a repossessed motor vehicle is towed or otherwise removed by a wrecker or an exempt entity, the licensee or operator of the wrecker or the exempt entity shall notify the local police department of the tow or removal within two hours. Such notification shall be submitted, in writing, or transmitted by facsimile or electronic mail and the record of such notification shall be retained by such licensee, operator or exempt entity in accordance with the provisions of section 14-66b, as amended by this act.

(B) No such licensee, operator or exempt entity may charge a storage fee for an unauthorized or repossessed motor vehicle for the time it is stored prior to notification of the local police department by the licensee, operator or exempt entity. If such motor vehicle is not claimed within forty-eight hours, the licensee or operator of the wrecker or of the garage where such motor vehicle is stored or the exempt entity shall immediately complete a notice of such tow, on a form prescribed by the Commissioner of Motor Vehicles, and mail a copy of such form by certified mail, return receipt requested, to the owner and all lienholders of record. If the motor vehicle is not claimed by its owner within the time period specified in subsection (e) of section 14-150, the licensee or operator of the wrecker or of the garage where such motor vehicle is stored or the exempt entity may dispose of such motor vehicle in accordance with the provisions of subsection (e) and subsections (g) to (j), inclusive, of section 14-150.

(2) (A) When an unauthorized motor vehicle is rendered immovable through use of a wheel-locking device by an owner or lessee of private property, or [his or her] such owner or lessee's agent, such owner, lessee or agent shall notify the local police department of such action within two hours. Such notification shall be submitted in writing or transmitted by facsimile or electronic mail. The record of such notification shall be retained by such owner, lessee or agent at the private property upon which such action took place, for a period of not less than six months and shall be available for inspection during regular business hours by any sworn member of the local police department or law enforcement officer or inspector designated by the Commissioner of Motor Vehicles.

(B) No owner, lessee or agent may charge a fee to remove a wheel-locking device prior to notification of the local police department. The fee charged to remove a wheel-locking device may not be more than fifty dollars. The person claiming the motor vehicle may choose to pay such fee in cash, by check or by debit or credit card. Ten per cent of such fee shall be remitted to the local police department by the owner, lessee or agent. If such motor vehicle is not claimed within forty-eight hours after being rendered immovable, the owner, lessee or agent shall

immediately complete a notice that such motor vehicle has been rendered immovable, on a form prescribed by the commissioner, and mail a copy of such form by certified mail, return receipt requested, to the owner of such motor vehicle and all lienholders of record. If the motor vehicle is not claimed by its owner within the time period specified in subsection (e) of section 14-150, the owner, lessee or agent may dispose of such motor vehicle in accordance with the provisions of subsection (e) and subsections (g) to (j), inclusive, of section 14-150.

- (3) The local police department, not later than forty-eight hours after receiving notification of a tow or removal of an unauthorized motor vehicle pursuant to subdivision (1) of this subsection, or use of a wheel-locking device pursuant to subdivision (2) of this subsection, shall enter the vehicle identification number into the National Crime Information Center database and the Connecticut On-Line Law Enforcement Communications Teleprocessing System to determine whether such motor vehicle has been reported as stolen. If such motor vehicle has been reported as stolen, the local police department shall immediately notify the department that reported the vehicle as stolen.
- (c) Upon request by the owner or operator of a motor vehicle that has been connected to a wrecker but has not yet been removed from the private property, the licensee or operator of the wrecker shall immediately release the motor vehicle to such owner or operator and may charge no more than the amount published by the Commissioner of Motor Vehicles pursuant to subdivision (2) of subsection (a) of section 14-66, as amended by this act.
- [(c)] (d) The commissioner may adopt regulations, in accordance with the provisions of chapter 54, (1) specifying the circumstances under which title to any motor vehicle towed or stored, or both, or rendered immovable under this section may be transferred to any person, firm or corporation towing, storing or rendering immovable such vehicle, and (2) establishing the procedure whereby such person, firm or corporation may obtain title to such motor vehicle.
- [(d)] (e) No owner or lessee of private property, or [his or her] such

owner or lessee's agent, shall issue a parking citation by written warning, posted signage or other means to impose a monetary sanction on an owner of a motor vehicle parked on such property. The provisions of this subsection shall not apply to an independent institution of higher education, as defined in subsection (a) of section 10a-173, or a private secondary school.

