

HOUSE BILL REPORT

HB 1660

As Reported by House Committee On:
Transportation

Title: An act relating to setting a minimum bid for abandoned recreational vehicles sold at auction.

Brief Description: Setting a minimum bid for abandoned recreational vehicles sold at auction.

Sponsors: Representatives Christian, Riccelli, Hutchins, Schmidt, Couture, Connors, Sandlin, Bergquist, Eslick and Chambers.

Brief History:

Committee Activity:

Transportation: 2/8/23, 2/16/23 [DP].

Brief Summary of Bill

- Sets the minimum starting bid at an abandoned vehicle auction for a travel trailer, motor home, truck camper, or camping trailer at the lesser of \$1,000 or the registered tow truck operator's lien on the vehicle.

HOUSE COMMITTEE ON TRANSPORTATION

Majority Report: Do pass. Signed by 26 members: Representatives Fey, Chair; Donaghy, Vice Chair; Timmons, Vice Chair; Barkis, Ranking Minority Member; Hutchins, Assistant Ranking Minority Member; Low, Assistant Ranking Minority Member; Robertson, Assistant Ranking Minority Member; Bronoske, Chapman, Cortes, Dent, Doglio, Duerr, Entenman, Goehner, Hackney, Klicker, Mena, Orcutt, Ramel, Ramos, Schmidt, Taylor, Volz, Walsh and Wylie.

Staff: Michael Hirsch (786-7195).

Background:

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

Towing and Impounds.

Tow truck operators who impound vehicles from private or public property, or tow for law enforcement agencies, are regulated by the Department of Licensing (DOL). Impoundment is defined as the taking and holding of a vehicle in legal custody without the consent of the owner, and may only be performed by registered tow truck operators (RTTOs). Registered tow truck operators may impound, transport, and store unauthorized vehicles and dispose of abandoned vehicles.

When an unauthorized vehicle is impounded, within 24 hours the RTTO must send an impound notice to the legal owner, based on information received from law enforcement. After being held for 120 consecutive hours, a vehicle is considered abandoned and the RTTO must file an abandoned vehicle report with the DOL. In response to the abandoned vehicle report, the DOL provides information to the RTTO regarding the owner of the vehicle. Within 24 hours of receipt of this information, the RTTO must send by certified mail a notice of custody and sale to the owner. If the vehicle remains unclaimed, the RTTO must conduct a sale of the vehicle at public auction. The RTTO may not hold the vehicle for longer than 90 days without holding an auction on the vehicle, except in the case of a law enforcement or judicial order.

Vehicles may be redeemed by their legal owners any time before the start of the auction upon payment of towing and storage charges. The RTTOs collect towing and storage charges on abandoned vehicles via a lien against the sale of the vehicle at auction.

If the monies from the sale of the vehicle at auction is more than the RTTO's lien on the vehicle, any monies in excess of the lien must be remitted to the DOL. The remitted monies from the sale of a vehicle may be claimed by the registered owner of record for one year from the date of the auction. If the amount bid at auction is less than the RTTO's lien on the vehicle, the RTTO is allowed a deficiency against the registered owner of an impounded vehicle of up to \$500 for vehicles less than or equal to 10,000 pounds gross vehicle weight. For vehicles over 10,000 pounds gross vehicle weight, an RTTO is allowed a deficiency claim of up to \$1,000. The limitation on towing and storage deficiency claims does not apply to an impound directed by a law enforcement officer. If an RTTO receives no bid at auction, or if the RTTO is the successful bidder at auction, the RTTO must either sell the vehicle to a licensed vehicle wrecker, hulk hauler, or scrap processor or apply for title to the vehicle within 45 days.

An RTTO may refuse to accept a bid at an abandoned vehicle auction for any reason in the operator's posted operating procedures for the auction and if: (1) the bidder is currently indebted to the operator; (2) the operator has knowledge that the bidder has previously abandoned vehicles purchased at auction; or (3) the bidder has purchased, at auction, more than four vehicles in the last calendar year without obtaining title to any or all of the vehicles.

Abandoned Recreational Vehicles.

An abandoned recreational vehicle (ARV) means a camper, motor home, or travel trailer that has either:

- been impounded from public property, gone through the abandoned vehicle process and received no bids at auction; or
- was declared an abandoned junk vehicle by a law enforcement officer, while on public property.

An RTTO, vehicle wrecker, scrap metal business, or scrap processor may apply to the DOL for reimbursement of up to \$10,000 to cover 100 percent of eligible costs for the transport, storage, dismantling, and disposal of ARVs from public property provided that funds are available from the Abandoned Recreational Vehicle Disposal Account.

Summary of Bill:

The substitute bill sets the minimum starting bid at an abandoned vehicle auction for a travel trailer, motor home, truck camper, or camping trailer at the lesser of \$1,000 or the RTTO's lien on the vehicle.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) Recreational Vehicle (RV) parts are hard to find. Some people go to abandoned vehicle auctions to take parts out of RVs and then abandon the vehicles. Registered tow truck operators end up towing the same vehicle multiple times. Some ARVs are inoperable environmental hazards. Registered tow truck operators, law enforcement, and municipalities have difficulty dealing with these vehicles. The minimum bid may dry up the Abandoned Recreational Vehicle Account if the process causes a stockpile of ARVs in tow yards waiting for the DOL to provide payment.

If a vehicle is in really bad shape it should go directly from law enforcement impound to salvage and dismantling without a waiting period.

(Opposed) None.

Persons Testifying: Representative Leonard Christian, prime sponsor; and Peter Lukevich,

Towing Recovery Association of Washington.

Persons Signed In To Testify But Not Testifying: None.