## **Chapter O**

# **Tow/Recovery Vehicles**

For general information about tow/recovery vehicles, call DMV at (503) 945-5000.

A person needs a towing business certificate and tow vehicle registration if the person (ORS 822.200):

- Engages in the towing or recovery of vehicles by any means for any direct or indirect compensation, when the vehicle being towed or recovered is owned by a person other than the person performing the towing or recovery activity.
- Engages in the towing or recovery by any means, as a part of any business operation of the person, vehicles that are wrecked, damaged, disabled, or abandoned or
- Purports in any way to be engaged in the business of performing activities described in subsection (1) of ORS 822.200.

"Purports...to be engaged in" means to solicit or advertise towing services through the telephone book, business directory, newspaper, radio, television, posting on vehicles, signs, business, billboards, or by any other means. (OAR 735-154-0000)

When registered with DMV, the business certificate and the vehicle registration are used together and expire at the same time.

When registered with the Commerce and Compliance Division (CCD), the CCD registration and DMV towing business certificate are issued separately and may expire on different dates.

If the tow vehicle is leased, the lessee (not the lessor) must qualify for tow/recovery registration and must be shown on the title as the lessee. This applies when the vehicle is registered with DMV or CCD.

Tow/recovery vehicles may tow unregistered vehicles. The vehicle being towed does not need registration or a trip permit.

Note: Tow/recovery vehicles cannot be renewed online or at DEQ.

#### City or county regulations

A city or county may, by charter or ordinance, further regulate towing businesses. (ORS 822.230)

#### Insurance

Instead of liability insurance for registration as required under ORS Chapter 806, owners of tow/recovery vehicles must maintain the type and amounts of insurance required for motor carriers under ORS Chapter 825. If customers have questions about insurance requirements under Chapter 825, they may contact the Oregon Tow Truck Association by email at OTTAtow@gmail.com, or visit the website at Oregon Tow Truck Association. Owners must also maintain an additional \$50,000 cargo insurance coverage, unless the owners only tow or recover vehicles they own. (ORS 822.205)

Applicants for tow registration are required to provide a certificate of insurance showing that the applicant is insured by a policy which provides the minimum amount and limits of coverage required under ORS Chapter 825 and ORS 822.205. The certificate must include the policy number and the Vehicle Identification Number (VIN). The insurance company must provide DMV written notice of cancellation of the policy and will continue to be liable under the policy until the department receives the notice of cancellation or until the cancellation date specified in the written notice, whichever is later. The certificate of insurance must be provided with initial registration and at each renewal.

#### **DEQ**

Tow/recovery vehicles within the Portland Area Vehicle Inspection Program Boundary or Medford Area Vehicle Inspection Program Boundary are subject to DEQ testing. Prorated vehicles are exempt from DEQ testing. For more information about DEQ, see Chapter K.

The customer must submit a completed Application for Tow or Recovery Vehicle Certificate, Form 387, for each vehicle. A Form 226 or Form 268 is also required if the title is being transferred or the vehicle is registered with DMV.

The title and business certificate must always be issued in the same name.

The business certificate is valid for one year from the last day of the month in which the original certificate was issued.

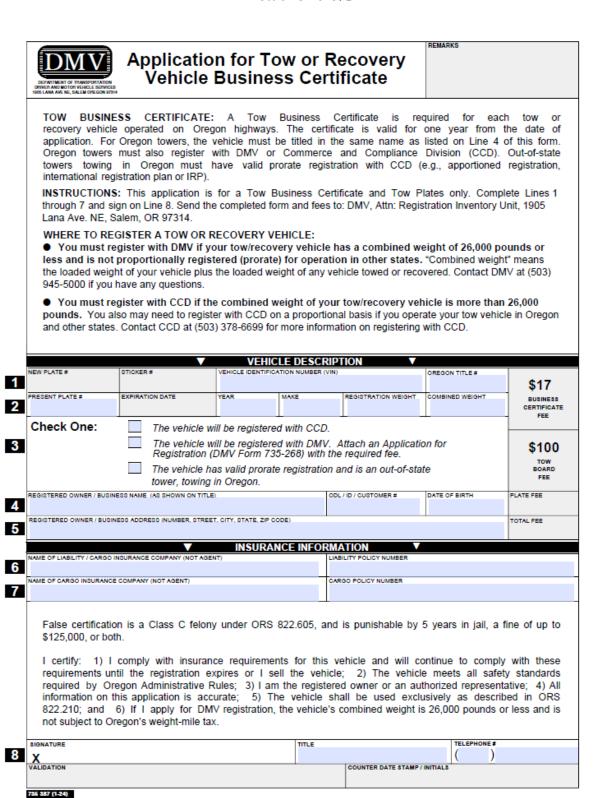
Both the registration and business certificate must be current to operate as a tow/recovery vehicle.

When completing Form 387, all applicable boxes and spaces must be completed. See example of Form 387 below.

Note: Tow/recovery vehicles cannot be renewed online or at DEQ.

