ARIZONA HOUSE OF REPRESENTATIVES

Fifty-sixth Legislature Second Regular Session

HB 2269: towing companies; private towing; requirements Sponsor: Representative Cook, LD 7 Committee on Transportation & Infrastructure

Overview

Requires a private towing carrier to register with the Department of Public Safety (DPS) and to maintain the appropriate insurance. Modifies and establishes other requirements relating to private towing carriers operating on private property.

<u>History</u>

A governing body of an incorporated city or town is authorized to regulate the maximum rate and charge for towing, transporting or impounding a motor vehicle from private property without the permission of the owner or operator of the vehicle by any private towing carrier doing business within its boundaries.

The owner or agent of the owner of the private property is considered to have given consent to unrestricted parking by the public in any parking area of the property unless the parking area is posted with signs that are clearly visible and readable from any point within the parking area and at each entrance. The signs are required to at least contain the following: 1) restrictions on parking; 2) disposition of vehicles found in violation of the parking restrictions; 3) maximum cost to the violator, including storage fees and any other resulting charges; and 4) a telephone number and address where the violator can locater their towed vehicle.

A private towing carrier is prohibited from towing or transporting a motor vehicle from private property without the permission of the owner or operator of the vehicle unless the towing carrier receives a request from a law enforcement agency or written permission from the owner or agent of the owner of the property that has complied with the parking violation signage requirements. The owner or owner's agent must either sign each towing order or authorize the tow by a written contract valid for a specific length of time. A person who violates these requirements is guilty of a Class 2 Misdemeanor. These requirements do not apply to abandoned or junk vehicles.

A *Private towing carrier* is defined as any person who commercially offers services to tow, transport or impound vehicles from private property without permission of the owner or operator of the vehicle by use of a truck or other vehicle designed for or adapted for that purpose (A.R.S. § 9-499.05).

Provisions

- 1. Requires a private towing carrier that engages in the business of towing vehicles from private property to:
 - a) Register with DPS;
 - b) Maintain the appropriate insurance required for engaging in the business of towing and impounding vehicles; and

- c) Provide proof of the required insurance to DPS. (Sec. 1)
- 2. Prohibits the minimum rate set by a city or town for towing, transporting or impounding a motor vehicle from private property from being below the state agencies' towing services agreement for towing and storage rates. (Sec. 1)
- 3. Removes and replaces the signage requirements for notice of parking violations on private property to require the signage:
 - a) be conspicuously visible to the driver of a vehicle that parks on the private property;
 - b) be constructed of weather resistant materials;
 - c) be at least 12 inches wide and 18 inches in height and at most 18 inches wide and 24 inches in height;
 - d) be located at each area where a vehicle may enter the private property;
 - e) be permanently mounted on a post, pole, wall or be permanently affixed in another manner; and
 - f) contain the following language:
 - i. unauthorized vehicles will be towed at owner's expense;
 - ii. reference <u>A.R.S. § 9-499.05</u> which outlines requirements for private towing carriers; and
 - iii. a telephone number that is monitored 24 hours a day where the vehicle owner or operator may locate the towed vehicle. (Sec. 1)
- 4. Requires the owner of the private property, the owner's agent or the operator of the private towing carrier to take pictures of all sides of the vehicle that is being towed before the vehicle is loaded on the towing vehicle. (Sec. 1)
- 5. Mandates that the pictures must be made available to the vehicle owner or agent of the owner within 24 hours after the owner or agent requests the pictures. (Sec. 1)
- 6. States that a private towing carrier must release a towed vehicle to the vehicle owner of record or agent of the owner and requires the owner or agent to provide a government-issued photo identification and one of the following:
 - a) a valid certificate of title;
 - b) proof of current vehicle registration, not including a restricted use three-day permit;
 - c) a repossession affidavit;
 - d) a hold harmless liability release;
 - e) a proof of a lien;
 - f) an insurance company request for release;
 - g) a certified motor vehicle record; or
 - h) proof of a security interest or other financial interest in the vehicle that existed at the time of the tow. (Sec. 1)
- 7. Prohibits a private towing carrier from refusing to release a vehicle to the owner or owner's agent solely because the presented government-issued photo identification shows a different address than the address shown on the title or registration records of the towed vehicle. (Sec. 1)
- 8. Requires the private towing carrier to provide the owner or agent of the owner of a towed vehicle with an itemized receipt for the towing services. (Sec. 1)

□ Prop 105 (45 votes) □ Prop 108 (40 votes) □ Emergency (40 votes) □ Fiscal Note

- 9. States that on request from the vehicle owner or agent of the owner, the private towing carrier must provide of copy of <u>A.R.S. § 9-499.05</u>. (Sec. 1)
- 10. Strikes language that made a person who tows a vehicle from private property without proper permission guilty of a Class 2 Misdemeanor. (Sec. 1)
- 11. Makes a private towing carrier who violates these requirements liable for a civil penalty of two times the towing fees assessed for the vehicle's removal. (Sec. 1)
- 12. Declares that a private towing carrier who charges a fee that is greater than the fee posted on the private property where the vehicle was towed may be required to reimburse the owner or agent of the owner for any charges above and beyond the charges posted on the private property where the vehicle was towed. (Sec. 1)
- 13. Makes technical and conforming changes. (Sec. 1)