§§1-15,25,26 -C.56:13-7 to 56:13-23 §§25,26 - Note to §§16-24 §24 - Repealer

## P.L. 2007, CHAPTER 193, approved October 24, 2007 Assembly, No. 4053 (Second Reprint)

1 **AN ACT** concerning towing and towing operators and supplementing P.L.1960, c.39 (C.56:8-1 et seq.) and amending various parts of statutory law.

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**BE IT ENACTED** by the Senate and General Assembly of the State of New Jersey:

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1. (New section) This <sup>2</sup>[law] <u>act</u><sup>2</sup> shall be known and may be cited as the "Predatory Towing Prevention Act."

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- 2. (New section) The Legislature finds and declares that:
- a. While the majority of tow truck operators in New Jersey are reputable service providers, some unscrupulous towers are engaged in predatory practices victimizing consumers whose vehicles are parked on public streets and private property;
- b. Predatory towing practices include charging unwarranted or excessive fees, particularly in connection with towing vehicles from private parking lots which do not display any warnings to the vehicle owners, or overcharging consumers for towing services provided under circumstances where the consumer <sup>2</sup>[either]<sup>2</sup> has no meaningful opportunity to withhold consent;
- c. The legitimate business interests of tow truck operators and the needs of private property owners for relief from unauthorized parking must be balanced with the interest in providing appropriate protection to consumers;
- d. Whatever authority exists in the law to regulate towing and towing companies is fragmented among various State agencies and local governments, so that inconsistent or inadequate regulation often results, with insufficient recourse provided under the law; and
- e. Therefore, it is in the public interest to create a coordinated, comprehensive framework to establish and enforce minimum standards for tow truck operators.

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- 3. (New section) As used in this act:
- <sup>1</sup>"Basic towing service" means towing as defined in this section and other ancillary services as may be specified by the director by regulation.

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

<sup>&</sup>lt;sup>1</sup>Assembly ACO committee amendments adopted May 17, 2007.

<sup>&</sup>lt;sup>2</sup>Senate floor amendments adopted June 21, 2007.

1 "Consumer" means a natural person.<sup>1</sup>

"Contract rate" means fees for towing services established under a contract between a towing company and a State agency or political subdivision <sup>1</sup>, including, but not limited to, independent authorities and instrumentalities thereof <sup>1</sup>.

1"Decoupling fee" means 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.

"Division" means the Division of Consumer Affairs in the Department of Law and Public Safety.

"Director" means the Director of the Division of Consumer Affairs.

"Motor vehicle" includes all vehicles propelled otherwise than by muscular power, excepting such vehicles as run only upon rails or tracks and motorized bicycles, motorized scooters, motorized wheelchairs and motorized skateboards.

1"Non-consensual towing" means the towing of a motor vehicle from private or public property without the consent of the owner or operator of the vehicle.

"Person" means an individual, a sole proprietorship, partnership, corporation, limited liability company or any other business entity.

"Person with a substantial interest" means a director, officer or partner of, or any other person having an economic interest of 10 percent or more in, an applicant for, or holder of, a registration as a towing company, or any parent or subsidiary thereof.

"Towing" means the moving or removing from public or private property 'or from a storage facility' by a motor vehicle of '[another] a consumer's' motor vehicle that is damaged as a result of an accident or otherwise disabled, recovered after being stolen, or is parked illegally or otherwise without authorization, or the immobilization of or preparation for moving or removing of such motor vehicle, for which a service charge is made, either directly or indirectly '[, including any dues]. Dues' or other charges of clubs or associations which provide towing services 'to club or association members shall not be considered a service charge for purposes of this definition'.

"Towing company" means a person offering or performing towing services.

"Vehicle" means any device in, upon or by which a person or property is or may be transported upon a highway.

4. (New section)

a. No person shall offer to perform, or engage, or attempt to engage in the business of towing unless registered with the division.

b. An application for registration shall be made annually, or at such other interval as the director may determine, in writing to the director in the form prescribed by the director and shall be accompanied by a fee, set by the director in a reasonable amount sufficient to defray the division's expenses incurred in administering and enforcing P.L., c. (C.) (pending before the Legislature as this bill).

