# First Regular Session Seventy-third General Assembly STATE OF COLORADO

# **INTRODUCED**

LLS NO. 21-0945.01 Jery Payne x2157

**HOUSE BILL 21-1283** 

#### **HOUSE SPONSORSHIP**

Ricks and Hooton,

SENATE SPONSORSHIP

(None),

House Committees
Business Affairs & Labor

101

102

**Senate Committees** 

### A BILL FOR AN ACT

CONCERNING MEASURES TO ADDRESS CONSUMER PROTECTION CONCERNS REGARDING VEHICLE TOWING.

## **Bill Summary**

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <a href="http://leg.colorado.gov">http://leg.colorado.gov</a>.)

The bill requires the department of regulatory agencies (department) to conduct a sunset review of the public utilities commission's (commission) regulation of towing carriers in 2023 and moves up the department's sunset review of the towing task force (task force) from 2024 to 2023. As part of its sunset review of the commission's regulation of towing carriers, the department is required to

review complaints against towing carriers; whether the towing industry and consumers would benefit from dispute resolution of complaints; the reasonableness of rates for recovery, towing, and storage fees; and the reasonableness of towing contracts that towing companies enter into with property owners.

The composition of the task force is changed to replace a member who represents towing carriers but is not a representative of a towing association with a member who represents mobile home owners and to replace a member who represents an association of motor carriers with a member who represents common interest community unit owners. The bill adds 2 members to the task force to represent communities that might be disproportionately affected by nonconsensual towing, such as communities of color, immigrant communities, elderly communities, and rural communities.

1 Be it enacted by the General Assembly of the State of Colorado: 2 **SECTION 1.** In Colorado Revised Statutes, 2-3-1203, repeal 3 (15)(a)(I); and **add** (14)(a)(XII) as follows: 4 2-3-1203. Sunset review of advisory committees - legislative 5 **declaration - definition - repeal.** (14) (a) The following statutory 6 authorizations for the designated advisory committees are scheduled for 7 repeal on September 1, 2023: 8 (XII) THE TOWING TASK FORCE CREATED IN SECTION 40-10.1-403. 9 (15) (a) The following statutory authorizations for the designated 10 advisory committees are scheduled for repeal on September 1, 2024: 11 (I) The towing task force created in section 40-10.1-403, C.R.S.; 12 SECTION 2. In Colorado Revised Statutes, 24-34-104, add 13 (24)(a)(XIII) as follows: 14 24-34-104. General assembly review of regulatory agencies 15 and functions for repeal, continuation, or reestablishment - legislative 16 declaration - repeal. (24) (a) The following agencies, functions, or both, 17 are scheduled for repeal on September 1, 2023:

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| 1  | (XIII) THE PUBLIC UTILITIES COMMISSION'S REGULATION OF                  |
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| 2  | TOWING CARRIERS UNDER PART 4 OF ARTICLE 10.1 OF TITLE 40.               |
| 3  | SECTION 3. In Colorado Revised Statutes, 40-10.1-403, amend             |
| 4  | (2), (3)(a), and (6); and <b>add</b> (2.5) as follows:                  |
| 5  | 40-10.1-403. Towing task force - creation - rules - repeal.             |
| 6  | (2) (a) THROUGH OCTOBER 31, 2021, the task force consists of nine       |
| 7  | members, appointed as follows:  |
| 8  | (a) (I) One member, or the member's designee, appointed by the          |
| 9  | governor to represent the commission;                                   |
| 10 | (b) (II) One member, or the member's designee, appointed by the         |
| 11 | chief of the Colorado state patrol;                                     |
| 12 | (c) (III) One member, or the member's designee, appointed by the        |
| 13 | governor to represent a towing association within the state;            |
| 14 | (d) (IV) One member, or the member's designee, appointed by the         |
| 15 | governor to represent towing carriers within the state but who does not |
| 16 | represent a towing association;   |
| 17 | (e) (V) One member, or the member's designee, appointed by the          |
| 18 | governor to represent an association of automobile owners within the    |
| 19 | state;  |
| 20 | (f) (VI) One member who insures towing operations, or the               |
| 21 | member's designee, appointed by the governor to represent insurance     |
| 22 | companies within the state;   |
| 23 | (g) (VII) One member, or the member's designee, appointed by the        |
| 24 | governor to represent an association of motor carriers within Colorado; |
| 25 | (h) (VIII) One member, or the member's designee, appointed by           |
| 26 | the governor to represent local law enforcement agencies; and           |
| 27 | (i) (IX) One member who owns private property and contracts for         |

