



March 19, 2019

Chair Floyd Prozanski and Members of the Committee  
Committee on Judiciary  
Oregon State Senate

RE: Senate Bill 548 – Towing

Dear Chair Prozanski and Members of the Committee:

The National Insurance Crime Bureau (NICB) is a national, not-for-profit organization supported by approximately 1,100 property and casualty insurance companies including many who write business in Oregon. Working with our member companies and law enforcement, we investigate organized criminal conspiracies dealing with insurance fraud and vehicle crime.

Automobile accidents are a harrowing experience. In the immediate aftermath of an accident, a driver may be dealing with missing work or an appointment, distressed children, potential liability issues and traffic violations, other motorists trying to circumvent the wreck, and even injuries. This high-stress situation creates the perfect opportunity for an unscrupulous towing company to take advantage of a consumer.

This often comes in the form of overzealous solicitation, excessive fees, and shady business practices that delay or make it difficult for owners to retrieve their vehicles. It is not unheard of for some towers to charge motorists thousands of dollars for a few-mile tow and hold the car hostage (with ever-incurring storage fees) until it is paid.

Over the past few years, responding to these rogue practices, there has been an uptick in towing-reform legislation by states and municipalities, such as Arizona, California, and Missouri. In July 2018, the National Council of Insurance Legislators (NCOIL) adopted model towing legislation that included a number of consumer protections such as restricting solicitation at accident scenes, requiring an estimate of charges prior to towing, and affording reasonable access to stored vehicles.

The NICB encourages your support of Senate Bill 548 and the proposed amendment which, respectively, directs the Department of Justice to study issues related to consumer protection and towing, and establishes a state Board of Towing. However, we respectfully ask that the Committee consider the following:

1. To review the NCOIL Consumer Protection Towing Model Act and incorporate, where appropriate, any additional reforms put forth by the model.
2. To better define the composition of the Board of Towing to include, rather than just “one member who represents the insurance industry,” one member who represents the insurance industry who has specialized knowledge in towing and storage claims handling processing.

Thank you for your consideration. Please be sure to contact me at 847-544-7083 or [hhandler@nicb.org](mailto:hhandler@nicb.org) if you have any further questions or concerns.

Sincerely,

A handwritten signature in blue ink that reads "Howard Handler". The signature is written in a cursive style with a prominent flourish at the end of the last name.

Howard Handler  
Government Affairs Director