

Oregon State Board of Towing
2025 Strategic Plan
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2025 Goals and Objectives:

Goal 1: Towing Rates and Fees		
Objective: Determine towing rate and fee requirements in ORS; ensure towing rates and fees across the state are lawful, customary, reasonable, and consistent, and set standards and best practices to protect both the well-being of the public and the towing industry from unnecessary or unlawful towing fees and charges.		
Action Items	Timeline	% Completed
Review invoice and fee complaints submitted to the Board	Ongoing	75%
<p>Progress/Overview:</p> <p>From January through September 2025, the Board reviewed a significant number of towing rate and fee complaints encompassing a broad spectrum of towing and recovery events. The Board identified several recurring compliance issues, consumer misunderstandings, and inconsistencies within the statutes regulating towing rates and fees.</p> <p>Complaints do not demonstrate a consistency of towers charging outside established rates and fees; while there are substantiated complaints demonstrating unethical billing practices amongst a small number of towers, most rate and fee complaints demonstrate the vehicle owner's general displeasure of having a vehicle towed without the owner's consent, the inability to gain release of a vehicle due to ownership issues, or the fees associated with leaving a vehicle in an impound yard for several days.</p> <p>1. Compliance and Public Safety Concerns</p> <p>The most common substantiated allegations substantiated by investigations include:</p> <ul style="list-style-type: none"> • Variance in Rate Submissions: Inconsistencies in the rates and fees submitted by towers in non-preference or rotational towing programs. Some of these variances may be attributed to the type of work, equipment used or required, specialized towing practices, location, geographic requirements, and seasonal weather patterns or inclement weather conditions. • Undisclosed Fees: Towers charging for services or at rates not listed on approved rate sheets or written statements of fees. • Incomplete Documentation: Tow receipts not showing itemization of fees or were missing required information. • Improper or Unsupported Charges: <ul style="list-style-type: none"> ○ Fees charged for services not rendered (e.g., lien fees without a processed notice of lien, gate fees during business hours, specialized storage fees, or a drop fee for an incomplete hookup). ○ Charges not permitted by law (e.g., excessive credit card surcharges, collection fees, or unauthorized interest on unpaid balances.) ○ Arbitrary or inflated charges, including charges adjusted based on the insured status of a vehicle, the tower's monthly financial obligations, or the tower's impression of the vehicle owner or operator. 		

- Charges not aligned with operational costs or supported by documentation (e.g., full replacement cost for reusable items such as rigging, cones, or safety equipment).

- **Deceptive or Unethical Practices:**

- Vehicles held by the tower for extended periods prior to release appointments, resulting in improper accrual of storage fees.
- Misrepresentation of government or registration-related fees (e.g., “OSP fees” or registration fees exceeding statutory requirements).
- Failure to return change for a cash payment, or upward adjustment of invoices to avoid doing so.

2. Consumer Education Needs

Rate and fee complaints highlighted a general lack of public understanding or awareness of towing laws and the general costs associated with tows. Areas identified for consumer education include:

- **Vehicle Ownership and Responsibility:** Importance of timely vehicle registration, title transfer, and DMV notification following private sales.
- **Towing Context and Costs:**
 - Understanding daily storage fees, laws governing non-consensual and preference tows, and how towing rates and fees are regulated.
 - A common misunderstanding: “Towers are paid by law enforcement or the agency authorizing the tow.”
Fact: With few exceptions, towers are paid by insurance or directly by the vehicle owner or operator.
Towers conducting impounds under the authority of law enforcement/ government agencies (including towing vehicles from the scenes of wrecks and collisions, DUIs, and other law violations) are not reimbursed by OSP, ODOT, or other law enforcement or government agencies.
- **Legal Basis for Tows:** Clarification of reasons for towing (e.g., abandonment, criminal activity, hazard, repossession, or private property impound) and associated owner/operator responsibilities.
- **Regulatory Framework:** Education on Oregon’s parking laws, vehicle registration and ownership laws, towing laws, authorities and agencies, complaint and appeal processes, and exemptions under specific statutes.

3. Logistical and Statutory Inconsistencies

Several operational and statutory inconsistencies were also identified:

- **Notice and Hearing Rights:**
 - Inconsistent notice of the right to a hearing for law enforcement or local government impounds required under ORS 819.190.