- c. The applicant shall state the complete street address of the location or locations from which the business of towing shall be conducted, indicating which is the principal location.
- d. The applicant shall state the complete street address of the location of each of its storage facilities and whether each is secured or unsecured.
- e. The applicant shall enumerate the types of towing services that the applicant intends to provide and a description of the vehicles, including vehicle registration number, weight, number of wheels and purpose, with which the applicant intends to provide the services.
- f. The application shall include a valid original certificate of insurance from an insurer authorized to do business in the State and a schedule of insured motor vehicles that are to be utilized by the applicant, including the amounts of the garage keeper's legal liability coverage and any "on hook" coverage as an endorsement or contained in a separate schedule, and liability insurance coverage which meets or exceeds the requirements set forth in section 6 of P.L., c. (C. ) (pending before the Legislature as this bill).
- g. The applicant shall include a tariff listing the services that the applicant provides and the fee charged for each service, which meets the requirements of section 8 of P.L. , c. (C. ) (pending before the Legislature as this bill).
- h. The applicant shall disclose whether the applicant or a person with a substantial interest in the applicant, or any towing company in which such person was a person with a substantial interest and serving in that capacity at the time the conduct or conviction required to be disclosed pursuant to this subsection occurred, has engaged in any of the conduct, or was convicted of a crime, specified in subsection a. of section 5 of P.L. , c. (C. ) (pending before the Legislature as this bill).
- i. The applicant shall furnish any additional information as may be required by the director.
  - j. If any of the information required to be included in the application changes, or if additional information should be added after the filing of the application, the applicant shall provide that information to the director, in writing, within 30 calendar days of the change or addition.
- k. Upon issuance of the registration, the division shall provide the registrant with decals and accompanying notices to be affixed to

each motor vehicle identified in the application as owned or leased by the registrant to be used to perform towing services.

- 5. (New section)
- a. The director may refuse to issue or may suspend or revoke, any registration issued by him upon proof that the applicant or holder of the registration or, if the applicant is an entity, a person with a substantial interest in the applicant or holder of a registration, or any towing company in which such person was a person with a substantial interest and was serving in such capacity at the time the conduct or conviction required to be disclosed pursuant to this subsection occurred:
- (1) has obtained a registration through fraud, deception or misrepresentation;
- (2) has engaged in the use or employment of dishonesty, fraud, deception, misrepresentation, false promise or false pretense;
  - (3) has engaged in gross negligence or gross incompetence;
  - (4) has engaged in repeated acts of negligence or incompetence;
- (5) has engaged in professional or occupational misconduct as may be determined by the director;
- (6) has had his authority to engage in the activity regulated by the director revoked or suspended by any other state, agency or authority for reasons consistent with this section;
- (7) has violated or failed to comply on more than three occasions with the provisions of section 8 of P.L. , c. (C. ) (pending before the Legislature as this bill) or violated or failed to comply with the provisions of any other act or regulation administered by the director; or
  - (8) has been convicted of:
- (a) a crime under Chapter 11, 12, 13 14 or 15 under Title 2C of the New Jersey Statutes;
- (b) motor vehicle theft or any crime involving a motor vehicle under Chapter 20 of Title 2C of the New Jersey Statutes; or
- (c) any other crime under Title 2C of the New Jersey Statutes relating adversely to the performance of towing services or the storage of motor vehicles as determined by the director by regulation.
- b. A final refusal to register, or the suspension or revocation of a registration shall not be made except upon reasonable notice to the applicant or registrant, and an opportunity for the applicant or registrant to be heard.

6. (New section) a. A towing company shall maintain liability insurance which meets or exceeds the requirements of this section, <sup>1</sup>or such other amounts as the director may determine by regulation, <sup>1</sup> including in the case of each light-medium duty tow truck, motor vehicle liability insurance coverage for the death of, or injury to, persons and damage to property for each accident or

occurrence in the amount of at least \$750,000 single limit, and in the case of each heavy-duty tow truck, motor vehicle liability insurance coverage for the death of or injury to persons and damage to property for each accident or occurrence in the amount of at least \$1,000,000 single limit.

