

Alabama

Does your state have any limitations on the type and/or amount of fees that may be charged relative to towing or storing? What strategies or tactics have you used, if any, to successfully combat predatory towing companies, including litigation?

In 2019, the Alabama Law Enforcement Agency established rules regulating nonconsensual towing. Ala. Admin. Code r. 760-X-1-.25. The rules require ALEA to "approve towing and recovery service rates as reasonable based on what is customary in practice of the industry." The rules also prescribe a "service charge dispute resolution process," whereby the owner of a commercial motor vehicle may contest the nonconsensual towing charges by filing a written complaint with the towing company and the agency. Ala. Admin Code r. 760-X-1-.25(4). The rule also prescribes an appellate process and entitles the party disputing the charges to an administrative hearing. Otherwise, limitations regarding the amount of fees which may be charged relative to towing or storing are typically passed at the local level.

HUIE, FERNAMBUCQ & STEWART, LLP Birmingham, Alabama <u>www.huielaw.com</u>

> Bart Cannon bcannon@huielaw.com

Paul Malek pmalek@huielaw.com

Will Thompson wthompson@huielaw.com

MCDOWELL, KNIGHT, ROEDDER & SLEDGE, LLC Mobile, Alabama www.mcdowellknight.com

> Hart Benton tbenton@mcdowellknight.com

> > Jon Lieb jlieb@mcdowellknight.com

Alex Steadman asteadman@mcdowellknight.com



Arkansas

Does your state have any limitations on the type and/or amount of fees that may be charged relative to towing or storing? What strategies or tactics have you used, if any, to successfully combat predatory towing companies, including litigation?

Towing of unattended or abandoned is governed by Ark. Code Ann. § 27-50-1201, *et seq.* The Arkansas General Assembly has recently considered legislative changes to regulate predatory towing and storage practices, but those proposals have not yet been adopted. Absent common law remedies, there are no specific limitations on the type and/or amount of fees that may be charged for non-consensual towing and storing of tractors or trailers following accidents.

Litigation, specifically including motions for temporary restraining orders and preliminary injunctive relief, is often the most practical response to predatory towing and storage practices to regain possession of the cargo, machinery, and equipment.

WRIGHT, LINDSEY & JENNINGS LLP Little Rock, AR www.wlj.com

> Michael D. Barnes mbarnes@wlj.com

> > Greg Jones gjones@wlj.com

Antwan Phillips aphillips@wlj.com

Jerry Sallings jsallings@wlj.com

Glenn Ritter gritter@wlj.com

Zachary Trail ztrail@wlj.com



Colorado

Does your state have any limitations on the type and/or amount of fees that may be charged relative to towing or storing? What strategies or tactics have you used, if any, to successfully combat predatory towing companies, including litigation?

Under the Public Utilities Commissions' Rule Regulating Transportation by Motor Vehicle or 4 CCR 723-6, §6511 "Rates and Charges" the state has outlined what kinds of charges are allowed related to towing. This section of code is extensive, covering six pages.

Notable charges include a section on maximum drop charges based on vehicle weight classification including: \$79.40 for motor vehicles with a GVWR less than or equal to 10,000 pounds; \$102.08 for motor vehicles with a GVWR greater than 10,000 pounds and less than or equal to 19,000 pounds; \$136.11 for motor vehicles with a GVWR greater than 19,000 pounds and less than or equal to 33,000 pounds; and \$158.79 for motor vehicles with a GVWR greater than 33,000 pounds. This section also notes that "Maximum drop charges may be less than these amounts if required by municipal ordinance or by the tow agreement with the property owner and shall be enforced by the Commission pursuant to this rule."

The code also outlines charges for base rates for PPI tows based on weight classification including: \$203.90 for motor vehicles with a GVWR less than or equal to 10,000 pounds; \$234.48 for motor vehicles with a GVWR greater than 10,000 pounds and less than or equal to 19,000 pounds; \$316.05 for motor vehicles with a GVWR greater than 19,000 pounds and less than or equal to 33,000 pounds; and \$356.83 for motor vehicles with a GVWR greater than 33,000 pounds; "

Additionally, this section capes the mileage charges for a towing carrier for a PPI tow at \$3.80 per mile with the maximum mileage for a PPI tow change is 12 miles for tows within ten miles of either side of a U.S. Interstate Highway 25 or 16.5 miles for mountain areas and eastern plains communities that lie farther than ten miles from U.S. Interstate Highway 25. An additional fuel surcharge fee may be assessed when the price per gallon of diesel fuel exceeds a base rate of \$2.60.

Later, the code enforces a maximum towing rate for law enforcement-ordered tows and recovery operations which include: \$232.52 per hour for motor vehicles with a GVWR less than or equal to 10,000 pounds; \$277.89 per hour for motor vehicles with a GVWR greater than 10,000 pounds and less than or equal to 19,000 pounds; \$362.96 per hour for motor vehicles with a GVWR greater than

HALL & EVANS LLC Denver, Co www.hallevans.com

Lance G. Eberhart eberhartl@hallevans.com

Paul T. Yarbrough yarbroughp@hallevans.com

Brooke A. Churchman churchmanb@hallevans.com



Colorado

19,000 pounds and less than or equal to 33,000 pounds; and \$419.67 per hour for motor vehicles with a GVWR greater than 33,000 pounds. The code caps the recovery which requires the use of a Heavy Rotator (60+ tons) at \$663.53 per hour.

Finally, the code include a section on nonconsensual and law enforcement tows which states that charges shall be \$39.18 for motor vehicles with a GVWR of less than or equal to 10,000 pounds; \$48.32 for motor vehicles with a GVWR greater than 10,000 pounds; or in lieu of the storage rates provided above, and at the option of the towing carrier, storage may be charged according to the motor vehicle's length, including the tongue of a trailer, at \$1.50 per foot or portion thereof.

