



Oregon

Tina Kotek, Governor

State Board of Towing

1905 Lana Ave, NE

Salem, OR 97314

Email: info@towboard.oregon.gov

www.oregon.gov/sbot

MEMORANDUM

Dt: August 12, 2025
To: Oregon State Board of Towing Board Members and Partners
Fm: Torey McCullough
Re: Multiple-Discipline Joint Operation

The Oregon State Board of Towing participated in a multi-discipline, joint operation focusing on illegal towing operations in the Clackamas, Multnomah, and Washington Counties areas.

Attached is the 08/07/2025 Clackamas County Sheriff Dept.'s Press Release with more information.

The operation focused on 12 companies the Board had contacted regarding the tow business certificate requirements, and potential violations of ORS 822.200.

Several arrests were made. The operation found some of the tow trucks were leasing, renting, or otherwise using a tow truck registered to another tow truck. While the truck may have had a valid tow business certificate, the company operating the truck did not have lawful ownership of the vehicle or the tow business certificate.

The Board adopted the public policy administering ORS 822.200 in October 2024. The Board might consider the next steps and its approaches to future violations of ORS 822.200 and ORS 822.605.

Attached are talking points to facilitate the Board's discussion

To protect the rights and due process of the individuals from the Joint Operation, the Board will not release the names of the companies or the owners until a Final Order for disciplinary action is entered by the Board.

The Oregon State Board of Towing is responsible for protection of the safety and well-being of the public through the regulation of the towing industry by administering and enforcing the laws and rules of the State of Oregon, setting professional standards and expectations of the towing industry, and ensuring fairness and continuity of towing services provided by Oregon's towing industry.

Sheriff's Office mission targets illegal & predatory towing operations in Happy Valley; three arrested

Date: 8/7/2025



On July 30, 2025, the Clackamas County Sheriff's Office led a coordinated enforcement operation targeting illegal and predatory towing companies operating without required state licensing in Happy Valley.

This joint operation, conducted in partnership with regulatory agencies including the Oregon State Board of Towing and Oregon Driver and Motor Vehicle Services (DMV), aimed to protect consumers from unlicensed towing businesses that often engage in predatory and illegal practices. These unlawful operators not only put the public at risk, but they also undercut licensed towing companies and are frequently associated with other criminal activity.

Oregon law (ORS 822.200) requires tow companies that operate for direct or indirect compensation to be licensed through the Oregon Department of Transportation and the State Board of Towing. Violating this law is a Class A misdemeanor. Companies that tow vehicles they do not own, especially if wrecked, abandoned, or disabled, are subject to this licensing requirement. Those who present themselves as legitimate towing businesses while unlicensed are also in violation.

All of the businesses identified in the July 30 operation had previously received formal warning letters from the State Board of Towing, advising them they were out of compliance and subject to criminal prosecution. Despite these notices, the companies continued to operate without obtaining the proper licensing.

Operation Results:

- 3 individuals arrested for Operating an Illegal Towing Business (ORS 822.200)
- 2 tow trucks towed, including 1 impounded
- 1 driver cited for no driver's license, expired vehicle registration, and failing to register a vehicle
- 5 illegal towing operations identified and referred for civil penalties/enforcement
- 19 commercial vehicle safety violations discovered during 3 vehicle inspections

The Sheriff's Office and our contract city partners at the Happy Valley and Wilsonville Police Departments worked together with the Oregon City Police Department, Washington County Sheriff's Office, Clackamas County Motor Carrier Safety, Oregon State Board of Towing, and Oregon Driver and Motor Vehicle Services (DMV).

This enforcement mission was carried out to protect consumers, ensure tow trucks on our roads are safe and legal, hold violators accountable, and ensure fairness for licensed and law-abiding towing companies.

If you have been victim of a predatory tow or want to report suspected illegal activity involving a tow truck, email: compliance@towboard.oregon.gov

[END]

*Brian McCall, Public Information Officer
Clackamas County Sheriff's Office
Communications Unit*

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Oregon State Board of Towing
Discussion – ORS 822.200 and ORS 822.605
August 12, 2025

This document does not represent formal Board decisions or policy; the document facilitates board discussion to:

- 1. Define or clarify ambiguity in Oregon law.*
- 2. Address situations and scenarios submitted in complaints*
- 3. Answer questions or provide clarification to the public, towing industry, and board partners.*

ORS 98.850 Legislative findings and declaration

(2) The Legislative Assembly declares that: (a) Statutes that assist members of the public in avoiding involuntary loss of use of motor vehicles and in expediting recovery of motor vehicles and the personal property in the motor vehicles promote the safety and welfare of members of the public.

Objectives:

Clarify intent of existing laws and Board expectations.

Determine: best practice to use for board review, possible administrative rule, need for statute change.

ORS 822.605 False swearing relating to regulation of vehicle related businesses:

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 c.338 §836; 1987 c.217 §12; 2005 c.654 §39]

Tow Business Certificate Application:

- For Oregon towers, the vehicle must be titled in the same name as listed on Line
- 4 (REGISTERED OWNER / BUSINESS NAME (AS SHOWN ON TITLE))
- False certification is a Class C felony under ORS 822.605, and is punishable by 5 years in jail,
- a fine of up to \$125,000, or both.
- The certificate must be kept in the vehicle and the plates must be displayed on the vehicle.
- Tow plates cannot be transferred and cannot be used by a business other than the business to whom they were originally issued.

