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Vehicle Towing

Towing can occur under many circumstances. These include involuntarily from public or private property, due to a mechanical error, after an accident, and more. When a company unethically or illegally tows a vehicle, it is considered by some to be “predatory towing.”¹ In response to concerns regarding these practices, some states and cities have adopted regulations for the towing industry. Colorado recently implemented a “Towing Bill of Rights” which includes a myriad of protections and regulations for towing. Relative to Colorado, Vermont has few laws on the matter. This report will focus on specific towing practices and regulations. To find additional information on state-specific laws and insurance regarding towing, please visit [this VLRS report](#).

Vermont

Vermont currently allows towing companies to charge up to \$40.00 for towing a vehicle from public property.² Vermont allows the towing of parked vehicles if the vehicle’s position interferes with maintenance, snow plowing, policing, or construction. Vermont Act 41 also allows for the towing of abandoned vehicles. A vehicle is classified as abandoned in three circumstances: 1) if it is left unattended without the consent of the owner or the consent of the person in control of the property it is left on, 2) if the vehicle “has remained on public or private property or on or along a highway...for any period of time” without a “valid registration plate or the public vehicle identification number has been removed, destroyed, or altered,” and, 3) if “a law enforcement officer has requested that the vehicle be removed by a towing business.”³

In Vermont, towing companies have 90 days to submit an abandoned motor vehicle certification form. The towing company then must wait 21 days after the completed abandoned motor vehicle certification form is processed before it can receive a lien on the abandoned vehicle.⁴

¹ Complete Truck Service, “Predatory Towing Exists: Here’s What You Need to Know,” Complete Truck Service Incorporated, November 23, 2021, <https://completetruckserviceinc.com/2021/11/predatory-towing-exists-heres-what-you-need-to-know/>.

² Vermont Statutes Annotated Title 23 § 2158 (2022), <https://law.justia.com/codes/vermont/2012/title23/chapter1/section4/>.

³ Vermont Statutes Annotated Title 23 § 2151 (2012), <https://law.justia.com/codes/vermont/2012/title23/chapter21/section2151/>.

⁴ Vermont Department of Motor Vehicles, “Abandoned Vehicles,” accessed November 16, 2023, <https://dmv.vermont.gov/enforcement-and-safety/abandoned-vehicles>.

The Office of the Attorney General is currently studying pricing, removal of personal items, crash site remediation, retrieval, and practices of other states but the conclusion of the Attorney General's report has yet to be released.⁵

Notice for Non-Consensual Tows

Sometimes, a vehicle will be towed to a storage location without the knowledge of the vehicle owner. After a period determined by state or city law, the towing company gains possession of the vehicle. To avoid the seizure of a vehicle without the owner's knowledge, some states require notification by the towing company to the police department. Other states take a more direct approach and require the towing company to contact the vehicle owner directly when a non-consensual tow occurs. Notice for a non-consensual tow, in various forms, is required in 37 US states, including the following examples.⁶

Atlanta, Georgia

Atlanta City Code of Ordinances requires towing companies to report a tow to the Department of Police within one hour of the vehicle being deposited for storage. Additionally, the storage location, a description of the vehicle, a vehicle identification number, and a tag number must be communicated to the Department of Police within one hour.⁷

Colorado

Colorado's "Towing Bill of Rights," provides proactive warnings for a vehicle owner before their vehicle can be towed non-consensually. A 24-hour written notice is required unless the owner has received two notices previously for the same behavior, the vehicle is being repossessed by a creditor for a lien, or the vehicle is obstructing driveways or a public road/fire zone.⁸ Colorado also has requirements for notification once the vehicle has been towed. The towing company must determine who the vehicle owner is and send a notification by first-class mail within 10 days of the tow.⁹

Shawnee, Kansas

The Shawnee Code of Ordinances requires that a towing company must provide the Shawnee Police Department with the following within 2 hours of a non-consensual tow: vehicle make,

⁵ Agency of Transportation, "Towing Practices in Vermont," Vermont Department of Motor Vehicles, accessed November 16, 2023, <https://ago.vermont.gov/cap/towing-practices-vermont>.