More in-depth sections of code and qualifications on the sections of code provided above can be found starting on page seventy-three of the document.^{xxx}

While Colorado does not have an exorbitant amount of case law related to the limitations of fees related to towing and/or storage, some cases offer some insight into the logic the courts used to address similar issues. In a recent case, the court upheld a fine for the towing company pursuant to C.A.R. 3(b) and §40-6-115(5), C.R.S. as the company towed the car at issue without consent.^{xxxi} The plaintiff filed a complaint that alleged a refusal of a timely release of the car and personal belongings. Here, plaintiff was unable to retrieve their car and belongings in a timely manner. The court addressed the Public Utilities Commission (PUC) and regulations for towing companies. The court notes that "given the deference accorded to the PUC and the lack of evidence or authority to the contrary, [the court] had no basis to conclude that the PUC's opinion...is erroneous. The PUC's regulations are responsive to safety concerns. Colorado motorists must have assurance that their vehicles will not be towed at the whim of a towing carrier, that they will not be stranded and that they can promptly recover their vehicle and possessions after paying a fee."

In summary, Colorado has a robust regulatory framework limiting the amounts of fees that a towing company can charge for towing or storing a vehicle, and courts in Colorado have upheld that framework. Furthermore, the legislature recently passed the "Towing Bill of Rights," xxxii which, although not directly addressing rates or fees, further limits the circumstances under which tow companies can make tows, illustrating the growing public support in Colorado to combat predatory towing in the state.

HALL & EVANS LLC Denver, Co www.hallevans.com

Lance G. Eberhart eberhartl@hallevans.com

Paul T. Yarbrough yarbroughp@hallevans.com

Brooke A. Churchman <u>churchmanb@hallevans.com</u>



Connecticut

Does your state have any limitations on the type and/or amount of fees that may be charged relative to towing or storing? What strategies or tactics have you used, if any, to successfully combat predatory towing companies, including litigation?

The Commissioner of Motor Vehicles establishes a maximum tow and storage rate for a NONCONSENSUAL tow and the rates are amended annually.

In the setting of a contracted or CONSENSUAL tow the parties are left to their own bargain.

Tow yards have tried to increase revenue by charging "Gate Fees" or "Expedited Recovery Fees."

In the setting of a NONCONSENSUAL tow, the courts have found these fees uncollectable.

Care should be taken to avoid signing a contract with the wrecker service after the recovery. One can turn a nonconsensual tow into a consensual tow and the protections lost. HALLORAN SAGE, LLP New Haven, CT www.halloransage.com

Frederick J. Trotta, Sr trotta@halloransage.com



Delaware

MORRIS JAMES LLP Wilmington, DE www.morrisjames.com

David J. Soldo dsoldo@morrisjames.com

Does your state have any limitations on the type and/or amount of fees that may be charged relative to towing or storing? What strategies or tactics have you used, if any, to successfully combat predatory towing companies, including litigation?

Approved towers are required to charge reasonable fees for towing and storage comparable to other towers providing similar services in the area. 2 Del. Admin. Code 1301-9.0. For vehicles that are stored as evidence, towers shall negotiate in good faith caps on storage costs. *Id.*



Georgia

Does your state have any limitations on the type and/or amount of fees that may be charged relative to towing or storing? What strategies or tactics have you used, if any, to successfully combat predatory towing companies, including litigation?

In Georgia, a towing company may charge whatever price they deem appropriate when hired to tow/store a vehicle (*i.e.*, consensual towing). Some successful tactics to combat predatory towing companies include, filing a complaint with law enforcement if the towing company failed to comply with city or county ordinances, filing a lawsuit against the towing company for unlawful conversion of the vehicle and making or threatening complaints with the Better Business Bureau. With respect to non-consensual towing operations, Georgia law caps the towing fee at:

- \$228.00 for vehicles with a Gross Vehicle Weight Rating ("GVWR") of less than 10,000 pounds;
- \$390.00 for vehicles with a GVWR between 10,001 pounds and 20,000 pounds;
- \$585.00 for vehicles with a GVWR over 20,0001 pounds (per unit charge); and
- \$1,105.00 for vehicles with a GVWR over 20,001 pounds (combination unit)
- No Charge Storage for the first 24 hours, beginning at the time the vehicle is removed from the property;
- No Charge Storage for any day or days the impoundment facility is closed and the vehicle's owner is unable to claim the vehicle;
- \$33.00 Daily storage fee for vehicles with a GVWR of 10,000 pounds or less;
- \$39.00 vehicles with a GVWR between 10,001 pounds and 20,000 pounds;
- \$52.00 vehicles with a GVWR over 20,001 pounds (per unit charge);
- \$98.00 vehicles with a GVWR over 20,001 pounds (combination unit);

The Georgia Department of Public Safety's full list of maximum rate tariffs for nonconsensual tows is listed on the Statewide Maximum Rate Tariff No. 5.

HAWKINS PARNELL & YOUNG, LLP Atlanta, Georgia <u>hpylaw.com</u>

> David H. Wilson dwilson@hpylaw.com

Garret J. Drogosch gdrogosch@hpylaw.com

HUNTER, MACLEAN, EXLEY & DUNN, P.C. Savannah, Georgia huntermaclean.com

> Taylor L. Dove tdove@huntermaclean.com



Illinois

Does your state have any limitations on the type and/or amount of fees that may be charged relative to towing or storing? What strategies or tactics have you used, if any, to successfully combat predatory towing companies, including litigation?