<ul style="list-style-type: none"> ○ Although ORS 819.190 (7) allows hearings to assess reasonableness of charges, many agencies lack authority to regulate tow rates. • Compliance Deadlines and Awareness: Several statutes requiring compliance actions prior to charging fees reside in a number of ORS Chapters including ORS Chapters 87, 98, 819 and 822; however, deadlines and requirements are inconsistent which has lead to clarity issues and inconsistency of implementation within the towing industry. • Right to hearing: Some communities were unaware of their legal obligation to provide hearings for contested impounds involving hazards or abandoned vehicles or had disbanded the hearing process during the COVID-19 pandemic, and had never reinstated the process. • Vehicle Release Procedures: <ul style="list-style-type: none"> ○ Impounds conducted for law violations often require official release from a court, clerk, or law enforcement before the vehicle can be retrieved. The requirements for law enforcement release are often not clearly understood by the vehicle owner or operator. ○ Release requirements of law enforcement are separate than the release of the vehicle by the tower, and are often not communicated clearly to the vehicle owner or operator. ○ Reduced operating hours of local governments – due to budget constraints – further delay releases, contributing to consumer frustration and additional storage fees. • Rate Review Mechanisms: Many of the existing maximum tow rates implemented by law enforcement or local agencies lack regular review processes and do not account for cost-of-living adjustments or Consumer Price Index (CPI) increases. 		
Review of legal requirements of rates and fees	2025	90%
<p><u>Progress/Notes:</u> The Board has identified a number of laws currently regulating towing rates and fees, including – but certainly not limited to:</p> <p><u>Directly assigned to the Board to administer and implement:</u> ORS 98.853 (3) and 98.854 (14): Charge for release of a vehicle prior to completion of hook up. ORS 98.854 (5) and (6): Charging more than the price disclosed on the written statement of fee (either as required by ORS 98.856 or under an agreement with law enforcement or other government) of the maximum fees established by the local jurisdiction without the prior consent of the vehicle owner. ORS 98.854 (12): a tower cannot accept cash for towing services unless the exact change is provided by the end of the next business day.</p>		

ORS 98.856: Written statement of fees.

ORS 98.857: Notice required prior to storage fees for recovered stolen vehicles.

ORS 98.858: Gate fees.

ORS 98.859: Local authority to establish maximum rates and fees.

Indirectly assigned, or related to an assigned ORS:

ORS 98.812: Notice of Lien required prior to charges for storage

ORS 819.160: Lien for Towing, appraisal requirements

ORS 819.215: Disposal of vehicle appraised at \$500 or less

General rules and laws:

Consumer protection laws at the federal and state levels protecting consumers from unethical business practices:

1. Charges for services not rendered.
2. Credit card, collection, and interest fees.
3. Itemized statement for services rendered and paid.
4. Insurance fraud laws.

Identify partners and industry members for public input and comments

Ongoing

90%

Progress/Notes:

- OSP, ODOT, DMV and Dept. of Justice
- Local law enforcement and government agencies
- Oregon Tow Truck Association and towing industry members
- Consumer advocacy groups

Identify resolutions, solutions, or rate requirements.

2025

75%

Progress/Notes:

- The Board will continue to monitor rate and fee complaints to determine compliance issues and appropriate board and partner action.
- The Board drafted a number of proposed administrative rules incorporating the rate and fee requirements of ORS Chapters 87, 98, 819 and 822 for consistent education, enforcement and application.

Staff Analysis:

The work completed by the Board in 2025 represents a substantial and proactive step toward addressing tow and rate complaints and issues. While compliance issues exist, the Board's model of education and outreach of the legal requirements first, and enforcement of current laws second, should address most of the rate and fee complaints submitted to the Board.

Given:

1. The complexity of towing rate and fee scenarios, and the variety of towing events involved.
2. The number of state and local partners engaged, each operating under their own restrictions, authorities, and interests.
3. The multiple statutes currently governing towing rates and fees.
4. The demonstrated need for continued education and outreach to the towing industry.
5. The geographic and population diversity across the State of Oregon, resulting in differing local needs, resources, and challenges.
6. Positive improvements already observed within the towing industry, including better practices and responsiveness to complaints and outreach efforts.
7. A general lack of understanding within the towing industry regarding business billing practices, rates and fees, and statutory requirements.
8. Budgetary concerns among law enforcement and local jurisdictions, as well as broader economic concerns affecting both the public and the towing industry.