- b. The director shall be named as an additional insured under each insurance policy required under subsection a. of this section and each policy shall provide that the issuer give the director at least 10 days written notice of its intention to cancel or not renew the policy.
- ¹c. Nothing in this section shall preclude a State agency or political subdivision, or the independent authorities or instrumentalities thereof, from requiring additional or higher liability insurance coverages or amounts with respect to contracts for towing and storage services awarded under the authority of such agency, subdivision, authority or instrumentality.¹

- 7. (New section) a. No person shall tow any motor vehicle parked for an unauthorized purpose from any privately owned parking lot, from other private property or from any common driveway without the consent of the motor vehicle owner or operator, unless the person is registered with the division 'pursuant to section 4 of P.L., c. (C.) (pending before the Legislature as this bill)¹ and ¹[the parking lot or private property has] there is¹ posted in a conspicuous place at all ¹vehicular¹ entrances to the property which can be easily be seen by the public, a sign no smaller than 36 inches high and 36 inches wide stating:
- (1) the purpose or purposes for which parking is authorized and the times during which such parking is permitted;
- (2) that unauthorized parking is prohibited and unauthorized motor vehicles will be towed at the owner's expense;
- (3) the name, address, and telephone number of the towing company that will perform the towing;
- (4) the charges, which shall not exceed the fee specified in the tariff on file with the director, for the towing and storage of towed motor vehicles; and
- (5) the street address of the storage facility where the towed vehicles can be redeemed after payment of the posted charges and the times during which the vehicle may be redeemed.
- b. A towing company shall not remove a motor vehicle from private property <sup>1</sup>without the consent of the owner or operator of the vehicle, <sup>1</sup> without first obtaining the written authorization from the property owner or lessee, or its employee or agent, who shall be present at the time of removal and verify the alleged violation <sup>1</sup>if it occurs during normal business hours of any premises at the location operated by the property owner or lessee authorizing the removal of the vehicle <sup>1</sup>, except that general authorization in writing shall be

- sufficient for the removal of a motor vehicle parked on private property within 15 feet of a fire hydrant, standpipe or other water source for fighting fires; in a fire lane; '[or]' in a manner that interferes with the entrance to or exit from the property '; or if the violation occurs at a time other than during normal business hours of the premises of the property owner or lessee authorizing the removal of the vehicle'.
  - c. Except as provided in subsection d. of this section, the owner or person in lawful possession of private property may cause the removal of the motor vehicle parked on the property to a storage facility within a reasonable distance of the property if signs are posted on the property as required under section a. of this section and the towing company complies with the requirements of this act.
  - d. The provisions of subsection a. shall not apply to a motor vehicle parked on a lot or parcel on which is situated a single-family unit or an owner occupied multi-unit structure of not more than six units or in front of any driveway where the motor vehicle is blocking access to that driveway.

- 8. (New section) a. The director by regulation shall establish a schedule of towing and storage services for which a towing company may charge a service fee <sup>1</sup>, and shall specify services that are ancillary to and included as part of basic towing services for which no fees in addition to the basic towing service fee may be charged <sup>1</sup>.
- b. All towing companies shall file with the division a tariff which lists the services the towing company provides and the fee that the towing company charges for each service, which fees shall be reasonable and not excessive.
- (1) A towing company shall file its tariffs at least annually, in the manner prescribed by the director, and may amend the services it provides or the fees it charges for services provided by filing an amended tariff with the division, provided however that a towing company may not charge amended fees set forth in an amended tariff until the division provides confirmation of receipt of the amended tariff. A towing company may not modify its tariff more than once during any three month period, except to add or delete a service, reduce a fee or conform to the requirements of this section.
- (2) A towing company's fee for a towing service shall be presumed unreasonable and excessive if the fee exceeds 150%, or a different percentage established by the director by regulation, of the average fee for such service charged in the county of the towing company's principal location, which figure shall be calculated based upon the fees charged for such service as reported in the tariffs filed by all towing companies with principal locations in the same county and shall be published on an Internet website in accordance with this subsection c. of this section.