The Illinois Commerce Commission purports to regulate the fees that may be charged for the towing and storage of motor vehicles, but all the regulations actually do is require towing companies to file and keep on record with local law enforcement agencies copies of the rates to be charged for such services and to post the same information at the storage site. 625 ILCS 5/4-203(f)(6). The only limit on the rates set is that they "shall not exceed the mean average of the 5 highest rates for police tows within the [applicable] territory[.]" 625 ILCS 5/18a-200(6). The best way to avoid a predatory towing scenario is by a driver being proactive and assertive at the outset by demanding a written estimate, with all charges clearly itemized and with no fields left unmarked and verifying that the tow company has a proper business license. Also, drivers should not allow their truck to be towed by companies they, their employer, their insurer, or law enforcement did not call to the scene. Tow trucks that "fortuitously" show up at an accident scene within minutes generally are not to be trusted.

JOHNSON & BELL, LTD. Chicago, Illinois www.johnsonandbell.com

Michael J. Linneman linnemanm@jbltd.com

Brendan T. Fallon fallonb@jbltd.com



lowa

Does your state have any limitations on the type and/or amount of fees that may be charged relative to towing or storing? What strategies or tactics have you used, if any, to successfully combat predatory towing companies, including litigation?

Although Iowa law regulates impoundment notice and procedural requirements, it does not regulate the type or amount of fees that may be charged relative to towing or storage. Iowa Admin. Code r. 661—6.1-6.5. Further, Iowa law lacks protection against other predatory towing practices, such as withholding access to personal items in a towed car, not photographing where a car is parked before towing it, and patrolling areas to find illegally parked cars.

To combat predatory towing practices, we may first send a demand letter to the towing company outlining how much money our client is owed, why the client is owed that money, where to send payment, and a deadline for when we expect a response. A demand letter signals to the towing company that our client is serious about their complaint and is willing to escalate the issue if needed. If the tow company does not respond or otherwise comply with the demand letter, we may pursue the matter in court. Alternatively, we may file a complaint against the tow company with the Better Business Bureau (BBB) if the tow company has previously been non-responsive to such complaints. This approach may incentivize tow companies to resolve the matter favorably for our client because negative BBB reviews can not only harm a business's reputation, but businesses accredited with the BBB may also have their accreditation revoked if they do not respond. Unaccredited businesses may have the complaint become part of their BBB profile. Finally, we may file a complaint with the government agency that regulates towing companies, which varies from city to city in Iowa. Filing this type of complaint alerts authorities to predatory towing companies.

WHITFIELD & EDDY, PLC Des Moines, Iowa Website

Zach J. Hermsen Email: hermsen@whitfieldlaw.com

Matthew D. Jacobson Email: jacobson@whitfieldlaw.com

> Nick J. Gral Email: gral@whitfieldlaw.com

Bryn E. Hazelwonder Email: <u>hazelwonder@whitfieldlaw.com</u>

Anna E. Mallen Email: <u>mallen@whitfieldlaw.com</u>



Kansas

Does your state have any limitations on the type and/or amount of fees that may be charged relative to towing or storing? What strategies or tactics have you used, if any, to successfully combat predatory towing companies, including litigation?

There are very few limitations on the type and/or amount of fees that may be charged relative to towing or storing. In general, the fees must be commercially reasonable. However, K.S.A. § 8-1103(b) provides that "[a]t the time of providing wrecker or towing service, any person providing such wrecker or towing service shall give written notice to the driver, if available, of the vehicle being towed that a fee will be charged for storage of such vehicle." Failure to comply with this statute invalidates any lien for the storage fee.

In 2021, the Kansas legislature proposed House Bill No. 2216, which provided that the towing fees "cannot exceed \$150 for a vehicle removal using a wrecker or tow truck." It also included limitations on storage fees. This bill died in committee in May 2022.

HINKLE LAW FIRM LLC Wichita, KS 67206 www.hinklaw.com

J. Philip Davidson pdavidson@hinklaw.com

Paul J. Skolaut jskolaut@hinklaw.com

bakersterchi.com

BAKER, STERCHI, COWDEN & RICE, LLC Kansas City, MO 64108

> Jonathan E. Benevides benevides@bakersterchi.com

> > James R. Jarrow jarrow@bakersterchi.com

Shawn M. Rogers rogers@bakersterchi.com



Kentucky

Does your state have any limitations on the type and/or amount of fees that may be charged relative to towing or storing? What strategies or tactics have you used, if any, to successfully combat predatory towing companies, including litigation?

KRS 281.920 *et seq.* governs towing and storage of motor vehicles in Kentucky. KRS 281.926, recently amended by the Kentucky General Assembly effective July 15, 2024, governs rate practices for emergency towing companies without specifically defining or capping those rates. Under that statute, any towing company that engages in the business of emergency towing must, before attaching a motor vehicle to the tow truck, provide a rate sheet to the owner or operator of the disabled vehicle if present on scene showing rates for all services, including towing, fees, cleanup, labor, storage, and all other services. KRS 281.926(2). Pursuant to the 2024 amendments to that statute, towing companies must also provide a current rate sheet to the nearest Kentucky State Police post and any law enforcement agency in its service area, as well as to any customer upon request. KRS 281.926(3). Any charges billed in excess of the rate sheet shall be deemed excessive and are not permitted. KRS 281.926(3)(b); KRS 281.932(1).

Invoices for emergency towing and storage must be itemized by service and made available to the vehicle owner no later than one business day after: (1) the tow is completed; or (2) the towing company has all necessary information to be included on the invoice, including charges by subcontractors. KRS 376.275 sets forth detailed procedures for lien and sale of towed and stored motor vehicles upon proper notice to the vehicle owner.

HARLIN PARKER ATTORNEYS Bowling Green, KY harlinparker.com

> Marc A. Lovell lovell@harlinparker.com

Justin L. Duncan duncan@harlinparker.com

> STOLL KEENON OGDEN Lexington, KY <u>skofirm.com</u>

Palmer G. Vance, II gene.vance@skofirm.com

Matthew R. Parsons matt.parsons@skofirm.com



Louisiana

Does your state have any limitations on the type and/or amount of fees that may be charged relative to towing or storing? What strategies or tactics have you used, if any, to successfully combat predatory towing companies, including litigation?

