

SENATE AMENDMENTS

2nd Printing

By: Gonzales, Smith of Tarrant, Lucio III,
Martinez, Leibowitz

H.B. No. 2571

A BILL TO BE ENTITLED

1 AN ACT
2 relating to the licensing and regulation of towing companies and
3 vehicle storage facilities; providing penalties.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Section 2303.155, Occupations Code, is amended
6 by amending Subsection (b) and adding Subsection (h) to read as
7 follows:

8 (b) Except as provided by Subsection (h), the ~~[The]~~
9 operator of a vehicle storage facility or governmental vehicle
10 storage facility may charge the owner of a vehicle stored or parked
11 at the facility:

12 (1) a notification fee set in a reasonable amount for
13 providing notice under this subchapter, including notice under
14 Section 2303.154(c);

15 (2) an impoundment fee of \$20 for any action that:

16 (A) is taken by or at the direction of the owner
17 or operator of the facility; and

18 (B) is necessary to preserve, protect, or service
19 a vehicle stored or parked at the facility;

20 (3) a daily storage fee of:

21 (A) not less than \$5 and not more than \$20 for
22 each day or part of a day the vehicle is stored at the facility if
23 the vehicle is not longer than 25 feet; or

24 (B) \$35 for each day or part of a day the vehicle

1 is stored at the facility if the vehicle is longer than 25 feet;

2 (4) any fee that is required to be submitted to a law
3 enforcement agency, the agency's authorized agent, or a
4 governmental entity; and

5 (5) a fee in an amount set by the commission for the
6 remediation, recovery, or capture of an environmental or biological
7 hazard.

8 (h) The operator of a vehicle storage facility or
9 governmental vehicle storage facility may not charge a fee under
10 Subsection (b) to the owner of a vehicle stored or parked at the
11 facility as a result of recovery of the vehicle after being stolen
12 if the vehicle owner provides the operator with a copy of the police
13 report or similar report prepared by any law enforcement agency
14 showing that the vehicle was reported stolen.

15 SECTION 2. Section 2308.002, Occupations Code, is amended
16 by amending Subdivisions (3), (6), and (8) and adding Subdivisions
17 (5-a) and (8-a) to read as follows:

18 (3) "Consent tow" means any tow of a motor vehicle in
19 which the tow truck is summoned [~~initiated~~] by the owner or operator
20 of the vehicle or by a person who has possession, custody, or
21 control of the vehicle. The term does not include an incident
22 management tow or a private property [~~a~~] tow [~~of a motor vehicle~~
23 ~~initiated by a peace officer investigating a traffic accident or a~~
24 ~~traffic incident that involves the vehicle~~].

25 (5-a) "Incident management tow" means any tow of a
26 vehicle in which the tow truck is summoned to a traffic accident or
27 incident.

1 (6) "Nonconsent tow" means any tow of a motor vehicle
2 that is not a consent tow, including:

3 (A) an incident management tow; and

4 (B) a private property tow.

5 (8) "Parking facility owner" means:

6 (A) an individual, corporation, partnership,
7 limited partnership, limited liability company, association,
8 trust, or other legal entity owning or operating [~~owner or operator~~
9 ~~of~~] a parking facility[~~, including a lessee, employee, or agent of~~
10 ~~an owner or operator~~];

11 (B) a property owners' association having
12 control under a dedicatory instrument, as that term is defined in
13 Section 202.001, Property Code, over assigned or unassigned parking
14 areas; or

15 (C) a property owner having an exclusive right
16 under a dedicatory instrument, as that term is defined in Section
17 202.001, Property Code, to use a parking space.

18 (8-a) "Private property tow" means any tow of a
19 vehicle authorized by a parking facility owner.

20 SECTION 3. Section 2308.057(a), Occupations Code, is
21 amended to read as follows:

22 (a) The commission shall adopt rules for permitting tow
23 trucks and licensing towing operators and towing companies,
24 including rules for denial of an application or permit if the
25 applicant, a partner, principal, officer, or general manager of the
26 applicant, or a license or permit holder has:

27 (1) a criminal conviction or has pled guilty or nolo

1 contendere within five years of the date of the application for:

2 (A) a felony; or

3 (B) a misdemeanor punishable by confinement in
4 jail or by a fine exceeding \$500;

5 (2) violated an order of the commission or executive
6 director, including an order for sanctions or administrative
7 penalties;

8 (3) failed to submit a license or permit bond in an
9 amount established by the commission;

10 (4) knowingly submitted false or incomplete
11 information on a license or permit application; and

12 (5) filed an application to permit a tow truck that is
13 already permitted by another license or permit holder.

14 SECTION 4. Subchapter B, Chapter 2308, Occupations Code, is
15 amended by adding Section 2308.0575 to read as follows:

16 Sec. 2308.0575. RULES ON FEES; STUDY; CONFIDENTIAL
17 INFORMATION. (a) To protect the public health and safety, the
18 commission by rule shall establish:

19 (1) the fees that may be charged in connection with a
20 private property tow;

21 (2) the maximum amount that may be charged for fees,
22 other than tow fees, that may be assessed by a towing company in
23 connection with a private property tow; and

24 (3) a maximum amount that may be charged for the
25 following private property tows:

26 (A) standard light-duty tows of motor vehicles
27 with a gross weight rating of 10,000 pounds or less;

1 (B) medium-duty tows of motor vehicles with a
2 gross weight rating of more than 10,000 pounds, but less than 25,000
3 pounds; and

4 (C) heavy-duty tows of motor vehicles with a
5 gross weight rating that exceeds 25,000 pounds.

6 (b) In adopting rules under Subsection (a), the commission
7 shall:

8 (1) consider private property towing fee studies
9 conducted by municipalities in this state; and

10 (2) conduct studies of private property towing fees
11 that analyze cost of service by company, the consumer price index,
12 geographic area, and individual cost components.

13 (c) The commission may structure the maximum amounts that
14 may be charged for private property tows based on hourly or flat
15 fees or by geographic location.

16 (d) The commission shall maintain the confidentiality of
17 information contained in a study conducted under this section that
18 is claimed to be confidential for competitive purposes and may not
19 release information that identifies a person or company. The
20 confidential information is exempt from disclosure under Chapter
21 552, Government Code.

22 (e) To protect the confidentiality of the information, the
23 commission shall aggregate the information to the maximum extent
24 possible considering the purpose of the study.