⁶ United States Public Interest Research Group, "Getting Off the Hook of a Predatory Tow: 14 Ways States Should Protect Consumers When Their Car is Towed," Public Interest Network, May 2021, Page 2, <https://publicinterestnetwork.org/wp-content/uploads/2022/07/Getting-off-the-Hook-of-a-Predatory-Tow.pdf>.

⁷ Atlanta Code of Ordinances Part II § 162-232 (2009), http://atlanta.elaws.us/code/coor_ptii_ch162_artiv_sec162-232.

⁸ General Assembly of the State of Colorado, "House Bill 22-1314," 2022 Regular Session, https://www.leg.colorado.gov/sites/default/files/2022a_1314_signed.pdf.

⁹ Colorado Revised Statute § 42-4-2103 (2016), <https://law.justia.com/codes/colorado/2016/title-42/regulation-of-vehicles-and-traffic/article-4/part-21/section-42-4-2103/>

model and year; vehicle identification number; license plate number and state of issuance; location where tow commences and name of person authorizing the tow; reason for the tow; and place of storage.¹⁰

Connecticut

Connecticut State Law requires a towing company must inform the local police department within 2 hours of the nonconsensual tow. The notification can be electronic or physical and must be documented and stored.¹¹

Vehicle Release and Drop Fees

When a tow truck removes a vehicle from any property, it connects the “hook” on the rear of the truck to the underside of the vehicle’s front bumper. Often, once the vehicle has been hooked, the towing company will charge a fee to unhook the vehicle and release it back into the owner’s possession. This fee is usually referred to as a “decoupling fee” and is legally defined as “a charge by a towing company for releasing a motor vehicle to its owner or operator when the vehicle has been, or is about to be, hooked or lifted by a tower, but prior to the vehicle actually having been moved or removed from the property.”¹² Eighteen states require tow-truck drivers to release the towed vehicle if the owner is present and requests it. Tow truck drivers either must comply free of charge or ask the vehicle owner to pay a drop fee, depending on the state.¹³ Some examples of this policy are below.

New Jersey

According to New Jersey's current statute, a motor vehicle that has been hooked and lifted but not towed off private property must be released upon the owner or operator’s request. New Jersey additionally stipulates that when this happens, the towing company may charge a decoupling fee for this, but no other additional fees.¹⁴

¹⁰ Shawnee Code of Ordinances § 10.45.090 (2022), https://library.municode.com/ks/shawnee/codes/code_of_ordinances?nodeId=CD_TIT10VETR_CH10.45UNPANN_STOPRPAAR.

¹¹ Connecticut General Statute § 14-145. (2022), <https://law.justia.com/codes/connecticut/2022/title-14/chapter-246/section-14-145/>.

¹² New Jersey Revised Statute § 56:13-9 (2013), <https://law.justia.com/codes/new-jersey/2013/title-56/section-56-13-9/>.

¹³ United States Public Interest Research Group, “Getting Off the Hook of a Predatory Tow,” Page 2.

¹⁴ New Jersey Administrative Code 13:45A-31.8 (2023), <https://regulations.justia.com/states/new-jersey/title-13/chapter-45a/subchapter-31/section-13-45a-31-8/>

Colorado

The Colorado "Towing Bill of Rights," states that a vehicle being towed off private property but not yet removed, must be released upon request by the vehicle owner. However, Colorado provides that no "drop charge" or decoupling fee may be exacted by the towing company.¹⁵

Alexandria, Virginia

Alexandria's municipal code is more nuanced. If a vehicle owner "removes the vehicle from the property or corrects the violation" before the vehicle has been hooked, they may avoid a tow or any fees. If the vehicle has already been hooked, however, the owner becomes liable for a drop fee not exceeding \$50, provided they correct the violation and remove their vehicle from the property.¹⁶

Texas

Texas state law requires tow-truck drivers to release the vehicle if the owner is "present before the removal from the property or parked location" and agrees to pay the drop fee. Texas limits the maximum drop charge to \$127 for light-duty tows, \$178 for medium-duty tows, and \$229 for heavy-duty tows. The duty of the vehicle is based on its gross weight, in pounds. Tow truck drivers must accept cash, credit card, or debit card as payment for drop charges.¹⁷

