

**SENATE, No. 2567**

---

**STATE OF NEW JERSEY**  
**213th LEGISLATURE**

---

INTRODUCED FEBRUARY 9, 2009

**Sponsored by:**  
**Senator ROBERT M. GORDON**  
**District 38 (Bergen)**

**SYNOPSIS**

Modifies "Predatory Towing Prevention Act."

**CURRENT VERSION OF TEXT**

As introduced.



1 AN ACT concerning towing and towing operators and amending and  
2 repealing various parts of statutory law.

3  
4 **BE IT ENACTED** *by the Senate and General Assembly of the State*  
5 *of New Jersey:*

6  
7 1. Section 3 of P.L.2007, c.193 (C.56:13-9) is amended to read  
8 as follows:

9 3. As used in this act:

10 "Basic towing service" means towing as defined in this section  
11 and other ancillary services as may be specified by the director by  
12 regulation.

13 "Consumer" means a natural person.

14 **["Contract rate" means fees for towing services established**  
15 **under a contract between a towing company and a State agency or**  
16 **political subdivision, including, but not limited to, independent**  
17 **authorities and instrumentalities thereof.]**

18 "Decoupling fee" means a charge by a towing company for  
19 releasing a motor vehicle to its owner or operator when the vehicle  
20 has been, or is about to be, hooked or lifted by a tower, but prior to  
21 the vehicle actually having been moved or removed from the  
22 property.

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

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

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

31 "Non-consensual towing" means the towing of a motor vehicle  
32 **【from private or public property】** without the consent of the owner  
33 or operator of the vehicle.

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

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

40 "Private property owner" means the owner or lessee of private  
41 property, or an agent of such owner or lessee, but shall not include a  
42 private property towing company acting as an agent of such owner  
43 or lessee.

**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.**

1       "【Towing】 Private property towing " means the 【moving or  
2 removing】 non-consensual towing from 【public or】 private  
3 property or from a storage facility by a motor vehicle of a  
4 consumer's motor vehicle that is 【damaged as a result of an accident  
5 or otherwise disabled, recovered after being stolen, or is】 parked  
6 illegally , parked during a time at which such parking is not  
7 permitted, or otherwise parked without authorization, or the  
8 immobilization of or preparation for moving or removing of such  
9 motor vehicle, for which a service charge is made, either directly or  
10 indirectly. 【Dues or other charges of clubs or associations which  
11 provide towing services to club or association members shall not be  
12 considered a service charge for purposes of this definition.】

13       " 【Towing】 Private property towing company" means a person  
14 offering or performing private property towing services.

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

17 (cf: P.L.2007, c.193, s.3)

18

19       2. Section 7 of P.L.2007, c.193 (C.56:13-13) is amended to  
20 read as follows:

21       7. a. No person shall tow any motor vehicle parked for an  
22 unauthorized purpose or during a time at which such parking is not  
23 permitted from any privately owned parking lot, from other private  
24 property or from any common driveway without the consent of the  
25 motor vehicle owner or operator, unless 【the person is registered  
26 with the division pursuant to section 4 of P.L.2007, c.193 (C.56:13-  
27 10) and】 ;

28       (1) the person shall have entered into a contract for private  
29 property towing with the owner of the property;

30       (2) there is posted in a conspicuous place at all vehicular  
31 entrances to the property which can easily be seen by the public, a  
32 sign no smaller than 36 inches high and 36 inches wide stating:

33       【(1)】 (a) the purpose or purposes for which parking is authorized  
34 and the times during which such parking is permitted;

35       【(2)】 (b) that unauthorized parking is prohibited and  
36 unauthorized motor vehicles will be towed at the owner's expense;

37       【(3)】 (c) the name, address, and telephone number of the towing  
38 company that will perform the towing;

39       【(4)】 (d) the charges 【, which shall not exceed the fee specified  
40 in the tariff on file with the director,】 for the towing and storage of  
41 towed motor vehicles; 【and】

42       【(5)】 (e) the street address of the storage facility where the  
43 towed vehicles can be redeemed after payment of the posted  
44 charges and the times during which the vehicle may be redeemed;  
45 and

1       (f) such contact information for the Division of Consumer  
2 Affairs as may be required by regulation;

3       (3) the property owner has authorized the person to remove the  
4 particular motor vehicle; and

5       (4) the person tows the motor vehicle to a secure storage facility  
6 that is located within a reasonable distance of the property from  
7 which the vehicle was towed.

