



## Oregon State Board of Towing Discussion – Rates and Fees 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.*

### Background:

 The Board's strategic plan scheduled the rates and fees as the focus of the Board in Second Quarter of 2025.

 In June 2025, the Board decided to table decisions on formal public policy until the Board members had an opportunity to review rate and fee complaints for compliance issues and to determine appropriate Board response or action. The Board has found a mix of clarity in existing law, an opportunity for clarifying the intent in Administrative Rule, and the need for change in statute.

 The Board is revisiting the following discussions at the August 12, 2025 work session in anticipation of starting the proposed administrative rules process and in preparation of the 2027 legislative session.

### Topic 1: Fee for Release of Motor Vehicle

**ORS 98.853 (3) (a)** *If the owner/operator is present at the time of tow, the vehicle must be released at no charge unless the hookup is complete. If complete, the tower may charge only the hookup fee listed under ORS 98.856 (written statement of fees)*

#### Discussion Questions:

- Should towers be required to:
  - Provide a receipt at time of payment?
  - Maintain internal transaction records?

*Note: "Hookup is complete" will be defined after SB1036 implementation.*

#### Board Discussion:

#### Direction to Staff:

Rates and Fees

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## Topic 2: Charging Mileage – Multiple Storage Units

**ORS 98.853 Conditions allowing towing** A tower may not: (4) A tower who controls or has access to multiple storage facilities must tow a motor vehicle to the tower's storage facility with available space that is located in the same county as and is closest to where the motor vehicle was hooked up to the tow vehicle. [2017 c.480 §9]

### Discussion Questions:

- Should "available space" be better defined, is this enforceable?
- Should mileage charges be limited to the distance between:
  - Point of hook-up and the closest eligible storage facility?
- Possible exceptions: When tow or recovery requirements of the towing events exceed the capacity of equipment stored at local tow yard.

### Board Discussion:

### Direction to Staff:

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## Topic 3: Charging More Than Disclosed Rates

**ORS 98.854 Prohibitions placed on tower** A tower may not: (5) Charge more than a price disclosed under ORS 98.856 (Tower responsibility of disclosure to owner or operator of vehicle) when towing a motor vehicle without the prior consent or authorization of the owner or operator of the motor vehicle.

### Interpretation Question:

☐ A tower may not charge more than a price disclosed ... without the prior consent or authorization of the owner or operator of the motor vehicle.

OR

☐ A tower may not charge more than a price disclosed ... when towing a vehicle without the prior consent or authorization of the owner or operator of the motor vehicle.

### Board Discussion:

### Direction to Staff:

#### ORS 98.862 Exceptions to requirements of ORS 98.856

A tower need not provide the written information required under ORS 98.856 (Tower responsibility of disclosure to owner or operator of vehicle) if:

- (1) The motor vehicle is towed from a parking facility where the tower has provided the information on signs that are clearly readable by an operator of a motor vehicle in each parking stall or at each entrance to the parking facility.
- (2) The tower is hired or otherwise engaged by an agency taking custody of a vehicle under ORS 819.140 (Agencies having authority to take vehicle into custody).
- (3) The tower tows the motor vehicle under a prenegotiated payment agreement between the tower and a motor vehicle road service company or an insurance company.

(4) The tower is hired or otherwise engaged by a business entity at the request of the owner or operator of the motor vehicle. [2007 c.538 §7]

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#### **Topic 4: Charging More Than Maximum Rates**

**ORS 98.859 Maximum rates for towing** (1) Each city or county may establish the maximum rates that a tower may charge for towing a motor vehicle, and for all related services for towing a motor vehicle, in response to a request for towing of a vehicle parked within the city or county that is made by a person other than the owner or operator of the motor vehicle. The rates for related services include charges for hookup, storage, gas mileage, pictures, unlocking the motor vehicle and any other services reasonably related to towing as determined by the city or county. Rates established by a city or county under this subsection apply in all portions of the city or county.

#### **Discussion Question:**

- When a “courtesy” or “private” tow is requested by law enforcement or a government agency, using the agency’s non-preference/rotation to identify the tower, does the requirement of ORS 98.859 still apply?

#### **Board Discussion:**

#### **Direction to Staff:**

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#### **Topic 5: Cash Payment Requirements**

**ORS 98.854 Prohibitions placed on tower** A tower may not: (12) Accept cash as a method of payment for towing services unless the tower provides exact change not later than the end of the business day following receipt of payment.