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| 1  | towing services, or the member's designee, appointed by the governor to |
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| 2  | represent consumers of towing services.                                 |
| 3  | (b) This subsection (2) is repealed, effective November 1,              |
| 4  | 2021.   |
| 5  | (2.5) (a) Beginning November 1, 2021, the task force                    |
| 6  | CONSISTS OF ELEVEN MEMBERS, APPOINTED AS FOLLOWS:                       |
| 7  | (I) ONE MEMBER APPOINTED BY THE GOVERNOR TO REPRESENT                   |
| 8  | THE COMMISSION;   |
| 9  | (II) ONE MEMBER APPOINTED BY THE CHIEF OF THE COLORADO                  |
| 10 | STATE PATROL;   |
| 11 | (III) ONE MEMBER APPOINTED BY THE GOVERNOR TO REPRESENT                 |
| 12 | A TOWING ASSOCIATION WITHIN THE STATE;                                  |
| 13 | (IV) ONE MEMBER APPOINTED BY THE GOVERNOR TO REPRESENT                  |
| 14 | MOBILE HOME OWNERS IN THE STATE;  |
| 15 | (V) ONE MEMBER APPOINTED BY THE GOVERNOR TO REPRESENT AN                |
| 16 | ASSOCIATION OF AUTOMOBILE OWNERS WITHIN THE STATE;                      |
| 17 | (VI) ONE MEMBER WHO INSURES TOWING OPERATIONS APPOINTED                 |
| 18 | BY THE GOVERNOR TO REPRESENT INSURANCE COMPANIES WITHIN THE             |
| 19 | STATE;  |
| 20 | (VII) ONE MEMBER APPOINTED BY THE GOVERNOR TO REPRESENT                 |
| 21 | UNIT OWNERS IN COMMON INTEREST COMMUNITIES;                             |
| 22 | (VIII) ONE MEMBER APPOINTED BY THE GOVERNOR TO REPRESENT                |
| 23 | LOCAL LAW ENFORCEMENT AGENCIES;   |
| 24 | (IX) ONE MEMBER WHO OWNS PRIVATE PROPERTY AND                           |
| 25 | CONTRACTS FOR TOWING SERVICES APPOINTED BY THE GOVERNOR TO              |
| 26 | REPRESENT CONSUMERS OF TOWING SERVICES; AND                             |
| 27 | (X) TWO MEMBERS APPOINTED BY THE GOVERNOR TO REPRESENT                  |

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| 1  | COMMUNITIES THAT MIGHT BE DISPROPORTIONATELY AFFECTED BY                       |
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| 2  | NONCONSENSUAL TOWING, SUCH AS COMMUNITIES OF COLOR, IMMIGRANT                  |
| 3  | COMMUNITIES, ELDERLY COMMUNITIES, AND RURAL COMMUNITIES.                       |
| 4  | (b) A MEMBER APPOINTED TO THE TASK FORCE BEFORE NOVEMBER                       |
| 5  | 1, 2021, MAY CONTINUE TO SERVE ON THE TASK FORCE ON AND AFTER                  |
| 6  | November 1, 2021, to serve the remainder of the member's term if               |
| 7  | THE MEMBER CONTINUES TO REPRESENT ONE OF THE GROUPS REQUIRED TO                |
| 8  | BE REPRESENTED ON THE TASK FORCE AS OF NOVEMBER 1, 2021, IN                    |
| 9  | ACCORDANCE WITH SUBSECTION $(2.5)(a)$ OF THIS SECTION.                         |
| 10 | (c) IF A MEMBER IS UNABLE TO ATTEND A MEETING OF THE TASK                      |
| 11 | FORCE, THE MEMBER MAY DESIGNATE A PERSON TO FULFILL THE MEMBER'S               |
| 12 | DUTIES IN LIEU OF THE MEMBER FOR THE MEETING.                                  |
| 13 | (3) (a) The members of the task force serve four-year terms;                   |
| 14 | except that the members appointed OR REAPPOINTED under paragraphs (a)          |
| 15 | to (d) of subsection (2) SUBSECTIONS (2.5)(a)(I) TO (2.5)(a)(V) of this        |
| 16 | section serve initial terms of two years.                                      |
| 17 | (6) This section is repealed, effective September 1, <del>2024. Prior to</del> |
| 18 | 2023. BEFORE the repeal, the department of regulatory agencies shall           |
| 19 | review the task force THE TASK FORCE IS SCHEDULED FOR REVIEW in                |
| 20 | accordance with section 2-3-1203. C.R.S.                                       |
| 21 | <b>SECTION 4.</b> In Colorado Revised Statutes, <b>add</b> 40-10.1-404 as      |
| 22 | follows:   |
| 23 | 40-10.1-404. Repeal of part - subject to review - definitions.                 |
| 24 | (1) This part 4 is repealed, effective September 1, 2023. Before               |
| 25 | THE REPEAL, THIS PART 4 IS SCHEDULED FOR REVIEW IN ACCORDANCE                  |
| 26 | WITH SECTION 24-34-104 AND SUBSECTION (2) OF THIS SECTION.                     |
| 27 | (2) In conducting its review in accordance with section                        |