Release of Contents of Vehicle

When a vehicle is towed, the owner's personal property may be in the vehicle and taken to the storage facility. While vehicle owners seek to retrieve their personal property, the tow company may condition the retrieval of personal property on payment of all storage and towing fees. Regulations for this behavior vary across states. Towing companies must allow access to all contents of the towed vehicle in 20 states. In 9 states, vehicle owners are only allowed to retrieve emergency items such as keys, cell phones, or medication.¹⁸

California

California state law entitles vehicle owners to their personal property regardless of whether the vehicle has been released from storage. It also empowers "his or her agent or a licensed reposessor" to retrieve personal property on the owner's behalf. Vehicle owners are entitled to retrieve their personal property during "normal business hours," defined as Monday through Friday 8:00 am to 5:00 pm, excluding state holidays.¹⁹

¹⁵ Colorado Revised Statutes 40-10.1-405 (2023), https://colorado.public.law/statutes/crs_40-10.1-405.

¹⁶ Alexandria Code of Ordinance § 9-13-3, http://alexandria-va.elaws.us/code/coor_title9_ch13_sec9-13-3.

¹⁷ Texas Administrative Code Title 16 § 86.455 (2021), <https://www.law.cornell.edu/regulations/texas/16-Tex-Admin-Code-SS-86-455>.

¹⁸ United States Public Interest Research Group, "Getting Off the Hook of a Predatory Tow," Page 2.

¹⁹ California Vehicle Code Div. 11 Chap. 10 Section 22651 (2023), https://california.public.law/codes/ca_veh_code_section_22651.07.

Colorado

Regarding personal property, the Colorado “Towing Bill of Rights” mandates that the contents of a towed vehicle must be released to the owner within 30 days of the tow. Additionally, vehicle owners have the right to retrieve belongings even before they have paid the towing fees.²⁰

Wilson, North Carolina

In the municipal code of Wilson, it is mandated that all personal property stored within a towed vehicle must be returned to the vehicle owner upon request without a fee or charge. Often, valuables are removed by the tow companies and stored elsewhere. As a result, Wilson municipal code also mandates the return of any personal property removed from the vehicle for safekeeping.²¹

Kansas

In Kansas, towing companies are not required to return personal property prior to payment except if the personal property consists of “personal medical supplies.” However, state law mandates that counties or city codes allow for the retrieval of any personal property from the vehicle within the first 48 hours of towing. This conflicts with Kansas’s notification law, which gives companies up to 15 days to notify the vehicle owner of the tow.²²

Photo Documentation

In response to instances of damage to vehicles or illegal tows by tow companies, four states require a photo be taken of the vehicle prior to towing.²³ The photo serves two primary purposes. It serves as proof that the vehicle was towed justifiably and documents the condition of the vehicle prior to the tow, so that damages can be easily assessed if need be.

Colorado

The Colorado “Towing Bill of Rights” requires photo documentation prior to the towing of a vehicle. They require images of all four sides of the car. Additionally, the car must fill at least $\frac{3}{4}$ of the image. This ensures any damage dealt to a vehicle because of the tow is documented and towing companies can be held accountable for a possible predatory tow. Towing companies then must provide copies of photo documentation to the owner.²⁴

²⁰ CO Rev. Stat. 40-10.1-405 (2023).

²¹ Wilson Code of Ordinances Part III § 22-227 (2011), http://wilson-nc.elaws.us/code/coor_ptiii_ch22_artvii_sec22-227.

²² Kansas Statutes Annotated § 8-1103 (2023), <https://codes.findlaw.com/ks/chapter-8-automobiles-and-other-vehicles/ks-st-sect-8-1103/>.

²³ United States Public Interest Research Group, “Getting Off the Hook of a Predatory Tow,” Page 2.

²⁴ CO Rev. Stat. 40-10.1-405 (2023).

Chicago, Illinois

The Chicago Municipal code also requires photographs prior to relocating a vehicle. Additionally, they require a dash and rear-facing camera on the tow trucks. The towing companies are then responsible for storing this data and having it ready upon request of the owner, without charge. Any photos and videos recorded must also be provided to the Department of Business Affairs and Consumer Protection upon request.²⁵

Expired Plates & Registration Towing

A common practice for towing companies is to tow vehicles off private property due to expired plates or registration.

