

SB 1569 A STAFF MEASURE SUMMARY

Senate Committee On General Government and Emergency Preparedness

Action Date: 02/10/20

Action: Do pass with amendments. Refer to Ways and Means by prior reference. (Printed A-Eng).

Vote: 5-0-0-0

Yeas: 5 - Boquist, Girod, Golden, Monnes Anderson, Riley

Fiscal: Fiscal impact issued

Revenue: No revenue impact

Prepared By: C. Ross, Counsel

Meeting Dates: 2/10

WHAT THE MEASURE DOES:

Creates nine-member Board of Towing (the Board) within the Oregon Department of Transportation (ODOT) appointed by the Governor. Specifies composition, operational details, and investigative and enforcement powers and duties, including the authority to administer oaths; issue subpoenas for persons or documents; deny, suspend or revoke a towing business certificate; and initiate suit, seek injunction, and impose civil penalties not to exceed \$25,000 per violation. Provides for position of administrative officer and other employees. Provides for contested case hearings. Authorizes rulemaking. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Good, ethical industry on the whole; susceptible to bad actors
- Regulation supported by industry
- Increasing consumer complaints over time
- Consumers stranded unsafely; subject to unregulated, inconspicuous costs; no standard notice; no recourse
- Abusive practices with regard to private property impounds in particular, that continue to-date
- History of previous efforts to assist consumers, Senate Bills 116 and 431 (2007)
- Need for further amendment to include January 1, 2021 operative date

EFFECT OF AMENDMENT:

Provides for contested case hearings. Adjusts flow of funds: making ODOT pass-through; authorizing collection of fees; and removing language directing deposit of civil penalties imposed. Replaces Board "request" or "direction" with Board "order."

BACKGROUND:

There is no centralized regulatory body in Oregon that governs the towing industry. Consumer complaints about towing practices may be made with the Oregon Department of Justice or the consumer's local District Attorney, but the burden of seeking redress rests largely on individual consumers initiating civil claims.

Senate Bill 1569-A creates a State Board of Towing to regulate the towing industry in Oregon, and to receive, investigate, and enforce consumer complaints.