



March 9, 2021

Chairs Lee Beyer, Susan McLain, and Members of the Committee
Joint Committee on Transportation
Oregon State Legislature

RE: Senate Bill 472 – Towing Oversight Board

Dear Chairs Beyer and McClain, and Members of the Committee:

The National Insurance Crime Bureau (NICB) is a national, century-old, not-for-profit organization supported by approximately 1,200 property and casualty insurance companies, including many who write business in Oregon. Working hand-in-hand with our member companies and law enforcement, we investigate organized criminal conspiracies dealing with insurance 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, 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.

Some towers, often falsely claiming they were dispatched by an insurer or police, have been known to charge motorists or their insurers exorbitant fees, in the many thousands of dollars, for a few-mile tow, and hold the car hostage (with incurring storage fees) until it is paid. Moreover, they have been known to tack-on vague fees, such as transfer, gasoline, gate fees, or excessive administrative fees. It is not uncommon to see towing charges as high as \$10,000 for a single, routine tow.

Over the past few years, responding to the rogue practices among some towers, there has been an uptick in towing-reform legislation by states and municipalities, such as Arizona, California, Missouri, and Hawaii. In July 2018, the National Council of Insurance Legislators (NCOIL) adopted model towing legislation aimed at better protecting consumers.

Senate Bill 472 is a very modest step in the right direction by establishing a State Board of Towing within Department of Transportation, and authorizing the Board to order the department to deny, suspend, revoke or refuse to renew towing business certificates or letters of appointment to participate on rotational lists of towing businesses for certain violations. Subsequently, we ask for your support of SB 472 which will help curtail rogue, dishonest towers while augmenting the credibility of the towing industry.

Thank you for your review and consideration; if you have any questions or need additional information, please contact me at hhandler@nicb.org or 847-544-7083.

Sincerely,

A handwritten signature in blue ink that reads "Howard Handler".

Howard Handler, MPPA
Senior Director, Government Affairs