- [(e)] (f) Any person who violates any provision of this section shall, for a first offense, be deemed to have committed an infraction and be fined fifty dollars, and, for each subsequent offense, shall be fined not less than fifty dollars and not more than one hundred dollars or imprisoned not more than thirty days or be both fined and imprisoned.
- Sec. 4. Section 14-145a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2023*):
  - (a) No [vehicle] person, firm or corporation licensed under section 14-66, as amended by this act, shall [be towed or removed] tow or remove a motor vehicle from private property [except (1) upon express instruction of the owner or lessee, or his or her agent, of the property upon which the vehicle is trespassing, or (2) for the purpose of repossession of the motor vehicle by a lending institution. No vehicle shall be rendered immovable on private property through the use of a wheel-locking device except upon express instruction of the owner or lessee, or his or her agent] without first obtaining the written authorization to tow or remove such motor vehicle, at any time within the twenty-four hours preceding the tow or removal, from the owner or lessee, or such owner or lessee's agent, who shall be present on the property and verify the reason for such tow or removal. Such written authorization shall include (1) the make, model, vehicle identification number and number plate of the motor vehicle to be tow or removed, (2) the name, signature, job title, residential or business address and telephone number of the owner or lessee, or such owner or lessee's agent, authorizing the tow or removal, (3) the reason for removing the motor vehicle, (4) the time when the motor vehicle was first observed parked at the private property, and (5) the time that authorization to tow

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or remove the motor vehicle was given. Such person, firm or corporation 286 287 may be an agent of such owner or lessee with the authority to provide 288 the written authorization described in this subsection only for the tow 289 or removal of a motor vehicle that is left on such property as described 290 in subparagraphs (A) to (I), inclusive, of subdivision (4) of subsection (a) 291 of section 14-145, as amended by this act. Nothing in this subsection 292 shall be construed to limit the right of a municipality or the state to 293 remove an abandoned motor vehicle in accordance with the provisions 294 of section 14-150.

- (b) No vehicle shall be rendered immovable on private property through the use of a wheel-locking device except upon express instruction of the owner or lessee, or such owner or lessee's agent.
- 298 [(b)] (c) No person, [or] firm or corporation that tows or removes a 299 motor vehicle from private property or renders a motor vehicle 300 immovable on private property shall rebate or pay any money or other 301 valuable consideration to the owner or lessee, or [his or her] such owner 302 or lessee's agent, of the property from which the vehicle is towed or 303 removed or on which the vehicle is rendered immovable, or to a lending 304 institution, for the privilege of towing, removing or rendering 305 immovable such vehicle.
- 306 (d) Any person, firm or corporation violating any provision of this section shall be fined not more than one thousand dollars.
- Sec. 5. Section 14-145b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2023*):
  - (a) (1) Any vehicle towed or removed from private property pursuant to sections 14-145 to 14-145c, inclusive, as amended by this act, shall be stored at the site of the towing company's business in a secured storage lot, provided the site of such lot is located within a ten-mile radius of the private property from where the vehicle was removed if the private property is located in a municipality with a population greater than fifty thousand. The site shall be open during the hours of 8:00 a.m. to 5:00 p.m., Monday through Friday, and be reasonably available on Saturday,

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318 Sunday and holidays, for the purpose of vehicle redemption.

(2) No vehicle shall be rendered immovable on private property through use of a wheel-locking device pursuant to sections 14-145 to 14-145c, inclusive, as amended by this act, unless the vehicle is located in a secure place on such property that is reasonably accessible for the purpose of vehicle redemption. Personnel to provide for vehicle redemption shall be on such property for not less than eight hours after a vehicle has been rendered immovable. Additionally, signage shall describe the hours for vehicle redemption when the eight-hour deadline has passed. If the vehicle is towed or removed from such property, all provisions of sections 14-145 to 14-145c, inclusive, as amended by this act, relating to the towing or removal of a vehicle shall be applicable.

(b) When a vehicle has been towed or removed pursuant to sections 14-145 to 14-145c, inclusive, as amended by this act, it shall be released to its owner, a lending institution or a person authorized by the owner or lending institution to regain possession, upon demand, provided the demand is made between the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday or at a reasonable time on Saturday, Sunday or holidays and the owner or authorized person presents proof of registration and pays the costs of towing or removal and of storage. The person, firm or corporation towing or removing the vehicle shall accept such payment by cash or credit card and maintain sufficient cash at the office of such person, firm or corporation to provide change to the owner or authorized person at the time of payment. Such person, firm or corporation may charge a service fee for any such payment made by a credit card, provided the service fee shall not exceed any charge of the card issuer paid by such person, firm or corporation, including any discount rate.

