

# Regulating Repossession Towing in Oregon

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Creating Fair and Transparent  
Compliance Enforcement

Prepared for:  
Oregon State Board of Towing Annual Meeting  
October 28, 2025

Prepared  
for the  
Oregon  
State Board  
of Towing  
Annual  
Meeting

This presentation is prepared to facilitate discussion at the October 28, 2025 Board meeting.

This presentation is for discussion purposes only and does not represent legal advice, formal board action or opinion, and makes no changes to Oregon's existing laws or rules.

The Board is reviewing this concept at the request of towers, consumers, and collaborative partners within state and local government agencies.

Written public comments may be submitted to the Board's office by email to:  
[info@towboard.oregon.gov](mailto:info@towboard.oregon.gov)

# Key Definitions

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<b>Repossession:</b>	Recovering secured property upon loan default
<b>Repossession Tower:</b>	Tow company engaged in recovery services
<b>Tow Business License <u>(proposed)</u>:</b>	Required state-level licensure for any entity offering, providing, or advertising tow and recovery services for compensation
<b>DCBS DFR:</b>	Licenses financial services, including debt collection
<b>Oregon State Board of Towing:</b>	Regulates towing operations and compliance



# Current Regulation Landscape

Repossession Towing companies must:

- Register as a **collection agency** (via DCBS – Division of Financial Regulation)
- Hold an **active tow business certificate** from DMV
- **Gap:** No enforcement of **federal repossession laws** at the state level  
→ Consumers and legitimate businesses lack protection and clarity

# Objective

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**Establish a comprehensive, state-level regulatory framework for Repossession Towers**

- Under the authority and administration of **Oregon State Board of Towing**
- Goals:
  - **Protect consumers**
  - **Ensure accountability** of Repossession Towers
  - **Align Oregon practices and compliance enforcement** with consumer protection and federal requirements (FDCPA, UDAAP, FTC Act)

## Benefits of State-Level Regulation

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## Why Regulation Matters

-  Consumer Protection
-  Legal Clarity & Uniform Standards
-  Professionalism of the Industry
-  Fair Competition & Market Integrity
-  Government Oversight & Data Collection





# 1. Consumer Protection

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- Prevents abuse (e.g., threats, wrongful repossessions)
- Ensures compliance with legal standards
- Protects personal belongings during repossession
- Creates formal complaint and oversight process



## 2. Legal Clarity & Uniform Standard

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- Defines lawful repossession practices
- Aligns with federal laws and regulations (FDCPA, UCC, UTPA)
- Clarifies the roles of Oregon state agencies
- Provides educational resources for towers and consumers





## 3. Industry Professionalism

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- Requires training and certification
- Holds towers accountable through enforceable standards
- Enhances public trust
- Deters unethical operators and practices

## 4. Fair Competition

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- Creates a level playing field
- Prevents undercutting by unlicensed actors
- Incentivizes compliance with minimum standards  
(i.e., insurance, storage, breach of peace, release of personal possessions and vehicles, etc.)



## 5. Government Oversight & Data

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- Empowers the State of Oregon to:
  - Monitor repossession activities
  - Investigate complaints
  - Enforce penalties or corrective action
- Track trends, improve public safety, support policymaking



# Federal Framework Overview

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## **Law/Standard**

FDCPA

Dodd-Frank /UTPA/UDAAP

FTC Act

Industry Standards

## **Purpose**

Prohibits wrongful or deceptive repossession conduct

Outlaws abusive or unfair practices

Prevents deceptive commercial activity

Encourages ethical and professional practices

# Proposed Oregon Regulatory Framework

## *Authority:*

Oregon State Board of Towing

- New regulations for **Repossession Towers**
- **Stronger mechanisms** for licensing, oversight, and compliance
- **Oregon compliance enforcement** aligned with federal laws

# Licensing & Registration Requirements

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## Current

- Collection agency registration with DCBS
- Tow business certificate + TW plates from DMV

## Proposed Additions

- Repossession Tower Compliance
  - Training on laws and legal compliance & other required training
  - Required for Tow Business License application



# Federal Law Compliance Enforcement

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## **Towers must comply with:**

- FDCPA  
(15 U.S.C. §1692f(6))
- UDAAP (Dodd-Frank)
- FTC deceptive practice rules

## **Prohibited Conduct:**

- Breach of Peace
- False representation (e.g., impersonating law enforcement)
- Unlawful collection practices

# Operational Requirements

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## Documentation & Recordkeeping

Maintain for 5 years:

Orders, communications, reports, release forms

## Inventory & Storage

- Secure, state-approved lots
- Accessibility for Consumers
- Personal items

# Consumer Rights Protections

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Consumer Protection



Complaint Process via Towing  
Board



Mandatory business response  
within 15 business days



Transparency in disciplinary  
actions



# Enforcement & Penalties

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## Disciplinary Actions:

- Civil Penalties under **ORS 822.995**
- Business license **suspension/revocation** for repeat offenses

## Private Right of Action

- Board actions apply to tower and tow operations only
- Consumers can may continue to seek remedies through civil action

# Stakeholders

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- Oregon Tow Truck Association
- Dept. of Justice
- DCBS – Division of Financial Regulation
- Law Enforcement
- Towing Industry Professionals
- Consumer Advocacy Groups
- Legal Professionals &
- Debt Collection Experts

# Next Steps

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- **Stakeholder Engagement**
- **Public comment period**
- **Draft regulatory text**
- **Implementation timeline**
- **Training & Outreach**
- **Compliance Enforcement**



Let's Collaborate

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*Feedback, collaboration, and engagement is critical to shaping a fair, transparent, and enforceable system for Oregon.*

# Questions & Discussion