

# SENATE BILL REPORT

## SB 5640

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As of February 9, 2015

**Title:** An act relating to deficiency claims after auction of a private property vehicle impound.

**Brief Description:** Concerning deficiency claims after auction of a private property vehicle impound.

**Sponsors:** Senator Ericksen.

**Brief History:**

**Committee Activity:** Transportation: 2/10/15.

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### SENATE COMMITTEE ON TRANSPORTATION

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

**Background:** Impounds, i.e. 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.

After 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, 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.

RTTOs collect towing and storage charges on abandoned vehicles via 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 the deficient claim. RTTOs are 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, the RTTO is permitted a deficiency lien of up to \$1,000.

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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.*

**Summary of Bill:** The maximum limits for deficiency claims for an RTTO are removed.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Committee/Commission/Task Force Created:** No.

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