<b>TO</b> :	Christopher J. Curtis, Director, Consumer Assistance Program
FROM:	Barbara Rachelson, State Representative, Chittenden 14
RE:	<b>RECOMMENDATIONS TO THE TOWING PRACTICES REPORT</b>
DATE:	1/15/24

Thank you for your work on towing practices in Vermont. While I was unable to be at the public hearing due to a family emergency, I wanted to submit my written comments to you.

#### First, let me state that I strongly believe that towing is an important service that we as Vermonters need and rely on every day. I am not looking to do anything to disparage the importance of towing, and the risks that towers take to provide services to us.

For the most part, there is nothing that the current towing companies are doing that is illegal, which is why it's so critical that Vermont make some desperately needed changes to these laws in order to provide some checks and balances, oversight, and consumer protections.

Together, the lack of regulation and the ability to permanently take a person's car and contents can create a nightmare for consumers. Ever since this issue was brought to my attention a decade ago, I continue to hear from both constituents and people from around the state that have been consumer victims of the failure of our state to put protections in place.

The Vermont Department of Motor Vehicles turns over <u>about 10-12 titles a week to tow</u> <u>companies who fill out the forms</u> and due to our problematic laws, <u>legally</u> are able take possession of the towed car and all the contents AND keep the proceeds. All of the proceeds. No legal oversight, or any oversight. These laws have a perverse incentive for towing companies that is both legal and awful at the same time. This practice is truly a form of forfeiture that has no regulation or oversight, few rules, and no opportunity for an owner to protest or appeal the process. Each year, many Vermonters lose their cars to the towers through this process. Our current laws allow towers to apply to the DMV to take over the title of many cars that have been towed but are not "abandoned" (or not abandoned willingly) but become the only option for people who cannot pay the unregulated towing and storage charges. Our current laws on towing have extremely negative consequences, especially for people with limited incomes and is a concerning business model (even though it's legal).

Vermont has no laws to stop what is known in the industry as "predatory towing." Superpages.com gives this definition:

"The term predatory towing refers to arrangements some towing companies make with private property owners (often those who have parking lots) to tow vehicles off their property as quickly as possible. Once the car is towed, it's taken to the towing company's lot, and the owner of the vehicle must pay for the towing, the storage, and often other fees as well. Obviously, the towing company makes more money when they tow more cars. This is why they sometimes employ spotters to call the instant they see a parking violation—which means you might run into a store for a quick item and find your car gone when you get back. These spotters sometimes watch which lot a driver park in and then verify that the person goes into that particular business. If not, it's a quick call to the towing company and a big headache for the driver."While at least 14 states and dozens of municipalities (in other states) have regulated this industry, Vermont has not done so, leaving consumers very vulnerable to our current towing laws and lack of regulation. Now combine that law with the lack of regulation on when a car can be towed from private property without a specific complaint made, which also is legal since Vermont allows what is known in the industry as "predatory towing" or "trolling," tow truck companies frequently make rounds to find cars to tow. The fees to tow and store a car are not regulated.

I have heard from many people, including people who have had their cars towed out of their own parking lots and spaces, about these atrocities. It is common to see flatbed tow trucks patrolling private properties and businesses in Chittenden County, and returning to their businesses full up with cars that were towed.

I have attached my recommendations and some additional materials and believe that there are many changes that would provide consumer protections that are balanced and reasonable. Vermont is one of the last states to provide towing regulation and oversight and as such Car and Driver Magazine have labelled us as one of the worst states for consumer drivers. I recommend 15 areas where legislative reform is needed, or certainly work taking a serious look at changing the laws. Many are longer-term changes, some could be changed quickly and make a big difference.

Photo Requirement Prior to Tow Do ASAP

Better Signage Requirements Do ASAP

Improving the notification and retrieval information of non-consensual tows: Do ASAP

Eliminating or Changing Statutory Liens to Pay for recovery, storage, and remediation

Rethinking the Definition of "Abandoned" Vehicles: Do ASAP

Making Changes to Vermont's Automobile Abandoned Property Policie

<u>Changing the Law and Process for Turning Titles and Therefore full proceeds over to a</u> <u>Tower and Adding/ Putting in Place an Oversight Function for Liens and Titles</u>

**PRICING REGULATION** 

A mechanism for Appeal/recourse/making a complaint

**RETHINKING THE PRACTICE OF: Towing for unpaid tickets** 

More accountability for towing companies when items in cars are lost, and when vehicles get damaged. Do ASAP

Hours of Retrieval and Methods of Payment Do ASAP

Itemized Bills: Do ASAP

Drop the Hook **Do ASAP** 

**Ban Kickbacks Do ASAP** 

# **Recommendations For Reforms to Vermont's Current Laws**

The particular issues that your office was asked to study overlap greatly and are interconnected. While I address many of these issues specifically below, there are a few general reforms that would go a long way with providing consumer protections and regulate fair and reasonable charges for the services that a towing company provides.