8       b. **【A towing company shall not remove a motor vehicle from**  
9 **private property without the consent of the owner or operator of the**  
10 **vehicle, without first obtaining the written authorization from the**  
11 **property owner or lessee, or its employee or agent, who shall be**  
12 **present at the time of removal and verify the alleged violation if it**  
13 **occurs during normal business hours of any premises at the location**  
14 **operated by the property owner or lessee authorizing the removal of**  
15 **the vehicle, except that general authorization in writing shall be**  
16 **sufficient for the removal of a motor vehicle parked on private**  
17 **property within 15 feet of a fire hydrant, standpipe or other water**  
18 **source for fighting fires; in a fire lane; in a manner that interferes**  
19 **with the entrance to or exit from the property; or if the violation**  
20 **occurs at a time other than during normal business hours of the**  
21 **premises of the property owner or lessee authorizing the removal of**  
22 **the vehicle】** No private property owner shall authorize the towing  
23 of any motor vehicle parked for an unauthorized purpose or during  
24 a time at which such parking is not permitted from the private  
25 property owner's property without the consent of the motor vehicle  
26 owner or operator, unless:

27       (1) the private property owner has contracted with a private  
28 property towing company for removal of vehicles parked on the  
29 property without authorization; and

30       (2) a sign that conforms that the requirements of paragraph (2) of  
31 subsection a. of this section is posted on the property .

32       c. **【Except as provided in subsection d. of this section, the**  
33 **owner or person in lawful possession of private property may cause**  
34 **the removal of the motor vehicle parked on the property to a storage**  
35 **facility within a reasonable distance of the property if signs are**  
36 **posted on the property as required under section a. of this section**  
37 **and the towing company complies with the requirements of this**  
38 **act.】** (Deleted by amendment, P.L. , c. ) (pending before the  
39 Legislature as this bill)

40       d. **【The provisions of subsection a.】** This section shall not  
41 apply to a motor vehicle parked on a lot or parcel on which is  
42 situated a single-family unit or an owner occupied multi-unit  
43 structure of not more than six units or in front of any driveway or  
44 garage entrance where the motor vehicle is blocking access to that  
45 driveway or garage entrance.

46       e. The requirements of paragraph (2) of subsection a. of this  
47 section shall not apply to a residential community in which parking

1 spaces are specifically assigned to community residents, provided  
2 that:

3 (1) the assigned spaces are clearly marked as such;

4 (2) there is specific documented approval by the property owner  
5 authorizing the removal of the particular vehicle; and

6 (3) a sign, which can easily be seen by the public, is posted in a  
7 conspicuous place at all vehicular entrances to the residential  
8 community property, stating that unauthorized parking in an  
9 assigned space is prohibited and unauthorized motor vehicles will  
10 be towed at the owner's expense, and providing information or a  
11 telephone number enabling the vehicle owner or operator to  
12 immediately obtain information as to the location of the towed  
13 vehicle.

14 The exemption in this subsection shall not apply to any private  
15 parking lot or parcel owned or assigned to a commercial or other  
16 nonresidential entity located in such residential communities.

17 (cf: P.L.2007, c.193, s.7)

18

19 3. Section 8 of P.L.2007, c.193 (C.56:13-14) is amended to  
20 read as follows:

21 8. a. The director by regulation shall establish a schedule of  
22 private property towing and related storage services for which a  
23 private property towing company may charge a service fee, and  
24 shall specify services that are ancillary to and included as part of  
25 basic private property towing services for which no fees in addition  
26 to the basic towing service fee may be charged.