25 SECTION 5. Section 2308.060, Occupations Code, is amended
26 to read as follows:

27 Sec. 2308.060. POWERS AND DUTIES OF ADVISORY BOARD. The

1 advisory board shall provide advice and recommendations to the
2 department on technical matters relevant to the administration and
3 enforcement of this chapter, including examination content,
4 licensing standards, ~~and~~ continuing education requirements, and
5 maximum amounts that may be charged for fees related to private
6 property tows.

7 SECTION 6. Section 2308.202, Occupations Code, is amended
8 to read as follows:

9 Sec. 2308.202. REGULATION BY POLITICAL SUBDIVISIONS OF FEES
10 FOR NONCONSENT TOWS. The governing body of a political subdivision
11 may regulate the fees that may be charged or collected in connection
12 with a nonconsent tow originating in the territory of the political
13 subdivision if the private property tow fees:

- 14 (1) are authorized by commission rule; and
15 (2) do not exceed the maximum amount authorized by
16 commission rule.

17 SECTION 7. Section 2308.204, Occupations Code, is amended
18 to read as follows:

19 Sec. 2308.204. FEES FOR NONCONSENT TOWS IN OTHER AREAS.
20 ~~[(a)]~~ In an area in which no political subdivision regulates the
21 fees that may be charged or collected in connection with ~~[for]~~ a
22 nonconsent private property tow ~~[from private property]~~, a towing
23 company may charge and collect fees ~~[a fee]~~ for the tow of a motor
24 vehicle from private property in an amount not to exceed the maximum
25 amount authorized by:

- 26 (1) the commissioners court in the county in which the
27 vehicle storage facility is located; or

1 (2) if the commissioners court does not set the
2 maximum amount, the average of the maximum amounts authorized by
3 the three political subdivisions that regulate nonconsent incident
4 management tow fees and that are closest to the facility [~~an amount~~
5 ~~equal to 150 percent of the fee that the towing company would have~~
6 ~~been authorized to charge for a nonconsent tow made at the request~~
7 ~~of a peace officer of the political subdivision in which the private~~
8 ~~property is located~~].

9 ~~[(b) A towing company may charge and collect a fee for the~~
10 ~~tow of a vehicle, with a gross vehicle weight rating in excess of~~
11 ~~26,000 pounds, from private property in an amount not to exceed an~~
12 ~~amount equal to 125 percent of the fee that the towing company would~~
13 ~~have been authorized to charge for a nonconsent tow made at the~~
14 ~~request of a peace officer of the political subdivision in which the~~
15 ~~private property is located.]~~

16 SECTION 8. Section 2308.206, Occupations Code, is amended
17 by adding Subsections (f) and (g) to read as follows:

18 (f) A license or permit holder may not charge a fee related
19 to a nonconsent tow that is not listed in the schedule most recently
20 submitted to the department under this section.

21 (g) The department may require a license or permit holder
22 that has violated Subsection (e) or (f) to reimburse the vehicle
23 owner or operator for the charges.

24 SECTION 9. The heading to Section 2308.208, Occupations
25 Code, is amended to read as follows:

26 Sec. 2308.208. MUNICIPAL ORDINANCE REGULATING UNAUTHORIZED
27 VEHICLES AND TOWING OF MOTOR VEHICLES.

1 SECTION 10. Section 2308.252(a), Occupations Code, is
2 amended to read as follows:

3 (a) A parking facility owner may, without the consent of the
4 owner or operator of an unauthorized vehicle, cause the vehicle and
5 any property on or in the vehicle to be removed and stored at a
6 vehicle storage facility at the vehicle owner's or operator's
7 expense if:

8 (1) signs that comply with Subchapter G prohibiting
9 unauthorized vehicles are located on the parking facility at the
10 time of towing and for the preceding 24 hours and remain installed
11 at the time of towing;

12 (2) the owner or operator of the vehicle has received
13 actual notice from the parking facility owner that the vehicle will
14 be towed at the vehicle owner's or operator's expense if it is in or
15 not removed from an unauthorized space;

16 (3) the parking facility owner gives notice to the
17 owner or operator of the vehicle under Subsection (b); or

18 (4) the parking facility owner has provided to the
19 owner or operator of the vehicle written notice of the name of the
20 towing company and vehicle storage facility that will be used to
21 remove and store the vehicle and the vehicle is:

22 (A) left in violation of Section 2308.251 or
23 2308.253; or

24 (B) in or obstructing a portion of a paved
25 driveway or abutting public roadway used for entering or exiting
26 the facility.

27 SECTION 11. Section 2308.255(a), Occupations Code, is

1 amended to read as follows:

2 (a) A towing company that is insured as provided by
3 Subsection (c) may, without the consent of an owner or operator of
4 an unauthorized vehicle, remove and store the vehicle at a vehicle
5 storage facility at the expense of the owner or operator of the
6 vehicle if:

7 (1) the towing company has received written
8 verification from the parking facility owner that:

9 (A) the parking facility owner has installed the
10 signs required by Section 2308.252(a)(1); or

11 (B) the owner or operator received notice under
12 Section 2308.252(a)(2) or the parking facility owner gave notice
13 complying with Section 2308.252(a)(3); or

14 (2) the parking facility owner has provided to the
15 owner or operator of the vehicle written notice of the name of the
16 towing company and vehicle storage facility that will be used to
17 remove and store the vehicle and the vehicle is:

18 (A) left in violation of Section 2308.251; or

19 (B) in or obstructing a portion of a paved
20 driveway or abutting public roadway used for entering or exiting
21 the facility and the removal is approved by a peace officer.

22 SECTION 12. Section 2308.404(c), Occupations Code, is
23 amended to read as follows:

24 (c) A towing company or parking facility owner who
25 intentionally, knowingly, or recklessly violates this chapter is
26 liable to the owner or operator of the vehicle that is the subject
27 of the violation for \$1,000 [~~\$300~~] plus three times the amount of

1 fees assessed in the vehicle's removal, towing, or storage.

2 SECTION 13. Section 2308.405, Occupations Code, is amended
3 to read as follows:

4 Sec. 2308.405. CRIMINAL PENALTY [~~VIOLATION OF CHAPTER,~~
5 ~~FINE~~]. A person commits an offense if the person violates
6 [~~violation of~~] this chapter. An offense under this section is a
7 Class B misdemeanor [~~punishable by a fine of not less than \$500 or~~
8 ~~more than \$1,500~~].