## 1. Photo Requirement Prior to Tow

First and foremost, an easy change to the law, which would make a huge difference is to require a photo be taken before the vehicle is towed, which serves two purposes:

1) <u>Shows the condition of the car before the tow</u> (as many times, there is a dispute about damages to a car as a result of the tow versus pre-existing damage – much like the situation with rental cars).

# 2) <u>Shows the reason the car was illegally parked and the rationale for the tow in the first place.</u>

Requiring photographic evidence of the tow, (before a car is towed from the original location), if it was due to illegal parking, would be one way to have Vermonters see the evidence of why they were towed. There is a great deal of confusion as well as conflicting information that is one of the major complaints that I have heard from many people. There are times that people should have been towed, but they have no idea why. There are other times that it's likely that a car was illegally towed. Not having the documentation of the tow makes it impossible to know for sure.

This is an important protection and with cameras in cell phones, an easy requirement to impose on the tower.

Here is just one of the emails I have received that show why having a photograph of the tow would have made a big difference:

"... My name is Michael L. and my girlfriend's son goes to UVM and had his car towed with the excuse that he was parked too close to a fire hydrant. He has told his mother that this was not the case **and unfortunately has no video evidence to prove otherwise.**...Something has to be done to protect the financial volatility of the students and their families. I would like to see stricter regulations on these companies. These companies should have to take pictures and time stamp them as evidence showing just cause for towing a vehicle. At the current moment it seems like it's their word against the person being towed. A matter of 10 feet could change whether a vehicle should be towed or not. Please let me know if we have any recourse to these unjust tows."

Many states have this requirement that the tow truck driver has to take a picture of the car before moving the car, including Maryland, New Mexico, Ohio, and Oregon. Here is Oregon's law: Prior to towing a motor vehicle pursuant to <u>ORS 98.812 (Towing of unlawfully parked vehicle)</u>, a tower shall take at least one photograph of the motor vehicle and record the time and date of the photograph. The photograph must show the

motor vehicle as it was left or parked at the time the tower arrived to conduct the tow. The tower shall maintain for at least two years, in electronic or printed form, each photograph taken along with the date and time of the photograph. Upon request, the tower shall provide a copy of any photographs to the owner or operator of the motor vehicle at no additional charge.

You will see that my next recommendation is for passing legislation to improve the signage requirements for areas where nonconsensual tows might occur. In these cases as well, if a photo had been taken showing the car and the signage, we could eliminate some of the complaints people have about being towed from an area that they didn't know they'd be towed from.

# 2. Better Signage Requirements

Having clearer sign laws would help to avoid many non-consensual tows and would also give people the information they need on how to collect their car, should their car be towed.

Here are some of the comments I have heard from Vermonters who had no idea that they would be towed. Also, so many people have no idea where to go to find their car, or to know if their car was towed or stolen.

"I drove to Burlington for an appointment, but a client of mine had just texted me that she was in crisis and I needed to quickly find a place to park so that I could talk with her. The city was crowded—Parents' weekend—and I pulled into the little parking lot at the corner of Main and South Winooski where I found a spot, not noticing that it was a Handicapped space. I paid for the parking and spoke with my client, then hurried to my appointment, never realizing that it was a Handicapped space (one of several in that lot, I later saw)."

"Parked in downtown Burlington early for work one morning, street parking, no meter, off Hungerford Terrace. In a legal parking space, **no signs saying I could not park** there. Came back to my car after work and it was gone. There were no parking signs in the grass near my car,.... when I parked in the morning. I know this because I had to walked around my car to make sure I was not blocking a driveway and right where I was standing to make sure I had enough space...."

"I was parked in a legitimate spot that was near the corner. I park here all the time. There was one day that I was one of only a few cars parked in the whole neighborhood and my car was probably 3-6inches past the "no parking here to corner sign" which has never been a problem. But on this day when there was no one else to tow in the neighborhood it became a problem apparently. The cost was \$150".

"Parking ban due to snow. We were quarantining at the time. We do not watch TV/have cable. The worst part was our car was towed at 5:15am and my road was never plowed where my vehicle was parked."

"It was one of coldest nights of winter, a Saturday night maybe six years ago, and I went to a concert at the Flynn. I arrived early enough to get a spot behind TD Bank down the block—after business hours and before the Flynn (or bank?) would start making some money by charging for event parking. I noticed that the far portion was newly paved and some prohibitory signs had been posted, so I took a spot in the cruddy part marked "bank employees." I acknowledge that, 1) it was a private lot and 2), it was indeed posted. On the other hand, people had used that lot for years and the buildings surrounding it were still under construction, so had no tenants yet who would need the spaces. (Later some claimed not even to have seen the signs—placed too high for headlights to illuminate them after dark. After the concert, a small crowd arrived back at the lot to find the last of 25 or so cars being loaded onto a X Company's flatbed."