Yes. Louisiana enacted the Louisiana Towing and Storage Act in 1989, to set forth significant regulations to limit predatory towing and service charges. Under this Act, the Louisiana Public Service Commission sets the fees for towing and storing. The current rates can be found at:

https://lpsc.louisiana.gov/docs/trans/Non-Consensual%20Rates%20effective%2002-17-2022.pdf

Louisiana has strong laws regarding maximum storage rates for non-consensual towing. These regulations were enacted to prioritize consumer protection, ensuring that towing companies adhere to fair and reasonable pricing structures. The legislation sets clear guidelines on the maximum fees that can be charged for non-consensual towing, preventing excessive charges and protecting vehicle owners from financial exploitation. As a note, the current rate in 2024 is \$123.50 for private property tow of vehicles 10,000 pounds or less.

If a vehicle tow is proven illegal, then the owner is entitled to compensation as tow truck companies are required to carry adequate insurance to protect the interests of consumers and third parties. In this case, an owner would be entitled to reimbursement and damages. The Louisiana Public Service Commission may order a refund of up to 200% of any overcharges. LEAKE & ANDERSSON, LLP New Orleans, LA leakeandersson.com

MISHA M. LOGAN-JOHNSON Email: mlogan@leakeandersson.com

MICHAEL B. GUERRY Email: mguerry@leakeandersson.com

CRAIG M. COUSINS Email: ccousins@leakeandersson.com

LOUIS P. BONNAFFONS Email: Ibonnaffons@leakeandersson.com

ROBERT L. BONNAFFONS Email: rbonnaffons@leakeandersson.com



Massachusetts

Morrison Mahoney LLP Boston, Massachusetts www.morrisonmahoney.com

Sean F. McDonough smcdonough@morrisonmahoney.com

> Gareth Notis gnotis@morrisonmahoney.com

Does your state have any limitations on the type and/or amount of fees that may be charged relative to towing or storing? What strategies or tactics have you used, if any, to successfully combat predatory towing companies, including litigation?

In Massachusetts there are no limitations on the type or amount of fees for towing or storage.



Michigan

PLUNKETT COONEY, PC Bloomfield Hills, MI PlunkettCooney.com

Maura B. Battersby mbattersby@plunkettcooney.com

Michael K. Sheehy msheehy@plunkettcooney.com

Does your state have any limitations on the type and/or amount of fees that may be charged relative to towing or storing? What strategies or tactics have you used, if any, to successfully combat predatory towing companies, including litigation?

MCL 257.252(i) limits **<u>storage fees</u>** for "abandoned vehicles." The maximum storage fee is \$1,000:

(2) If a vehicle is released for disposition under section 252b or section 252g, the amount of storage fees that may be collected <u>is whichever 1 of the following is</u> <u>the *least* amount</u>:

(a) The daily storage rate established by contract or agreement with the law enforcement agency or unit of government that authorized the towing and storage of the vehicle.

(b) The daily storage rate charged by the storage facility.

(c) \$1,000.00.

MCL 257.252(i)(2), emphasis added.

<u>Towing rates</u> are established between the police agency and the towing companies. A person whose vehicle has been towed is able to challenge the "reasonableness of fees," through his/her own petition in the district court in the jurisdiction of the location of the towing.



Minnesota

Does your state have any limitations on the type and/or amount of fees that may be charged relative to towing or storing? What strategies or tactics have you used, if any, to successfully combat predatory towing companies, including litigation?

There are no caps on the amount of fees that may be charged for towing or storing. However, there are limitations on when a vehicle may be towed from public property. Minn. Stat. § 168B.035. A vehicle may not be towed because it has expired registration tabs that have been expired less than 90 days or because the vehicle is at a parking meter on which the time has expired and the vehicle has fewer than five unpaid parking tickets. Minn. Stat. § 168B.035, subd. 3(a). A towing authority may not tow a motor vehicle from public property unless a peace officer or parking enforcement officer has prepared, in addition to the parking citation, a written towing report describing the motor vehicle and the reasons for towing. Minn. Stat. § 168B.035, subd. 2(a) If a towing authority violates Minn. Stat. § 168B.035, the owner or drive of a motor vehicle towed in violation of this section is entitled to recover from the towing authority the greater of \$100 or two times the actual damages sustained as a result of the violation.

NILAN JOHNSON LEWIS PA Minneapolis, MN www.nilanjohnson.com

Stanley E. Siegel ssiegel@nilanjohnson.com

Sheila T. Kerwin skerwin@nilanjohnson.com

Kelly P. Magnus kmagnus@nilanjohnson.com



Mississippi

Does your state have any limitations on the type and/or amount of fees that may be charged relative to towing or storing? What strategies or tactics have you used, if any, to successfully combat predatory towing companies, including litigation?

Miss. Code. Ann. Section 85-7-251 addresses towing and storage costs. The statute provides that the owner of a motor vehicle that has been towed shall be liable for the reasonable price of towing and storage of the vehicle and the towing company shall have the right to retain possession of the vehicle until the price is paid. The statute does not address whether the tow company can retain cargo contained in the trailer that is not the property of the vehicle owner.

The statute provides guidelines for notice to be given by a tow company to the owner of a vehicle that was not towed at the request of the owner.

A bill was passed effective July 1,2024 to establish a Commercial Vehicle Towing Advisory Committee whose duties in part will include establishing statewide maximum towing and storage charges for nonconsensual tows. The committee is also charged with establishing rules providing factors to determine if towing charges are fair and to establish a service charge dispute resolution process. A process is to be established to allow a commercial vehicle owner or operator reasonable access to the vehicle to collect personal property in the vehicle regardless of whether any payment has been made for towing and recovery charges.

