

**HOUSE OF REPRESENTATIVES
COMPILATION OF PUBLIC COMMENTS**

Submitted to the Committee on Licensing & Administrative Procedures
For HB 4447

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Hearing Date: April 19, 2023 8:00 AM

Geoffrey Nienstedt
Roadrunner Towing Service
Schertz, TX

Daily storage reimbursement rates have been adjusted since 2019 on a biennial basis in accordance with CPI increases. From 2005-2019, daily storage rates were frozen at \$20.00 per day for vehicles 25 feet in length or less and \$35.00 per day for vehicles longer than 25 feet or longer. The current adjustments have raised rates minimally. The current rates are \$21.03 per day for vehicles 25 feet in length or less and \$36.80 per day for vehicles longer than 25 feet. The current rates have increased rates by only 5.15% over the last 4 years. From 2005-2022 storage reimbursement rates have only increased by 5.15% while the consumer price index has risen 50.81%. This minimal increase is a result of the fact that 2005 rates were used as the basis for the increase. If the rates been adjusted since their last increase, and in accordance with inflation (CPI from USBLS website), the rates from 2005 rates to 2021 rates (the most recent TDLR CPI adjustment), the rates would be. \$27.60 per day for vehicles 25 feet in length or less; and \$48.29 per day for vehicles longer than 25 feet in length. Comparing current rates to 2005-adjusted rates, vehicle storage facilities have lost 43.43% of daily storage fees to inflation alone. Adjusting the daily storage fees from the 2005 rates does not give vehicle storage facilities a “raise.” A “raise” would imply that vehicle storage facilities were making more money compared to before. While this bill would simply increase or “catch up” the amount that can be charged for daily storage fees, that higher amount is directly in line with the Consumer Price Index. As the Consumer Price Index is an index of the variation in prices paid by typical consumers of retail goods and other items, the adjustment of the daily storage fees to match that index merely prevents the daily storage fees from being eroded over time due to inflation.