"I had been out of town for a few days and when I returned, they were doing springtime street cleaning. I had no idea it was happening and found my car had been moved several blocks. I understand and agree with the need for cleaning the streets **but there should be better signage and** charging people almost \$100 for a ticket doesn't seem right. That wasn't the only time either. Another time was because I had outstanding tickets but I was unaware of them, I never saw a ticket on my wind shield. I couldn't afford to pay to have my car removed that day and had to wait until payday and it cost me \$400 dollars."

"Car was towed during winter parking ban despite being parked in a driveway. Cost was \$150."

"I was towed out of my own parking space in my apartment buildings parking lot by this company. I was out to dinner and my roommate was home and let the tow truck driver know it was our spot and that it was my car. He refused to do a thing besides ask for the money.

"Parked at parking meter on church street (south of Main St) after 9pm. Towed because I "was parked at a taxi stand" ... the sign for the taxi stand was 3 parking spaces north of where my car was parked, and \*not\* associated with any parking meters it cost me \$180. My car was scraped/damaged as a result."

Many states have passed laws that regulate the signage requirements related to nonconsensual towing. The laws vary but often include the size of the signs required, as well as the information that these signs must include. Maryland's law for the towing or removal of vehicles from "parking lots," which are defined as **privately owned** facilities consisting of three or more spaces for motor vehicle parking that are accessible to the general public and are intended to be used by residents and guests. Their State law requires at least one sign for every 7,500 square feet of parking space in the parking lot. Each sign must:

- Be at least 24 inches high and 30 inches wide
- Be placed in conspicuous locations
- Be clearly visible to the driver of a motor vehicle entering or being parked in the parking lot
- State the location **and** name of the towing company to which the vehicle will be towed.
- State that "State law requires that the vehicle be available to be reclaimed 24 hours per day, 7 days per week".
- State the maximum amount that the owner may be charged for the towing of the vehicle, and
- Provide the telephone number of a person who can be contacted to arrange to reclaim the vehicle.

## 3. <u>Improving the notification and retrieval information of non-consensual</u> <u>tows:</u>

People don't know how to find their car. So many people have told me that they had no idea where their car was. Some assumed their car was stolen, and when they called the police, were told to try calling a specific towing company. Below I share some comments from people who have contacted me about this issue:

"In NYC you can check an online registry to get details about any arrearages and the cost to get a car out of impound."

"I returned after a couple of hours to find my car gone. What was appalling in that moment is that there was no information anywhere on any sign about whom I should call or what I should do. Car gone, zero information. I tried the police department, and after several automated messages, thank goodness a person answered, she kindly suggested a towing service to call and explained that I could appeal it. I called them and was told that they couldn't verify that they even had my car, that I should call back in an hour (!) if I hadn't heard anything. I sat on a curb and sobbed, then called my spouse in Middlebury, who got on the road to Burlington, then called the towers in 1/2 hour, was told I had to wait another 1/2 hour. No one called. I called again in 1/2 hour; someone was able to tell me that my car was indeed there."

"Just wanted to bring up the time that **my car was towed to a random location** in the north end of Burlington because the towing lot was full. I wandered around Burlington for two hours looking for my car until I had a friend tell me that they saw it in passing."

"When I rented in 2009 on Pearl Street, a tenant from a different building thought I was parked in their parking spot (half shared lot) even though I was parked in my own. I came home after work to find my car missing and thought it was stolen. After calling around I realized what happened."

"I was shocked when I came out of City Market and my car was gone. After calling the police I found out that my car had been towed to XXXXs and that I could go there, pay for the ticket, and pick it up. I was annoyed but luckily, I now had the financial means to handle this situation so I got an uber out to XXXX's, paid the ticket and the towing fees, and got my car back."

"I am not your constituent but am going to school at Saint Michaels college .... I know how it can be to hear suggestions from someone who hasn't really done the research, but in my opinion I feel they should have to notify the owner of the vehicle when it is towed. Because I only use my car for work, twice this semester my car was towed and I was not informed for 3+ days obviously causing large fees."

This quote is form the Vermont Cynic article:

"For some people, they may even have to miss work in search of their vehicle after a tow. Burlington resident Amelia Jones experienced this situation. One night, before Jones moved to Burlington, she was visiting her boyfriend in the Old North End and didn't realize there was a citywide parking ban. The next morning, her car was gone. Unable to make it back to Massachusetts, Jones called out of work and went on the hunt for her little black Lexus.

After calling the police, Burlington Public Works and the towing company, Jones was finally told her car had been dropped in Oakledge Park. After getting a ride to Oakledge Park, she was surprised to see her car wasn't there.

Jones contacted Public Works again to try to get to the bottom of where her car might be. An exasperated Public Works employee confidently escorted her down to Oakledge Park where he too couldn't find the car."

After doing some digging, the Public Works employee figured out the car was sitting in the waterfront skatepark parking lot. After days of searching. Jones finally had her car back and was able to return home and go to work. "The city may think they have a good system, but it leaves some room for improvement," Jones said.