(c) Any vehicle owner, lending institution or agent of the owner or lending institution, shall have the right to inspect the vehicle before accepting its return or removal of a wheel-locking device. No general release of any kind that would release the person, [or] firm or corporation towing, removing or storing the vehicle or rendering the

vehicle immovable from liability for damages or from liability for any claim that the vehicle was towed or rendered immovable without justification may be required from any vehicle owner, lending institution or agent of the owner or lending institution, as a condition of release of the vehicle. A receipt showing the name of the person, [or] firm or corporation towing or removing the vehicle or rendering the vehicle immovable and an itemization of the charges shall be provided to the person paying the towing or removal and storage costs or the charge for removal of a wheel-locking device at the time of payment.

This act shall take effect as follows and shall amend the following sections:			
Section 1	October 1, 2023	14-66(a)	
Sec. 2	October 1, 2023	14-66b	
Sec. 3	October 1, 2023	14-145	
Sec. 4	October 1, 2023	14-145a	
Sec. 5	October 1, 2023	14-145b	

### Statement of Legislative Commissioners:

In Section 1(a)(2), "charges" was changed to "schedule" for internal consistency; in Section 1(a)(3), ", firm or corporation" was inserted for consistency; in Section 3(a)(2), the first sentence was rewritten for clarity; in Section 4(a), "without first obtaining the written authorization" was moved for consistency with standard drafting conventions and "at any time" was inserted and the third sentence was rewritten for clarity; in Section 4(c), "licensed under section 14-66, as amended by this act" was deleted for accuracy; in Section 5(a), "of such lot" was inserted for clarity; in Section 5(b), "paid by such person, firm or corporation" was added for clarity; and in Section 5(c), "person or firm" was changed to "person, [or] firm or corporation" for consistency.

**TRA** Joint Favorable Subst.

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

#### **OFA Fiscal Note**

#### State Impact:

Agency Affected	Fund-Effect	FY 24 \$	FY 25 \$
State Resources	State Resources -	See Below	See Below
	Potential		
	Revenue Gain		
Judicial Dept.	GF - Potential	See Below	See Below
	Cost		

Note: GF=General Fund

Municipal Impact: None

#### **Explanation**

**Section 1** creates an additional requirement that wreckers not charge for more than twenty miles of towing or transporting. Under current statute, wreckers may not charge more than rates published by the commissioner. In FY 22, \$736 was collected in imposed revenue under this statute, 14-66(a)(3). This additional requirement may potentially result in revenue gain.

**Section 2** creates an additional record-keeping requirement for wreckers including photographs of vehicles prior to being connected to the wrecker and towed. In FY 22, \$184 was collected in imposed revenue for infractions related to wrecker record-keeping. This additional requirement may potentially result in revenue gain.

**Section 3** modifies the circumstances under which vehicles may be nonconsensually towed from private property. It requires property owners to issue notices and post signage warning of the use of a wrecker service. For first offenses, there is a fine of \$50 and for subsequent offenses, there will be an unclassified misdemeanor which results in a

potential cost for probation and a potential revenue gain from fines. On average, the marginal cost for supervision in the community is less than \$800<sup>1</sup> each year.

**Section 4** created a new penalty of not more than \$1,000 for not having proper written authorization to tow a vehicle or add a wheel locking from the requesting party and for rebate or pay for the privilege of towing or wheel locking such vehicles. This results in a potential revenue gain from fines.

#### The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation and number of violations.

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<sup>&</sup>lt;sup>1</sup> Probation marginal cost is based on services provided by private providers and only includes costs that increase with each additional participant. This does not include a cost for additional supervision by a probation officer unless a new offense is anticipated to result in enough additional offenders to require additional probation officers.