27 b. **【All towing companies shall file with the division a tariff**  
28 **which lists the services the towing company provides and the fee**  
29 **that the towing company charges for each service, which fees shall**  
30 **be reasonable and not excessive】** All fees charged for non-  
31 consensual towing services and related storage services shall be  
32 reasonable and not excessive. Such fees shall be presumptively  
33 unreasonable and excessive if they exceed by more than 25 percent,  
34 or a different percentage established by the director by regulation,  
35 the usual and customary fee charged by the towing company or  
36 storage facility for such services when provided with the consent of  
37 the owner or operator of the vehicle, or if they exceed by more than  
38 50 percent, or a different percentage established by the director by  
39 regulation, the usual and customary fee charged for such  
40 nonconsensual towing or related storage service by other towing  
41 companies or storage facilities operating in the municipality from  
42 which the vehicle was towed. Notwithstanding the foregoing, such  
43 fees may not exceed the maximum amounts that may be charged for  
44 such services in accordance with any applicable schedule of fees by  
45 municipal ordinance adopted pursuant to section 1 of P.L.1979,  
46 c.101 (C:40:48-2.49).

47 (1) **【A towing company shall file its tariffs at least annually, in**  
48 **the manner prescribed by the director, and may amend the services**

1 it provides or the fees it charges for services provided by filing an  
2 amended tariff with the division, provided however that a towing  
3 company may not charge amended fees set forth in an amended  
4 tariff until the division provides confirmation of receipt of the  
5 amended tariff. A towing company may not modify its tariff more  
6 than once during any three-month period, except to add or delete a  
7 service, reduce a fee or conform to the requirements of this  
8 section.】 (Deleted by amendment, P.L. , c. ) (pending before the  
9 Legislature as this bill)

10 (2) 【A towing company's fee for a towing service shall be  
11 presumed unreasonable and excessive if the fee exceeds 150%, or a  
12 different percentage established by the director by regulation, of the  
13 average fee for such service charged in the county of the towing  
14 company's principal location, which figure shall be calculated based  
15 upon the fees charged for such service as reported in the tariffs filed  
16 by all towing companies with principal locations in the same county  
17 and shall be published on an Internet website in accordance with  
18 subsection c. of this section.】 (Deleted by amendment, P.L. , c. )  
19 (pending before the Legislature as this bill)

20 (3) 【The presumption set forth in paragraph (2) of this  
21 subsection shall not apply until the first day of the third month after  
22 the Internet website authorized by subsection c. of this section  
23 becomes operative.】 (Deleted by amendment, P.L. , c. ) (pending  
24 before the Legislature as this bill)

25 c. 【The division shall collect and maintain the tariffs filed  
26 pursuant to subsection a. of this section in an electronic system, and  
27 the director shall cause the tariff data to be organized and made  
28 available to the public on an Internet website in a format that  
29 enables consumers to review the fees for towing services charged  
30 by each registered towing company in the State. The electronic  
31 system shall calculate annually and make available on the website  
32 the average cost, broken down by towing service and county, of the  
33 fees for each towing service charged by the towing companies  
34 operating in each county in the State.】 (Deleted by amendment,  
35 P.L. , c. ) (pending before the Legislature as this bill)

36 d. 【Nothing in this section shall be deemed to limit the  
37 authority of a State agency or political subdivision, or the  
38 independent authorities or instrumentalities thereof, to establish  
39 contract rates for towing and storage services in accordance with a  
40 contract awarded under the authority of such agency, subdivision,  
41 authority, or instrumentality.】 (Deleted by amendment, P.L. , c. )  
42 (pending before the Legislature as this bill)  
43 (cf: P.L.2007, c.193, s.8)

44  
45 4. Section 9 of P.L.2007, c.193 (C.56:13-15) is amended to  
46 read as follows:

1       9. a. No person shall tow a motor vehicle pursuant to section 7  
2 of P.L.2007, c.193 (C.56:13-13) to a storage facility or store such  
3 vehicle at a storage facility unless the storage facility:

4       (1) has a business office open to the public between 8 a.m. and 6  
5 p.m. at least five (5) days a week, excluding holidays; and

6       (2) is secured and, if it is an outdoor storage facility, lighted  
7 from dusk to dawn.

8       b. A towing company shall provide reasonable  
9 accommodations for after-hours release of stored motor vehicles  
10 [and shall not charge a release fee or other charge for releasing  
11 motor vehicles to their owners after normal business hours or on  
12 weekends].