#### **Discussion Questions:**

- Should a written receipt be mandatory for all cash transactions, provided to the payee at the time of payment?
- Does this requirement apply to:
  - Office payments?
  - Transactions at the scene of the tow?
  - After-hours payments?

#### **Board Discussion:**

#### **Direction to Staff:**

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#### **Topic 6: Itemized Written Statement of Fees**

**ORS 98.856** (1) Towers must provide a conspicuous, written itemized statement of all services.

- ☐ Before payment is made for the release of that vehicle, the tower will provide to the vehicle owner or operator, at no cost, a detailed written statement or invoice itemizing all charges

for the tow, including storage and related fees, upon request of the vehicle owner or the insurance company responsible for payment of the charges.

- ☐ The detailed statement of charges/itemized invoice will include charges through end of day of the date of the written statement of charges/itemized invoice, and will also include the per diem storage fees or other fees which will accrue if the vehicle is not released on that date.
- ☐ The detailed statement of charges/itemized invoice will include a statement of the period of time a vehicle owner may retrieve personal property or recovery a vehicle as provided in Oregon law.
- ☐ If a tower fails to provide a detailed statement of charges by the close of business on the day of the request, the tower will not assess any storage charges for that day, or for subsequent days, until the day the tower provides the detailed statement of charges to the vehicle owner or the insurance company responsible for payment of the charges.
- ☐ After the tower provides the detailed statement of charges, additional storage charges may accrue beginning the day the statement of charges was provided until final payment is made and the vehicle is removed from the lot by the vehicle owner or the insurance company responsible for payment of the tower's bill.
- ☐ All fees charged must be itemized, substantiated, and documented on the tower's rate sheet.

*Business License Note:* If implemented, towers could be required to (1) file a rate sheet with the Business License Application and (2) have the responsibility of keeping the rate sheet current and (3) may not be able to charge a vehicle owner for costs not on file with the Board.

#### **Board Discussion:**

#### **Direction to Staff:**

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#### **Topic 7: Storage Fees for Stolen Vehicles**

**ORS 98.857 (3) – Recovery of Stolen vehicles.** Storage fees begin only after the first attempt to notify the vehicle owner.

#### **Discussion Question:**

- Does this statute require further clarification in administrative rules?

#### **Board Discussion:**

#### **Direction to Staff:**

## **Topic 8: Storage Fees When Access Is Denied**

**ORS 98.858 (1)** *Towers must allow retrieval/inspection during business hours and within specified timeframes after-hours.*

### **Discussion Points:**

- Should towers forfeit storage fees when the tower is unable to provide same-day appointments (when the request is made prior to 5:00 p.m., or the vehicle owner arrives prior to 5:59 p.m.)?

#### **Example 1:**

- Owner requests pickup Thursday 1:00 p.m.
- Tower schedules appointment for Monday 9:00 a.m.
- No storage charges may apply from Thursday–Monday.

#### **Example 2:**

- Vehicle owner shows up at 4:30 p.m. to retrieve vehicle.
- Tower denies requests due to staffing issues, tells the owner to come back following day.

- Should gate fees be waived if the agreed time is prior to 6:00 p.m., but the tower is delayed until after 6:00 p.m.?

### **Missed Appointments:**

- If the tower causes the delay, should they compensate owners (e.g., if the tower charges “missed appointment fees”, should the vehicle owner be compensated the same amount when the tower misses an appointment)?

### **Board Discussion:**

### **Direction to Staff:**

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## **Topic 9: Retrieval of Emergency Property**

**ORS 98.858 (2)** *No fee may be charged for retrieving emergency property or plates, except a gate fee outside 8 a.m.–6 p.m. on business days.*

### **Discussion Question:**

- Should limits be set on how many times the owner may retrieve property?
- Should the “retrieval” mean access to the tow facility between 8-6, or arrival between 8-6.
- What is the reasonable period of time to allow access to the vehicle?

### **Board Discussion:**

### **Direction to Staff:**

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## **Topic 10: Maximum Rates for Towing**

**ORS 98.859** *Local authorities set rates for towing and related services.*

Should jurisdictions be required to:

- Require periodic review of maximum rates
- Include inflation adjustment clauses in ordinances

**Board Discussion:**

**Direction to Staff:**

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**Topic 11: Lien Fees**

**ORS 819.160(3)** *Lien notice must be mailed within 3 business days and must contain hearing information per ORS 819.190.*

**Discussion Points:**

- If the notice lacks required content, is the lien valid?
- DMV does not regulate lien fees. Is it reasonable to:
  - Limit lien fees to amounts charged by third-party lien services?
  - Allow in-house lien services to charge hourly fees if documented?
  - Require verification of lien perfection or assignment before charging fees?