Minnesota

Minnesota State Law prohibits towing a vehicle for expired registration tabs if less than 90 days have elapsed since the expiration.²⁶

Colorado

Colorado's "Towing Bill of Rights" goes as far as to completely prohibit the towing of a vehicle for expired registration or license plates unless directed by the authorities.²⁷

Maximum Rates or Fees

Towing and storage fees can sometimes feel vague and confusing to determine for consumers. Many vehicle owners face alleged price-gouging as a result of these ambiguous rates. Some states require the posting of towing and storage rates at their place of business and online, to prevent this.²⁸

Approximately half of US states place some type of limit on the rates and fees of towing companies. Calculating a precise figure is challenging because while some states set fixed limits on the amount a company may charge, some only mandate "reasonable" rates and fees. Furthermore, some states regulate the cost of towing, and not storage, and vice versa.²⁹ Some examples follow.

²⁵ Chicago Municipal Code § 9-84-025 (2023), https://codelibrary.amlegal.com/codes/chicago/latest/chicago_il/0-0-0-2647357

²⁶ Minnesota State Statute § 168B.035 (2021), <https://law.justia.com/codes/minnesota/2021/chapters-160-174a/chapter-168b/section-168b-035/>.

²⁷ CO Rev. Stat. 40-10.1-405 (2023).

²⁸ James Saunders, "Eenie, Meenie, Miney, Mo . . . Who's to Regulate This Tow?" *Florida Bar Journal*, January 1st, 2005, <https://www.floridabar.org/the-florida-bar-journal/eenie-meenie-miney-mo-whos-to-regulate-this-tow/>.

²⁹ United States Public Interest Research Group, "Getting Off the Hook of a Predatory Tow," Page 9.

Colorado

The Colorado “Towing Bill of Rights” requires that the maximum tow rates be posted at towing companies' places of business and on their websites.³⁰ This is done to ensure vehicle owners have a basic understanding of the cost of towing their vehicle, as well as to prevent tow companies from administering exorbitant fees.³¹ The Colorado “Towing Bill of Rights” also mandates that towing companies may not charge storage fees on a vehicle until the owner has been officially notified of the tow. Companies may charge fees for the first 24 hours of holding the vehicle, regardless of notification. This is done to prevent weeks of exorbitant fees building up for the vehicle owner when they have not yet located where their car is being stored.³²

Chicago, Illinois

Chicago Municipal Code also provides that towing companies must make clear to the public all rates and charges for towing, moving, and storing of vehicles.³³ Chicago requires notice of storage fees as well. Charging excessive storage fees is a common practice among predatory towers.³⁴

Connecticut

Connecticut caps the cost of a tow differently based on the weight of the towed vehicle. For light-duty vehicles (vehicles less than 10,000 lbs.), the maximum base charge for a tow is set at \$105. For medium-duty vehicles (vehicles ranging from 10,000 to 26,000 lbs.), the maximum base charge is \$240. For heavy-duty vehicles (vehicles over 26,000 lbs.), the maximum base charge is \$390. Storage fees are based on the size of the vehicle. Connecticut defines three size categories of vehicles: vehicles less than 20 feet, vehicles ranging from 20 feet to 32 feet, and vehicles more than 32 feet long. The respective maximum storage fees for these vehicle types are \$9 a day, \$30 a day, and \$46 a day. These rates are set by the Connecticut Department of Motor Vehicles. Tow companies must place notice of these rates in a “conspicuous place” to inform consumers.³⁵

Georgia

In Georgia, maximum rates are set at the state level by the Department of Public Safety. However, cities may establish their own lower maximum rates via ordinance if they desire.³⁶ The standard state-wide maximum removal fee rates are as follows: \$175 for vehicles with a gross

³⁰ CO Rev. Stat. 40-10.1-405 (2023).

³¹ CO Rev. Stat. 40-10.1-405 (2023).

³² Colorado Revised Statute § 42-4-2103 (2016), <https://law.justia.com/codes/colorado/2016/title-42/regulation-of-vehicles-and-traffic/article-4/part-21/section-42-4-2103/>.