13 (cf: P.L.2007, c.193, s.9)

14  
15       5. Section 10 of P.L.2007, c.193 (C.56:13-16) is amended to  
16 read as follows:

17       10. It shall be an unlawful practice for any private property  
18 towing company:

19       a. [To fail to affix on a motor vehicle used to provide towing  
20 services the proper decal issued by the division and a notice stating:

21       "This tow truck is registered with the New Jersey Division of  
22 Consumer Affairs. The driver is required to provide you with a  
23 written schedule of the fees charged for towing and storage services  
24 before providing that service to you, including those services for  
25 which there is no fee. If the fee charged is in excess of the fee listed  
26 on the schedule, please notify the Division of Consumer Affairs at  
27 800-242-5846."

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

34       "The fees set forth in the schedule may not exceed the tariff filed  
35 with the Division of Consumer Affairs. You may review the tariff  
36 on the Division's website at [www.State.nj.us/lps/ca/home](http://www.State.nj.us/lps/ca/home). The  
37 filing of a tariff with the Division of Consumer Affairs does not  
38 imply endorsement of the fees and charges set forth in the tariff."

39       (2) To fail to provide the schedule and information required  
40 under paragraph (1) of this subsection immediately upon being  
41 contacted by the person whose motor vehicle was towed, if that  
42 person was not present at the time the towing services were  
43 provided.

44       c. To make, give, or cause any undue or unreasonable  
45 preference or advantage, or undue or unreasonable prejudice or  
46 disadvantage, to any person in any particular locality, with respect  
47 to providing towing services. The provision of towing services by a  
48 club or association to its members in exchange for the payment of

1 dues or similar membership charges, which club or association  
2 membership is generally available to the public, shall not be  
3 deemed an undue or unreasonable preference or advantage within  
4 the meaning of this section.

5 **d.]** To give any benefit or advantage, including a pecuniary  
6 benefit, to any person for providing information about motor  
7 vehicles parked for unauthorized purposes on privately owned  
8 property or otherwise in connection with private property towing  
9 **[from privately owned property.]** of motor vehicles parked without  
10 authorization or during a time at which such parking is not  
11 permitted;

12 **[e] b.** To fail, when so requested by the owner or operator of a  
13 vehicle subject to non-consensual towing, to release a vehicle to the  
14 owner or operator that has been, or is about to be, hooked or lifted  
15 but has not actually been moved or removed from the property  
16 when the vehicle owner or operator returns to the vehicle, or to  
17 charge the owner or operator requesting release of the vehicle  
18 **[more than the decoupling fee specified in the tariff.]** an  
19 unreasonable or excessive decoupling fee which exceeds by more  
20 than 25 percent, or a different percentage established by the director  
21 by regulation, the usual and customary decoupling fee charged by  
22 the towing company or storage facility for such services;

23 **[f] c.** To charge **[any fee other than any applicable contract rate**  
24 **or, in the absence of an applicable contract rate, the lesser of the**  
25 **rate set forth in an applicable schedule of fees or other charges**  
26 **established by municipal ordinance adopted pursuant to section 1 of**  
27 **P.L.1979, c.101 (C.40:48-2.49) or the rate specified in the towing**  
28 **company's tariff on file with the director, or to charge]** a fee **[in an**  
29 **amount or]** for a service not listed on the [tariff on file with]  
30 schedule of services for which a fee may be charged established by  
31 the director at the time except as may be permitted by the director  
32 by regulation [. Nothing in this section shall preclude a towing  
33 company, acting on behalf of a club or association, from charging  
34 members of the club or association a fee at a rate established by  
35 contract between the towing company and the club or association  
36 which is lower than the rate specified in the towing company's tariff  
37 on file with the director, provided that membership in such club or  
38 association is generally available to the public and that such rates  
39 are filed with the director pursuant to section 8 of this act.];

40 d. To charge an unreasonable or excessive fee;

41 e. To monitor, patrol, or otherwise surveil a private property  
42 for the purposes of identifying vehicles parked for unauthorized  
43 purposes and towing a motor vehicle parked for an unauthorized  
44 purpose from such private property without having been specifically  
45 requested to tow such vehicle by the owner of the property; or