OAR 735-154-0060 - Lessee as Owner on Leased Tow or Recovery Vehicle

Notwithstanding ORS 801.375(1)(b) and 803.050, the lessee shall appear as owner on the Certificate of Title for a vehicle when:

- (1) Application for a towing business certificate is made and the vehicle is engaged in any towing or recovery business operation; and
- (2) Special tow or recovery plates or identification devices are issued in conjunction with the vehicle registration.

The Question before the Board:

Is it a violation of ORS 802.605 when a tow company completes an application knowing that the tow company will (or is currently) leasing a tow business vehicle with the applicant's TW plates and tow business certificates to another company?

Group Discussion Points

1. Tow Vehicle Certification & Identification Requirements

- Every vehicle used for towing or recovery for compensation (direct or indirect) must:
 - Have tow identification plates
 - Be issued a tow business certificate by Oregon DMV
 - The **certificate must remain in the vehicle**, and **tow plates must be properly displayed**
 - Plates and certificates are issued to a specific business and **cannot be transferred, leased, rented, or shared** with other businesses
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2. Definition of "Towing for Compensation"

- Applies to **all compensated tow activities**, regardless of the towing equipment used, including:
 - PPI (Private Property Impound)
 - Roadside assistance and roadside assistance apps if a vehicle is towed
 - Law enforcement/government-authorized tows
 - Repossessions
 - Insurance authorized tows
 - Towing vehicles to/from auctions, scrap yards, etc.
 - Towing RVs for compensation
 - Motor clubs
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3. Business Eligibility and Responsibility

- The **operating business entity** (not the vehicle owner or lessor) must:
 - Be named on the tow business certificate
 - If the tow truck is **leased**, the **lessee of the vehicle** must qualify for and be issued their own certificate
 - **All companies** using the same vehicle in their operations must be:
 - Listed on the **tow business certificate**
 - Covered under the **insurance policy**
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4. Prohibited Practices

- **Tow plates and certificates cannot be:**
 - Shared, transferred, or leased to other companies
 - Used by any business other than the business issued to
- **Knowingly submitting an application for a tow business certificate with the intent or purpose of renting/leasing, continuing to rent/lease, or otherwise allow the use of the tow vehicle by another company for the second company's business operations:**
 - Is a violation of **ORS 822.205**

- Constitutes a **Class C felony** (ORS 822.605)
- Penalties may include up to **5 years in jail, \$125,000 fine, vehicle impound, other court sanctions, and civil penalties assessed by the Board of up to \$25,000 per violation**
- May lead to **revocation of certification and Board sanctions**

5. Advertising & Soliciting Services

- Any business that **advertises, solicits, or implies it offers towing or recovery services for compensation** must have a tow business certificate.
 - This includes ads via phone directories, websites, signage, or any public outreach
- “Purports to be engaged in” towing services (per OAR 735-154-0000) is grounds for requiring certification

6. Enforcement & Penalties

- Operating a tow vehicle without a valid tow business certificate is a **Class A misdemeanor**
- Potential consequences:
 - **Arrest**
 - **Vehicle impoundment**
 - **Court sanctions**
 - **Civil penalties up to \$25,000 per violation**

Exceptions to Tow Plate & Certification Restrictions

There are no exceptions under current Oregon law allowing a tow company to lease a tow vehicle *with the* assigned tow business certificate.

The tow company leasing the vehicle must apply for a tow business certificate before operating the tow vehicle.

The following **are not** “reasons” to share or lease a tow certificate or plate:

- Unable to meet the qualifications for a tow business certificate
- Lack of access and qualifications to proper financing or capital to purchase a vehicle or business assets
- Inability to obtain insurance coverage or meet insurance requirements
- Business convenience or informal partnerships
- Temporary or intermittent use of the tow vehicle.

STATUTE CHANGE REQUIRED:

Once there is a business license issued to the company, and not the vehicle, the Board can establish exceptions for leasing vehicles between tow companies without a change to the tow business certificate/ vehicle registration.

The following concept is provided and can be implemented only when the tow business certificate statutes are modified/ amended.

Limited Exceptions for Use of Tow Plates & Certificates

Tow business certificates and plates **must not be transferred, leased, or shared, except** under the following narrowly defined conditions:

Exception – Lease Agreements

A lease arrangement **may qualify as an exception only if all** of the following conditions are met:

- **(a)** The lease is for a **limited and specific duration** (e.g., temporary or short-term use)
- **(b)** The lease is to address a **verified emergency need** (e.g., vehicle breakdown, natural disaster response)
- **(c)** The **lessee holds a valid, current tow business certificate** issued by the Oregon DMV

All three conditions must be satisfied for the lease to qualify as an exception.

Thoughts on **Notification Requirements/Transparency when a vehicle is leased to another tow company.**

The **lessor (vehicle owner)** and **lessee (temporary operator)** must **jointly submit written notice** to the Board **prior to operating the vehicle**, including:

1. **Names and contact information** of both parties
2. **Tow business certificate number** of the lessee
3. **Reason for lease**, clearly identifying the emergency or temporary need
4. **Start and end date** of the lease period
5. **Vehicle information**, including VIN, plate number, and unit number
6. **Proof of insurance** showing that the lessee's coverage includes the leased vehicle

In urgent situations where prior notice is not possible, notification must be submitted **within 24 hours** of initiating use.