

---

## **OLR Bill Analysis**

**sSB 1449**

### ***AN ACT CONCERNING MEDIUM-DUTY AND HEAVY-DUTY TOWING.***

#### **SUMMARY**

This bill requires the Department of Motor Vehicles (DMV) commissioner to establish a new rate schedule for nonconsensual medium- and heavy-duty towing (§ 1) and sets temporary rates for nonconsensual medium- and heavy-duty towing that remain effective until the new rate schedule is established (§ 3).

Under the bill, the commissioner must set the medium- and heavy-duty rate schedule through the new process the bill establishes, and the rates must reflect the reasonable operating costs of wrecker services (towing companies) that perform medium- and heavy-duty towing. It creates the Medium- and Heavy-Duty Towing Advisory Council to recommend a proposed rate schedule to the commissioner and to advise him on policies affecting medium- and heavy-duty towing. The council consists of representatives from the towing industry and trucking industry, first responders, and certain agency heads (§ 2).

The bill also explicitly allows (1) police officers or traffic authorities that order a vehicle's removal to direct a towing company to use certain equipment and labor that is required by State Police tow rotation list regulations and (2) towing companies who remove a vehicle pursuant to police or traffic authority directions to charge the liable party for the services rendered (§ 1).

Lastly, the bill generally codifies DMV regulations on investigations of customer complaints regarding dealer and repairers and explicitly expands the scope of DMV's investigatory power to cover violations of the towing and vehicle disposal laws (§ 4).

It also makes technical and conforming changes (§§ 5-12).



EFFECTIVE DATE: July 1, 2025

## **TOWING DEFINITIONS**

The bill defines “nonconsensual towing or transporting” as towing or transporting a motor vehicle without the owner’s or operator’s prior consent or authorization that is ordered by (1) police officers or traffic authorities or (2) private property owners or lessees according to state law.

It also separates nonconsensual towing into three categories, generally conforming to the categories in DMV’s current towing rate schedule. Under the bill, these towing definitions explicitly include “recovery” (winching, hoisting, uprighting, or other similar functions a wrecker performs to return a vehicle to a position where it can be towed). The three categories are:

1. light-duty towing, which is nonconsensual towing of a vehicle with a gross vehicle weight rating (GVWR) under 10,000 pounds;
2. medium-duty towing, which is nonconsensual towing and recovery of a vehicle with a GVWR of 10,000 to 26,000 pounds; and
3. heavy-duty towing, which is nonconsensual towing and recovery of a vehicle over 26,000 pounds.

## **TEMPORARY RATES**

### ***Hourly Rates***

Starting July 1, 2025, the bill overrides the current DMV-established rate schedule and sets temporary rates that remain in effect until the DMV commissioner adopts a new medium- and heavy-duty rate schedule under the process the bill establishes.

Under the bill, the following maximum hourly rates may be charged for nonconsensual towing (including recovery), calculated according to current DMV regulations:

1. for medium-duty vehicles, \$300 per hour (currently, the rate is



\$240);

2. for heavy-duty vehicles, \$500 per hour (currently, the rate is \$390); and
3. for the use of a rotator, \$1,200 per hour (the current rate schedule does not have a rate for a rotator).

The bill defines a rotator as a wrecker (tow truck) that (1) consists of a rotating superstructure, adjusting boom, operating machinery, and one or more operator's stations mounted on a frame attached to a truck chassis and (2) has the ability to lift, lower, and swing loads.

***Services Included in Hourly Rate.*** The bill specifies that the following services are included in the hourly rate:

1. services reasonably necessary to restore the towing site to its original condition, or to restore it as directed by a police officer or traffic authority, if they take less than 15 minutes;
2. time the towing company spent at the site waiting to perform any portion of the nonconsensual towing due to an order of a police officer or traffic authority, if it takes less than 15 minutes;
3. hand tools, wrenches, sockets, and timbers, used in the towing or recovery of a motor vehicle;
4. air fittings and hoses used in towing or recovery under 100 feet;
5. disconnecting batteries;
6. pry bars, reflectors, wheel chocks or scotch blocks, up to two snatch blocks, cargo retraining straps, and chain and binders used in conjunction with wrecker cables; and
7. preparing a motor vehicle for towing.

Current regulations list similar services included in "tow charges" (Conn. Agency Regs., § 14-63-36b).



***Exceptional Services***

In addition to base hourly rates, current DMV regulations allow towing companies to charge for “exceptional services,” which means the use of special equipment, such as cutting torches, air compressors, and other equipment not generally required for nonconsensual towing at accident scenes. DMV regulations require that these charges be itemized in accordance with the hourly charge for labor posted as required under regulations; the Appellate Court recently held that these regulations do not allow exceptional service charges to include charges for equipment (see BACKGROUND).

Under the bill, the charge for exceptional services may include the hourly charge for labor and the use of equipment to perform the services, as long as the services are itemized, reasonable, and necessary to perform nonconsensual towing.

**NEW RATE SETTING PROCESS**

Existing law requires the DMV commissioner to establish a schedule of uniform rates and charges for nonconsensual towing and transporting and for motor vehicle storage, and those rates must be just and reasonable. Towing companies are prohibited from charging higher rates than the ones on the schedule the commissioner sets.

The bill requires him to adopt a new schedule of uniform hourly rates and itemized charges for medium- and heavy-duty towing and other associated charges for services (“rate schedule”) and establishes a new, separate process for doing so, including requiring that the rates be based on the advisory council’s proposal (see below).