Board Staff recommends:

- **Rulemaking and Outreach:**
The Board enact administrative rules highlighting rate and fee statutes to the towing community, enabling targeted outreach and education to improve compliance with the towers, engagement with partners, and education of the public.
- **Monitoring and Evaluation:**
Continue monitoring rate and fee complaints through 2026 to identify trends, assess compliance issues, and evaluate potential solutions.
- **Enforcement and Accountability:**
Consider progressive, disciplinary actions against towers who:
 - Fail or refuse to comply with current legal requirements or direction from the Board;
 - Exhibit unethical, deceptive, or fraudulent billing practices; or
 - Create risks or harm to consumers through their business models and billing practices.
- **Collaboration with Partners:**
Work collaboratively with law enforcement and government partners to:
 - Establish fair and reasonable towing rates and fees under ORS 98.859 (Maximum rates for towing);
 - Develop cost-effective, efficient mechanisms for rate and fee regulation under ORS 98.859 and impounds conducted under an agreement or authorization of law enforcement or a government agency.

- **Periodic Review:**

Reevaluate towing rate and fee issues in 2027, giving a minimum of one year to determine the effectiveness of the administrative rules and progressive disciplinary actions for violations to determine next steps and appropriate actions.

Goal 2: Signage

Objective: Define signage requirements of ORS 98.854, other signage requirements for properties, and signage or badging on vehicles used for towing to ensure that towers and property owners understand the legal requirements, that signs across Oregon are consistent, and that vehicle owners have the information required by law.

Action Items	Timeline	% Completed
Review signage requirements	2 nd Quarter	60%

Progress/Notes:

Initially, the objective of the Board was to identify appropriate verbiage and signage requirements for parking lots and badging to be displayed on tow vehicles.

As the Board reviewed complaints, it was determined that the signage issue is more complex. The Board opted to review complaints and towing scenarios before adopting a formal policy.

1. **Compliance concerns.**

- **Posted signs:** Most of the signage complaints received by the Board were based on private property impounds (PPIs). While complaints included substantiated violations of Oregon's sign laws, most notably guest parking areas or other restrictions in private residential complexes, most of the signage complaints involved vehicles parked in violation of posted signs, or in areas not meant for parking; in front of a garage, mailbox, fire lane, or other area.

The one commercial complaint where signs were not posted: a person had received verbal approval to park a vehicle in a parking facility for a specific number of days. The vehicle was not removed within the time agreed by the parking facility owner, the vehicle owner did not respond to phone calls by the property owner, and the vehicle was towed when the vehicle had not been removed as agreed.

- **Truck badging:** Badging on the trucks was tabled as a discussion topic until the Board can receive clarification on the federal and ODOT badging requirements and regulations involving commercial vehicles, including tow trucks and repossession tow trucks.

2. Sign concerns.

- The purpose of parking signs is to inform a vehicle operator where they can and cannot park, the consequences for unauthorized parking, and whom to contact when a vehicle is towed. Based on the complaints received by the Board, signage is not a predominant compliance issue for the State of Oregon.
- Signs must be legible, visible, and relevant to the parking facility's parking restrictions and prohibitions.
- Signs are not required under the Board's laws to administer to name a tower. However, the Board has found that if a tower is named:
- The sign demonstrates a business relationship, and only the tower named on the sign may tow a vehicle without a 72-hour notice. Any other tower towing from the parking facility without the consent of the vehicle owner or operator requires a 72-hour notice.
- Signs are a form of advertisement; the tower advertised on the sign must have at least one active tow business certificate otherwise, the tower is in violation of ORS 822.200 and subject to disciplinary action.

3. Event signs.

The Board tabled for discussion temporary signs used for special events (e.g., fairs, festivals, and game days) and temporary parking changes (maintenance or repairs).

4. Landlord-Tenant.

Landlord-tenant law may have additional signage requirements, but those requirements are outside the scope of the Board at this time.

Review of legal requirements of signs	2 nd Quarter	90%
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Progress/Notes:

With the passage of SB1036, removing the towing exceptions of ORS 98.853 (1), the remaining law under the Board's administrative authority is:

ORS 98.854 Prohibitions placed on tower

A tower may not:

(1) (a) Tow a motor vehicle from a parking facility unless there is a sign displayed in plain view at the parking facility that, using clear and conspicuous language, prohibits or restricts public parking at the parking facility.