# OLR Bill Analysis sHB 6657

#### AN ACT CONCERNING NONCONSENSUAL TOWING.

#### **SUMMARY**

This bill makes various changes related to nonconsensual towing laws, some of which apply generally to nonconsensual towing and others that apply only to nonconsensual towing from private property. It makes the following generally applicable changes:

- requires, rather than allows, the Department of Motor Vehicles (DMV) commissioner to consider specified factors when setting and amending nonconsensual towing and storage rates and charges (e.g., the Consumer Price Index (CPI) and towing industry operating costs);
- 2. specifies some operating costs that the commissioner must consider, such as costs of fuel, wreckers (i.e., tow trucks), personnel, and insurance; and
- requires that licensed tow truck operators keep in their records a
  photo of each motor vehicle they tow, showing the vehicle's
  condition and reason for the tow.

It makes the following changes to the laws on towing from private property, among others:

- 1. generally requires "residential complex" owners and lessees to provide 24 hours' notice before towing unauthorized vehicles left on their property, with certain exceptions;
- 2. applies the law's towing signage requirements to all private property (except those with a single-family dwelling), instead of

just private commercial property, and requires that additional information be included on the signs;

- 3. provides certain exceptions to the signage and 24-hour notice requirements, including for unauthorized vehicles (a) in accessible parking spots or areas reserved for emergency vehicles, (b) in parking lots reserved for residents, and (c) blocking building access or a parking spot reserved for a specific person;
- 4. generally requires towing companies to get written authorization to tow a vehicle from the property owner or lessee, or his or her agent, and subjects violators to a fine of up to \$1,000;
- 5. prohibits private property owners and lessees from having a vehicle towed solely because it is unregistered or its registration has expired; and
- 6. requires that towing companies accept payment for towing and storage charges in cash and by credit card and keep enough cash on hand to make change.

As under current law, the bill's signage requirements also apply to rendering vehicles immovable (i.e., booting) on private property. The bill also prohibits private property owners or lessees, or their agents, from booting vehicles only because they are unregistered or their registration is expired.

The bill increases, from \$100 to \$1,000, the maximum fine for (1) towing companies who rebate or pay money or other valuable consideration to a property owner or lessee or to a lending institution for the privilege of towing or booting a vehicle and (2) booting a vehicle on private property without the express instruction of the property owner or lessee, or his or her agent.

Lastly, the bill makes numerous conforming and technical changes.

EFFECTIVE DATE: October 1, 2023

# §§ 1 & 2 — PROVISIONS APPLICABLE TO ALL NONCONSENSUAL TOWING

### Towing, Transporting, and Storage Rates (§ 1)

By law, the DMV commissioner must establish a schedule of uniform rates and charges for nonconsensual towing and transporting and for motor vehicle storage and reconsider them upon a licensed towing company's petition (but no more often than once every two years). The rates and charges must be "just and reasonable," and the commissioner must amend them upon a petition if he determines, after considering factors specified in law, that the rates and charges are no longer just and reasonable. By law, these rates apply to tows initiated by private property owners or lessees and to those ordered by law enforcement officers or traffic authorities.

Under current law, the commissioner may consider, but is not limited to, the following factors when setting and amending the rates and charges: (1) the CPI, (2) rates set by other jurisdictions, (3) charges for towing and transportation services provided through automobile clubs, and (4) rates published in standard services manuals. The bill instead requires the commissioner to consider these factors and additionally requires him to consider the operating costs of the state's towing industry, including costs for fuel, wreckers, heavy duty wreckers, motor vehicle parts, equipment, personnel, workers' compensation insurance, unemployment compensation, and insurance premiums. Existing DMV regulations already allow the commissioner to consider the towing and recovery industry's operating costs but does not list specific costs that may be considered (Conn. Agencies Regs. § 14-63-36a).

As under existing law, DMV must hold a public hearing to get more information before determining the rates and charges. Anyone aggrieved by the commissioner's decision may appeal under the Uniform Administrative Procedure Act. (When DMV increased these rates in 2018, the amended rates were appealed on the grounds that DMV did not give appropriate consideration to the statutory and regulatory factors (see BACKGROUND).)

### Photo Evidence (§ 2)

Existing law requires towing companies to maintain information and documents (e.g., registration numbers of towed vehicles, the charge for the tow, and the tow truck's mileage at the start and end of the tow) for at least two years after a tow. The bill requires that they also include at least one photo of the motor vehicle that was taken before the vehicle was attached to the tow truck and shows the vehicle's condition and the reason for being towed. As with other records the law requires towing companies to maintain, the photos may be stored electronically and must be made available for inspection by DMV.