9 SECTION 14. Section 2308.451(b), Occupations Code, is
10 amended to read as follows:

11 (b) If in a hearing held under this chapter the court does
12 not find that a person or law enforcement agency authorized, with
13 probable cause, the removal and storage in a vehicle storage
14 facility of a vehicle, the towing company, vehicle storage
15 facility, [~~person~~] or law enforcement agency that authorized the
16 removal shall:

- 17 (1) pay the costs of the removal and storage; or
18 (2) reimburse the owner or operator for the cost of the
19 removal and storage paid by the owner or operator.

20 SECTION 15. Section 2308.453, Occupations Code, is amended
21 to read as follows:

22 Sec. 2308.453. JURISDICTION. A hearing under this chapter
23 shall be in the justice court having jurisdiction in the precinct
24 from [~~in~~] which the motor vehicle was towed [~~storage facility is~~
25 ~~located~~].

26 SECTION 16. Section 2308.454, Occupations Code, is amended
27 by adding Subsection (c) to read as follows:

1 (c) If the towing company or vehicle storage facility that
2 received the payment fails to furnish to the owner or operator of
3 the vehicle the name, address, and telephone number of the parking
4 facility owner or law enforcement agency that authorized the
5 removal of the vehicle, the towing company or vehicle storage
6 facility that received the payment is liable if the court, after a
7 hearing, does not find probable cause for the removal and storage of
8 the vehicle.

9 SECTION 17. Section 2308.455, Occupations Code, is amended
10 to read as follows:

11 Sec. 2308.455. CONTENTS OF NOTICE. The notice under
12 Section 2308.454 must include:

13 (1) a statement of:

14 (A) the person's right to submit a request within
15 14 days for a court hearing to determine whether probable cause
16 existed to remove the vehicle;

17 (B) the information that a request for a hearing
18 must contain; and

19 (C) any filing fee for the hearing;

20 (2) the name, address, and telephone number of the
21 towing company that removed the vehicle;

22 (3) the name, address, and telephone number of the
23 vehicle storage facility in which the vehicle was placed;

24 (4) the registered name, street address including
25 city, state, and zip code, and telephone number of the person,
26 parking facility [~~property~~] owner, or law enforcement agency that
27 authorized the removal of the vehicle; and

1 (5) the name, address, and telephone number of the
2 justice court having jurisdiction in the precinct in which the
3 parking [~~vehicle storage~~] facility is located.

4 SECTION 18. Section 2308.456, Occupations Code, is amended
5 by amending Subsection (a) and adding Subsection (c-1) to read as
6 follows:

7 (a) Except as provided by Subsections [~~Subsection~~] (c) and
8 (c-1), a person entitled to a hearing under this chapter must
9 deliver a written request for the hearing to the court before the
10 14th day after the date the vehicle was removed and placed in the
11 vehicle storage facility, excluding Saturdays, Sundays, and legal
12 holidays.

13 (c-1) The 14-day period for requesting a hearing under
14 Subsection (a) does not begin until the date on which the towing
15 company or vehicle storage facility provides to the vehicle owner
16 or operator the information necessary for the vehicle owner or
17 operator to complete the material for the request for hearing
18 required under Subsections (b)(2) through (6).

19 SECTION 19. Section 2308.458(b), Occupations Code, is
20 amended to read as follows:

21 (b) The court shall notify the person who requested the
22 hearing, the parking facility owner [~~person~~] or law enforcement
23 agency that authorized the removal of the vehicle, and the vehicle
24 storage facility in which the vehicle was placed of the date, time,
25 and place of the hearing in a manner provided by Rule 21a, Texas
26 Rules of Civil Procedure. The notice of the hearing to the parking
27 facility owner [~~person~~] or law enforcement agency that authorized

1 the removal of the vehicle shall include a copy of the request for
2 hearing.

3 SECTION 20. Section 2308.460, Occupations Code, is amended
4 to read as follows:

5 Sec. 2308.460. ENFORCEMENT OF AWARD. (a) An award under
6 this chapter may be enforced by any means available for the
7 enforcement of a judgment for a debt.

8 (b) The department shall suspend a license holder's license
9 on the license holder's failure to pay a final judgment awarded to
10 an owner or operator of a vehicle before the 60th day after the date
11 of the final judgment.

12 (c) The owner or operator of the vehicle shall submit a
13 certified copy of the final judgment to the department.

14 (d) On receipt of the certified copy of the unpaid final
15 judgment, the department shall disqualify a person from renewing a
16 license or permit or deny the person the opportunity of taking a
17 licensing examination on the grounds that the person, towing
18 company, or vehicle storage facility has not paid a final judgment
19 awarded to an owner or operator of a vehicle.

20 (e) The department shall reinstate the license on
21 submission of evidence satisfactory to the department of payment of
22 the final judgment by the person, towing company, or vehicle
23 storage facility.

24 SECTION 21. Section 2303.159(a), Occupations Code, is
25 amended to read as follows:

26 (a) The operator of a vehicle storage facility shall accept
27 payment by an electronic check, debit card, or credit card for any

1 charge associated with delivery or storage of a vehicle. The
2 operator of a vehicle storage facility may not refuse to release a
3 vehicle based on the inability of the facility to accept payment by
4 electronic check, debit card, or credit card of a fee or charge
5 associated with delivery or storage of the vehicle. The facility
6 shall conspicuously post a sign that states: "This vehicle storage
7 facility must accept payment by an electronic check, credit card,
8 or debit card for any fee or charge associated with delivery or
9 storage of a vehicle."

10 SECTION 22. Not later than September 1, 2010, the Texas
11 Commission of Licensing and Regulation shall adopt the rules
12 necessary to implement the changes in law made by this Act,
13 including rules on the maximum amount of fees that may be charged
14 for private property tows.

15 SECTION 23. (a) The change in law made by this Act to
16 Section 2308.405, Occupations Code, applies only to an offense
17 committed on or after the effective date of this Act. For purposes
18 of this section, an offense is committed before the effective date
19 of this Act if any element of the offense occurs before that date.

20 (b) An offense committed before the effective date of this
21 Act is covered by the law in effect when the offense was committed,
22 and the former law is continued in effect for that purpose.

23 SECTION 24. (a) Except as provided by Subsection (b) of
24 this section, this Act takes effect September 1, 2009.

25 (b) Sections 2308.202 and 2308.204, Occupations Code, as
26 amended by this Act, take effect September 1, 2010.