- (3) The presumption set forth in paragraph (2) of this subsection shall not apply until the first day of the third month after the Internet website authorized by subsection c. of this section becomes operative.
- c. The division shall collect and maintain the tariffs filed pursuant to subsection a. of this section in an electronic system, and the director shall cause the tariff data to be organized and made available to the public on an Internet website in a format that enables consumers to review the fees for towing services charged by each registered towing company in the State. The electronic system shall calculate annually and make available on the website the average cost, broken down by towing service and county, of the <sup>1</sup>[fee charged of] fees for each towing service [fee] charged by the towing companies operating in each county in the State.
- <sup>1</sup>d. Nothing in this section shall be deemed to limit the authority of a State agency or political subdivision, or the independent authorities or instrumentalities thereof, to establish contract rates for towing and storage services in accordance with a contract awarded under the authority of such agency, subdivision, authority, or instrumentality. 1

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- 9. (New section)
- a. No person shall tow a motor vehicle pursuant to section 7 of ) (pending before the Legislature as this bill) to a storage facility or store such vehicle at a storage facility unless the storage facility:
- (1) has a business office open to the public between 8 a.m. and 6 p.m. at least five (5) days a week, excluding holidays; and
- (2) is secured and, if it is an outdoor storage facility, lighted from dusk to dawn.
- b. A towing company shall provide reasonable accommodations for after-hours release of stored motor vehicles and shall not charge a release fee or other charge for releasing motor vehicles to their owners after normal business hours or on weekends.

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- 10. (New section) It shall be an unlawful practice for any towing company:
- a. To fail to affix on a motor vehicle used to provide towing services the proper decal issued by the division and a notice stating:

"This tow truck is registered with the New Jersey Division of Consumer Affairs. The driver is required to provide you with a written schedule of the fees charged for towing and storage services before providing that service to you, including those services for which there is no fee. If the fee charged is in excess of the fee listed on the schedule, please notify the Division of Consumer Affairs at ###-###-###."

b. (1) Except as otherwise provided in paragraph (2) of this subsection, to fail to provide the person whose motor vehicle is to be towed, prior to providing any towing services, a written schedule of fees, the information contained in the notice required under subsection a. above, the following legend, and such other information as determined by the director:

"The fees set forth in the schedule may not exceed the tariff filed with the Division of Consumer Affairs. You may review the tariff on the Division's website at XXXXX@dca.lps.state.nj.us. The filing of a tariff with the Division of Consumer Affairs does not imply endorsement of the fees and charges set forth in the tariff."

- (2) To fail to provide the schedule and information required under paragraph (1) of this subsection immediately upon being contacted by the person whose motor vehicle was towed, if that person was not present at the time the towing services were provided.
- c. To make, give, or cause any undue or unreasonable preference or advantage, or undue or unreasonable prejudice or disadvantage, to any person in any particular locality, with respect to providing towing services. 

  1 The provision of towing services by a club or association to its members in exchange for the payment of dues or similar membership charges, which club or association membership is generally available to the public, shall not be deemed an undue or unreasonable preference or advantage within the meaning of this section.
- d. To give any benefit or advantage, including a pecuniary benefit, to any person for providing information about motor vehicles parked for unauthorized purposes on privately owned property or otherwise in connection with towing from privately owned property motor vehicles parked without authorization.
- e. <sup>1</sup>To fail, when so requested by the owner or operator of a vehicle subject to non-consensual towing, to release a vehicle to the owner or operator that has been, or is about to be, hooked or lifted but has not actually been moved or removed from the property when the vehicle owner or operator returns to the vehicle, or to charge the owner or operator requesting release of the vehicle more than the decoupling fee specified in the tariff.
- f. To charge any fee [in excess of the lesser of] other than any applicable contract rate or '[that], in the absence of an applicable contract rate, the 2lesser of the rate set forth in an applicable schedule of fees or other charges established by municipal ordinance adopted pursuant to section 1 of P.L. 1979, c.101 (C. 40:48-2.49) or the rate specified in lits the towing company's<sup>2</sup> tariff on file with the director, or to charge a fee <sup>1</sup>in an amount or for a service 1 not listed on the tariff on file with the director at the time <sup>1</sup>except as may be permitted by the director by regulation<sup>1</sup>. <sup>2</sup>Nothing in this section shall preclude a towing company, acting on behalf of a club or association, from charging members of the club or association a fee at a rate established by

contract between the towing company and the club or association
which is lower than the rate specified in the towing company's tariff
on file with the director, provided that membership in such club or
association is generally available to the public and that such rates
are filed with the director pursuant to section 8 of this act.<sup>2</sup>

<sup>1</sup>[f] g<sup>1</sup>. To refuse to accept for payment in lieu of cash or an insurance company check for towing or storage services a debit card, charge card or credit card if the operator ordinarily accepts such card at his place of business, unless such refusal is authorized in accordance with section 4 of P.L.2002, c.67, (C.56:13-4) as amended by P.L. , c. (C. ) (pending before the Legislature as this bill).

