



# Oregon

Kate Brown, Governor

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**DATE:** March 20, 2019

**TO:** Senate Committee on Judiciary

**FROM:** Amy Joyce, Legislative Liaison

**SUBJECT:** SB 548 with -1 Amendment, Towing Board

## **INTRODUCTION**

Senate Bill 548 with the -1 amendment creates a towing board to exercise oversight of the towing industry in Oregon. The Board would be sited within the Oregon Department of Transportation (ODOT). ODOT would be in a minimal, supporting role.

## **DISCUSSION**

Under the -1 amendment, the nine-member Towing Board would meet at least quarterly to exercise its duties. The primary duty is to determine whether a tow operator has violated certain laws and assessing appropriate sanctions. Possible sanctions include civil monetary penalties, directing ODOT to cancel the registration on particular tow vehicles, and directing Oregon State Police to take action against a tower from the rotational tower list OSP maintains.

In support of that role the Board may adopt administrative rules, enter contracts, and file suit in court. The Board may hire an Executive Officer and assign that person duties and compensation, and the Executive Officer may hire additional staff.

ODOT understands that the housing of the Board within the agency is intended to gain operational efficiencies not available as a stand-alone entity. The agency would provide support in a minimal role, for example providing physical space for meetings, and perhaps accounting support for the Board's fund created in the bill. The bill does not direct ODOT to hire or otherwise provide staff to assist the Board, or to be the source of compensation for the Executive Officer or other employees. Indeed, ODOT's primary funding mechanism, the constitutionally dedicated Highway Fund, would not be available for this non-highway purpose.

## **SUMMARY**

The -1 amendment minimally involves ODOT by siting the Board within the agency. The purpose of that structure is to provide the efficiencies that can be gained from a large agency. ODOT is not the funding mechanism for the Board's expenses for hiring staff and other duties.