From the Vermont Cynic, May 2023:

The Vermont Cynic | Big business greed: Vermont needs to crack down on predatory towing (vtcynic.com)

"Five additional people squeezed in the back seat of my Honda Civic, we left the others calling for cabs, and we followed the truck since none of us knew where it was going."

According to the US PIRG report, in 2014, in 37 states, the towing company must notify the owner/ driver when their car has been towed and where it's being stored.

# 4. <u>Eliminating or Changing Statutory Liens to Pay for recovery, storage, and</u> <u>remediation</u>

This is really two issues: the use of Statutory liens and the issue of non-regulated rates that towers can charge for towing, recovery, and storage.

## **Statutory Liens:**

If by statutory liens, we are referring to the process that a tower can request the title of the car from DMV, towers are not limiting their requests to take (and get the title) of cars they had towed because they were abandoned.

What Vermont law says about towing

A towing service applies to the Department of Motor Vehicles for an abandoned motor vehicle certification within 30 days of removing a car. The department will work to notify the person responsible for the vehicle. In the event that the DMV can't identify an owner, it must issue a Certificate of Abandoned Motor Vehicle "along with an appropriate title or salvage title." This will transfer ownership of the vehicle to the towing service.

# 5. <u>Rethinking the Definition of "Abandoned" Vehicles:</u>

It will be important to continue to look at what is considered an abandoned vehicle and when a car hasn't been "abandoned" but is treated as such. Since Vermont law considers cars abandoned after 48 Hours, cars that are not permanently left, get treated as if they were.

What's even more ironic, is the laws Vermont has for other types of abandoned modes of transportation. <u>Abandoned boat and plane owners have much better rights than owners of abandoned cars</u>. From the definition of how long it takes to deem them abandoned (60 days for boats and planes and 30 days for cars), and better notification provisions. Boat owners have the right to contest removal, transfer of title and other effects of their vehicle if it was repossessed, a right that we don't give to car owners.

Cars are often not a luxury and needed to get to work, school, etc. Privately owned boats and airplanes are for the most part considered luxury items. Isn't it time we look at these policies and make some changes?

# 6. <u>Making Changes to Vermont's Automobile Abandoned Property Policies</u>

## <u>Boats</u>

- When boats are abandoned, <u>owners have the right to contest removal, transfer of title</u>, <u>or other effects of their vehicle if repossessed</u>.
- Within three days of the boat's removal, the storage operator needs to inform the commissioner of the vehicle's details, the periodic storage charges that will apply, and the name and contact information of a representative at the Agency of Natural Resources to provide information about how to retrieve the vehicle.
- The storage operator may take possession within 60 days of the posted removal, after notification to the owner wither through a mailed notice of intent.

#### Planes

- Airport managers who discover abandoned planes may take custody
- A notice of intent to take custody of the plane follows a very specific procedure, including detailed description of the make, factory ID number, and efforts to find the owner, as extensive as reaching through the Federal Aviation Administration database, and sending notice of intent through mail.
- The plane may be repossessed within 60 days of posted notice, with associated charges of storage and fees.

## **Automobiles**

- Abandoned vehicles are subject to possession within 30 days of the date the vehicle was discovered, regardless of notification.
- Upon receipt of motor vehicle form, Commissioner of the DMV is tasked with identifying and notifying the owner of the vehicle by mail.
- Without response, the commissioner shall issue a title, or salvage title, to the landowner to take possession of the vehicle and dispose of it.
- No listed methods for remediation, or dispute for the owner of the vehicle.
- No mention of the concurrent charges that will stack for the vehicle owner.
- No method of remediation for retrieval or complaint relating to service
- Where boats and planes require agency heads to give information on methods of retrieval, the same does not apply to cars.

# 7. <u>Changing the Law and Process for Turning Titles and Therefore full</u> proceeds over to a Tower and Adding/ Putting in Place an Oversight <u>Function for Liens and Titles</u>

It is not statutorily DMV's role or responsibility to police the appropriateness of the title transfer requests that they receive from towers. Here is how Vermont DMV described the process of turning over titles to me in an email:

"Vermont DMV does not track, or get from municipalities, sheriffs or VSP, information on vehicle towed. If a towing company has a vehicle that hasn't been picked up by the operator or owner then they would submit an abandoned vehicle application to take possession of the vehicle so they could recoup some of the costs related to towing and storage. The application is attached and requests info about the date of tow, reason for tow, tow from location and towed to location please see attached. When we get the application one of the staff will check to see who the owner is and see if there is a lien holder for the vehicle. They are notified by certified mail of the application request and how to follow up with the tower to get their vehicle back if they want it. Most of the vehicles that we receive abandoned vehicle applications for are very low valued does not have IT solution at this time that would permit us to track that type of information from law enforcement." Here is one email I received:

"I had no idea that Vermont was the only state that allowed towing companies to keep all the proceeds from a sale of someone's car! It seems that it is not just specific practices that are a concern, rather their entire business model looks like it is built around this "loophole'

- So it is not DMV's job, but it's important that it be someone's job to have oversight for this process. The numbers are staggering of how many people lose their car titles (and cars, more importantly), each year.
- Why isn't there any judicial process? How does this differ from forfeiture? How many people don't get the letters that DMV sends out? We have no data on that.
- Why do Towers get the proceeds from the car and the contents? Isn't this a perverse incentive without any oversight? Shouldn't abandoned car sales money go to the state with the state reimbursing reasonable towing and storage charges incurred to a tower? Should this process be similar to our Treasurer's process of returning money?