## 11. (New section)

Every towing company shall retain and make available for inspection by the division for a period of three years, invoices, job orders, logs, claims for reimbursement from insurance companies and other documentation relating to towing services performed and rates charged for the services.

## 12. (New section)

There is created in the Department of the Treasury a special dedicated, non-lapsing fund to be known as the "Towing and Storage Administration and Enforcement Fund." The fund shall be the depository for fees, cost recoveries and penalties collected under P.L., c. (C.) (pending before the Legislature as this bill). Monies deposited in the fund and the interest earned thereon shall be used for the administration of this act. The Legislature shall annually appropriate from the fund monies to the division for the administration of this act.

- 32 13. (New section) <sup>2</sup>[Rules and regulations; contracting authority.]<sup>2</sup>
  - a. The director, pursuant to the provisions of the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), may promulgate rules and regulations to effectuate the purposes of this act.
    - b. The division may contract with a public or private entity for the purpose of developing, administering and maintaining the registration process and the electronic data base for tariffs provided for in section 8 of P.L., c. (C.) (pending before the Legislature as this bill).

14. (New section) a. The provisions of this act shall preempt any political subdivision from <sup>2</sup>[regulating,]<sup>2</sup> requiring or issuing any registration or license of any towing company <sup>2</sup>in addition to that which is required by section 4 of this act<sup>2</sup>.

- 1 '[b.]' This section shall not limit the existing authority of a political subdivision to:
  - (1) license and collect a general and nondiscriminatory tax upon all businesses; or
  - (2) impose any additional requirements or conditions as part of any contract to perform towing and recovery services for that jurisdiction.
  - <sup>1</sup>b. The provisions of this act shall not be deemed to limit the authority of the <sup>2</sup>[new] New<sup>2</sup> Jersey Turnpike Authority or the <sup>2</sup>[south] South<sup>2</sup> Jersey Transportation Authority to establish rules and regulations governing the provision of towing and storage services on the roadways and properties under each entity's respective control.<sup>1</sup>

- 15. (New section)  ${}^{1}$ [(a)] <u>a.</u>  ${}^{1}$  It is an unlawful practice and a violation of P.L.1960, c.39 (C.56:8-1 et seq.) to violate any provision of this act.
- <sup>1</sup>**[**(b)**]** <u>b.</u> <sup>1</sup> In addition to any penalties or other remedies provided in P.L.1960, c.39 (C.56:8-1 et seq.), the director may order a towing company that has billed a consumer or insurer an amount in excess of the fee specified in its filed tariff for the service provided to reimburse the consumer or insurer for the excess cost with interest.

- 16. Section 2 of P.L. 2002, c. 77 (C.27:23-6.2) is amended to read as follows:
- 2. a. An operator awarded a contract for towing and storage services by the New Jersey Turnpike Authority shall register with the authority. <sup>1</sup>[The authority shall register any towing company] In order to be eligible to bid for the award of such a contract, an operator shall have <sup>1</sup> registered with the Division of Consumer Affairs in the Department of Law and Public Safety <sup>1</sup>pursuant to section 4 of P.L. , c. (C. ) (pending before the Legislature as this bill) <sup>1</sup>. Upon issuance of the registration, the authority shall provide the operator with two decals and accompanying notices for each tow truck owned or leased by that operator and to be used under the terms of the contract. The decals and the accompanying notices, which shall be of a distinctive design and color, shall be conspicuously displayed on the exterior of each such tow truck in a manner and location prescribed by the authority.

The decals shall set forth a specific registration number for each registered tow truck. The notices shall include a statement indicating substantially the following: "This tow truck is registered with the New Jersey Highway Authority. The driver is required to provide you with a written schedule of the fees charged for towing and storage services before providing that service to you, including those services for which there is no fee. If the fee charged is in excess of the fee listed on the schedule, please notify the authority