ADOPTED

MAY 22 2009

Atalay Spaw
Secretary of the Senate

GONZALES/
J. J. Acosta
By: _____

H.B. No. 2571

Substitute the following for H.B. No. 2571:

By: *M. Best*

C.S. H.B. No. 2571

A BILL TO BE ENTITLED

AN ACT

1 relating to the licensing and regulation of towing companies and
2 vehicle storage facilities; providing penalties.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Section 2308.002, Occupations Code, is amended
6 by amending Subdivisions (3), (6), and (8) and adding Subdivisions
7 (5-a), (7-a), and (8-a) to read as follows:

8 (3) "Consent tow" means any tow of a motor vehicle in
9 which the tow truck is summoned [~~initiated~~] by the owner or operator
10 of the vehicle or by a person who has possession, custody, or
11 control of the vehicle. The term does not include an incident
12 management tow or a private property [~~a] tow [of a motor vehicle~~
13 ~~initiated by a peace officer investigating a traffic accident or a~~
14 ~~traffic incident that involves the vehicle]~~.

15 (5-a) "Incident management tow" means any tow of a
16 vehicle in which the tow truck is summoned because of a traffic
17 accident or to an incident.

18 (6) "Nonconsent tow" means any tow of a motor vehicle
19 that is not a consent tow, including:

20 (A) an incident management tow; and

21 (B) a private property tow.

22 (7-a) "Parking facility authorized agent" means an
23 employee or agent of a parking facility owner with the authority to:

24 (A) authorize the removal of a vehicle from the

1 parking facility on behalf of the parking facility owner; and

2 (B) accept service on behalf of the parking
3 facility owner of a notice of hearing requested under this chapter.

4 (8) "Parking facility owner" means:

5 (A) an individual, corporation, partnership,
6 limited partnership, limited liability company, association,
7 trust, or other legal entity owning or operating ~~[owner or operator~~
8 ~~of] a parking facility~~ ~~[, including a lessee, employee, or agent of~~
9 ~~an owner or operator];~~

10 (B) a property owners' association having
11 control under a dedicatory instrument, as that term is defined in
12 Section 202.001, Property Code, over assigned or unassigned parking
13 areas; or

14 (C) a property owner having an exclusive right
15 under a dedicatory instrument, as that term is defined in Section
16 202.001, Property Code, to use a parking space.

17 (8-a) "Private property tow" means any tow of a
18 vehicle authorized by a parking facility owner without the consent
19 of the owner or operator of the vehicle.

20 SECTION 2. Subsection (a), Section 2308.057, Occupations
21 Code, is amended to read as follows:

22 (a) The commission shall adopt rules for permitting tow
23 trucks and licensing towing operators and towing companies,
24 including rules for denial of applications and permits if the
25 applicant, a partner, principal, officer, or general manager of the
26 applicant, or other license or permit holder has:

27 (1) a criminal conviction, or has pleaded guilty or

1 nolo contendere to an offense, before the date of the application,
2 for:

3 (A) a felony; or

4 (B) a misdemeanor punishable by confinement in
5 jail or by a fine in an amount that exceeds \$500;

6 (2) violated an order of the commission or executive
7 director, including an order for sanctions or administrative
8 penalties;

9 (3) failed to submit a license or permit bond in an
10 amount established by the commission;

11 (4) knowingly submitted false or incomplete
12 information on the application; or

13 (5) filed an application to permit a tow truck
14 previously permitted by a license or permit holder.

15 SECTION 3. Subchapter B, Chapter 2308, Occupations Code, is
16 amended by adding Section 2308.0575 to read as follows:

17 Sec. 2308.0575. RULES ON FEES; CONTRACT FOR STUDY;
18 CONFIDENTIAL INFORMATION. (a) To protect the public health and
19 safety, the commission by rule shall establish:

20 (1) the fees that may be charged in connection with a
21 private property tow;

22 (2) the maximum amount that may be charged for fees,
23 other than tow fees, that may be assessed by a towing company in
24 connection with a private property tow; and

25 (3) a maximum amount that may be charged for the
26 following private property tows:

27 (A) standard light-duty tows of motor vehicles

1 with a gross weight rating of 10,000 pounds or less;

2 (B) medium-duty tows of motor vehicles with a
3 gross weight rating of more than 10,000 pounds, but less than 25,000
4 pounds; and

5 (C) heavy-duty tows of motor vehicles with a
6 gross weight rating that exceeds 25,000 pounds.

7 (b) In adopting rules under Subsection (a), the commission
8 shall contract for the conduct of a study that:

9 (1) examines private property towing fee studies
10 conducted by municipalities in this state; and

11 (2) analyzes for private property tows the cost of
12 services by company, the consumer price index, the geographic area,
13 and individual cost components.

14 (c) The commission may structure the maximum amounts that
15 may be charged for private property tows based on hourly or flat
16 fees or by geographic location.

17 (d) The commission shall maintain the confidentiality of
18 information contained in a study conducted under this section that
19 is claimed to be confidential for competitive purposes and may not
20 release information that identifies a person or company. The
21 confidential information is exempt from disclosure under Chapter
22 552, Government Code.

23 (e) To protect the confidentiality of the information, the
24 commission shall aggregate the information to the maximum extent
25 possible considering the purpose of the study.

26 (f) The department shall contract to conduct a study on
27 private property towing fees under this section at least once every

1 two years.

2 SECTION 4. Section 2308.060, Occupations Code, is amended
3 to read as follows:

4 Sec. 2308.060. POWERS AND DUTIES OF ADVISORY BOARD. The
5 advisory board shall provide advice and recommendations to the
6 department on technical matters relevant to the administration and
7 enforcement of this chapter, including examination content,
8 licensing standards, ~~and~~ continuing education requirements, and
9 maximum amounts that may be charged for fees related to private
10 property tows.

11 SECTION 5. Section 2308.204, Occupations Code, is amended
12 to read as follows:

13 Sec. 2308.204. FEES FOR NONCONSENT TOWS IN OTHER AREAS.
14 [~~a~~] In an area in which no political subdivision regulates the
15 fees that may be charged or collected in connection with [~~for~~] a
16 private property [~~nonconsent~~] tow [~~from private property~~], a towing
17 company may charge and collect fees [~~a fee~~] for the tow of a motor
18 vehicle [~~from private property~~] in an amount not to exceed the
19 maximum amount authorized by commission rule [~~an amount equal to~~
20 ~~150 percent of the fee that the towing company would have been~~
21 ~~authorized to charge for a nonconsent tow made at the request of a~~
22 ~~peace officer of the political subdivision in which the private~~
23 ~~property is located~~].

