

# About the State Board of Towing

Semi-independent State Board, currently housed "within" ODOT for administrative and technical support.

The Board receives no taxpayer, general fund, or other state dollars for operational expenses.

Board leadership consists of 9 Board members and the Board Administrator, all appointed by the Governor.

## meet the Board



POSITION 1 Bruce Anderson Representing Cities with Populations of More than 100,00



POSITION 2 Jason Shaner Representing Cities with Populations Less Than 100,000



POSITION 3
Kevin Baker
Tower with Knowledge of
Tow Vehicles with
GVWR of 44,000 or More



GARY McCLELLAN

Tower with Knowledge of
Tow Vehicles with
GVWR 26,000 or Less

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## meet the Board



POSITION 5 Trent Hanson Representing the Insurance Industry



POSITION 6 Lt. Jason Lindland OSP Tow Program



POSITION 7 Chief Mike Iwai

Chief of Police or Sheriff



POSITION 8 Chuck Riley

General Public Member

## meet the Board



POSITION 9 Chris Coughlin Consumer Advocate



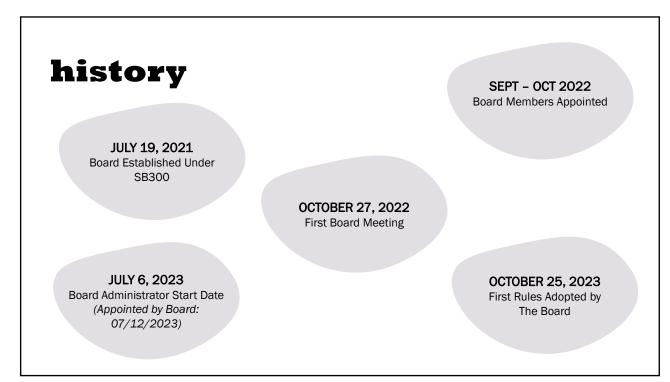
BOARD ADMINISTRATOR Torey McCullough

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# What the Board Does

- Represent the Interest of the General Public in rule and policy making.
- Protect the safety and wellbeing of the general public by regulating the towing industry as directed in Oregon's Laws.





### WHY A TOW BOARD?

# 2018 **DOJ Top Ten Consumer Complaints:**

- 1. Telecommunications
- 2. Auto Sales & Repair
- 3. Fraudulent Entity
- 4. Financial/Credit/Lending
- 5. Real Estate / Property Management
- 6. Travel Services / Products
- 7. Towing
- 8. Insurance
- 9. Telemarketing
- 10. Medical Services / Products

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# 2019 **DOJ Top Ten Consumer Complaints:**

- 1. Telecommunications (910 Complaints)
- 2. Imposter Scams (876 Complaints)
- 3. Auto Sales & Repair (863 Complaints)
- 4. Financial, Credit & Lending (681 Complaints)
- 5. Medical Services (426 Complaints)
- 6. Travel Services & Products (335 Complaints)
- 7. Real Estate & Property Management (199 Complaints)
- 8. Towing (186 Complaints)
- 9. Construction Contractors (145 Complaints)
- 10. Insurance (117 Complaints)

# 2022 DOJ Top Ten Consumer Complaint List:

- 1. Auto Sales and Repairs (1,050 Complaints)
- 2. Telecommunications (778 Complaints)
- 3. Imposter Scams/Fraudulent Entity (697 Complaints)
- 4. Financial, Credit and Lending (554 Complaints)
- 5. Health and Medical (475 Complaints)
- 6. Travel Services and Products (191 Complaints)
- 7. Towing (190 Complaints)
- 8. Construction Contractors (187 Complaints)
- 9. Grocery, Food and Beverage (184 Complaints)
- 10. Real Estate (178 Complaints)

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## **Oregon Capital Chronicle**