## Situations of When Cars are Towed but Not Really Abandoned:

**Victims of Crime:** I sit on the City of Burlington Parallel Justice Commission. At one meeting, the staff presented an issue that continued to be of concern to victims of crimes. They showed us the data on the number of times victims of crime and their cars towed. If the crime victim were assaulted or hurt and was admitted to the hospital for treatment, (and had driven downtown), their car would be towed after 48 hours. The burden on someone who had been raped or badly injured to then pay and retrieve their car after they were released from the hospital and were well enough to do so meant a lot of storage charges. The staff at the Parallel Justice Commission were spending funds to help victims out, on towing and storage reimbursements, which were expensive. The staff were working with the city and local towing companies to ask to get these fees waived in these circumstances.

#### **Stolen Cars Getting Towed**

I am now hearing about the problem of stolen cars and bikes being towed and the victim/owner of the stolen property gets a hefty charge for the car or bike being towed and stored, (which is not covered by auto insurance and is not a valid use of the limited crime victim relief funding,), leaving the victim facing yet another assault to their situation. Apparently, owners of stolen cars are frequently hit with towing and storage charges of \$1000 or more. Victim Advocates shared: "We work with many victims of car theft who face extreme towing fees; our limited Victims Fund will be depleted in just a few months if we were to cover the cost of each towing fee for victims. We heard from several victims whose cars were stolen and are then liable for towing and cleaning fees."

## 8. PRICING REGULATION:

Vermont does not regulate the fees that towers can charge for tows and storage. Only 23 states have set maximum towing rates and 24 states have maximum storage fees for non-consensual tows.

A few years ago, I got a call from one of the Vermont State Police, who say my bill. He wanted to share this scenario with me. State police have a list of companies to use that are approved to move vehicles (from an accident, arrest, etc.). The list is comprised of companies who have taken the safety training. If the person whose car is being towed doesn't' have a preference of who should tow their car, the troopers are required to work off the list in order. The trooper wanted me to know that there are no set fees established. This trooper saw two similar types of vehicles towed from the exact same location to the same identical location. One tower charged the owner \$600; the other tower charged the other owner \$200.

The current system was that each barrack has their own list and the Lieutenant that runs each barrack/station is in charge in the list.

Here are some of the comments I have heard from Vermonters about the high costs of the towing and storage charges:

#### "..... the impound fees are much higher in BTV than in NYC."

"I just got off the phone with an attorney at the Office of Child Support who works largely with folks in contempt of their child support obligations. She's amazing. A typical client for her is someone who working poor and precariously housed. She also mentioned though that she's increasingly seeing this pattern: **client is homeless and being totally exploited by the towing practices** in BTV. She shared this story, which I found terrifying. **Client is a new American, he's homeless and working. He had nowhere to park his car legally, so he was regularly towed. Over the course of one year, he purchased several** "**new**" **cars because it was cheaper for him to get something new than to pay the garage that impounded his car—after it languished there for a couple of weeks.** "

"I met this person that X describes through their interaction with the Office of Child Support.... Disturbing additional anecdote there regarding that particular scenario: When this was happening, I had reached out to Spillane's on this person's behalf in an attempt to get the most recent round of fines reduced and one of the employees on the phone said, "Wish someone would've been willing to do this for me." I said what do you mean? He said he himself was homeless and living in his car and his employer towed him awhile back for illegally and temporarily parking in a spot IN FRONT OF SPILLANE'S. When this happened, I sent emails to the AG, the Burlington Chief of Police (who I did ultimately sit down with but who took no further action). "I paid the \$150 because every day I tried to figure out what happened and how to not have to use my rent money to cover this, I would be fined an extra \$50. Theft and extortion."

"I was parked in my apartment lot. I had my mother's car because my car was broken down. A sticker was required in the lot. XXXX tow company patrolled regularly. I had a piece of paper explaining I had permission to park in the windshield that I would place after I parked, had been doing it for 1 week. One day I forgot to place the paper on the windshield and was immediately towed from my own apartment lot. I ran out and asked what was happening. The tower said and I quote 'you didn't put up your sign.' I had to pay \$100 to take my car off the truck."

One constituent wrote that **XXXX** Towing Company "on multiple occasions towed my partner's car towed from my lot despite having the proper tag presented every time .... \$1000 total"

From VT Cynic Article: "Daily storage fees are unfair to everyone, especially people in tough financial spots. If someone's primary mode of transportation is their car, it can be even more difficult to find their way to the lot to retrieve their vehicle."