24 [~~b~~] ~~A towing company may charge and collect a fee for the~~
25 ~~tow of a vehicle, with a gross vehicle weight rating in excess of~~
26 ~~26,000 pounds, from private property in an amount not to exceed an~~
27 ~~amount equal to 125 percent of the fee that the towing company would~~

1 ~~have been authorized to charge for a nonconsent tow made at the~~
2 ~~request of a peace officer of the political subdivision in which the~~
3 ~~private property is located.]~~

4 SECTION 6. Section 2308.206, Occupations Code, is amended
5 by adding Subsections (f) and (g) to read as follows:

6 (f) A license or permit holder may not charge a fee related
7 to a nonconsent tow that is not listed in the schedule most recently
8 submitted to the department under this section.

9 (g) The department may require a license or permit holder
10 that has violated Subsection (e) or (f) to reimburse the vehicle
11 owner or operator for the charges.

12 SECTION 7. Section 2308.208, Occupations Code, is amended
13 to read as follows:

14 Sec. 2308.208. MUNICIPAL ORDINANCE REGULATING UNAUTHORIZED
15 VEHICLES AND TOWING OF MOTOR VEHICLES. A municipality may adopt an
16 ordinance that is identical to this chapter or that imposes
17 additional requirements that exceed the minimum standards of this
18 chapter but may not adopt an ordinance conflicting with this
19 chapter.

20 SECTION 8. Subsection (a), Section 2308.252, Occupations
21 Code, is amended to read as follows:

22 (a) A parking facility owner may, without the consent of the
23 owner or operator of an unauthorized vehicle, cause the vehicle and
24 any property on or in the vehicle to be removed and stored at a
25 vehicle storage facility at the vehicle owner's or operator's
26 expense if:

27 (1) signs that comply with Subchapter G prohibiting

1 unauthorized vehicles are located on the parking facility at the
2 time of towing and for the preceding 24 hours and remain installed
3 at the time of towing;

4 (2) the owner or operator of the vehicle has received
5 actual notice from the parking facility owner that the vehicle will
6 be towed at the vehicle owner's or operator's expense if it is in or
7 not removed from an unauthorized space;

8 (3) the parking facility owner gives notice to the
9 owner or operator of the vehicle under Subsection (b); or

10 (4) the parking facility owner has provided to the
11 towing company written notice of the name of the parking facility
12 authorized agent and the vehicle is:

13 (A) left in violation of Section 2308.251 or
14 2308.253; or

15 (B) in or obstructing a portion of a paved
16 driveway or abutting public roadway used for entering or exiting
17 the facility.

18 SECTION 9. Subsection (a), Section 2308.255, Occupations
19 Code, is amended to read as follows:

20 (a) A towing company that is insured as provided by
21 Subsection (c) may, without the consent of an owner or operator of
22 an unauthorized vehicle, remove and store the vehicle at a vehicle
23 storage facility at the expense of the owner or operator of the
24 vehicle if:

25 (1) the towing company has received written
26 verification from the parking facility owner that:

27 (A) the parking facility owner has installed the

1 signs required by Section 2308.252(a)(1); or

2 (B) the owner or operator received notice under
3 Section 2308.252(a)(2) or the parking facility owner gave notice
4 complying with Section 2308.252(a)(3); or

5 (2) the parking facility owner has provided to the
6 towing company written notice of the name of the parking facility
7 authorized agent and the vehicle is:

8 (A) left in violation of Section 2308.251; or

9 (B) in or obstructing a portion of a paved
10 driveway or abutting public roadway used for entering or exiting
11 the facility and the removal is approved by a peace officer.

12 SECTION 10. Subsection (a), Section 2308.256, Occupations
13 Code, is amended to read as follows:

14 (a) A vehicle storage facility accepting a vehicle that is
15 towed under this chapter shall within two hours after receiving the
16 vehicle report to the police department of the municipality from
17 ~~[in]~~ which the vehicle was towed ~~[parking facility is located]~~, or,
18 if the vehicle was towed from a location that ~~[parking facility]~~ is
19 not ~~[located]~~ in a municipality with ~~[having]~~ a police department,
20 to the sheriff of the county from ~~[in]~~ which the vehicle was towed
21 ~~[parking facility is located]~~:

22 (1) a general description of the vehicle;

23 (2) the state and number of the vehicle's license
24 plate, if any;

25 (3) the vehicle identification number of the vehicle,
26 if it can be ascertained;

27 (4) the location from which the vehicle was towed; and

1 (5) the name and location of the vehicle storage
2 facility where the vehicle is being stored.

3 SECTION 11. Subsection (c), Section 2308.404, Occupations
4 Code, is amended to read as follows:

5 (c) A towing company or parking facility owner who
6 intentionally, knowingly, or recklessly violates this chapter is
7 liable to the owner or operator of the vehicle that is the subject
8 of the violation for \$1,000 [~~\$300~~] plus three times the amount of
9 fees assessed in the vehicle's removal, towing, or storage.

10 SECTION 12. Section 2308.405, Occupations Code, is amended
11 to read as follows:

12 Sec. 2308.405. CRIMINAL PENALTY [~~VIOLATION OF CHAPTER,~~
13 ~~FINE~~]. A person commits an offense if the person violates
14 [~~violation of~~] this chapter. An offense under this section is a
15 misdemeanor punishable by a fine of not less than \$500 or more than
16 \$1,500 unless it is shown on trial of the offense that the person
17 knowingly or intentionally violated this chapter, in which event
18 the offense is a Class B misdemeanor.

19 SECTION 13. Section 2308.451, Occupations Code, is amended
20 by amending Subsection (b) and adding Subsection (c) to read as
21 follows:

22 (b) If in a hearing held under this chapter the court does
23 not find that a person or law enforcement agency authorized, with
24 probable cause, the removal and storage in a vehicle storage
25 facility of a vehicle, the parking facility owner [~~person~~] or law
26 enforcement agency that authorized the removal shall:

27 (1) pay the costs of the removal and storage; or

1 (2) reimburse the owner or operator for the cost of the
2 removal and storage paid by the owner or operator.

3 (c) If, in a hearing held under this chapter, regardless of
4 whether the court finds that there was probable cause for the
5 removal and storage of a vehicle, the court finds that the towing
6 charge collected exceeded fees regulated by a political subdivision
7 or authorized by this chapter or Chapter 2303, the towing company
8 shall reimburse the owner or operator of the vehicle an amount equal
9 to the overcharge.

