

# SENATE BILL REPORT

## SHB 2058

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As of March 28, 2017

**Title:** An act relating to procedures for the redemption of certain vehicles that are towed from accident scenes by registered tow truck companies when the vehicle owner is admitted as a patient in a hospital due to the accident.

**Brief Description:** Creating procedures for the redemption of certain vehicles that are towed from accident scenes by registered tow truck companies when the vehicle owner is admitted as a patient in a hospital due to the accident.

**Sponsors:** House Committee on Transportation (originally sponsored by Representative Harmsworth).

**Brief History:** Passed House: 3/07/17, 97-0.

**Committee Activity:** Transportation: 3/28/17.

### Brief Summary of Bill

- Creates a bailment process that allows a person to redeem, on behalf of the owner who is admitted as a patient in a hospital due to an accident, a motorcycle or moped that is towed from the scene of the accident so long as the eligible person (1) provides a valid government-issued photo identification and (2) signs a declaration under penalty of perjury.
- Authorizes the registered tow truck operator that is notified through the use of a Department of Licensing declaration form that the owner of a motorcycle or moped is an admitted patient in a hospital to delay the vehicle's sale at auction for a reasonable time.

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### SENATE COMMITTEE ON TRANSPORTATION

**Staff:** Kim Johnson (786-7472)

**Background:** A bailment is the temporary placement of control over or possession of personal property by one person, the bailor, into the hands of another, the bailee, for a designated purpose upon which the parties have agreed.

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

Redemption of Towed Vehicles. Vehicles titled with the Department of Licensing (DOL) that are lawfully impounded by registered tow truck operators (RTTOs) may be redeemed by the following persons or entities: (1) the legal owner; (2) the registered owner; (3) a person authorized in writing by the registered owner; (4) the vehicle's insurer or a vendor working on behalf of that insurer; (5) a third-party insurer who has a duty to repair or replace the vehicle, with consent from either the registered owner or the legal owner of the vehicle, a driver in possession of the vehicle with the registered owner's permission, or an adult member of the registered owner's family—or a vendor working on the insurer's behalf with the specified consent; (6) a person verified by the operator to have the permission of the registered owner; or (7) a person who has purchased a vehicle registered or titled with the DOL from the registered owner and who produces proof of ownership or written authorization and signs a receipt.

To redeem a vehicle, a person or entity eligible to do so must pay the costs of towing, storage, or other services provided during the course of towing, removing, impounding, or storing the vehicle.

Vehicle Sale at Auction. Once an unauthorized vehicle that has been impounded by an RTTO has been held in the operator's possession for five days, it is considered an abandoned vehicle. Within 24 hours after receiving information on the owners of an abandoned vehicle from the DOL through the abandoned vehicle report, the RTTO must send, by certified mail with return receipt requested, a notice of custody and sale to the legal and registered owners of the vehicle. If the date notice is required to be sent falls on a weekend or postal holiday, the notice may be mailed on the next weekday that is not a postal holiday.

If, after 15 days from the date of mailing of the notice of custody and sale, the abandoned vehicle remains unclaimed and has not been listed as a stolen vehicle, then the RTTO with custody of the vehicle must conduct a sale of the vehicle at public auction after publishing a notice of the date, place, and time of the auction, and a method by which to contact the RTTO conducting the auction. A vehicle may be redeemed at any time before the start of the auction by an eligible person or entity upon payment of the applicable towing and storage fees. A vehicle may not be held by an RTTO for longer than 90 days without an auction on the vehicle being held, except for vehicles that are under a police or judicial hold.

**Summary of Bill:** A person, known to the registered or legal owner of a motorcycle or moped, that was towed from the scene of an accident, may redeem the motorcycle or moped as a bailment while the registered or legal owner is admitted as a patient in a hospital due to the accident. A person seeking to redeem a motorcycle or moped under this authority is subject to the following requirements:

- the person must pay the costs of towing, storage, or other services rendered during the towing, removal, and storage of the motorcycle or moped;
- the person must provide a valid government-issued photo identification; and
- the person must sign a declaration form providing the person's name, phone number, physical address, relationship with the registered or legal owner, name of the hospital where the registered or legal owner is admitted, the address where the motorcycle or moped will be stored for the owner at no cost to the owner, a statement that the person agrees to protect the motorcycle or moped and return it to the owner in the

same condition as it left the impound lot, and a statement that the person knowingly agrees to become the bailee for the motorcycle or moped. Certain exemptions are provided that allow an RTTO to refuse an offer to redeem a motorcycle or moped under this authority, and include if the person applying to be the bailee has been convicted of a crime of dishonesty or theft.

An RTTO is immune from civil liability arising out of the bailment. A person that becomes the bailee of a motorcycle or moped and fails to return the motorcycle or moped to the owner may be charged with possession of a stolen vehicle.

An RTTO must keep documentation of bailment in the transaction file for a moped or motorcycle.

If the RTTO is notified that the registered or legal owner of the moped or motorcycle is an admitted patient in a hospital, an RTTO may delay the auction of a moped or motorcycle for a reasonable time in a good faith effort to provide additional time for the redemption of the moped or motorcycle.

DOL must create a declaration form and post it in a downloadable format on its website.

This act may be cited to as the Denise Chew Scooter Recovery Act.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Creates Committee/Commission/Task Force that includes Legislative members:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony:** PRO: The idea for this bill came from an incident that involved a woman, Denise Chew, who was unconscious in the hospital for several weeks and no one was able to redeem her new Vespa scooter so it was auctioned off. The statutes are very strict for vehicle redemption and we need to help people to be able to get their bike back. I worked very hard with the towing and recovery industry to narrowly craft this to provide the necessary protections.

**Persons Testifying:** PRO: Representative Mark Harmsworth, Prime Sponsor.

**Persons Signed In To Testify But Not Testifying:** No one.