#### §§ 1-5 — PRIVATE PROPERTY TOWS

### Signage Requirements (§ 3(a)(2))

Existing law requires certain property owners or lessees, or their agents, to install signs warning that unauthorized vehicles may be towed before they can have a vehicle towed. The bill expands the properties that must post signage and establishes more specific requirements for the signs.

Current law's signage requirements apply to "private commercial property." Under the bill, signage requirements instead apply to any private property, except property with a single-family dwelling.

By law, signs must be clearly visible and state that unauthorized vehicles may be towed, where they will be stored, how they may be redeemed, and any fees that may be charged. The bill additionally requires that the signs:

- 1. be placed at all entrances to the property;
- 2. specify that the towing of unauthorized vehicles is at the vehicle owner's expense;
- 3. indicate the towing company's name, address, and telephone number; and
- 4. list the violations for which the vehicle may be towed.

### 24 Hours' Notice for Residential Complexes (§ 3(a)(1) & (3))

The bill generally requires owners and lessees of residential complexes, or their agents, to give 24 hours' notice to unauthorized vehicles left on their property before towing them, with certain exceptions (see below). A "residential complex" is a multi-family dwelling, a condominium, or a common interest community (1) that is used for residential purposes and (2) for which a common parking area is provided, regardless of whether residents or units have been assigned specific parking spaces.

Under the bill, complex owners or lessees, or their agents, must put a written notice on unauthorized vehicles subject to towing at least 24 hours before towing them. The notice must be placed in a clearly visible spot on the vehicle's driver-side windshield and include the following:

- 1. a statement that the vehicle will be towed from the complex without the owner's consent if it remains parked in the same spot;
- 2. a description of the reason for the tow; and
- 3. the time the (a) notice was affixed to the vehicle and (b) vehicle will be towed, which may not be earlier than 24 hours after the notice is affixed to the vehicle.

# Exceptions to Signage and 24-Hour Notice Requirements (§ 3(a)(4))

Under the bill, a property owner or lessee, or his or her agent, may have an unauthorized vehicle towed without installing the required signage or, in the case of residential complexes, giving 24 hours' written notice in certain circumstances. (These are also the circumstances under which a towing company may act as a property owner or lessee's agent to give written authorization to tow under § 4, see below.)

Specifically, the exceptions are for vehicles left in the following locations or ways:

1. in an accessible parking space for people with disabilities without

a removable windshield placard or special license plate;

- 2. in an area reserved for authorized emergency vehicles;
- 3. within 10 feet of a fire hydrant;
- 4. occupying or blocking access to or from a (a) building or (b) parking spot reserved for a specific resident or unit;
- 5. blocking entry or exit from the property;
- 6. for 48 hours or longer;
- 7. in a parking lot marked for the exclusive use of residents without displaying valid authorization;
- 8. in an area not designated for parking vehicles; and
- 9. in violation of a parking ban to facilitate snow and ice removal, as long as the owner or lessee, or his or her agent, at least four hours before enacting the ban, posts notices that are clearly visible in the building and the parking area and communicates the ban directly by phone, email, or text message.

Current law only provides exceptions to signage requirements in the case of vehicles parked in accessible parking spaces, in areas reserved for emergency vehicles or within 10 feet of a fire hydrant, blocking building access or entry or exit from the property, or for 48 hours or more.

The bill also allows residential complexes to tow repeat offenders without giving 24 hours' notice. On and after October 1, 2023, if a vehicle is parked on a residential complex for a third or subsequent time in the same way that caused the vehicle to receive prior notices, the private property owner or lessee, or his or her agent, can have the vehicle towed without giving the required notice.

As under current law with signage requirements, the bill's expanded signage requirements and the new 24-hour notice requirement do not

apply in the case of vehicle repossession.

### Written Authorization (§§ 2 & 4)

Current law prohibits a vehicle from being towed from private property except (1) upon express instruction of the owner or lessee, or his or her agent, of the property on which the vehicle is trespassing or (2) for purposes of vehicle repossession by a lending institution. The bill replaces this prohibition with a requirement that towing companies get written authorization to tow a vehicle from the property owner or lessee (including in the case of repossession by a lending institution).