"I saw our intern yesterday who is a student at UVM, she had her car towed at great expense for 3-4 unpaid parking tickets."

"I couldn't afford to pay to have my car removed that day and had to wait until payday and it cost me \$400 dollars."

From The Burlington Free Press article, "Your car gets towed in downtown Burlington. What happens when you can't afford to get it out? A Burlington man in 2017 lost the car that was also serving as his home due to an expired registration sticker. Brian Croteau said he did not have the money to retrieve the car. He spent nights at a bus station for a few weeks before he began sleeping in a tent It's always low-income people," said Jay Diaz, staff attorney with the American Civil Liberties Union of Vermont.... "The people who can afford to get their car out of impound do so," he said. "And they have the resources and the know-how to figure it out. "A 2015 contract between the City of Burlington and Spillane's Towing and Recovery stipulates that anyone whose car gets towed is charged a daily fee while the vehicle sits in the lot — which can have a snowball effect. Plenty of car owners find their vehicles getting loaded onto the back of a flatbed. For some, it's an inconvenience. For others, it can threaten their livelihoods." Towing from the city's perspective Burlington Free Press Article:

"John King, Burlington's parking enforcement manager, said he knows some people are concerned about paying off the costs when their car gets towed. 'For the parking tickets themselves, they are allowed to make contact with the city attorney's office,' King said. 'And normally they can work out a payment plan where the tickets are paid to the city' But when it comes to towing? 'They have to pay them to Spillane's,' he said. Spillane's declined to comment for this story. King reiterated that the city cannot require Spillane's to waive fees, though he imagined discussions over the storage and fees could be possible with company management. But he said that decision belongs to the towing company. 'Not the city,' he said."

"As you may know, Parallel Justice for Victims of Crime sees \*many\* folks who lose their cars because they can't afford to repair their vehicles that were vandalized, or the convoluted tow fees, OR the daily impound costs at the tow yard. And without a vehicle, they can't get to their jobs or school or childcare or court or so many other places they depend on to be a functioning citizen "

## 9. <u>A mechanism for Appeal/recourse/making a complaint:</u>

People do not know where to go if they feel they have been wronged in some way from being towed. Many states have built a process for making an appeal. Here are some comments I have received:

"....multiple occasions towed my partner's car towed from my lot despite having the proper tag presented every time".... \$1000 total... I can't fight them in court about this but I would"

"For some reason, the tow company...., just accepted the other tenants story with no follow up from the landlord and no requirement to do so. I called the landlord and he said he would not advocate for me. So I had to pay \$150 to get my car, which was stolen from the parking spot I paid for, and there was nothing I could do to get my money back."

#### "Please let me know if we have any recourse to these unjust tows."

"Hi I just had my car towed the third time in about a week and I was wondering if I could ask you about the towing laws and **if I have any way to pursue a lawsuit against the police for illegally towing my car.**"

"Of course this would also be alleviated with your proposal of barring companies from patrolling empty lots. I was really, really upset about this and it made me really happy to see I wasn't alone in this. The laws are not only written for the upper class, they are written for people who bank on the fact that the individual won't stand up for themselves."

#### Texas:

# Below is the link and information on Texas law allowing for a tow hearing as well as the option to file a complaint. Both are permitted.

#### Consumer Information about Towing - Texas.gov

"You may request a TOW HEARING at any Justice of the Peace Court in the county where your car was towed if you believe your car was wrongfully towed, stored or booted; or if you were charged more than the allowed fee. You must request a tow hearing from the court within 14 days of the tow.

Consumers may file a complaint on-line through the TDLR website regarding a tow company, tow operator, car storage facility or their employees, or a booting company or their employees. Here is the link for filing a complaint: <u>https://www.tdlr.texas.gov/Complaints/</u>. Filing a complaint with TDLR is not a substitute for requesting a tow hearing; however, you may do both."

#### Arizona's law:

#### the RIGHT TO CONTEST THE TOWING:

- If you believe that your vehicle was wrongfully towed, you have the right to contest the towing. Before taking any action, make sure to gather evidence such as photographs or witnesses that can support your claim.
- Contact the towing company or the property owner immediately to dispute the towing. They should provide you with a procedure to follow or an opportunity to present your case. It's essential to follow their instructions and provide any necessary documentation or evidence to support your claim.
- If your dispute with the towing company or property owner is not resolved, you may need to escalate the matter further. This could involve filing a complaint with the appropriate local authorities or seeking legal advice to protect your rights.

#### AND THE RIGHT TO DISPUTE EXCESSIVE TOWING FEES:

- Towing fees can vary, and it's important to ensure that you are not charged excessively. If you believe that the towing fees are unreasonable or excessive, you have the right to dispute them.
- Gather information about standard towing fees in your area to compare with the fees charged by the towing company. This can help you determine if the fees are fair and within the legal limits.
- If you find that the fees are excessive, contact the towing company and express your concerns. Provide them with evidence supporting your claim, such as comparable fees from other reputable towing companies. It's possible to negotiate or resolve the issue amicably.
- If you are unable to resolve the dispute directly with the towing company, you can consider filing a complaint with the appropriate local authorities or seeking legal advice for further guidance.