**Board Discussion:**

**Direction to Staff:**

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**Other Fee and Practice Considerations**

**Multiple Vehicles Dispatched:**

- Prohibit towers from billing for:
  - Unused dispatched units (multiple tow vehicles dispatched to a tow event)
  - Unsolicited standby vehicles (possible poaching or soliciting business)
  - Exceptions when the additional vehicles can be substantiated.

**Board Discussion:**

**Direction to Staff:**

**Missing Documentation:**

- Prohibit additional daily storage charges until the tower provides the following “upon request”:
  - Provide pre-tow photos
  - Produce signed authorization

**Board Discussion:**

**Direction to Staff:**

**Credit Card Charges:**

Towers may not exceed legally allowed credit card processing fees.

**Board Discussion:**

**Direction to Staff:**

**Collection Fees:**

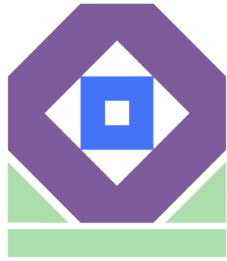
Only when allowed under law.

**Board Discussion:**

**Direction to Staff:**

**Other fees and charges?**

- Office equipment?
- Administrative fees?
- Multiple use equipment? (Cones, road signs, cameras)
- Single use equipment?



# Portland City Auditor

Ombudsman



TO: Erika Nebel, Manager, Parking and Regulatory Operations, Portland Bureau of Transportation; Robert King, Chief's Office, Portland Police Bureau

CC: Tim Moore, Coordinator, Towing Administrative Program, Portland Bureau of Transportation

FROM: Tony Green, Deputy Ombudsman; Andy Stevens, Deputy Ombudsman

DATE: July 1, 2025

SUBJECT: Private request tows

## Executive Summary

The Ombudsman received a complaint in early 2025 from a community member who felt financially exploited by the company that towed their vehicle after a collision. The company charged them nearly \$1,700, three times the amount that would have been allowed under the City's contract with tow companies to remove vehicles from the public right-of-way.

An Ombudsman investigation determined that the charges were legal. However, we also learned that a gap between police practices and the City's tow contract can expose vehicle owners to widely disparate charges depending on which tow company happens to be dispatched to the scene.

The police regularly order private request tows rather than hazard tows as a courtesy to vehicle owners involved in an accident or breakdown. Private request tows do not require the officer to issue the driver a citation for blocking the right-of-way. They also involve less paperwork for owners when retrieving their vehicles.

Police officers order thousands of private request tows every year. Private request tows are not covered by the City tow contract limits on charges. Most tow companies voluntarily limit their charges to those allowed under the City tow contract, but one does

1221 SW Fourth Ave, Room 310  
Portland, OR 97204  
[ombudsman@portlandoregon.gov](mailto:ombudsman@portlandoregon.gov)  
[portland.gov/ombudsman](http://portland.gov/ombudsman)  
503-823-0144



not. Elite Towing & Recovery charged a median amount that was nearly five times higher than the median amount charged by their competitors.

The Transportation Bureau, which manages the City's tow contract, says they never intended private request tows to be used to remove vehicles that are blocking the right-of-way. That's why they didn't include them in the contract. They say the issue could be resolved if Portland Police ordered hazard tows instead.

The Ombudsman concluded that the Police Bureau's use of private request tows benefits motorists. Therefore, to protect community members from arbitrarily disparate towing charges, the Ombudsman recommends that the City rewrite the towing contract to include police-ordered private request tows or standardize rates through another means.

## Introduction

The Ombudsman received a complaint in February 2025 from A.C.<sup>1</sup>, whose vehicle was involved in a collision on Northeast Columbia Boulevard and was towed by Elite after the police requested a tow. Six days later, A.C. went to Elite's tow yard to recover the vehicle and was given a price of \$1,657. A.C. complained and was able to negotiate a release charge of \$920, an amount they still found excessive because it represented 40% of their monthly income.

Under the City's contract with tow companies to remove vehicles from the public right-of-way, A.C. would have paid an estimated \$535 for towing, storage, lien, City, mileage and dispatch fees. But the police officer at the scene of the collision ordered A.C. a private request tow. This category is one of the options outlined in a Police Bureau directive, but it is not covered in the City tow contract, which is managed by the Bureau of Transportation. As a result, Elite was entitled to charge higher fees.

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<sup>1</sup> This memo uses pseudonyms to protect the privacy of the vehicle owners.