- or the New Jersey Division of Consumer Affairs." An operator shall file a copy of the schedule of fees with the authority. Upon request of the Division of Consumer Affairs in the Department of Law and Public Safety, the authority shall provide a list of the registered tow trucks to the division, in addition to a copy of the schedule of fees.
  - b. Prior to providing any towing services, a driver of a tow truck shall provide the person whose vehicle is to be towed a written schedule of fees and shall recite the information contained in the notice.
  - c. An operator who fails to display the decals and notices required by subsection a. of this section or the driver of a tow truck who fails to provide a person to be towed the written schedule of fees or recite the information contained in the notice prior to providing a towing service as required by subsection b. of this section shall be subject to a fine of \$300 for the first offense. For the second and any subsequent offense the operator or the driver, as the case may be, shall be subject to a fine of \$600.
  - d. It shall be an unlawful practice and a violation of P.L.1960, c.39 (C.56:8-1 et seq.) for any person to charge a fee in excess of the fee listed in the written schedule of fees provided pursuant to subsection a. of this section.
  - e. If an operator or the driver of an operator's tow truck is convicted a third time for violation of any provisions of this section, the authority may, in its discretion, terminate the operator's contract for towing and storage services with the authority.

26 (cf: P.L.2002, c.77, s.2)

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- 17. Section 3 of P.L. 2002, c. 77 (C.27:25A-8.1) is amended to read as follows:
- 30 3. a. An operator awarded a contract for towing and storage 31 services by the South Jersey Transportation Authority shall register 32 with the authority. <sup>1</sup>[The authority shall register any towing 33 company In order to be eligible to bid for the award of such a 34 contract, an operator shall have registered with the Division of 35 Consumer Affairs in the Department of Law and Public Safety <sup>1</sup>pursuant to section 4 of P.L. , c. (C. ) (pending before the 36 Legislature as this bill)<sup>1</sup>. Upon issuance of the registration, the 37 authority shall provide the operator with two decals and 38 39 accompanying notices for each tow truck owned or leased by that operator and to be used under the terms of the contract. The decals 40 41 and the accompanying notices, which shall be of a distinctive 42 design and color, shall be conspicuously displayed on the exterior 43 of each such tow truck in a manner and location prescribed by the 44 authority.
  - The decals shall set forth a specific registration number for each registered tow truck. The notices shall include a statement indicating substantially the following: "This tow truck is registered

- with the New Jersey Highway Authority. The driver is required to provide you with a written schedule of the fees charged for towing and storage services before providing that service to you, including those services for which there is no fee. If the fee charged is in excess of the fee listed on the schedule, please notify the authority or the New Jersey Division of Consumer Affairs." An operator shall file a copy of the schedule of fees with the authority. Upon request of the Division of Consumer Affairs in the Department of Law and Public Safety, the authority shall provide a list of the registered tow trucks to the division, in addition to a copy of the schedule of fees.
  - b. Prior to providing any towing services, a driver of a tow truck shall provide the person whose vehicle is to be towed a written schedule of fees and shall recite the information contained in the notice.
  - c. An operator who fails to display the decals and notices required by subsection a. of this section or the driver of a tow truck who fails to provide a person to be towed the written schedule of fees or recite the information contained in the notice prior to providing a towing service as required by subsection b. of this section shall be subject to a fine of \$300 for the first offense. For the second and any subsequent offense the operator or the driver, as the case may be, shall be subject to a fine of \$600.
  - d. It shall be an unlawful practice and a violation of P.L.1960, c.39 (C.56:8-1 et seq.) for any person to charge a fee in excess of the fee listed in the written schedule of fees provided pursuant to subsection a. of this section.
  - e. If an operator or the driver of an operator's tow truck is found to have convicted a third time for violation of any provisions of this section, the authority may, in its discretion, terminate the operator's contract for towing and storage services with the authority.
- 31 (cf: P.L.2002, c.77, s.3)

- 33 18. Section 3 of P.L.1999, c. 396 (C.39:3-84.8) is amended to 34 read as follows:
  - 3. a. An application for tow truck registration shall contain the following information:
  - (1) The name and address of the towing company's principal owner or owners;
  - (2) The address of the principal business office of the towing company;
  - (3) The location of any garage, parking lot, or other storage area, where motor vehicles or other objects moved by the towing company may be stored or placed;
  - (4) A valid certificate of insurance and a schedule of insured vehicles that are to be utilized by the towing company from an insurer authorized to do business in the state, including the amounts of the garage keeper's legal liability coverage and any "on hook" coverage as an endorsement or contained in a separate schedule,