10 SECTION 14. Section 2308.454, Occupations Code, is amended
11 by adding Subsection (c) to read as follows:

12 (c) If the towing company or vehicle storage facility that
13 received the payment fails to furnish to the owner or operator of
14 the vehicle the name, address, and telephone number of the parking
15 facility owner or law enforcement agency that authorized the
16 removal of the vehicle, the towing company or vehicle storage
17 facility that received the payment is liable if the court, after a
18 hearing, does not find probable cause for the removal and storage of
19 the vehicle.

20 SECTION 15. Section 2308.455, Occupations Code, is amended
21 to read as follows:

22 Sec. 2308.455. CONTENTS OF NOTICE. The notice under
23 Section 2308.454 must include:

24 (1) a statement of:

25 (A) the person's right to submit a request within
26 14 days for a court hearing to determine whether probable cause
27 existed to remove the vehicle;

1 (B) the information that a request for a hearing
2 must contain; and

3 (C) any filing fee for the hearing;

4 (2) the name, address, and telephone number of the
5 towing company that removed the vehicle;

6 (3) the name, address, and telephone number of the
7 vehicle storage facility in which the vehicle was placed;

8 (4) the name, street address including city, state,
9 and zip code, and telephone number of the person, parking facility
10 ~~[property]~~ owner, or law enforcement agency that authorized the
11 removal of the vehicle; and

12 (5) the name, address, and telephone number of the
13 justice court having jurisdiction in the precinct in which the
14 vehicle storage facility is located.

15 SECTION 16. Section 2308.456, Occupations Code, is amended
16 by amending Subsection (a) and adding Subsection (c-1) to read as
17 follows:

18 (a) Except as provided by Subsections ~~[Subsection]~~ (c) and
19 (c-1), a person entitled to a hearing under this chapter must
20 deliver a written request for the hearing to the court before the
21 14th day after the date the vehicle was removed and placed in the
22 vehicle storage facility, excluding Saturdays, Sundays, and legal
23 holidays.

24 (c-1) The 14-day period for requesting a hearing under
25 Subsection (a) does not begin until the date on which the towing
26 company or vehicle storage facility provides to the vehicle owner
27 or operator the information necessary for the vehicle owner or

1 operator to complete the material for the request for hearing
2 required under Subsections (b)(2)-(6).

3 SECTION 17. Subsections (a) and (b), Section 2308.458,
4 Occupations Code, are amended to read as follows:

5 (a) A hearing under this chapter shall be held before the
6 21st calendar [~~14th working~~] day after the date the court receives
7 the request for the hearing.

8 (b) The court shall notify the person who requested the
9 hearing, the parking facility owner [~~person~~] or law enforcement
10 agency that authorized the removal of the vehicle, and the vehicle
11 storage facility in which the vehicle was placed of the date, time,
12 and place of the hearing in a manner provided by Rule 21a, Texas
13 Rules of Civil Procedure. The notice of the hearing to the parking
14 facility owner [~~person~~] or law enforcement agency that authorized
15 the removal of the vehicle shall include a copy of the request for
16 hearing.

17 SECTION 18. Section 2308.460, Occupations Code, is amended
18 to read as follows:

19 Sec. 2308.460. ENFORCEMENT OF AWARD. (a) An award under
20 this chapter may be enforced by any means available for the
21 enforcement of a judgment for a debt.

22 (b) The department shall suspend a license holder's license
23 on the license holder's failure to pay a final judgment awarded to
24 an owner or operator of a vehicle before the 60th day after the date
25 of the final judgment.

26 (c) The owner or operator of the vehicle shall submit a
27 certified copy of the final judgment to the department.

1 (d) On receipt of the certified copy of the unpaid final
2 judgment, the department shall disqualify a person from renewing a
3 license or permit or deny the person the opportunity of taking a
4 licensing examination on the grounds that the person, towing
5 company, or vehicle storage facility has not paid a final judgment
6 awarded to an owner or operator of a vehicle.

7 (e) The department shall reinstate the license on
8 submission of evidence satisfactory to the department of payment of
9 the final judgment by the person, towing company, or vehicle
10 storage facility.

11 SECTION 19. Subsection (a), Section 2303.159, Occupations
12 Code, is amended to read as follows:

13 (a) The operator of a vehicle storage facility shall accept
14 payment by an electronic check, debit card, or credit card for any
15 charge associated with delivery or storage of a vehicle. Except as
16 provided by this subsection, the operator of a vehicle storage
17 facility may not collect a fee for any charge associated with
18 delivery or storage of a vehicle from a person who offers to pay the
19 charge with an electronic check, debit card, or credit card form of
20 payment that the operator is not equipped to accept. This
21 subsection does not apply if the operator, through no fault of the
22 operator, is unable to accept the electronic check, debit card, or
23 credit card because of a power outage or a machine malfunction.

24 SECTION 20. Not later than April 1, 2010, the Texas
25 Commission of Licensing and Regulation shall adopt the rules
26 necessary to implement the changes in law made by this Act,
27 including rules on the maximum amount of fees that may be charged

1 for private property tows.

2 SECTION 21. (a) The change in law made by this Act to
3 Section 2308.405, Occupations Code, applies only to an offense
4 committed on or after the effective date of this Act. For purposes
5 of this section, an offense is committed before the effective date
6 of this Act if any element of the offense occurs before that date.

7 (b) An offense committed before the effective date of this
8 Act is covered by the law in effect when the offense was committed,
9 and the former law is continued in effect for that purpose.

10 SECTION 22. (a) Except as provided by Subsection (b) of
11 this section, this Act takes effect September 1, 2009.

12 (b) Section 2308.204, Occupations Code, as amended by this
13 Act, takes effect May 1, 2010.

ADOPTED

MAY 22 2009

BY: Latoy D. Grant
Secretary of the Senate

FLOOR AMENDMENT NO. 1

Amend C.S.H.B. No. 2571 (senate committee printing) as follows:

(1) In SECTION 3 of the bill, strike added Section 2308.0575(b), Occupations Code (page 2, lines 30 through 36), and substitute the following:

(b) In adopting rules under Subsection (a), the commission shall contract for a study that:

(1) examines nonconsent towing fee studies conducted by municipalities in this state; and

(2) analyzes for private property tows the cost of services by company, the consumer price index, the geographic area, and individual cost components.