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| 1  | 24-34-104 (5) and in considering the factors set forth in section |
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| 2  | 24-34-104 (6)(b), the department of regulatory agencies shall     |
| 3  | CONSIDER THE FOLLOWING IN EVALUATING THE PERFORMANCE OF THE       |
| 4  | COMMISSION WITH REGARD TO REGULATING TOWING CARRIERS:             |
| 5  | (a) WITH REGARD TO COMPLAINTS FILED WITH THE COMMISSION           |
| 6  | ABOUT TOWING SERVICES:  |
| 7  | (I) THE NUMBER AND NATURE OF COMPLAINTS FILED EACH YEAR;          |
| 8  | AND   |
| 9  | (II) HOW THE COMMISSION HANDLES THE COMPLAINTS AND HOW            |
| 10 | THE COMPLAINTS ARE RESOLVED;                                      |
| 11 | (b) Whether the towing industry and consumers would               |
| 12 | BENEFIT FROM DISPUTE RESOLUTION REGARDING COMPLAINTS AND          |
| 13 | WHETHER SUCH DISPUTE RESOLUTION IS BEING USED IN ANY OTHER        |
| 14 | STATES;   |
| 15 | $(c)\ Thereasonablenessofratesforrecovery, towing, and$           |
| 16 | STORAGE FEES, ESPECIALLY WITH REGARD TO NONCONSENSUAL TOWING,     |
| 17 | FOR VARIOUS COMMUNITIES, INCLUDING COMMUNITIES THAT MIGHT BE      |
| 18 | DISPROPORTIONATELY IMPACTED BY NONCONSENSUAL TOWING, SUCH AS      |
| 19 | MOBILE HOME PARK COMMUNITIES, COMMON INTEREST COMMUNITIES,        |
| 20 | COMMUNITIES OF COLOR, IMMIGRANT COMMUNITIES, ELDERLY              |
| 21 | COMMUNITIES, AND RURAL COMMUNITIES; AND                           |
| 22 | (d) THE REASONABLENESS OF TOWING CONTRACTS THAT TOWING            |
| 23 | COMPANIES ENTER INTO WITH PROPERTY OWNERS WITH REGARD TO THE      |
| 24 | EFFECTS THAT THE CONTRACTS HAVE ON TENANTS OF, UNIT OWNERS IN,    |
| 25 | AND VISITORS TO THE PROPERTY WHO, BECAUSE OF THE CONTRACTS,       |
| 26 | MIGHT BE DISPROPORTIONATELY SUBJECTED TO NONCONSENSUAL TOWING,    |
| 27 | ESPECIALLY WITH REGARD TO THE EFFECTS ON MOBILE HOME PARK         |

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| 1  | COMMUNITIES AND COMMON INTEREST COMMUNITIES.                          |
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| 2  | (3) As used in this section, unless the context otherwise             |
| 3  | REQUIRES:   |
| 4  | (a) "COMMON INTEREST COMMUNITY" HAS THE MEANING SET                   |
| 5  | FORTH IN SECTION 38-33.3-103 (8).                                     |
| 6  | (b) "Mobile Home Park" has the meaning set forth in                   |
| 7  | SECTION 38-12-201.5 (6).  |
| 8  | SECTION 5. Safety clause. The general assembly hereby finds,          |
| 9  | determines, and declares that this act is necessary for the immediate |
| 10 | preservation of the public peace, health, or safety.                  |