**Figure 1. When Elite towed A.C.'s car after a collision, they paid nearly twice as much as the City's contract would have allowed**



Source: City of Portland towing database.

We investigated to determine why the Police Bureau called for a private request tow instead of a tow category that is covered under the City contract. We also wanted to determine whether Elite was an outlier in charging much higher rates when police call for a private request tow to remove a disabled vehicle from the public right-of-way.

The key source of information for our investigation was the City's towing database. From that, we found the names of other vehicle owners who paid higher fees to Elite. We also interviewed officials from the Police and Transportation bureaus, the owners of Elite and two other tow companies, and representatives of a company that auctions off vehicles that are badly damaged in collisions.

This memo summarizes the investigation and presents our findings and recommendations.

## Background

The City of Portland contracts with about half a dozen private tow companies to remove vehicles from the public right-of-way. These include vehicles that are illegally parked in a loading zone or disability parking spot, recovered stolen vehicles, abandoned

vehicles, and vehicles that create a hazard by blocking the flow of traffic. The contract, which is managed by the Transportation Bureau, allows City officials to order the removal of a vehicle from the public right-of-way when needed. It also provides steady business to tow companies in exchange for City Council-approved rates for vehicle owners.

When a vehicle is disabled in the public right-of-way, either because of a collision or engine trouble, a police officer calls the Bureau of Emergency Communications and orders a tow. Dispatchers send the tow request to one of the companies on the City tow contract on a rotating basis and depending on where the vehicle is located.

Police can order a hazard tow when the vehicle is blocking traffic, a bike lane or a sidewalk. The City's tow contract limits what tow companies can charge for hazard tows, including the towing, mileage, dispatch and lien fees, and the daily storage rate.

In practice, Portland Police officers typically choose another option for disabled vehicles rather than a hazard tow. Police Directive 630.60 allows officers to order a private request tow on behalf of the vehicle owner. According to the Police Directive, unless the vehicle owner selects a specific tow company, a private request tow is directed to one of the City-contracted tow companies. These tow requests are also made through the Bureau of Emergency Communications. Between 2021 and 2024, tow companies responded to almost 14,000 requests from police for private request tows. This represented one-third of all police-ordered tows during that time period.

With any police tow, the vehicle owner is responsible for paying the fees before they can get their vehicle back.

## Investigation Findings

### The Police and Transportation bureaus differ on the use of private request tows

We learned that although police officers who order private request tows are acting in line with the directive, Transportation Bureau officials take a different position on the appropriate way to remove disabled vehicles from the public right-of-way.

Transportation Bureau officials maintained that officers should order hazard tows if vehicles are blocking the flow of traffic. They said police are using a work-around that was never intended. Title 16 of City Code, which regulates vehicles and traffic, does not mention private request tows.

The police said they want to avoid a punitive citation when the motorist did nothing wrong. The paperwork requirements to retrieve a car after a hazard tow can also be a barrier for economically vulnerable vehicle owners who cannot readily provide a copy of the title with their name on it and proof of insurance. Many people living on the street cannot meet the paperwork requirements and lose their vehicles.

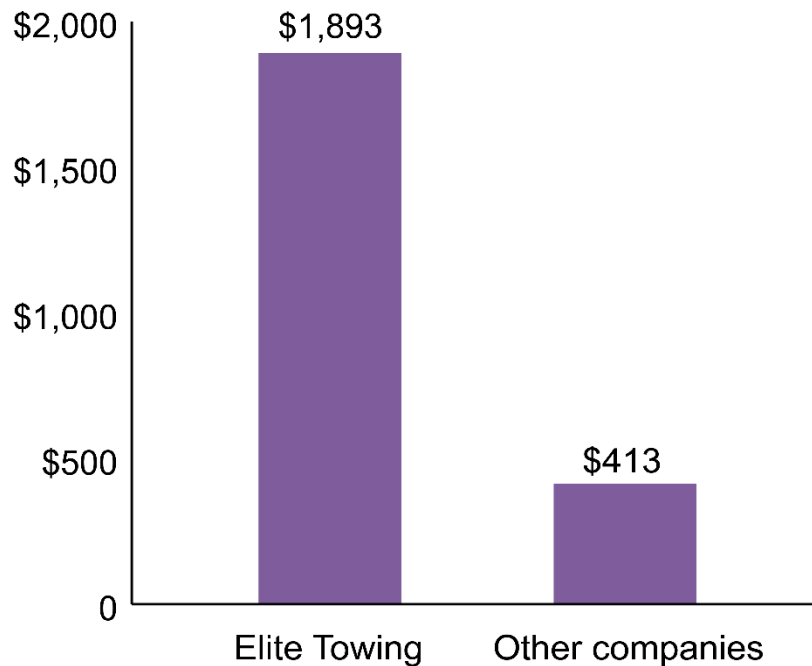
Although some Police Bureau officials were aware of Elite's charging practices, top Police officials did not become aware of the full scope of the issue until we informed them of our findings. They argued in favor of changing the tow contract to cover private request tows rather than shift practices and have officers order hazard tows instead.