Some cities have passed ordinances to combat predatory towing practices.

Changes are coming in Mississippi.

DANIEL COKER HORTON & BELL Oxford, Mississippi www.danielcoker.com

> Robert F. Stacy, Jr. rstacy@danielcoker.com



Missouri

Does your state have any limitations on the type and/or amount of fees that may be charged relative to towing or storing? What strategies or tactics have you used, if any, to successfully combat predatory towing companies, including litigation?

R.S.Mo. §304.156.2 appears to be the only limitation on charges for towing or storing a vehicle. It only permits a towing company to assess reasonable storage charges for "abandoned property towed without the consent of the owner." *Id.* A "reasonable charge" may not exceed the charge for vehicles which have been towed with the consent of the owner on a negotiated basis. *Id.*

BAKER STERCHI COWDEN & RICE Kansas City, Missouri www.bakersterchi.com

> Kyle Roehler kroehler@bakersterchi.com



Montana

Does your state have any limitations on the type and/or amount of fees that may be charged relative to towing or storing? What strategies or tactics have you used, if any, to successfully combat predatory towing companies, including litigation?

This is a reoccurring issue in Montana with no easy solutions. A carrier can file a Complaint in District Court for the release of cargo under the exception to an agister's lien. Mont. Code Ann. Sec. 27-17-203.

However, Montana Courts require exhaustion of Administrative Remedies prior to ruling on the reasonableness of towing or storage charges. Therefore, as to the costs/fees issue, the carrier must file an administrative action with the Towing Board which is established under Mont. Code Ann. sec. 61-8-912. Specifically, under that section and ARM sec. 23.6.106 the Tow Truck Complaint Resolution Committee must first render a decision prior to taking the matter further for Judicial review. HALL & EVANS Billings & Missoula, MT www.hallevans.com

Jill Gerdrum gerdrumj@hallevans.com

Brian Taylor taylorb@hallevans.com



BAYLOR EVNEN WOLFE & TANNEHILL, L.L.P. Lincoln, Nebraska www.baylorevnen.com

Jarrod P. Crouse jcrouse@baylorevnen.com

Kate Q. Martz kmartz@baylorevnen.com

J. Michael Hannon jmhannon@baylorevnen.com

Nebraska

Does your state have any limitations on the type and/or amount of fees that may be charged relative to towing or storing? What strategies or tactics have you used, if any, to successfully combat predatory towing companies, including litigation?

The owner or other person entitled to the possession of any vehicle towed or stored shall be charged with the reasonable cost of towing and storage fees. NEB. REV. STAT. § 60-2410.

Combatting predatory towing companies has been a relatively rare issue in Nebraska. In our experience, the best practice to combat such fees is to work to have legal holds removed as quickly as possible, which usually involves local law enforcement and the county attorney. We are also very proactive in getting any equipment removed once we are able to do so.



New Hampshire

Does your state have any limitations on the type and/or amount of fees that may be charged relative to towing or storing? What strategies or tactics have you used, if any, to successfully combat predatory towing companies, including litigation?

There are several statutes in New Hampshire relevant to fees charged for towing or storage. Typically, such fees are limited to those which are "reasonable." If towed at the direction of the State Police, RSA 106-B:30 permits the owner of the towed or impounded vehicle to challenge an "exorbitant or unreasonable fee" via the filing of a complaint with the Commissioner of Safety. Similarly, RSA 262:35-a states: "[a]ll fees for the removal and storage of any vehicle caused to be removed by an authorized official pursuant to RSA 262:32 or RSA 262:40-a shall be reasonable, and may reflect market variables, including, but not limited to, distance traveled to and from the storage facility, vehicle size and weight, the amount of time needed to remove and store the vehicle, any special equipment needed, and personnel costs." If the owner of the vehicle wishes to challenge the reasonableness of the fees, the owner may, pursuant to RSA 262:35-a, pay the towing and storage charges and then, within 15 days of release, request that the Commissioner of Safety review the reasonableness of the fees. The review process under this statute may involve an administrative hearing, and the statute provides for an appeal of the ultimate decision to the New Hampshire Superior Court.

If the matter is not covered by one of the above-referenced statutes, RSA 106-B:30 permits the owner of the vehicle to challenge the reasonableness of towing and storage fees via a complaint to the Consumer Protection Division of the New Hampshire Department of Justice.

We have successfully used these statutes, along with the Consumer Protection Act, RSA 358-A, to combat predatory towing companies.

WADLEIGH, STARR & PETERS, PLLC Manchester, New Hampshire www.wadleighlaw.com

> Tierney M. Chadwick tchadwick@wadleighlaw.com

Michael G. Eaton meaton@wadleighlaw.com



New Jersey

Does your state have any limitations on the type and/or amount of fees that may be charged relative to towing or storing? What strategies or tactics have you used, if any, to successfully combat predatory towing companies, including litigation?

NJ Legislature enacted the Predatory Towing Prevention Act, which concerns fees charged for certain towing and storage of motor vehicles.

The law amends NJSA 56:13-16 to require towing companies to charge reasonable fees based on a fee scheduled established by municipality, charge for towing authorized by law enforcement and related storage services be paid by the vehicle owner prior to the towing company releasing the vehicle. If the vehicle owner defaults on payment the lessor or lienholder is responsible for the fees.

In addition, the towing company must notify the owner, lessor and lienholder that a vehicle has been subject to non-consensual towing, authorized by law enforcement within 30 days of the vehicle being towed and associated fees. If a towing company fails to provide such notification the towing company may charge a maximum storage fee of \$750 and is responsible for additional towing or related storage services.