(2) In SECTION 5 of the bill, in the heading to amended Section 2308.204, Occupations Code (page 2, line 63), strike "NONCONSENT" and substitute "PRIVATE PROPERTY [~~NONCONSENT~~]".

(3) In SECTION 5 of the bill, in amended Section 2308.204, Occupations Code (page 2, line 68), strike "~~[from private property]~~" and substitute "from private property".

(4) In SECTION 17 of the bill, strike amended Section 2308.458(b), Occupations Code (page 5, lines 40 through 48), and substitute the following:

(b) The court shall notify the person who requested the hearing, the parking facility owner [~~person~~] or law enforcement agency that authorized the removal of the vehicle, the towing company, and the vehicle storage facility in which the vehicle was placed of the date, time, and place of the hearing in a manner provided by Rule 21a, Texas Rules of Civil Procedure. The notice

of the hearing to the towing company and the parking facility owner [~~person~~] or law enforcement agency that authorized the removal of the vehicle shall include a copy of the request for hearing.

(5) In SECTION 18 of the bill, in added Section 2308.460(b), Occupations Code (page 5, line 57), immediately following the period, insert "The department must provide notice of the suspension to the license holder at least 30 days before the date the license is to be suspended.".

(6) In SECTION 20 of the bill (page 6, line 14), strike "April" and substitute "September".

(7) In SECTION 22 of the bill, strike Subsection (b) of that section (page 6, lines 29 and 30) and substitute the following:

(b) Section 2308.0575, Occupations Code, as added by this Act, takes effect September 1, 2010.

FLOOR AMENDMENT NO. 2

ADOPTED

30 days / may

MAY 22 2009

BY:

W. Nelson

Antony Spaw
Secretary of the Senate

1 Amend H.B. 2571 by adding the following appropriately
2 numbered SECTION to the bill and renumbering subsequent SECTIONS
3 of the bill accordingly:

4 SECTION _____. Section 2303.155, Occupations Code, is
5 amended by amending Subsection (b) and adding Subsection (h) to
6 read as follows:

7 (b) Except as provided by Subsection (h), the [The]
8 operator of a vehicle storage facility or governmental vehicle
9 storage facility may charge the owner of a vehicle stored or
10 parked at the facility:

11 (1) a notification fee set in a reasonable amount for
12 providing notice under this subchapter, including notice under
13 Section 2303.154(c);

14 (2) an impoundment fee of \$20 for any action that:

15 (A) is taken by or at the direction of the owner
16 or operator of the facility; and

17 (B) is necessary to preserve, protect, or
18 service a vehicle stored or parked at the facility;

19 (3) a daily storage fee of:

20 (A) not less than \$5 and not more than \$20 for
21 each day or part of a day the vehicle is stored at the facility
22 if the vehicle is not longer than 25 feet; or

23 (B) \$35 for each day or part of a day the
24 vehicle is stored at the facility if the vehicle is longer than
25 25 feet; and

26 (4) any fee that is required to be submitted to a law
27 enforcement agency, the agency's authorized agent, or a
28 governmental entity.

29 (h) The operator of a vehicle storage facility or

1 governmental vehicle storage facility may not charge a fee under
2 Subsection (b) to the owner of a vehicle stored or parked at the
3 facility as a result of recovery of the vehicle after being
4 stolen if the vehicle owner provides the operator with a copy of
5 the police report or similar report prepared by any law
6 enforcement agency showing that the vehicle was reported stolen.

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 23, 2009

TO: Honorable Joe Straus, Speaker of the House, House of Representatives

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB2571 by Gonzales (Relating to the licensing and regulation of towing companies and vehicle storage facilities; providing penalties.), **As Passed 2nd House**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2571, As Passed 2nd House: an impact of \$0 through the biennium ending August 31, 2011.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2010	\$0
2011	\$0
2012	\$0
2013	\$0
2014	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from <i>General Revenue Fund</i> 1	Probable Revenue Gain/(Loss) from <i>General Revenue Fund</i> 1
2010	\$0	\$0
2011	(\$100,000)	\$100,000
2012	(\$60,000)	\$60,000
2013	(\$60,000)	\$60,000
2014	(\$60,000)	\$60,000

Fiscal Analysis

The bill would amend Chapter 2308 of the Occupations Code regarding the licensing and regulation of towing companies and vehicle storage facilities. The bill would require the Texas Department of Licensing and Regulation (TDLR) to adopt rules for denial of an application for a tow truck permit or towing operator or company license.

The bill would require the Texas Commission of Licensing and Regulation to adopt rules to set fees that could be charged for private towing, the maximum amount for other fees associated with private towing, and the maximum fees for certain types of motor vehicles. The bill also would require TDLR to contract out a study to examine existing private property towing fee studies conducted by municipalities in Texas and to analyze private property towing cost of services by company, consumer

price index, geographic area, and individual cost components in order to adopt appropriate fee rates.

The bill would direct TDLR to suspend a license issued under this chapter's provisions for failure to pay within 60 days a final judgment awarded to an owner or operator of a motor vehicle. The bill would establish a criminal penalty for violations of this chapter's provisions.

The bill would take effect September 1, 2009. The requirement to establish rules on fees and to contract for a study as amended in Section 2308.575, Occupations Code, would take effect September 1, 2010.

Methodology

TDLR indicates that the cost of contracting out the required study on private property towing fees would be \$100,000 in the fiscal year 2011, and \$60,000 each subsequent year to update the study. This analysis assumes that any increased costs to the agency, which is statutorily required to generate sufficient revenue to cover its costs of operation, would be offset by an increase in fee generated revenue.

Based on the analysis of the Comptroller of Public Accounts, it is assumed that duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 452 Department of Licensing and Regulation, 304 Comptroller of Public Accounts

LBB Staff: JOB, ES, MN, MW, KJG

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 20, 2009

TO: Honorable Tommy Williams, Chair, Senate Committee on Administration

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB2571 by Gonzales (relating to the licensing and regulation of towing companies and vehicle storage facilities; providing penalties.), **Committee Report 2nd House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2571, Committee Report 2nd House, Substituted: an impact of \$0 through the biennium ending August 31, 2011.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2010	\$0
2011	\$0
2012	\$0
2013	\$0
2014	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from <i>General Revenue Fund</i> 1	Probable Revenue Gain/(Loss) from <i>General Revenue Fund</i> 1
2010	(\$100,000)	\$100,000
2011	(\$60,000)	\$60,000
2012	(\$60,000)	\$60,000
2013	(\$60,000)	\$60,000
2014	(\$60,000)	\$60,000

Fiscal Analysis

The bill would amend Chapter 2308 of the Occupations Code regarding the licensing and regulation of towing companies and vehicle storage facilities. The bill would require the Texas Department of Licensing and Regulation (TDLR) to adopt rules for denial of an application for a tow truck permit or towing operator or company license.