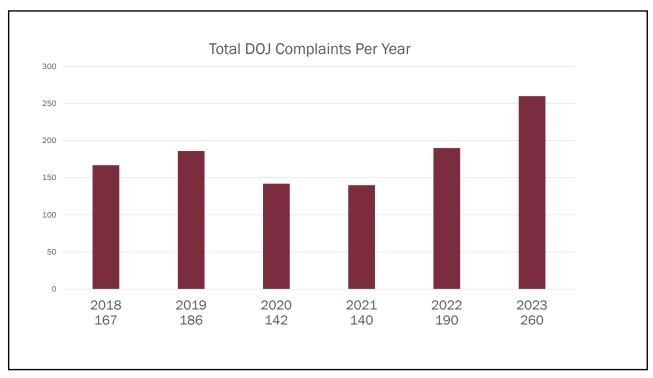
POLITICS ENVIRONMENT EDUCATION ECONOMY HEALTH OREGON'S PEOPLE

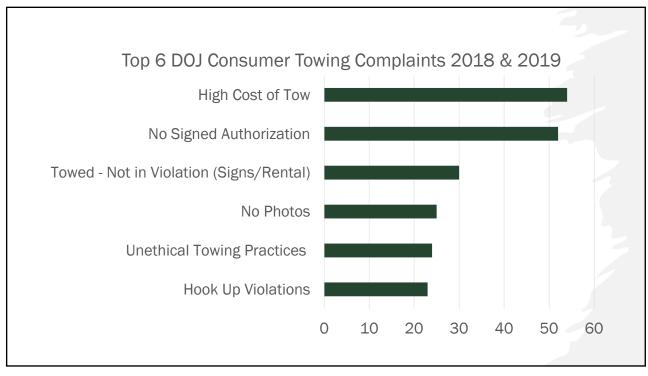
CRIMINAL JUSTICE + POLICING

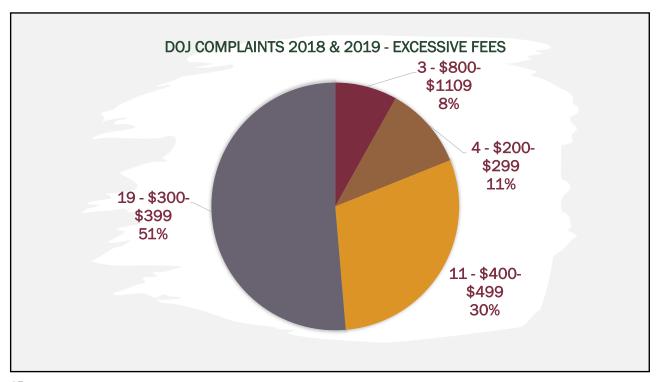
# Towing companies make Oregon's top 10 consumer complaint list

Attorney General Ellen Rosenblum released the 2022 list Tuesday, which has auto sales at the top

BY: **BEN BOTKIN** - MARCH 7, 2023 11:06 AM







DOJ Consumer Hotline in 2018 & 20:	19
Does not include Written Complaint	S
Nature of Complaint	Number
High Cost of Tow	54
No Signed Authorization	52
Towed - Not in Violation (Signs/Rental)	30
No Photos	25
Unethical Towing Practices	24
Hook Up Violations	23
Owner Not Allowed to get Personal Property	16
Missing Items or Damage from Tow	15
Former Owner's Name on Title	9
Did Not Send Notice After Tow (Owner not Present)	6
Not Allowed to Get to Vehicle	5
Did Not Provide Info - Location of Vehicle or Costs	5
Charged Gate Fee During Regular Hours	4
Car Not Stored in County Towed in	1
Did not Provide Price Sheet (Owner Present at Time of Tow)	1
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# DOJ	Complaints	Filed per Company 2018 & 2019
#	%	Company
57	46.3%	Company A
24	19.5%	Companies with One Complaint
19	15.4%	Company B
10	8.1%	Company C
8	6.5%	Companies with Two to Five Complaints
5	4.1%	Companies with Six to Nine Complaints
40 Individ	lual Compa	nies named in 123 Complaints (15%)



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No. of DMV Issued Tow
Certificates

803 Individual Certified Companies ?
No. of Tow & Recovery
Operators
No. UnCertified

### Differences Between DOJ and the Tow Board

DOJ TOW BOARD

Consumer Complaint Focused Mediation	Industry & Consumer Focused Education, Resolution, and Correction
General Knowledge	Industry Specific Knowledge
Limited Investigations; Relies on Information from Consumer	Authority to conduct Investigations into allegations of the Complaint
Complaints and Information Public	Disciplinary Actions Public
May refer to Current Laws	Defines and Enforces Current Laws Adopts Administrative Rules Adopts Policies and Procedures
No Public Input in Process	Public Meetings Public Rule Making Public Work Sessions