³³ Chicago Municipal Code § 9-84-023 (2023), https://codelibrary.amlegal.com/codes/chicago/latest/chicago_il/0-0-0-2647354.

³⁴ Saunders, “Eenie, Meenie, Miney, Mo . . . Who’s to Regulate This Tow?”

³⁵ George Miles, “Motor Vehicle Towing and Storage Rates and Charges,” Office of Legislative Research, December 31, 2018, Page 2-3, <https://www.cga.ct.gov/2018/rpt/pdf/2018-R-0310.pdf>

³⁶ Georgia Attorney General’s Consumer Protection Division, “Towing,” State of Georgia, Accessed December 3, 2023, <https://consumer.georgia.gov/consumer-topics/towing>.

vehicle weight of 10,000 pounds or less, \$300 for vehicles with a gross vehicle weight of 10,001 to 20,000 pounds, and \$450 for vehicles with a gross vehicle weight of greater or equal to 20,001 pounds. Storage fees correspond to the same vehicle weight categories. They are as follows: \$25 for vehicles with a gross vehicle weight of 10,000 pounds or less, \$30 for vehicles with a gross vehicle weight of 10,001 to 20,000 pounds, \$40 vehicles with a gross vehicle weight of greater or equal to 20,001 pounds.³⁷ Private property owners must provide notification of the risk of tow as well as rates.³⁸

Effect on Marginalized Communities

The impacts of towing are often felt unevenly among some community members. An investigative report of Oakland, California towing companies revealed a disproportionate amount of towing, particularly predatory towing, of low-income communities and communities of color.³⁹ In Chicago, an analysis by ProPublica Illinois and WBEZ revealed a wide disparity between neighborhoods: between 2008-2018 there were 12,946 tows in the majority black Ward 37, compared to only 130 in the majority white Ward 41.⁴⁰

Furthermore, the rate at which vehicles are used as homes has increased nationwide.⁴¹ Some vehicle owners who are experiencing homelessness will often live out of their vehicle, which makes the effect of a tow particularly detrimental.⁴² In addition to the loss of shelter, the fees associated with towing can often compound quickly, leaving the vehicle owner without any viable means to recover their vehicle or property.⁴³ San Francisco, California implemented a program where those experiencing homelessness can have their towing fees temporarily waived or reduced.⁴⁴

³⁷ Georgia Department of Public Safety, “Georgia Department of Public Safety Statewide Maximum Rate Tariff: Intrastate Maximum Rates and Charges Applying on Non-Consensual Towing,” State of Georgia, September 25, 2017, Page 3-4, <https://gamccd.net/Documents/NCTTariff.11.10.17.pdf>.

³⁸ United States Public Interest Research Group, “Getting Off the Hook of a Predatory Tow,” Page 16.

³⁹ Saunders, “Eenie, Meenie, Miney, Mo . . . Who’s to Regulate This Tow?”

⁴⁰ Elliot Ramos, “Chicago Police Impounded 250,000 Vehicles Since 2010. Here’s Why City Hall’s Rethinking That,” WBEZ Chicago, July 13, 2020, Accessed October 29, 2023, <https://www.wbez.org/stories/chicago-police-impounded-250000-vehicles-since-2010-heres-why-city-halls-rethinking-that/a085f94b-4a87-437b-837a-d5b4501a9168>.

⁴¹ Jessica Guynn, “Hidden homeless crisis: After losing jobs and homes, more people are living in cars and RVs and it’s getting worse,” *USA Today*, February 12, 2021, Accessed November 11, 2023, <https://www.usatoday.com/story/money/2021/02/12/covid-unemployment-layoffs-foreclosure-eviction-homeless-car-rv/6713901002/halls-rethinking-that/a085f94b-4a87-437b-837a-d5b4501a9168>.

⁴² National League of Cities, “Vehicular Homelessness and the Road to Housing During and After COVID-19,” National League of Cities, May 28, 2020, Accessed October 29, 2023, <https://www.nlc.org/article/2020/05/28/vehicular-homelessness-and-the-road-to-housing-during-and-after-covid-19/>.

⁴³ National League of Cities, “Vehicular Homelessness and the Road to Housing During and After COVID-19.”

