

Department of Planning and Budget

2008 Fiscal Impact Statement

1. Bill Number: HB1012

House of Origin X Introduced Substitute Engrossed
Second House In Committee Substitute Enrolled

2. Patron: Hugo

3. Committee: Transportation

4. Title: **Towing.**

5. Summary: This bill requires that a vehicle has insurance providing coverage for towing, recovery, and storage fees in order to be considered an “insured motor vehicle” for the purpose of vehicle registration. The bill further allows tow trucks to use crossovers on controlled-access highways when providing a public safety towing and recovery service. Additionally, the bill repeals the provision that allows insurance company agents and persons subject to a vehicle security interest to have vehicles that have been towed as the result of a police-towing request to be towed to another location (“secondary tow”). Also repealed is the requirement that towing and recovery businesses accept insurance company checks in payment for towing, recovery, and storage charges. The bill also allows the Board for Towing and Recovery Operators to promulgate regulations specifying additional training or conditions for individuals seeking tow truck authorization documents. The bill, further, exempts from the requirement that tow truck operators have tow truck authorization documents issued by the Board for Towing and Recovery Operators tow trucks that are (i) towing vehicles from origins in another state and are passing through the Commonwealth to destinations outside the Commonwealth, or (ii) towing vehicles from origins in another state to destinations in the Commonwealth, or (iii) not engaged to towed vehicles by physical, mechanical means that cause the towed vehicle to be moved or lifted off the ground. Finally, the bill provides that a person cannot be refused a license or a tow truck driver authorization document by the Board for Towing and Recovery Operators solely because of a prior criminal conviction, unless the criminal conviction directly relates to the towing and recovery of vehicles and safety of the users of the services offered by such licensee or holder of a tow truck authorization document.

6. No fiscal impact. Preliminary.

7. Budget amendment necessary: No.

8. Fiscal implications: The requirements of this legislation would not result in additional expenses for the Board for Towing and Recovery Operators. Its impact on the Board relates to verification of insurance. The Board has taken this into consideration during its budget preparation and submission.

9. Specific agency or political subdivisions affected: Board of Towing and Recovery Operators.

10. Technical amendment necessary: No.

11. Other comments: No.

Date: 1/14/2008/jlv

Document: G:\08-10\FIS\HB 1012.Doc Janet Vogelgesang

cc: Secretary of Transportation