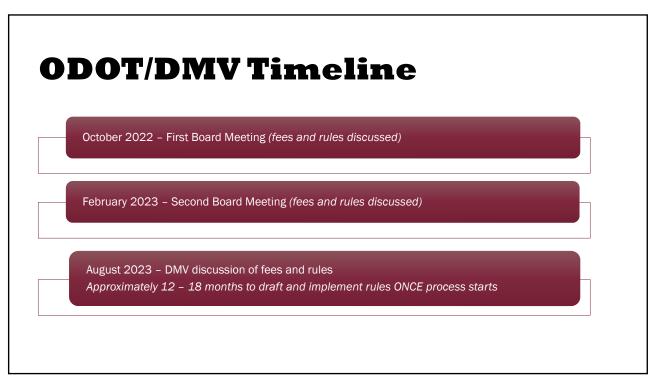
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# Differences Between Having the Tow Board vs an ODOT/DMV Program or Committee

### TOW BOARD

### ODOT/DMV

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Policy and Procedures Public Process	Policies and Procedures Public Documents
Board Members, Industry & Public Actively Involved in Developing OARs	Limited Engagement with Public and Industry in Development of OARs
Board Members Discuss and Vote on Violations, Disciplinary Actions, and Civil Penalties or Sanctions - Individually	Agency may have Committees Review Final Reports or Disciplinary Actions
Limited Staff and Resources	Agency Staff and Resources
Board Staff Reports to the Board, Accountable to the Governor, <u>collaborates with</u> ODOT/DMV Services	Agency Staff Reports to ODOT/DMV Management, Dependent on ODOT Policies, Processes and Timelines





## Other Board Accomplishments

July 2023	Created OAR Chapter, Begin Identifying Board Requirements
August 2023	Board Emails and Transparency Accounts Created
Sept. 2023	Email List Created; First Mass Mailing (USPS)
Oct. 2023	Board Website "go live", Second Mass Mailing (USPS)
Nov. 2023	Board Seal Adopted, Final Board Position Appointed

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### ORS 822.265 Rulemaking Authority

- (1) In accordance with applicable provisions of ORS chapter 183, the State Board of Towing may adopt rules:
- (a) Necessary for the administration of the laws that the board is charged with administering.
- (b) To implement ORS 98.853 (Conditions allowing towing) to 98.862 (Exceptions to requirements of ORS 98.856).



ORS 98.853	Conditions Allowing Towing (2017)
ORS 98.854	Prohibitions Placed on Tower (2007)
ORS 98.856	Tower Responsibility of Disclosure to Owner or Operator of Vehicle (2007)
ORS 98.857	Recovery of Stolen Vehicle (2017)
ORS 98.858	Right of Owner or Person in Lawful Possession of Vehicle to Redeem or Inspect Vehicle, Contact Tower and Obtain Property of Emergency Nature (2007)

ORS 98.859	Maximum Rates for Towing (2013)
ORS 98.860	Conditions for Release of Vehicle to Insurance Company Undertaking to Adjust Claim (2007)
ORS 98.861	Licenses for Towing (2013)
ORS 98.862	Exceptions to requirements of ORS 98.856 (2007)

### ORS 822.995 Civil Penalties for Violations Related to Towing

- (1) In addition to any other penalty provided by law, any person who violates any provision of .... or any rule adopted by the State Board of Towing is subject to payment of a civil penalty to the board.
- (2) The board may adopt rules establishing a schedule of civil penalties that may be imposed under this section. Civil penalties imposed under this section may not exceed \$25,000 for each violation.



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ORS 822.200	Operating Illegal Towing Business (1983)
ORS 822.215	Grounds for Denial, Suspension, Revocation or Refusal of Certificate Disciplinary Action (1983)
ORS 822.225	Failure to Remove Injurious Substance (1983)
ORS 822.230	City or County Regulation of Towing Businesses (1987)
ORS 822.235	Recovery after Theft (2017)

# ORS 822.605 False Swearing Relating to Regulation of Vehicle Related Businesses

- (1) A person commits the offense of false swearing relating to regulation of vehicle related businesses if the person knowingly makes any false affidavit or knowingly swears or affirms falsely to any matter or thing relating to the regulation of vehicle dealers, vehicle dismantlers, towing businesses, vehicle transporters, snowmobile dealers, Class I all-terrain vehicle dealers, commercial driver training schools or driver training instructors under the vehicle code.
- (2) The offense described in this section, false swearing relating to regulation of vehicle related businesses, is a Class C felony. (1983)

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#### ORS 822,280

Denial, Suspension, Revocation or Refusal of Towing Business Certificate

### Types of Board Disciplinary Actions

#### ORS 822.285 (2)

... the board may, without bond, bring suit in the name and on behalf of the State of Oregon in the circuit court of any county of this state to enjoin the acts or practices and to enforce compliance ...