## Elite charged significantly more than their competitors for police-ordered private request tows

Our investigation found that during the first three months of 2025, Elite charged significantly higher fees for private request tows than the five other companies that voluntarily complied with the City contract's limits.

The five companies released 314 vehicles for a median charge of \$419. By contrast, Elite's median charge for 91 released vehicles was \$1,893.

**Figure 2. Elite charged nearly five times the median amount its competitors charged for private request tows in the first quarter of 2025**



Source: Ombudsman's Office analysis of City and tow company data.

The owner of Elite agreed to meet with the Ombudsman. They said they were charging the rates that would apply if the vehicle owner called the company directly and requested a tow. Elite's owner defended this practice on several grounds. They said the City rates do not cover the company's true costs. Other jurisdictions, such as the Clackamas County Sheriff's Office and the Oregon State Police, allow companies to charge two to three times as much as Portland. The owner also said they were skeptical that their competitors were putting their true charges in the City's database.

Elite's reasoning that the City tow contract rates do not cover its costs raises the question of why Elite chose to sign on to the City contract. Even though the contract rates do not apply to private request tows, being on the contract is the only reason that Elite is dispatched to these tows.

We did not find evidence to support Elite's claim that other companies are charging higher rates than they are reporting, either. We reached out to a randomly selected group of owners of vehicles that were removed as private tows by other tow companies in the first three months of 2025. All but one of the owners who responded confirmed that they were charged the amount that is listed in the City's database. The other could not find their records.

After discussing our findings with Elite, we asked them to provide partial refunds to the initial complainant and two other vehicle owners we spoke to. We also asked Elite to voluntarily comply with the City contract rates for owners who pick up their vehicles. Elite did not respond.

## Vehicle owners expressed outrage about towing fees

In addition to A.C., the initial complainant, we reached out to more than a dozen other people whose vehicles were towed by Elite. Two responded to say they also felt exploited. A.C. and the two other vehicle owners shared their experiences with us.

- **A.C.: “I was stunned and outraged.”** After getting their vehicle back, A.C. contacted the Ombudsman to express their anger about the amount they had to pay. “I had savings, so it didn’t hurt me that month, but it was a heavy hit,” they said.
- **K.V.: “That’s just kind of crazy.”** K.V. was on their way to a family weekend at the beach when another vehicle collided with their family’s Honda Odyssey on Southeast 82<sup>nd</sup> Avenue. K.V. picked up the vehicle two days later and was shocked that the cost was \$1,667. That included a \$50 mileage fee and a \$80.08 fuel surcharge even though Elite is located less than two miles from the scene of the collision.
- **L.F.: “It just is really wrong.”** L.F. was driving on Southeast Powell when a vehicle struck their Acura MDX. L.F.’s car hit the curb and a tree, landing on its side. L.F. was lucky to avoid serious injury. When they went to get the car back three days later, they were stunned by the price tag: \$1,967. That included a \$123.23 fuel charge and \$95 mileage fee even though the collision occurred 2.6 miles from the Elite tow yard. It also included \$375 in storage fees, nearly three times more than would be allowed under the City tow contract.

**Figure 3. L.F. paid Elite Towing & Recovery more than three times as much in towing, storage and other fees than they would have if a different company had responded to the police request for a tow**



Source: City of Portland towing database.

## Conclusion

In exercising their discretion to order a private request tow, police can help to make a vehicle breakdown or accident less stressful and financially and administratively burdensome for vehicle owners. We found the Police Bureau's reasons for ordering private request tows for disabled vehicles to be compelling. However, this practice, combined with the City's contract language and Elite's charging practices, leaves motorists unfairly exposed to widely disparate rates.

Since Elite declined our request to align its charging practices with its competitors, the appropriate solution is to change the City's tow contract or standardize rates for police-ordered private request tows through other means.

## Recommendation

To protect vehicle owners from excessive charges, we recommend that the Bureau of Transportation ensure that community members pay fair standardized rates, for example by amending the City towing contract to cover all tows initiated by any City Bureau.