46 **[g] f.** To refuse to accept for payment in lieu of cash or an  
47 insurance company check for towing or storage services a debit



1 card, charge card or credit card if the operator ordinarily accepts  
2 such card at his place of business, unless such refusal is authorized  
3 in accordance with section 4 of P.L.2002, c.67 (C.56:13-4) as  
4 amended by section 21 of P.L.2007, c.193.  
5 (cf: P.L.2007, c.193, s.10)

6  
7 6. Section 13 of P.L.2007, c.193 (C.56:13-19) is amended to  
8 read as follows:

9 13. a. The director, pursuant to the provisions of the  
10 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et  
11 seq.), may promulgate rules and regulations to effectuate the  
12 purposes of this act.

13 b. **【The division may contract with a public or private entity**  
14 **for the purpose of developing, administering and maintaining the**  
15 **registration process and the electronic data base for tariffs provided**  
16 **for in section 8 of P.L.2007, c.193 (C.56:13-14).】** (Deleted by  
17 amendment, P.L. , c. ) (pending before the Legislature as this  
18 bill)  
19 (cf: P.L.2007, c.193, s.13)

20  
21 7. Section 14 of P.L.2007, c.193 (C.56:13-20) is amended to  
22 read as follows:

23 14. a. The provisions of **【this act】** P.L.2007, c.193, (C.56:13-7  
24 et seq.), as amended and supplemented, shall not preempt any  
25 political subdivision from requiring or issuing any registration or  
26 license of any towing company **【in addition to that which is**  
27 **required by section 4 of this act.**

28 This section shall not limit the existing authority of a political  
29 subdivision to**】**:

30 (1) **【license and collect a general and nondiscriminatory tax upon**  
31 **all businesses; or】** (Deleted by amendment, P.L. , c. ) (pending  
32 before the Legislature as this bill)

33 (2) **【impose any additional requirements or conditions as part of**  
34 **any contract to perform towing and recovery services for that**  
35 **jurisdiction.】** (Deleted by amendment, P.L. , c. ) (pending before  
36 the Legislature as this bill)

37 b. The provisions of this act shall not be deemed to limit the  
38 authority of the New Jersey Turnpike Authority or the South Jersey  
39 Transportation Authority to establish rules and regulations  
40 governing the provision of towing and storage services on the  
41 roadways and properties under each entity's respective control.

42 (cf: P.L.2007, c.193, s.14)

43  
44 8. Section 15 of P.L.2007, c.193 (C.56:13-21) is amended to  
45 read as follows:

46 15. a. It is an unlawful practice and a violation of P.L.1960,  
47 c.39 (C.56:8-1 et seq.) to violate any provision of this act.

1       b. In addition to any penalties or other remedies provided in  
2 P.L.1960, c.39 (C.56:8-1 et seq.), the director may order a towing  
3 company that has billed a consumer **【or insurer】** for any  
4 nonconsensual towing or related storage an amount **【in excess of**  
5 **the fee specified in its filed tariff for the service provided】**  
6 determined by the director to be unreasonable to reimburse the  
7 consumer **【or insurer】** for the excess cost with interest.  
8 (cf: P.L.2007, c.193, s.15)

9  
10       9. Section 2 of P.L.2002, c.77 (C.27:23-6.2) is amended to read  
11 as follows:

12       2. a. An operator awarded a contract for towing and storage  
13 services by the New Jersey Turnpike Authority shall register with  
14 the authority. **【In order to be eligible to bid for the award of such a**  
15 **contract, an operator shall have registered with the Division of**  
16 **Consumer Affairs in the Department of Law and Public Safety**  
17 **pursuant to section 4 of P.L.2007, c.193 (C.56:13-10).】** Upon  
18 issuance of the registration, the authority shall provide the operator  
19 with two decals and accompanying notices for each tow truck  
20 owned or leased by that operator and to be used under the terms of  
21 the contract. The decals and the accompanying notices, which shall  
22 be of a distinctive design and color, shall be conspicuously  
23 displayed on the exterior of each such tow truck in a manner and  
24 location prescribed by the authority.