GERMAN, GALLAGHER & MURTAGH, P.C. Philadelphia, PA www.ggmfirm.com

Matthew J. McColgan mccolganm@ggmfirm.com



New Mexico

Does your state have any limitations on the type and/or amount of fees that may be charged relative to towing or storing? What strategies or tactics have you used, if any, to successfully combat predatory towing companies, including litigation?

There are presently no limitations on the type or amount of fees that may be charged relative to towing or storing, and no courts in New Mexico are known to have addressed this issue to date. BUTT THORNTON & BAEHR PC Albuquerque, NM www.btblaw.com

> Charles B. Kraft cbkraft@btblaw.com

Monica R. Garcia mrgarcia@btblaw.com

Ryan T. Sanders rtsanders@btblaw.com



North Carolina

Does your state have any limitations on the type and/or amount of fees that may be charged relative to towing or storing? What strategies or tactics have you used, if any, to successfully combat predatory towing companies, including litigation?

North Carolina generally requires towing and storage fees to be "reasonable." This blanket requirement, however, does not usually prevent predatory towing companies' antics.

For instance, when a vehicle or equipment is disabled on the highway and the responding agency is the North Carolina State Highway Patrol ("NCSHP"), the NCSHP keeps a rotation list of towing and wrecker companies in specific divisions/areas that the NCSHP will call to clear the roadway. Companies on the list are governed by 14B NCAS 7A.0116. Additionally, towing and wrecker companies must meet certain requirements to be on the NCSHP call list, violations of which will take the company off the list. One such requirement is that the company must charge "reasonable" fees for their services and that the fees charged cannot exceed the fees for calls that are received outside of the NCSHP rotation list. Moreover, the towing and wrecker companies cannot keep personal property (including freight) stored in the vehicle—regardless of whether the towing company's bill has been paid.

Despite this regulation, towing and wrecking companies with predatory antics do not follow the requirements. Yet, the only consequence built into the regulation itself is that the company can be taken off the NCSHP's rotation list. It is possible that a lawyer in North Carolina could persuade the NCSHP to take a predatory towing company off its list; however, in the past, the highway patrol's office has indicated the rotation list does not apply to "heavy wrecker" services that tow tractor-trailers (despite there being a rotation list for such services).

An additional tactic a lawyer could take is that if the towing company argues their bill is a contract, a lawyer can argue such a contract is void as against public policy based on violation of 14B NCAS 7A.0116. For instance, towing companies have a lien on the property they tow "in the ordinary course of business pursuant to an express or implied contract with the owner or legal possessor of the personal property," and that lien amount is only for reasonable towing and storage charges. N.C. Gen. Stat. § 44A-2(a). However, one should be cautioned that if it is found that the regulation does not apply to heavy wreckers, this tactic will not be successful. Nonetheless, it is likely that if the parties engage in litigation, a declaratory judgment can be filed to YOUNG MOORE AND HENDERSON, P.A. RALEIGH, NC www.youngmoorelaw.com

> David M. Duke david.duke@youngmoorelaw.com

Andrew D. Webster andy.webster@youngmoorelaw.com

Anderson H. Phillips anderson.phillips@youngmoorelaw.com

Brittany D. Levine brittany.levine@youngmoorelaw.com

Rachel O. Laughery rachel.laughery@youngmoorelaw.com



North Carolina

determine the fair market value of the labor and determine the "reasonable" value of the towing company's services.

Finally, if instead of the NCSHP calling for towing services, a local municipality makes the call—there may be specific ordinances of the applicable municipality for towing and storage fees. Many municipalities have the same blanket provision that requires a wrecker company's fees to be "reasonable."

YOUNG MOORE AND HENDERSON, P.A. RALEIGH, NC www.youngmoorelaw.com

> David M. Duke david.duke@youngmoorelaw.com

Andrew D. Webster andy.webster@youngmoorelaw.com

Anderson H. Phillips anderson.phillips@youngmoorelaw.com

Brittany D. Levine brittany.levine@youngmoorelaw.com

Rachel O. Laughery rachel.laughery@youngmoorelaw.com



North Dakota

Does your state have any limitations on the type and/or amount of fees that may be charged relative to towing or storing? What strategies or tactics have you used, if any, to successfully combat predatory towing companies, including litigation?

No, North Dakota does not have any limitations on the type and/or amount of fees that may be charged relative to towing or storing.

Upon towing an abandoned vehicle, the towing company must, within twelve (12) hours, provide notice to the registered owner or lien holder. *See* N.D.C.C. § 23.1-15-05(3). If the towing company fails to comply with the notice requirements, they must return the vehicle to the registered owner at no cost. *See* N.D.C.C. § 23.1-15-05(5).

VOGEL LAW FIRM Fargo, North Dakota www.vogellaw.com

M. Daniel Vogel dvogel@vogellaw.com

Jack M. Buck jbuck@vogellaw.com



Oklahoma

FRANDEN FARRIS QUILLIN GOODNIGHT ROBERTS & WARD Tulsa, Oklahoma <u>Tulsalawyer.com</u>

Jason Goodnight Jgoodnight@tulsalawyer.com

Does your state have any limitations on the type and/or amount of fees that may be charged relative to towing or storing? What strategies or tactics have you used, if any, to successfully combat predatory towing companies, including litigation?

The type and/or amount of fees for towing is governed by 47 O.S. § 953.1.

Section 953.1 lists the maximum hourly rates and distance rates allowed for towing.

The type and/or amount of fees for storage is governed by 47 O.S. § 953.2.

Section 953.2 lists the maximum rates allowed per day for the indoor and the outdoor storage of vehicles.



Oregon

Does your state have any limitations on the type and/or amount of fees that may be charged relative to towing or storing? What strategies or tactics have you used, if any, to successfully combat predatory towing companies, including litigation?