- 1 and liability insurance coverage, including in the case of each light-2 medium duty tow truck, motor vehicle liability insurance coverage 3 for the death of, or injury to. persons and damage to property for 4 each accident or occurrence in the amount of at least \$750,000 5 single limit, and in the case of each heavy-duty tow truck, motor 6 vehicle liability insurance coverage for the death of, or injury to, 7 persons and damage to property for each accident or occurrence in 8 the amount of at least \$1,000,000 single limit; and
  - (5) Documentation of the manufacturer's gross vehicle weight rating for each tow truck.
  - [If a system for the licensure of towing companies has been established pursuant to section 4 of P.L.1999, c.396 (C.39:3-84.9), the] The towing company shall include in the application a copy of the [license] registration issued to it pursuant to [that section] section 2 of P.L., c. (C. ) (pending before the Legislature as this bill).
  - Except as otherwise provided in this act, the registration for these vehicles shall be issued and renewed pursuant to the provisions of this Title.
- 20 (cf. P.L.1999, c.396, s.3)

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- 22 19. Section 1 of P.L.2002, c.67 (C.56:13-1) is amended to read 23 as follows:
  - 1. As used in this act:
  - "Charge card" means a credit card on an account for which no periodic rate is used to compute a finance charge.
  - "Credit card" means any card, plate, coupon book, or other single credit device that may be used from time to time to obtain credit.
  - "Operator" means a person who engages in the business of transporting [inoperable] motor vehicles that are inoperable or parked illegally or otherwise without authorization from public or private property to a site where repairs may be made or the vehicle may be stored and who may also perform motor vehicle repairs.

35 (cf. P.L.2002, c.67, s.1) 36

- 20. Section 3 of P.L. 2002, c. 67 (C.56:13-3) is amended to read as follows:
- 39 3. If the operator cannot repair the inoperable vehicle to the 40 satisfaction of the motorist he shall, with the motorist's consent, 41 subject to the provisions of P.L., c. (C. ) (pending before 42 the Legislature as this bill), transport the vehicle to the operator's 43 place of business or to another mutually agreed upon location. The 44 vehicle, once repaired, may be retained in the possession of the 45 operator or other repairer, as the case may be, pending payment, 46 pursuant to N.J.S.2A:44-20 et seq. The operator, if other than the 47 repairer, shall be eligible for reimbursement for transporting the 48 vehicle to the repair site. If the estimated cost of repairs exceeds

\$50, the motorist shall be given a written estimate of the repair costs.

3 (cf. P.L.2002, c.67, s.3)

21. Section 4 of P.L. 2002, c. 67 (C.56:13-4) is amended to read as follows:

For services rendered, or to redeem a motor vehicle from storage, the operator shall accept in payment either cash, a check issued by an insurance company, a valid debit card, or a valid major credit card or charge card subject to the provisions of subsection b. of this section.

b. [If after examining the card, the operator is unable to determine to his satisfaction the credit worthiness or financial responsibility of the motorist, the ] The operator may request additional identification, as determined by the Director of the Division of Consumer Affairs, before proceeding with repairs or towing. Unless the motorist is unable to produce such identification, or the operator has a bona fide reason to believe the card or other identification is fictitious, altered, stolen, expired or revoked or not valid for any other cause or is clearly offered with intent to defraud the issuer, the debit card, charge card or credit card shall be deemed an acceptable form of payment in lieu of cash if the operator ordinarily accepts the card at his place of business. Nothing in this act shall preclude payment by a motorist in the form of check or money order, if this form of payment is acceptable to the operator. (cf. P.L.2002, c.67, s.4)

<sup>2</sup>22. Section 1 of P.L.1973, c.137 (C.39:4-56.6) is amended to read as follows:

1. No person shall park or leave unattended a vehicle on private property without the consent of the owner or other person in control or possession of the property or for a period in excess of that for which consent was given, except in the case of emergency or disablement of the vehicle in which case the owner or operator thereof shall arrange for the expeditious removal of the vehicle. This section shall not apply to manufactured or mobile homes left unattended and for which there exists or existed a rental agreement to occupy a space on the property.