25       The decals shall set forth a specific registration number for each  
26 registered tow truck. The notices shall include a statement  
27 indicating substantially the following: "This tow truck is registered  
28 with the New Jersey Highway Authority. The driver is required to  
29 provide you with a written schedule of the fees charged for towing  
30 and storage services before providing that service to you, including  
31 those services for which there is no fee. If the fee charged is in  
32 excess of the fee listed on the schedule, please notify the authority  
33 or the New Jersey Division of Consumer Affairs." An operator shall  
34 file a copy of the schedule of fees with the authority. Upon request  
35 of the Division of Consumer Affairs in the Department of Law and  
36 Public Safety, the authority shall provide a list of the registered tow  
37 trucks to the division, in addition to a copy of the schedule of fees.

38       b. Prior to providing any towing services, a driver of a tow  
39 truck shall provide the person whose vehicle is to be towed a  
40 written schedule of fees and shall recite the information contained  
41 in the notice.

42       c. An operator who fails to display the decals and notices  
43 required by subsection a. of this section or the driver of a tow truck  
44 who fails to provide a person to be towed the written schedule of  
45 fees or recite the information contained in the notice prior to  
46 providing a towing service as required by subsection b. of this  
47 section shall be subject to a fine of \$300 for the first offense. For

1 the second and any subsequent offense the operator or the driver, as  
2 the case may be, shall be subject to a fine of \$600.

3 d. It shall be an unlawful practice and a violation of P.L.1960,  
4 c.39 (C.56:8-1 et seq.) for any person to charge a fee in excess of  
5 the fee listed in the written schedule of fees provided pursuant to  
6 subsection a. of this section.

7 e. If an operator or the driver of an operator's tow truck is  
8 convicted a third time for violation of any provisions of this section,  
9 the authority may, in its discretion, terminate the operator's contract  
10 for towing and storage services with the authority.

11 (cf: P.L.2007, c.193, s.16)

12  
13 10. Section 3 of P.L.2002, c.77 (C.27:25A-8.1) is amended to  
14 read as follows:

15 3. a. An operator awarded a contract for towing and storage  
16 services by the South Jersey Transportation Authority shall register  
17 with the authority. [In order to be eligible to bid for the award of  
18 such a contract, an operator shall have registered with the Division  
19 of Consumer Affairs in the Department of Law and Public Safety  
20 pursuant to section 4 of P.L.2007, c.193 (C.56:13-10).] Upon  
21 issuance of the registration, the authority shall provide the operator  
22 with two decals and accompanying notices for each tow truck  
23 owned or leased by that operator and to be used under the terms of  
24 the contract. The decals and the accompanying notices, which shall  
25 be of a distinctive design and color, shall be conspicuously  
26 displayed on the exterior of each such tow truck in a manner and  
27 location prescribed by the authority.

28 The decals shall set forth a specific registration number for each  
29 registered tow truck. The notices shall include a statement  
30 indicating substantially the following: "This tow truck is registered  
31 with the New Jersey Highway Authority. The driver is required to  
32 provide you with a written schedule of the fees charged for towing  
33 and storage services before providing that service to you, including  
34 those services for which there is no fee. If the fee charged is in  
35 excess of the fee listed on the schedule, please notify the authority  
36 or the New Jersey Division of Consumer Affairs." An operator shall  
37 file a copy of the schedule of fees with the authority. Upon request  
38 of the Division of Consumer Affairs in the Department of Law and  
39 Public Safety, the authority shall provide a list of the registered tow  
40 trucks to the division, in addition to a copy of the schedule of fees.

41 b. Prior to providing any towing services, a driver of a tow  
42 truck shall provide the person whose vehicle is to be towed a  
43 written schedule of fees and shall recite the information contained  
44 in the notice.

45 c. An operator who fails to display the decals and notices  
46 required by subsection a. of this section or the driver of a tow truck  
47 who fails to provide a person to be towed the written schedule of  
48 fees or recite the information contained in the notice prior to

1 providing a towing service as required by subsection b. of this  
2 section shall be subject to a fine of \$300 for the first offense. For  
3 the second and any subsequent offense the operator or the driver, as  
4 the case may be, shall be subject to a fine of \$600.

