Washington State House of Representatives Office of Program Research

BILL ANALYSIS

Transportation Committee

HB 1660

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 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.

Hearing Date: 2/8/23

Staff: Michael Hirsch (786-7195).

Background:

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

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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 RTTOs lien on the vehicle, any monies in excess of the lien must be remitted to 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, a RTTO is allowed a deficiency claim of up to \$1,000. If a 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.

A 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.

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

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 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.

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