# 10. <u>RETHINKING THE PRACTICE OF: Towing for unpaid tickets</u>

We must look at the practice of allowing towing for unpaid tickets. It's complicated, but there must be some thought and examination of having expensive towing and storage thrown into the mix when someone owes on their tickets. Loss of a car often means inability to get to work and be able to make payments on the tickets.

Here are some of the comments I have heard from Vermonters:

"A long time back my car got towed because my dad's car had outdated parking tickets. They towed my car because they couldn't find his (my car was under his name but regardless it was not the car with the tickets)"

"My car was towed during the COVID-19 pandemic in July of 2020 due to an unpaid parking ticket that I received all the way back in 2013 for parking too close to a fire hydrant. At that time I was a broke college student and couldn't afford to pay the ticket so I just didn't. By the time I finished school and got a decent paying job, I had honestly forgotten all about it and was shocked when I came out of City Market and my car was gone."

"It also strikes me more generally, that contracting with a private company to tow people's vehicles is a pretty regressive and inhumane way to enforce parking fees that in many instances people probably aren't paying because they can't afford them. It feels like a poor tax to me and I think we need a better system for enforcing parking ordinances in Burlington."

"I had outstanding tickets but I was unaware of them, I never saw a ticket on my wind shield."

# 11. <u>More accountability for towing companies when items in cars are lost, and</u> <u>when vehicles get damaged.</u>

## **Damage**

# Towing Companies need to be held responsible for damage they caused to a vehicle as a result of their service:

I have heard over and over from people who contacted me about their car being damaged during a nonconsensual tow, and the tower having no responsibility for damages.

These include some of the following complaints I heard from people in Vermont about damage:

"A couple days later I noticed my car was pulling to the right when I drove it. I called my mechanic but couldn't get an appointment for about a week and half. After my mechanic looked at it he called me and asked if I had been towed recently because my right rear control arm was bent. He said it looked like the tow company had hooked onto the control arm when they pulled it up onto the lift and bent it and that it wasn't uncommon. The part needed to be replaced and it would cost about \$500. I called Spillane's towing since they were responsible for damaging my vehicle and they had towed it without my permission or supervision and then caused it to be damaged. The woman informed me that their policy was that I only had 24 hours to report any damages (it had been about 2 weeks). I said I wasn't aware the car had been damaged because I'm not a mechanic and there was no way I could have reported this type of issue within 24 hours. She said the owner (Kevin Spillane) would call me back. He never did, so I called back the next day and got the same response with a commitment that Mr. Spillane would call me back. Again he never did, so I called back a third day. At this point I think they were screening my calls because it went straight to voicemail three times that day. I needed my car for work so I ended up asking my mechanic to document the damage, keep the part, and fix the car. I paid about \$500 for the repair. XXXX towing continued to not answer my calls or return my phone calls so I called the mayor's office. I figured XXXs is towing vehicles on behalf of the City of Burlington to enforce their parking policies so the City should step in and try and help make this right. The city said they would not assist in reimbursing me for the repair and that it was between me and XXX. I explained to them that I'm not a regular consumer of towing services and XXX has no economic incentive to do right by me. However, the city likely has some sort of towing contract with him and they could pressure him to resolve the issue. The Mayor's office committed to helping me and put me in touch with John King the person in charge of towing enforcement.

John ultimately did get me in touch with Kevin Spillane but Kevin said he would not pay for the repair because it had already been fixed and he didn't get a chance to inspect the vehicle himself. John said there was nothing else the City of Burlington could do if that was Kevin's position. This was ridiculous because I tried to contact him for several days before I had the car fixed and he never returned my phone calls. I needed my car for work and he wasn't answering or returning my cars so I had no choice but to fix the car. I shared my phone log with him and John King to prove it. I also still had the bent control arm part and a letter from my mechanic and eventually told Kevin Spillane that I was prepared to take my issue to small claims court. It wasn't until a threatened litigation that Kevin finally called me and agreed to reimburse me \$400 of the \$500 repair bill. He claimed he could have fixed it for less than I paid my mechanic so he wouldn't pay me the full \$500. I had sunk countless hours into the issue at this point so I accepted the \$400. I did get some resolution to my issue but I felt as though the City Government did very little to help me and didn't really have my back. I also spent hours and hours over the course of several weeks trying to communicate with XXXs towing and was still out \$100 at the end of it all. I consider myself very lucky because I had the money to pay for the initial ticket,

towing bill, and uber out to XXX. I also had the funds to cover the \$500 car repair. I had the time and ability to communicate with the city and to continue to try and reach out to XXX. I also was willing to take the issue to small claims court which would have cost me more time and a court filing fee. I recognize my privilege throughout this process. A lot of people wouldn't have had the financial means to navigate this situation. Others wouldn't have had the time and would likely have had to give up. The most disheartening part of the entire experience was that I felt like my car was towed on behalf of the city of Burlington and the city took no responsibility for the damages and also seemed unwilling or unable to really pressure Kevin Spillane to make things right. I imagine his contract, or ability to tow cars on the cities behalf, is a large component of his business and there should have been something Burlington could have done.