The bill would require the Texas Commission of Licensing and Regulation to adopt rules to set fees that could be charged for private towing, the maximum amount for other fees associated with private towing, and the maximum fees for certain types of motor vehicles. The bill also would require TDLR to contract out a study to examine existing private property towing fee studies conducted by municipalities in Texas and to analyze private property towing cost of services by company, consumer

price index, geographic area, and individual cost components in order to adopt appropriate fee rates.

The bill would direct TDLR to suspend a license issued under this chapter's provisions for failure to pay within 60 days a final judgment awarded to an owner or operator of a motor vehicle. The bill would establish a criminal penalty for violations of this chapter's provisions.

The bill would take effect September 1, 2009.

Methodology

TDLR indicates that the cost of contracting out the required study on private property towing fees would be \$100,000 in the fiscal year 2010, and \$60,000 each subsequent year to update the study. This analysis assumes that any increased costs to the agency, which is statutorily required to generate sufficient revenue to cover its costs of operation, would be offset by an increase in fee generated revenue.

Based on the analysis of the Comptroller of Public Accounts, it is assumed that duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 452 Department of Licensing and Regulation, 304 Comptroller of Public Accounts

LBB Staff: JOB, MN, MW, ES, KJG

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

Revision 1

May 15, 2009

TO: Honorable Tommy Williams, Chair, Senate Committee on Administration

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB2571 by Gonzales (Relating to the licensing and regulation of towing companies and vehicle storage facilities; providing penalties.), **As Engrossed**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2571, As Engrossed: an impact of \$0 through the biennium ending August 31, 2011.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2010	\$0
2011	\$0
2012	\$0
2013	\$0
2014	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from <i>General Revenue Fund</i> 1	Probable Revenue Gain/(Loss) from <i>General Revenue Fund</i> 1
2010	(\$100,000)	\$100,000
2011	(\$60,000)	\$60,000
2012	(\$60,000)	\$60,000
2013	(\$60,000)	\$60,000
2014	(\$60,000)	\$60,000

Fiscal Analysis

The bill would amend Chapter 2308 of the Occupations Code regarding the licensing and regulation of towing companies and vehicle storage facilities. The bill would require the Texas Department of Licensing and Regulation (TDLR) to adopt rules for denial of an application for a tow truck permit or towing operator or company license.

The bill would require the Texas Commission of Licensing and Regulation to adopt rules to set fees that could be charged for private towing, the maximum amount for other fees associated with private towing, and the maximum fees for certain types of motor vehicles. The bill also would require TDLR to consider existing private property towing fee studies conducted by municipalities in Texas and to

conduct studies of private property towing fees in order to adopt appropriate fee rates.

The bill would direct TDLR to suspend a license issued under this chapter's provisions for failure to pay within 60 days a final judgment awarded to an owner or operator of a motor vehicle. The bill would establish a criminal penalty for violations of this chapter's provisions.

Methodology

TDLR indicates that the cost of contracting out the required study on private property towing fees would be \$100,000 in the fiscal year 2010, and \$60,000 each subsequent year to update the study. This analysis assumes that any increased costs to the agency, which is statutorily required to generate sufficient revenue to cover its costs of operation, would be offset by an increase in fee generated revenue.

Based on the analysis of the Comptroller of Public Accounts, it is assumed that duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 452 Department of Licensing and Regulation, 304 Comptroller of Public Accounts

LBB Staff: JOB, MN, MW, ES, KJG

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 10, 2009

TO: Honorable Joseph Pickett, Chair, House Committee on Transportation

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB2571 by Gonzales (Relating to the licensing and regulation of towing companies and vehicle storage facilities; providing penalties.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would amend Chapter 2308 of the Occupations Code regarding the licensing and regulation of towing companies and vehicle storage facilities. The bill would require the Texas Department of Licensing and Regulation (TDLR) to adopt rules for denial of an application for a tow truck permit or towing operator or company license.

The bill would require the Texas Commission of Licensing and Regulation to adopt rules to set fees that could be charged for private towing, the maximum amount for other fees associated with private towing, and the maximum fees for certain types of motor vehicles. The bill also would require TDLR to consider existing private property towing fee studies conducted by municipalities in Texas and to conduct studies of private property towing fees in order to adopt appropriate fee rates.

The bill would direct TDLR to suspend a license issued under this chapter's provisions for failure to pay within 60 days a final judgment awarded to an owner or operator of a motor vehicle. The bill would establish a criminal penalty for violations of this chapter's provisions.

Based on the analysis of the Comptroller of Public Accounts, it is assumed that duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources. TDLR indicates that there would be some cost to implement the provisions of the bill, but these costs are expected to be absorbed within the agency's existing budget.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 452 Department of Licensing and Regulation, 304 Comptroller of Public Accounts

LBB Staff: JOB, ES, KJG, MW

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

March 30, 2009

TO: Honorable Joseph Pickett, Chair, House Committee on Transportation

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB2571 by Gonzales (Relating to the licensing and regulation of towing companies and vehicle storage facilities; providing penalties.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend Chapter 2308 of the Occupations Code regarding the licensing and regulation of towing companies and vehicle storage facilities.

The bill would require the Texas Commission of Licensing and Regulation to adopt rules to set fees that could be charged for private towing, the maximum amount for other fees associated with private towing, and the maximum fees for certain types of motor vehicles. The bill also would require the Texas Department of Licensing and Regulation (TDLR) to consider existing private property towing fee studies conducted by municipalities in Texas and to conduct studies of private property towing fees in order to adopt appropriate fee rates.

The bill would direct TDLR to suspend a license issued under this chapter's provisions for failure to pay within 60 days a final judgment awarded to an owner or operator of a motor vehicle. The bill would establish a criminal penalty for violations of this chapter's provisions.

Based on the analysis of TDLR and the Comptroller of Public Accounts, it is assumed that duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 452 Department of Licensing and Regulation

LBB Staff: JOB, KJG, MW, ES