5 d. It shall be an unlawful practice and a violation of P.L.1960,  
6 c.39 (C.56:8-1 et seq.) for any person to charge a fee in excess of  
7 the fee listed in the written schedule of fees provided pursuant to  
8 subsection a. of this section.

9 e. If an operator or the driver of an operator's tow truck is  
10 found to have been convicted a third time for violation of any  
11 provisions of this section, the authority may, in its discretion,  
12 terminate the operator's contract for towing and storage services  
13 with the authority.

14 (cf: P.L.2007, c.193, s.17)

15  
16 11. Section 3 of P.L.1999, c.396 (C. 39:3-84.8) is amended to  
17 read as follows:

18 3. a. An application for tow truck registration shall contain the  
19 following information:

20 (1) The name and address of the towing company's principal  
21 owner or owners;

22 (2) The address of the principal business office of the towing  
23 company;

24 (3) The location of any garage, parking lot, or other storage  
25 area, where motor vehicles or other objects moved by the towing  
26 company may be stored or placed;

27 (4) A valid certificate of insurance and a schedule of insured  
28 vehicles that are to be utilized by the towing company from an  
29 insurer authorized to do business in the State, including the amounts  
30 of the garage keeper's legal liability coverage and any "on hook"  
31 coverage as an endorsement or contained in a separate schedule,  
32 and liability insurance coverage, including in the case of each light-  
33 medium duty tow truck, motor vehicle liability insurance coverage  
34 for the death of, or injury to. persons and damage to property for  
35 each accident or occurrence in the amount of at least \$750,000  
36 single limit, and in the case of each heavy-duty tow truck, motor  
37 vehicle liability insurance coverage for the death of, or injury to,  
38 persons and damage to property for each accident or occurrence in  
39 the amount of at least \$1,000,000 single limit; and

40 (5) Documentation of the manufacturer's gross vehicle weight  
41 rating for each tow truck.

42 [The towing company shall include in the application a copy of  
43 the registration issued to it pursuant to section 4 of P.L.2007, c.193  
44 (C.56:13-10).]

45 Except as otherwise provided in this act, the registration for  
46 these vehicles shall be issued and renewed pursuant to the  
47 provisions of this Title.

48 (cf: P.L.2007, c.193, s.18)

12. The following sections are repealed:

Section 4 of P.L.2007, c.193 (C.56:13-10); and

Section 5 of P.L.2007, c.193 (C.56:13-11).

13. This act shall take effect immediately, except that section 3 shall remain inoperative for 90 days following the effective date, but the director may take such anticipatory action as may be necessary to effectuate those provisions of this act.

#### STATEMENT

This bill revises P.L. 2007, c.193 (C.56:13-7 et seq.) known as the “Predatory Towing Prevention Act.”

The major provisions of this bill would:

- Limit the law to only apply to “private property towing,” which is defined as “the non-consensual towing from private property or from a storage facility by a motor vehicle of a consumer's motor vehicle that is parked illegally, parked during a time at which such parking is not permitted, or otherwise parked 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;”
- Lift the requirement for private property towers to register with the Division of Consumer Affairs;
- Eliminate the requirement for towing companies to file a tariff listing their charges for various services with the Division of Consumer Affairs and for the division establish a cap on allowable fees for towing and storage services;
- Require all fees for non-consensual towing and related storage services to be “reasonable and not excessive.” The bill specifies that fees shall be presumptively unreasonable and excessive if:
  - they exceed by more than 25 percent, or a different percentage established by the director by regulation, the usual and customary fee charged for such services when provided with the consent of the owner or operator of the vehicle; or
  - they exceed by more than 50 percent, or a different percentage established by the director by regulation, the usual and customary fee charged by other towing companies or storage facilities operating in the municipality from which the vehicle was towed;
- Prohibit fees for non-consensual towing and related storage services from exceeding the maximum amounts allowed by any applicable municipal ordinance;

- 1       • Specify that the provisions of the Predatory Towing  
2       Prevention Act do not preempt any political subdivision  
3       from registering or licensing towing companies; and
- 4       • Prohibit private property towing companies from  
5       monitoring, patrolling, or otherwise surveilling private  
6       property, for the purposes of identifying and towing motor  
7       vehicles parked for unauthorized purposes.