#### ORS 822.290

Denial of Participation on Department of State
Police Tow Rotation

### ORS 822.995

Civil Penalties for Violations Related to Towing

#### OAR 750-080-0001

### Progressive Discipline.

(1) The goal of progressive discipline is to correct behavior and conduct, deter a person or entity from repeating the conduct, and educate the person or entity to improve compliance with applicable laws and rules.



- (2) Progressive discipline includes increasingly severe steps or measures against a person, persons, or entity when there is a failure to correct behavior or conduct, or when subsequent instances of inappropriate behavior and conduct occur.
- (3) The State Board of Towing will evaluate relevant and mitigating factors to determine whether to issue a non-disciplinary educational letter or letter of concern, or to issue discipline through reprimand, suspension, revocation, or civil penalties.

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### OAR 750-080-0040 Schedule of Civil Penalties.

(1) The State Board of Towing adopts the following Schedule of Civil Penalties:



(a) 1st offense: \$0 - \$500

(b) 2nd offense: \$500 - \$1000 (c) 3rd offense: \$1000 - \$2500

(d) Additional offenses: Additional civil penalties, in an amount up to

\$25,000 per violation, as determined by the Board.

(2) The Board may assess a civil penalty in an amount greater than the Schedule of Civil Penalty when it is determined by the Board that a particular violation or conduct is especially egregious or severe causing unnecessary risk or harm to the public and others.

### **Board Purpose** and Vision

- Increase educational opportunities, professionalism and business standards in the towing industry.
- Provide a venue for consumers and others to submit complaints against tow businesses.
- Educate Consumers and Mediate Resolutions of Consumer Concerns and Complaints.
- Establish a progressive disciplinary process to hold those violating Oregon laws and industry standards accountable.
- Assist other state and local agencies in regulation and accountability.
- Establish effective partnership with consumer advocate groups, law enforcement, state agencies and programs, and the towing industry.



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### **Partners**

DOJ **CONSUMER COMPLAINTS** 

**OSP** LOCAL AND COUNTY LAW ENFORCEMENT

**VEHICLE SERVICES REGISTRATION SERVICES** 

ODOT TRAFFIC INCIDENT RESPONSE **TIM TRAINING** CCD

> **OTTA CONSUMER GROUPS**

**INDUSTRY PARTNERS** 

DMV **BUSINESS SERVICES** 

## Coming in 2024

\$100 Board Fee

Beginning
January 1, 2024

A \$100 Board Fee
Is to be paid with each
Tow Business Certificate
Application
Initial and Renewal

Complaints

The Board will begin accepting complaints January 1, 2024.

Each complaint will be reviewed for violations and jurisdiction of the Board before proceeding to investigation.

**Board Work Sessions** 

The Board will host
Work Sessions to
review, create, and
define
Processes, Procedures
Documentation

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# **2024 Work Session Topics**

Review the Board's Statutes for Relevance, Effectiveness, Clarity, Direction, and Implementation.

Establish Bylaws, Policies, Processes and Administrative Rules to Implement the laws assigned to the Board. Define and develop examples of Best Practices, Forms, and Information for consumers and the industry

Define a streamlined and effective Compliance Program meeting the needs of Consumers the General Public, Partners, and the towing industry.

Develop and maintain a website with current information and of value to the industry and consumers Develop metrics and tracking measures to monitor progress,

Form Collaborative Partnerships and Improve professional standards and public perceptions.

### **Save the Date**

January 11, 2024

1:00 p.m. - 3:00 p.m.

Work Session: Complaints and Complaint Process



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## **Be Proactive - Risk Management**

RECORDS	Keep complete and accurate records, including logs and photos, as required.
COMMUNICATION	Effectively and transparent communicate with customers and the public.
EMPLOYEES	Ensure employees are sufficiently trained and have appropriate equipment – and use it.
EQUIPMENT	Equipment is well-maintained, regularly inspected, and used appropriately
COMPLY	Business operations comply with local and state laws, rules, and regulations.

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	270

# Be Proactive - Be Engaged

Stay Informed!

Mailing List

Attend Meetings

Get Involved!
Attend Meetings
Join Committees

Share! Thoughts, Concerns & Ideas