# Example of APPLICATION FOR TOW OR RECOVERY VEHICLE BUSINESS CERTIFICATE, FORM 387

Actual size 8½" x 11"



## Determining how to register tow/recovery vehicles

Tow/recovery vehicles with a **combined** weight over 26,000 pounds are subject to the Oregon weight-mile tax and must register with CCD. If the combined weight is 26,000 pounds or less, the vehicle is not subject to the tax and must be registered with DMV. (Prorating a vehicle is an option the customer has whether the vehicle is subject to the weight-mile tax or not.)

DMV registration fees are based on **registration** weight and not **combined** weight. Therefore, when determining whether the vehicle needs to be registered with DMV or CCD, the combined weight must first be determined.

Any questions concerning CCD or prorate requirements should be addressed to ODOT Commerce and Compliance Division, 550 Capitol St. NE, Salem OR 97310. The phone number is **(503)** 378-6699.

## Registration weight for tow/recovery vehicles

To determine whether to register with DMV or CCD and to determine registration weight, use the following information:

COMBINED WEIGHT is the empty weight of all vehicles in a combination plus the weight of the load carried on that combination of vehicles.

REGISTRATION WEIGHT of a tow vehicle is the weight of the tow truck equipped for service. Do not include the weight of the vehicle being towed unless the tow vehicle is towing a "heavy trailer." (A "heavy trailer" is a trailer which has a loaded weight of more than 8,000 pounds. "Heavy trailer" does not include campers, travel trailers, special use trailers, or fixed load vehicles.) If the tow vehicle is towing in excess of its registration weight, a registration weight trip permit is needed.

There is one situation where the weight of the trailer and its load is not included in the registration weight of the tow/recovery vehicle, nor would a registration weight trip permit be required. This is when the tow/recovery vehicle is towing a truck and trailer combination, the truck being towed is currently registered, and the registration weight of the trailer and trailer load is included in that truck's registration weight.

#### State Board of Towing

The State Board of Towing was created by the 2021 Legislature under Senate Bill 300 to "implement the laws regulating the Towing Industry under ORS 98.853 to 98.862, and to administer additional statutes under the Board's jurisdiction."

Effective January 1, 2024, a \$100 board fee will be assessed to Tow and Recovery Vehicle Business Certificate holders and applicants. The board fee is paid with the DMV certification fee at the time of renewal or initial application (for total fees paid in the amount of \$117).

The Board does not receive any tax payer or general fund dollars; the Board fee will fund the operational and business expenses of the Board. See the State Board of Towing website for more information.

#### **Certificate fees**

All tow/recovery vehicles must have a tow business certificate. The fee for the business certificate is \$117 (including the tow board fee) and is renewed annually. See Chapter M regarding additional registration fees.

## Plates issued and plate fees

Tow/recovery vehicles, including prorated tow/recovery vehicles, are issued plates with a "TW" prefix. All "TW" plates are issued from DMV headquarters in Salem.

The plate fee is charged each time a tow plate is issued to vehicles registered with DMV or CCD. The plate fee and a replacement plate fee are charged for all tow replacement plates issued. See Chapter M regarding plate fees.

## Registration and tow/recovery card

If the vehicle is registered by DMV, the registration card is combined with the Tow Business Certificate and is identified as the "Tow Recovery Certificate/Registration Card."

If registered with CCD, a "Tow Business Certificate" is issued by DMV, and a separate registration card is issued by CCD.

## Surrender of "TW" plates

TW plates cannot be transferred. When a tow vehicle is sold, transferred, wrecked, or taken out of service as a tow/recovery vehicle, the certificate and TW plates must be surrendered to DMV.

Any new owner must apply for an original tow business certificate and plates.

## Prorated tow/recovery vehicles

Prorated tow vehicles register through the Prorate Section at CCD. CCD issues registration plates and DMV issues the TW plates and the business certificate. Prorated vehicles may title in Oregon or another state.

For information on obtaining prorated registration, call CCD at (503) 378-6699.

For information on obtaining a business certificate for a prorated vehicle, call DMV Customer Assistance at (503) 945-5000. Do not call Business Regulation.

## Towers who sell Oregon registered vehicles

Oregon licensed towers are required to remove unexpired year registration stickers from both of the Oregon registration plates on passenger vehicles they sell, unless the buyer is an Oregon licensed dealer or an Oregon licensed dismantler. (Oregon licensed dealers must also remove year registration stickers from the Oregon registration plates on passenger vehicles they sell unless they submit the title documents to DMV on behalf of the customer, or unless the buyer is an Oregon licensed dealer.)

When towers and dealers are required to remove stickers from the registration plates of a vehicle they sell, a Dealer/Tower Trip Permit, Form 307 may be sold to the vehicle buyer.

Towers must apply with DMV Business Regulation to be a DMV Trip Permit Agent in order to obtain and sell these permits. See Chapter R for a description and example of the Dealer/Tower Trip Permit, and how to complete it.