

Second Regular Session
Sixty-ninth General Assembly
STATE OF COLORADO

DRAFT
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BILL 5

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LLS NO. 14-0231.01 Jery Payne x2157

INTERIM COMMITTEE BILL

Transportation Legislation Review Committee

SHORT TITLE: "Nonconsensual Tow Motor Vehicle"

A BILL FOR AN ACT

101 **CONCERNING THE WEIGHT OF MOTOR VEHICLES THAT ARE SUBJECT TO**
102 **RATE REGULATION WHEN BEING TOWED WITHOUT THE OWNER'S**
103 **CONSENT.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)

Transportation Legislation Review Committee. Currently, the public utilities commission regulates rates for a nonconsensual tow of a motor vehicle if the vehicle is 10,000 pounds or less. The bill repeals the

*Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.*

10,000 pound limitation to apply the regulation to all vehicles.

The bill also creates a committee to advise the public utilities commission on rates and investigations of overcharges. The committee is made up of the following members:

- One member who represents the commission;
- One member who represents the chief of the Colorado state patrol;
- One member who represents a towing association;
- One member who represents towing carriers generally;
- One member who represents an association of automobile owners;
- One member who represents insurance companies;
- One member who represents an association of motor carriers;
- One member who represents local law enforcement agencies; and
- One member who represents consumers of towing services.

The commission must consult the committee when making rules about rate regulation. The committee sunsets in 2024.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, **add** 40-10.1-403 as
3 follows:

4 **40-10.1-403. Towing advisory committee - creation - rules -**
5 **repeal.** (1) THE TOWING ADVISORY COMMITTEE IS HEREBY CREATED
6 WITHIN THE DEPARTMENT OF REGULATORY AGENCIES.

7 (2) THE COMMITTEE CONSISTS OF NINE MEMBERS, APPOINTED AS
8 FOLLOWS:

9 (a) ONE MEMBER APPOINTED BY THE COMMISSION TO REPRESENT
10 THE COMMISSION;

11 (b) ONE MEMBER APPOINTED BY THE CHIEF OF THE COLORADO
12 STATE PATROL;

13 (c) ONE MEMBER APPOINTED BY THE COMMISSION TO REPRESENT
14 A TOWING ASSOCIATION WITHIN THE STATE;

1 (d) ONE MEMBER APPOINTED BY THE COMMISSION TO REPRESENT
2 TOWING CARRIERS WITHIN THE STATE BUT WHO DOES NOT REPRESENT A
3 TOWING ASSOCIATION;

4 (e) ONE MEMBER APPOINTED BY THE COMMISSION TO REPRESENT
5 AN ASSOCIATION OF AUTOMOBILE OWNERS WITHIN THE STATE;

6 (f) ONE MEMBER APPOINTED BY THE COMMISSION TO REPRESENT
7 INSURANCE COMPANIES WITHIN THE STATE;

8 (g) ONE MEMBER APPOINTED BY THE COMMISSION TO REPRESENT
9 AN ASSOCIATION OF MOTOR CARRIERS WITHIN COLORADO;

10 (h) ONE MEMBER APPOINTED BY THE COMMISSION TO REPRESENT
11 LOCAL LAW ENFORCEMENT AGENCIES; AND

12 (i) ONE MEMBER APPOINTED BY THE COMMISSION TO REPRESENT
13 CONSUMERS OF TOWING SERVICES.

14 (3) (a) THE MEMBERS OF THE COMMITTEE SERVE FOUR-YEAR
15 TERMS; EXCEPT THAT THE MEMBERS APPOINTED UNDER PARAGRAPHS (a)
16 TO (d) OF SUBSECTION (2) OF THIS SECTION SERVE INITIAL TERMS OF TWO
17 YEARS.

18 (b) MEMBERS SERVE ONLY ONE TERM; EXCEPT THAT A MEMBER
19 WHO SERVES A TERM OF TWO YEARS MAY SERVE A SECOND TERM.

20 (c) THE MEMBERS SHALL ELECT A CHAIR FROM AMONG THEIR
21 MEMBERSHIP.

22 (4) WHEN PROMULGATING OR AMENDING RULES CONCERNING
23 RATE REGULATION OF TOW CARRIERS, THE COMMISSION SHALL CONSULT
24 WITH THE COMMITTEE.

25 (5) THE COMMITTEE HAS THE FOLLOWING DUTIES AND POWERS:

26 (a) TO MAKE COMPREHENSIVE RECOMMENDATIONS TO THE
27 COMMISSION ABOUT THE MAXIMUM RATES THAT MAY BE CHARGED FOR THE

1 RECOVERY, TOWING, AND STORAGE OF A VEHICLE THAT HAS BEEN TOWED
2 WITHOUT THE OWNER'S CONSENT.

3 (b) TO ADVISE THE COMMISSION OR THE STAFF OF THE
4 DEPARTMENT OF REGULATORY AGENCIES CONCERNING INVESTIGATIONS
5 OF OVERCHARGES MADE BY TOWING CARRIERS IN VIOLATION OF THIS
6 TITLE.

7 (6) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2024. PRIOR TO
8 THE REPEAL, THE DEPARTMENT OF REGULATORY AGENCIES SHALL REVIEW
9 THE ADVISORY COMMITTEE IN ACCORDANCE WITH SECTION 2-3-1203,
10 C.R.S.

11 **SECTION 2.** In Colorado Revised Statutes, 42-4-1809, **amend** (2)
12 introductory portion and (2) (a) as follows:

13 **42-4-1809. Proceeds of sale.** (2) If the sale of any motor vehicle
14 and its attached accessories or equipment under ~~the provisions of~~ section
15 42-4-1805 produces an amount greater than the sum of all charges of the
16 operator who has perfected his or her lien:

17 (a) The ENTITY RECEIVING THE proceeds shall first satisfy the
18 operator's reasonable fee arising from the sale of the motor vehicle and the
19 cost and fees of towing and storing the abandoned motor vehicle, ~~with~~
20 SUBJECT TO a maximum charge ~~that is~~ specified in rules promulgated by the
21 public utilities commission that govern nonconsensual tows by towing
22 carriers. ~~In the case of an abandoned motor vehicle weighing in excess of~~
23 ~~ten thousand pounds, the operator's charges shall be determined by~~
24 ~~negotiated agreement between the operator and the responsible law~~
25 ~~enforcement agency.~~

26 **SECTION 3.** In Colorado Revised Statutes, 2-3-1203, **add** (3) (kk)
27 (l) as follows:

1 **2-3-1203. Sunset review of advisory committees.** (3) The
2 following dates are the dates for which the statutory authorization for the
3 designated advisory committees is scheduled for repeal:

4 (kk) SEPTEMBER 1, 2024:

5 (l) THE TOWING CARRIER ADVISORY COMMITTEE;

6 **SECTION 4. Act subject to petition - effective date -**
7 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following
8 the expiration of the ninety-day period after final adjournment of the
9 general assembly (August 6, 2014, if adjournment sine die is on May 7,
10 2014); except that, if a referendum petition is filed pursuant to section 1
11 (3) of article V of the state constitution against this act or an item, section,
12 or part of this act within such period, then the act, item, section, or part will
13 not take effect unless approved by the people at the general election to be
14 held in November 2014 and, in such case, will take effect on the date of the
15 official declaration of the vote thereon by the governor.

16 (2) This act applies to charges assessed on or after the applicable
17 effective date of this act.