<p>The Board drafted proposed rules providing guidelines and expectations of signage, including visibility and clarity, and providing exemptions of when a property owner may request a vehicle be towed without a posted sign. The exemptions are limited to safety concerns: blocking emergency vehicle access, blocking entry or egress, and blocking parked vehicles.</p>
<p>Identify partners and industry members for public input and comments</p>
<p>Progress/Notes:</p> <ul style="list-style-type: none"> • Local law enforcement and government agencies • Oregon Tow Truck Association and towing industry members • Consumer advocacy groups • Landlords, property managers, tenants, and their advocates • Commercial property owners
<p>Identify resolutions, solutions, or requirements.</p>
<p>Progress/Notes:</p> <ul style="list-style-type: none"> • The Board will continue to monitor sign complaints to determine compliance issues and appropriate board and partner action. • The Board will discuss truck badging and compliance with federal requirements beyond “the name of the truck matches the name on the tow business certificate” at a later date.
<p>Staff Analysis:</p>
<p>The work completed by the Board in 2025 represents substantial clarification in signage requirements which will allow consistency in parking enforcement across the state and provides protection to property owners and tenants.</p> <p>Staff suggest the Board continue with enforcing and monitoring current sign complaints to evaluate effectiveness of current laws</p> <p>While the Board might consider other requirements for statewide consistency, it might be a better option to allow local agencies to adopt ordinances specific to their communities detailing sign size, wording, and other requirements.</p> <p>Staff suggests the Board consider addressing the following issues or questions in 2026 or beyond:</p> <ol style="list-style-type: none"> 1. Is a posted handicapped or disabled parking sign sufficient of itself to allow a private parking facility owner to authorize a vehicle be towed? 2. Considerations for special event parking. 3. Distinctions between commercial properties, where public access is limited to business hours, and residential parking, where parking access for tenants is 24 hours.

4. Clarity of message: the board is receiving complaints stating there is so much clutter on tower signs that parking prohibitions are not clear. The Board will be reviewing complaints alleging sign verbiage is misleading or does not provide enough information so that the operator is able to decipher the prohibitions or restrictions.
5. Legislation to bring the landlord-tenant towing laws, including signs, under the administration of the Board for compliance enforcement.

Goal 3: Tow Business Registration

- **Objective:** Research and consider options for a Tow Business Registration. The current DMV Tow Business Certificate is issued for each individual tow vehicle, it is not a registration or license for the actual towing business as an entity. The Board's focus is to identify how and where tow businesses should register in order to capture information about the actual businesses, not only the vehicles.

Action Items	Timeline	% Completed
Identify benefits and value of a tow business certificate issued to the towing companies and not limited to the vehicle.	3 rd Quarter	30%

Progress/Notes:

The Board discussed aspects of a Tow Business License, where the towing industry is regulated under a business license issued to the company, and not to a tow vehicle, in various meetings since April 2025, but no formal decision has been made.

Adoption of a tow business license will require a change in statute, involving several stakeholders and partners.

A legislative concept has been drafted, and more information will be provided at the Board's Annual Meeting, October 28, 2025.

Identify partners and industry members for public input and comments

- ODOT/DMV
- Oregon Tow Truck Association and towing industry members
- Members of the public and consumer advocacy groups
- Dept. of Justice
- Legislators
- Other interested parties

Staff Analysis:

Staff highly recommends the Board consider focusing on establishing a Tow Business License in 2026.

The Board's work in 2025 uncovered:

- Significant violations by otherwise lawful towers due to a misunderstanding of the tow business certificate requirements that would be resolved under a tow business license.
- Significant obstacles and challenges in towing business practices which would be removed with the issuance of a tow business license.
- Confusion within the public and law enforcement communities due to no public information available to determine "legitimacy" of a tow company.
- Restrictions and challenges of compliance enforcement of existing laws and rules, and disciplinary action restrictions caused by no state licensure of towing companies not limited to: the ease and ability of a person to obtain a tow business certificate, there is no state business contact information for tow companies, the lack of oversight of business operations.

A tow business license will:

- Create a formal, publicly available directory of tow businesses to conduct state business, allowing law enforcement, the public, and partners to determine the legitimacy of a tow company.
- Create a business license where the licensees must show a minimum level of legality and professional fitness.
- Assists law enforcement in vetting legitimate tow businesses and tow yards, ensuring the towing business remains compliant with requirements.
- Allow oversight of state and federal regulations of the tow business operations and practices, instead of the tow vehicle.
- Address compliance gaps and risks identified by the Board in compliance actions identified in 2025, including continuation of insurance coverage, eliminate shell operations.
- Level the playing field for legal tow operations.
- Better protection for consumers: enhanced compliance enforcement, minimal professional and other standards to maintain business license.
- Streamline processes for towers: Towers will be able to transact business through one business license number.
- Streamline regulatory processes: manage and oversight of tower compliance with federal and state requirements; maintain official records for insurance, tow rate sheets, and other documents; identify tow yards and storage facilities; provides an official contact list of towing operations for conducting state business.