⁴⁴ San Francisco Metro Transit Authority, “Waivers for people experiencing homelessness or low-income and reduction for first time tow,” SFMTA, Accessed October 29, 2023, <https://www.sfmta.com/getting-around/drive-park/towed-vehicles/reduced-fees-first-time-tow-and-low-income-individuals>.

Effects on the Towing Industry

While problematic towing practices have driven regulations of the industry, it is important to note the services towing companies provide to their community. Individuals use towing companies to move their car after a breakdown or to remove vehicles illegally parked on their property.⁴⁵ A report from *Fortune Business Insights* estimated the value of the nationwide towing industry to be worth approximately 5.88 billion dollars in 2021 and expects this to grow to 7.73 billion dollars by 2029.⁴⁶

The towing industry is largely understudied by academics, but the available evidence suggests most towing companies operate on relatively slim margins.⁴⁷ A report on the towing industry at large from *IBISWorld*, a market analysis firm, states that “even if industry sales had been rising as of 2023, profit had already been constrained by intense price rivalry.”⁴⁸ The effects of towing regulation on tow companies have yet to be adequately studied, but Vermont towing companies assert that it would severely harm their business.⁴⁹

Circumvention

Current reporting suggests that some tow companies have attempted to circumvent the Colorado “Towing Bill of Rights” through a variety of means. To prevent the loss of revenue from fee regulation, one Colorado-based company has begun offering high-interest loans to those who had their cars towed, with rates running up to 12% in at least one case.⁵⁰ Companies have refused certain forms of documentation, an act that some say is designed to make it harder for vehicle owners to retrieve their cars.⁵¹ Consumer protection advocates assert that these practices are predatory and harmful, while the towing companies insist their actions are both legal and necessary.⁵²

Conclusion

Towing can be a complex issue. Many states have begun to regulate towing in the wake of Colorado's “Towing Bill of Rights,” seeking to protect their residents from “predatory towing”

⁴⁵ Service Providers Network, “When and Why Do You Need a Tow Service? ,” SPN America, August 1, 2022, Accessed October 29, 2023, <https://spnamerica.com/blog/when-and-why-do-you-need-a-tow-service/>.

⁴⁶ Fortune Business Insights, “U.S Roadside Assistance Market Size, Share & COVID-19 Impact Analysis, By Providers, By Vehicle Type, By Services, and Country Forecasts, 2022-2029,” Fortune Business Insights, October 1, 2021, <https://www.fortunebusinessinsights.com/u-s-roadside-assistance-market-106886>.

⁴⁷ IBISWorld, “Automobile Towing in the US - Market Size, Industry Analysis, Trends and Forecasts (2023-2028),” IBISWorld, February 1, 2023, <https://www.ibisworld.com/united-states/market-research-reports/automobile-towing-industry/>.

⁴⁸ IBISWorld, “Automobile Towing in the US - Market Size, Industry Analysis, Trends and Forecasts (2023-2028).”

⁴⁹ Spencer Conlin, “Vermont tow-truck drivers warn proposed fee caps threaten businesses,” My Champlain Valley, March 29, 2019, Accessed October 29, 2023, <https://www.mychamplainvalley.com/news/local-news/vermont-tow-truck-drivers-warn-proposed-fee-caps-threaten-businesses/>.

⁵⁰ Sam Tabachnik, “A new law was supposed to revamp Colorado’s towing industry. Lawmakers say Wyatts Towing is flouting it,” The Denver Post, December 8, 2022, Accessed October 29th, 2023, <https://www.denverpost.com/2023/06/03/towing-colorado-new-legislation-wyatts-loans/>.

⁵¹ Tabachnik, “A new law was supposed to revamp Colorado’s towing industry.”

⁵² Tabachnik, “A new law was supposed to revamp Colorado’s towing industry.”

and other unfair practices. Towing companies have argued that regulations like those in Colorado negatively impact the industry. However, the potential effects of regulation on the towing industry remain unstudied.

This report was completed on December 11, 2023, by Elyse Giblin, Sebastian D’Amico, and Wiley Barzelay under the supervision of VLRS Director, Professor Anthony “Jack” Gierzynski in response to a request from the House Commerce & Economic Development Committee.

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