"My car was damaged from the tow."

"My car was scraped/damaged as a result." (of the tow).

## "The towing company broke my back windshield wiper"

23 states offer protection if the towing company damages your vehicle while it is towing or storing the vehicle, they have to reimburse you in just 23 states.

## **Responsibility for Missing Possessions**

Towers need to be responsible for missing possessions during their possession and custody of a vehicle.

I have had repeated concerns about missing and stolen property that was in a vehicle that was towed, including items that were in the car at the time a car was stopped (for an accident, DUI, or other violation). The car was in the towers possession from the scene of the stop to the owner coming to get their car, and property was missing (laptop, cell phone).

Other complaints I heard from Vermonters:

"they stole from the vehicle on 6 of the 8 times it was towed in 6 months, generally Just change but on two occasions pair of prescription ray bans were stolen.

Another constituent shared "a pair of sunglasses was stolen from my car"

".....It was \$75 and a pair of sunglasses was stolen from my car".

"When I go to retrieve my car I explain that it was towed from my own space and I don't think I should pay. They asked if I had a permit for the space; I explain I did and that it was in the car, they wanted me to verify but the permit was not in my car and is nowhere to be found anywhere. (I don't dismiss the possibility that they might have illegally entered my car to remove the permit..... no permit, so I had to pay

# 12. Hours of Retrieval and Methods of Payment

I have heard from many people about the inconvenience of not being able to get their car back because the towing lot was closed, although daily storage rates applied on those days as well. People have complained about getting to the tow yard and learning they had to pay a large sum of money in cash. Checks and credit cards were not accepted. Access to the car and the belongings was denied until the car was paid up in full. Here are some comments I received:

"We went to pick up my car; there were no signs or directions or people around at Spillane's—it was like the Twilight Zone—but eventually a guy showed up, took our money (\$95, no ability to give change, an extra charge for using a credit card ) told us that if I didn't pay my fine within 30 days they would come and tow the car again (?!)"

"One of my passengers identified himself as a lawyer and told us that the city permit for towing set a certain fee (\$56 I think, or thereabouts.) He said that if they charged more, folk should complain to the city. I followed the truck to Spillane's lot where, they were charging \$76 (again give or take). **The guy at the desk wouldn't budge, claimed he wasn't authorized to charge less**, so the lawyer handed out his card.

#### Hours and Days Open to Retrieve Car:

To add insult and potentially more injury, the guy at the desk tried to close up shop and leave at the stroke of 11 p.m. calling out, "**we're closed till Monday morning."** The lawyer blocked his way and stated firmly, "if you follow through with that, I can't begin to tell you how many laws you'd be breaking." He backed down, accepted credit cards though he claimed he wasn't supposed to and let people get their cars."

## 13. Itemized Bills:

People have shared that they are charged rates that they have no idea what the fees are or how they added up. Many states require itemized bills. It's time for Vermont to do this! Here is just one of the comments I heard:

"They ended up towing my car and I had to retrieve it the next day....I was told this would be the ....but instead of the \$62.50 I was told over the phone it would cost, they said it would be \$82.50 another \$20 in charges that they didn't tell me about on the phone, and refused to really explain. so in the end I was screwed over and on top was charged way more than I was told multiple times."

## 14. Drop the Hook

Many states offer this protection to consumers. Here is one comment I got:

• "I managed to get to my car while they were towing it and offered to move it, but the parking lady essentially persuaded the tow truck driver to take my car. He was willing to drop it but she pressured him into going. I had to pay 100 dollars that night plus another 80 in fines."

# 15. Ban Kickbacks

I have no evidence or idea if there are kickbacks happening in Vermont. My hunch is that local towing companies approach private businesses and landlords and propose something like, "we will put up free signage, patrol your property, and tow cars that are there illegally. You won't have to do a thing!" Whether there is any exchange of money for the towers' service, the signs, or revenue shared from the fees collected by the towers for the tow and storage of cars removed from the premises, I have no idea, but it would be interesting to know.

It certainly is happening in other states. In fact, many states have "spotters" that go around and contact the towing company if they see a car that can be towed.

Whether or not it is currently happening here, why wouldn't Vermont want to ban this practice?

From the Report: <u>Getting Off the Hook of a Predatory Tow Part II:</u>

"Towing companies are giving private property owners kickbacks when the landowner notifies the companies about vehicles to tow — whether the vehicle is defying parking regulations or not. Our new analysis, , an update to our comprehensive <u>2021 report</u> on towing protections in every state, finds that 16 states currently ban kickbacks, as others are considering such laws."

Let's make Vermont the 17<sup>th</sup> state!