Under Oregon law, each city or county may establish the maximum rate that a tower may charge for towing a motor vehicle, and for all related service for towing a motor vehicle in response to a request for towing of a vehicle parked within the city or county that is made by a person other than the owner or operator of the motor vehicle. Or. Rev. Stat. 98.859(1). The rates for related services include charges for hookup, storage, gas mileage, pictures, unlocking the motor vehicle and any other services reasonably related to towing as determined by the city or county. *Id.* When establishing the maximum rates under this section, the city or county shall take into consideration the size of the motor vehicle to the storage facility. Or. Rev. Stat. 98.859(2). Should a city establish a maximum rate, then the county's rates do not apply for vehicles parked and towed within the city's boundary, and towers are required to use the city's rate rather than the county's. Or. Rev. Stat. 98.859(4).

Oregon law regulates the notices that must be sent out for towers to be entitled to recover compensation and retain possession of towed vehicles. For a tower to be entitled to a lien on a towed vehicle, local law enforcement must be notified of the location of the towed vehicle within one hour of the vehicles placement in storage. Or. Rev. Stat. 98.812(2). If a towed vehicle is registered in Oregon, then storage charges can only be assessed if the owner of the vehicle and every other person with an interest in the vehicle per the certificate of title is provided notice by mail or actual notice. Or. Rev. Stat. 98.812(3)(a). If a towed vehicle is not registered in Oregon, then the tower must notify and request title information from the motor vehicle agency of the state where the vehicle is located within three days of storage and within three days of receiving the requested information must provide notice by mail or actual notice by mail or notice by mail or storage and within three days of receiving the requested information must provide notice by mail or actual notice to the owner. Or. Rev. Stat. 98.812(3)(b).

COSGRAVE VERGEER KESTER LLP Portland, OR <u>cosgravelaw.com</u>

> Nicole M. Nowlin nnowlin@cosgravelaw.com

Amber A. Beyer abeyer@cosgravelaw.com



Pennsylvania

Does your state have any limitations on the type and/or amount of fees that may be charged relative to towing or storing? What strategies or tactics have you used, if any, to successfully combat predatory towing companies, including litigation?

No. There is no state law regarding the type and/or amount of fees, however some counties, such as Philadelphia and Allegheny, have tow laws that require posting of fee schedules. In 2022 Governor Josh Shapiro, who was Attorney General of PA at that time, successfully sued several predatory towing companies under the Philadelphia Towing Law and the UTPCPL the Consumer Protection Law. Referencing this to a predatory tow company as well as contacting the Attorney General in a situation where the tow company is predatory may be useful. We have filed a motion to release the truck in a related criminal matter which is frequently where the trucks are held up. Working with the local district attorney's office in this regard is essential as they have discretion as to when their investigation is concluded.

GERMAN, GALLAGHER & MURTAGH, P.C. Philadelphia, PA www.ggmfirm.com

Matthew J. McColgan, Esq. mccolganm@ggmfirm.com

Kevin Ellis, Esq. ellisk@ggmfirm.com

MEYER, DARRAGH, BUCKLER, BEBENEK & ECK, P.L.L.C. Pittsburgh, PA mdbbe.com

> Nicholas J. Indovina, Esq. nindovina@mdbbe.com

> > Rachel L. Myers, Esq. rmyers@mdbbe.com



Rhode Island

Does your state have any limitations on the type and/or amount of fees that may be charged relative to towing or storing? What strategies or tactics have you used, if any, to successfully combat predatory towing companies, including litigation?

Section 39-12-12 generally governs the establishment of rates and charges of towing, and imposes a duty on "every common carrier of property by motor vehicle to establish, observe, and enforce just, reasonable and reasonably compensatory rates, charges, and classification, . . ." *See* R.I. Gen. Laws § 39-12-12. Section 39-12-11 works preventively to combat predatory towing companies by requiring a carrier to file with the Public Utilities Commission "tariffs showing all the rates and charges for transportation, and all services in connection therewith" *See* R.I. Gen. Laws § 39-12-11; *see also Sterry St. Towing Inc. v. Div. of Pub. Utilities & Carriers*, No. C.A. 03-5810, 2005 WL 1109610 (R.I. Super. May 3, 2005). Any tariff so rejected by the Administrator of the Public Utilities Commission shall be void and its use shall be unlawful. *See id.*

In 2021, Rhode Island established specific tariffs for non-consensual tows, which vary based on gross vehicle weight and associated incidental charges and storage fees. *See In Re: Rate Relief for Light and Medium Duty Non-Consensual Tows Related Matters Pursuant to R.I.G.L. § 39-12-12.* For example, a towing company is limited to charging a flat fee of \$125.00 (light duty, up to 8,000 lbs.) and \$145.00 (medium duty, 8,001-15,000 lbs.) per tow inclusive of all incidental charges, the first five (5) miles of "on-hook mileage," and the first 24 hours of storage when the vehicle is towed to the company's storage lot. *See id.*

Under R.I. Gen. Laws §§ 39-12-35 and 39-12-36 any certificate or permit holder who shall violate any statute, rule, or regulation promulgated by the Division shall be subject to suspension, revocation, or a fine not to exceed \$1,000 per violation.

HIGGINS, CAVANAGH & COONEY, LLP Providence, RI www.hcc-law.com

Paul Callaghan Email: PCallaghan@hcc-law.com



Tennessee

Does your state have any limitations on the type and/or amount of fees that may be charged relative to towing or storing? What strategies or tactics have you used, if any, to successfully combat predatory towing companies, including litigation?

