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## Transportation Committee

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### SSB 5640

**Brief Description:** Concerning the limitation on towing and storage deficiency claims after auction of a private property vehicle impound.

**Sponsors:** Senate Committee on Transportation (originally sponsored by Senator Ericksen).

<p style="text-align: center;"><b>Brief Summary of Substitute Bill</b></p> <ul style="list-style-type: none"><li>• Removes limitations on deficiency claims against a registered vehicle owner for unpaid towing and storage fees, under certain circumstances.</li></ul>
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**Hearing Date:** 3/25/15

**Staff:** Andrew Russell (786-7143).

**Background:**

Impounds, which are defined as the taking and holding of a vehicle in legal custody without the consent of the owner, may only be performed by registered tow truck operators (RTTOs). When a vehicle is impounded, an RTTO must send an impound notice to the legal owner, based on information received from law enforcement.

If a vehicle is held in impound for more than 120 hours, it is considered abandoned, and an RTTO must file an abandoned vehicle report (AVR) with the Department of Licensing (DOL). In response to the AVR, the DOL provides information to the RTTO regarding the owner of the vehicle, and 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 at public auction. 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 can collect any outstanding towing and storage charges on abandoned vehicles through a lien against the sale of the vehicle at auction. If the vehicle sale proceeds are less than the lien, the remaining charges owed to the RTTO are sent to a collection agency for recovery of

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the deficient claim. An RTTO is permitted a deficiency lien against the registered owner of an impounded vehicle of up to \$500 after deducting the amount bid at the auction. For vehicles over 10,000 pounds gross vehicle weight, an RTTO is permitted a deficiency lien of up to \$1,000.

**Summary of Bill:**

The maximum limits for deficiency claims for an RTTO are removed for tow and impound services that are covered by the statutory rate cap.

**Appropriation:** None.

**Fiscal Note:** Available.

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