Under the bill, at any time within the 24 hours before towing a vehicle from private property, a towing company must get written authorization from the property owner or lessee (or his or her agent), who must be present on the property when giving the authorization and verify the reason for the tow. Towing companies may act as the property owner's or lessee's agent to give written authorization to tow vehicles in the circumstances that fall under the exceptions to signage and notice requirements (see above); they may not act as an agent for towing vehicles under other circumstances.

The bill requires the written authorization to include the following information:

- 1. the vehicle's make, model, identification number, and license plate number;
- 2. the name, signature, job title, residential or business address, and phone number of the property owner or lessee (or his or her agent) authorizing the tow;
- 3. the reason for the tow;
- 4. the time the vehicle was first observed parked at the private property; and
- 5. the time the written authorization to tow the vehicle was given.

The bill subjects companies who violate the written authorization requirement to a fine of up to \$1,000. Towing companies must maintain any required written authorization in their required records for each tow (which must be retained for at least two years and available for inspection by DMV, see above).

As under current law, none of these provisions limit the state's or a municipality's right to remove abandoned vehicles as allowed under state law.

### Towing Unregistered Vehicles (§ 3(a)(2))

The bill prohibits property owners and lessees, or their agents, from towing a vehicle or causing one to be towed solely because the vehicle is unregistered or has an expired registration.

### Release for Incomplete Tow (§§ 1 & 3(c))

The bill requires tow truck drivers to release vehicles that have been connected to the truck but not yet removed from the property if the vehicle owner or driver asks them to. The towing company may charge a "drop fee," which the bill requires the commissioner to set and include on the schedule for towing rates and charges.

# Storage Lot Distance (§ 5)

Current law requires that any vehicle towed under the state's private property towing laws be stored at the towing company's business in a secured storage lot. Under the bill, for vehicles towed from property in a municipality with more than 50,000 people, the storage lot must be within a 10-mile radius of the property.

(The Department of Public Health's most recently released (2021) population estimates list the following 19 municipalities as having populations over 50,000: Bridgeport, Bristol, Danbury, East Hartford, Fairfield, Greenwich, Hamden, Hartford, Manchester, Meriden, Milford, New Britain, New Haven, Norwalk, Stamford, Stratford, Waterbury, West Hartford, and West Haven.)

# Payment Accepted (§ 5)

The bill requires towing companies to (1) accept cash and credit cards as payment for towing and storage fees for vehicles towed from private property and (2) keep sufficient cash at their offices to give change to a vehicle owner, or another authorized person, at the time of payment. The bill allows towing companies to charge a service fee for credit card payments, but it may not exceed the charge the company pays to the card issuer (including any discount rate).

#### **BACKGROUND**

### History of Nonconsensual Towing and Storage Rate Increases

In March 2023, DMV issued a decision on a 2022 petition from Myhoopty, LLC requesting an increase in towing, mileage, and storage fees by about 60% across the board. DMV found that Myhoopty failed to justify its proposed increase but determined that a more moderate increase (roughly 19%, in line with the CPI) in the base fee (hook fee) and mileage rate (but not storage rates) was just and reasonable.

Prior to the 2022 petition, DMV increased base rates and storage fees (but not mileage rates) in 2018, after a 2017 petition from the Towing & Recovery Professionals of Connecticut (TRPC), Inc. The increases generally reflected the rise in CPI between 2018 and the last time the rates were increased in 2007. In determining the increases, the hearing officer considered evidence presented by TRPC on vehicle costs, real estate taxes, and worker's compensation, among other things, but decided to give more weight to factors listed in statute (namely, CPI). TRPC petitioned for an increase in 2009, which was denied.

# Towing & Recovery Professionals of Connecticut, Inc. vs. Department of Motor Vehicles

In response to DMV's 2018 decision, TRPC filed an administrative appeal challenging the commissioner's consideration of statutory and regulatory factors and its weighing of evidence, arguing that the way in which the commissioner weighed the factors violated the rule of statutory and regulatory construction by rendering certain factors insignificant. When the appeal reached the Appellate Court, it held that, given the inclusion of the word "may," both the statute and regulation

give the commissioner discretion to consider and weigh the factors that he sees fit (*Towing and Recovery Professionals of Connecticut, Inc.* v. *Department of Motor Vehicles*, 205 Conn. App. 368 (2021), cert. denied, 338 Conn. 910 (2021)).

### **COMMITTEE ACTION**

**Transportation Committee** 

Joint Favorable Substitute Yea 24 Nay 12 (03/17/2023)