In Tennessee, T.C.A. § 55-23-103 provides that a towing business "shall not charge the owner or lienholder of any stored motor vehicle a storage fee for a period exceeding twenty-one (21) days without the consent of the owner or lienholder, except as provided in T.C.A. § 55-23-104". T.C.A. § 55-23-104 provides an exception, stating that a storage fee may be charged beyond 21 days "if the last known registered owner of the motor vehicle and all lienholders of record are notified by registered mail, return receipt requested, of intent to charge a storage fee for a period to exceed twenty-one (21) days. This notice shall be given at least ten (10) days prior to the imposition of any additional storage fee."

The Tennessee Department of Safety and Homeland Security has authored a Towing Service Standards Manual for towing and storage. It provides some guidance on rates, fees, and behavior. Rates and fees for towing and storage can vary by district. There are 8 districts. It further establishes that storage rates do not begin until 24 hours have elapsed past towing. The Towing Service Standards Manual may be found <u>HERE</u>.

If a tow company appears to be violating the rate, fee, or other requirements of the Manual, penalties may be assessed including warnings, suspension of the ability to tow, and removal from the Tennessee Highway Patrol Rotating Schedule Towing List. The penalties may be pursued by the timely filing of complaints as described in the Manual. LEITNER, WILLIAMS, DOOLEY & NAPOLITAN, PLLC Chattanooga, TN www.leitnerfirm.com

Alan B. Easterly alan.easterly@leitnerfirm.com

Nashville, TN Thomas J. Dement, II thomas.dement@leitnerfirm.com

> LEWIS THOMASON, PC Knoxville, TN www.lewisthomason.com

Benjamin W. Jones bjones@lewisthomason.com

David A. Chapman dchapman@lewisthomason.com

Nashville, TN Mary Beth White mbwhite@lewisthomason.com



RYAN SMITH & CARBINE, LTD. Rutland, VT www.rsclaw.com

> Mark F. Werle mfw@rsclaw.com

Vermont

Does your state have any limitations on the type and/or amount of fees that may be charged relative to towing or storing? What strategies or tactics have you used, if any, to successfully combat predatory towing companies, including litigation?

No, Vermont does not have any statutes that limit the type and/or amount of fees that may be charged relative to towing or storing, and case law is sparse. However, there is one case that places certain limits on these fees and provides a blueprint for the best practice in combating predatory towing companies.

Champlain Valley RV Rentals, LLC v. Collision Unlimited, Inc. began as a replevin action in which the plaintiff demanded the return of vehicles from the defendant's custody and the defendant filed a counterclaim for payment for towing and recovery services. In deciding the case, a Vermont Superior Court judge determined that, while most of the charges relative to towing, recovering and storing the vehicles were "reasonable" (including a \$50/hour storage charge), the towing company did not have a lien on the vehicles because "there is nothing to suggest that Vermont recognizes a common law lien for vehicles to charge for towing and storage, in the absence of a lien "appellant was obliged to restore the property to its owner when demand was made for its return [even without payment]... and there was no right to charge for storage of the property beyond that date." 2011 WL 758357 (Vt.Super.) (Trial Order) (Toor, J.).

Based on *Champlain Valley RV*, then, the best practice for combating predatory towing companies is to immediately and formally demand the return of the vehicle at the earliest possible moment in the dispute, because a towing company has no right to hold the vehicle after a demand for release has been made, and no additional fees can accrue after that time. Therefore, we have had success by negotiating with predatory towing companies, formally demanding the release of the vehicle in writing, and threatening replevin actions if the demand is not met while pointing out that the towing company does not have a lien on the vehicle, is not entitled to hold the vehicle until payment is made, and cannot accrue additional fees after vehicle owner has demanded the release of the vehicle.



Washington

Does your state have any limitations on the type and/or amount of fees that may be charged relative to towing or storing? What strategies or tactics have you used, if any, to successfully combat predatory towing companies, including litigation?

Washington has strict requirements designed to prevent predatory towing practices. The state laws are found in RCW 46.55.010 and Seattle has enacted a similar ordinance under SMC 6.214.220. The state and the city have procedures in place to handle complaints of predatory towing practices.

MERRICK, HOFSTEDT & LINDSEY, P.S. Seattle, Washington www.mhlseattle.com

> Thomas J. Collins tcollins@mhlseattle.com

Rossi F. Maddalena rmaddalena@mhlseattl.com



West Virginia

Does your state have any limitations on the type and/or amount of fees that may be charged relative to towing or storing? What strategies or tactics have you used, if any, to successfully combat predatory towing companies, including litigation?

Section 24A-2-2b of the West Virgina Code sets the rules and regulations for who has the authority to establish rates for recovering, towing, hauling, carrying, or storing wrecked or disabled vehicles; the complaint process; and require legislative audit. W. Va. Code § 24A-2-2b. All rates, fares and charges made by any common carrier by motor vehicle shall be just and reasonable, and shall not be unlawfully discriminatory, prejudicial nor preferential. *Id.* § 24A-2-4.

ROBINSON & MCELWEE PLLC Clarksburg, West Virginia www.ramlaw.com

> Keith J. George kg@ramlaw.com

Stephen F. Gandee <u>sfg@ramlaw.com</u>



Wyoming

Does your state have any limitations on the type and/or amount of fees that may be charged relative to towing or storing? What strategies or tactics have you used, if any, to successfully combat predatory towing companies, including litigation?

Wyoming Statute § 31-5-1701 requires tow trucks to file a summary rate disclosure document with their fee rates used for towing and recovery procedures on public record. The burden of proof to be met by the towing company for any action where the fee is at issue is to show that the fee was "fair and reasonable." Strategies used in litigation against towing companies include requesting discovery on different tow rates from other towing companies and the costs incurred by the towing company in conducting the work or similar work.

SUNDAHL, POWERS, KAPP & MARTIN, L.L.C.

Cheyenne, WY www.spkm.org

Patrick M. Brady pbrady@spkm.org

Andrew F. Sears asears@spkm.org