[The] Subject to the requirements of section 7 of P.L., c. (C. ) (pending before the Legislature as this bill), the owner or other person in control or possession of the property on which a vehicle is parked or left unattended in violation of this section may remove or hire another person to remove and store the vehicle. It shall be the obligation of the owner of the vehicle to pay the reasonable costs for the removal and for any storage which may result from such removal before he shall be entitled to recover the possession of the vehicle. If the owner of the vehicle refuses to pay such costs or fails to make any claim for the return of the vehicle

- 1 within 90 days after such removal, the vehicle may be sold at public
- 2 auction in accordance with the provisions of N.J.S.2A:44-20
- 3 through N.J.S.2A:44-31.<sup>2</sup>
- 4 (cf. P.L. 1999, c.340, s.10.)

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- <sup>2</sup>23. Section 1 of P.L.1979, c.101 (C.40:48-2.49) is amended to read as follows:
- 7 read as follows:
  8 1. Notwithstanding the provisions of section 1 of P.L.1973,
- 9 c.137 (C.39:4-56.6) or any other law, a municipality may regulate,
- by ordinance, the removal of motor vehicles from private or public
   property by operators engaged in such practice, including, but not
- limited to, the fees charged for storage following removal in
- limited to, the fees charged for storage following removal in accordance with section 3 of P.L.1987, c.127 (C.40:48-2.50), fees
- accordance with section 3 of P.L.1987, c.127 (C.40:48-2.50), fees charged for such removal, notice requirements therefore, and the
- mercantile licensing of such operators.
- The ordinance shall set forth non-discriminatory and nonexclusionary regulations governing operators engaged in the business of removing and storing motor vehicles. The regulations
- shall include, but not be limited to:
  - a. A schedule of fees or other charges which an operator may charge vehicle owners for towing services, storage services or both;
  - b. Minimum standards of operator performance, including but not limited to standards concerning the adequacy of equipment and facilities, availability and response time, and the security of vehicles towed or stored;
  - c. The designation of a municipal officer or agency to enforce the provisions of the ordinance in accordance with due process of law;
  - d. The requirement that such regulations and fee schedules of individual towers shall be made available to the public during normal business hours of the municipality.
- Nothing in this section shall be construed to authorize a
- 33 municipality to establish charges for services that are not included
- 34 <u>in the schedule of towing and storage services for which a towing</u>
- 35 company may charge a service fee established by the Director of
- 36 Consumer Affairs pursuant to section 8 of P.L., c. (C.)
- 37 (pending before the Legislature as this bill). Nothing in this section
- 38 shall be construed to exempt an operator from complying with the
- 39 requirements of P.L. , c. (C. ) (pending before the Legislature
- 40 <u>as this bill</u>).<sup>2</sup>
- 41 (cf: P.L.1997, c.387. s.1)

- 43 <sup>2</sup>[22.] <u>24.</u> The following sections are repealed:
- 44 Section 4 of P.L.1999, c.396 (C. 39:3-84.9);
- 45 Section <sup>2</sup>[1 of P.L. 1973, c. 137 (C.39:4-56.6);
- 46 Section 1 of P.L. 1979, c.101 (C.40:48-2.49);

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Sections 3 and ] <sup>2</sup> 4 of P.L. 1997, c. 387 <sup>2</sup> [(C.40:48-2.54 and 1  $(C.40:48-2.55)^2$ ; and 2 Section 5 of P.L. 1997, c.387 (C.56:8-2.26) 3 4 <sup>2</sup>[23.] <u>25.</u> If any section, subsection, clause or provision of this 5 act shall be adjudged unconstitutional or to be ineffective in whole 6 7 or in part, to the extent that it is not adjudged unconstitutional or is 8 not ineffective it shall be valid and effective and no other section, 9 subsection clause or provision of this act shall on account thereof be 10 deemed invalid or ineffective, and the applicability or invalidity of 11 any section, subsection, clause or provision of this act in any one or 12 more instances or under any one or more circumstances shall not be taken to affect or prejudice in any way its applicability or validity in 13 14 any other instance or under any other circumstances. 15 <sup>2</sup>[24.] <u>26.</u> This act shall take effect on the 360<sup>th</sup> day following 16 enactment, except that section 4 shall remain inoperative for 180 17 days following <sup>2</sup>[enactment] the effective date<sup>2</sup>, but the director 18 may take such anticipatory action as may be necessary to effectuate 19 20 that provision of this act. 21 22 23 24 Regulates certain tows and requires licensure of towing 25 26 companies.