By establishing this separate process for medium- and heavy-duty towing, the bill limits current law’s rate setting process, including procedures to petition DMV for rate increases and the factors the commissioner may consider when setting rates, to (1) motor vehicle storage fees and (2) light-duty towing.

***Factors Considered in Rates and Commissioner’s Discretion***

Under current law, the commissioner has discretion over which



factors he considers and incorporates into the rates and charges he sets. Currently the law specifies that he may consider, but is not limited to, the following factors when setting and amending the rates and charges: (1) the consumer price index, (2) rates set by other jurisdictions, (3) charges for towing and transportation services provided through automobile clubs, and (4) rates published in standard service manuals. DMV regulations also allow the commissioner to consider, among other things, the towing and recovery industry's operating costs but does not list specific costs that may be considered (Conn. Agencies Regs., § 14-63-36a). In a 2018 decision, the Appellate Court affirmed the commissioner's discretion to weigh these factors as he sees fit (see BACKGROUND).

The bill limits the commissioner's discretion by (1) requiring that the rate schedule specifically reflect the reasonable operating costs of towing companies that perform medium- and heavy-duty towing; (2) requiring, rather than allowing, him to consider certain specified factors when setting the rates; and (3) modifying those factors.

Under the bill, the commissioner must at a minimum consider (1) the cost of equipment that a towing company must have to be placed on the State Police tow rotation list; (2) the risk to people performing medium- and heavy-duty towing; (3) insurance costs; (4) the most recent transportation producer price index published by the U.S. Department of Transportation; (5) rates set by other jurisdictions; and (6) rates for consensual towing of vehicles with a GVWR of 10,000 pounds or more.

### ***Process After Receiving Proposed Rate Schedule***

Within 90 days after receiving a proposed rate schedule and any supporting documentation from the advisory council (see below), the DMV commissioner (1) may hold a public hearing to get more information about the rate schedule and (2) must establish and publish the new rate schedule. The commissioner cannot change the services that the advisory council included in its proposed rate schedule, but he may amend the amount of the hourly rate or flat charge for the services included. If he does so, he must explain why, in writing, and give it to the advisory council.



**MEDIUM- AND HEAVY- DUTY TOWING ADVISORY COUNCIL**

The bill establishes the Medium- and Heavy-Duty Towing Advisory Council and charges the council with (1) advising the DMV commissioner on policies affecting medium- and heavy-duty towing and (2) developing a proposed medium- and heavy-duty rate schedule. It places the council within DMV for administrative purposes only.

***Membership***

Under the bill, the council consists of the transportation, emergency services and public protection, energy and environmental protection, and insurance commissioners (or their designees), plus the following members appointed by the governor:

1. two representatives of an in-state organization representing towing and recovery professionals,
2. two representatives of an in-state organization representing the commercial trucking industry,
3. one representative of an association of police chiefs in the state, and
4. one representative of an association of fire chiefs in the state.

The bill requires the governor to make appointments by August 1, 2025, and fill any vacancies within 30 days after they occur. Each appointed member serves for a two-year term and may serve until a successor is appointed. The governor must appoint the chairperson, and the chairperson must convene the first meeting by September 15, 2025.

***Proposed Rate Schedule and Other Duties***

The bill requires the advisory council, by January 1, 2026, submit to the DMV commissioner a proposed medium- and heavy-duty rate schedule that includes rates and itemized charges for towing and any other associated charges for services that may not be connected to the provision of towing. In developing the schedule, the council must consider the factors the bill requires the DMV commissioner to consider when setting a rate schedule, and it must submit any documentation to



support the proposed rate schedule.

The council must review and consider adjustments to the rate schedule, but no more frequently than once every three years, and submit any recommended adjustments to the commissioner.

Under the bill, the council must also:

1. recommend specific procedures for investigating and determining whether a service performed by a towing company providing medium- and heavy-duty towing was required;
2. request information from other parties to assist with its work and, in its discretion, hold public hearings to get information; and
3. make additional recommendations to DMV as it deems appropriate.

### **COMPLAINT PROCESS**

The bill codifies provisions that are substantially similar to existing DMV regulations on investigations of consumer complaints against dealers and repairers (see Conn. Agencies Regs., §§ 14-63-45b & -45c). (By law, towing companies must have a dealers' or repairers' license.) It also broadens the scope of violations the commissioner may investigate to explicitly include violations of statutes on towing and vehicle disposal.

Among other things, the bill codifies provisions in regulations that:

1. specify what must be included in a complaint, including a statement of facts along with supporting evidence;
2. require DMV to notify the customer and the dealer or repairer, within 14 days after receiving the complaint, that it was received, what matters it covers, and that it will be investigated; and
3. allow DMV several options to resolve substantiated complaints, including mediation or an administrative hearing under the Uniform Administrative Procedure Act.



The bill also specifically allows the DMV commissioner to:

1. if it finds a towing company violated the laws, recommend that the Department of Emergency Services and Public Protection remove the towing company from the State Police tow rotational system, in addition to any enforcement action already authorized (e.g., civil penalties and restitution orders); and
2. adopt regulations establishing specific procedures for investigating complaints about medium- and heavy-duty towing, taking any recommendations from the advisory council into account.

The bill eliminates a statutory provision that requires the DMV commissioner to keep unresolved complaints on a dealer or repairer's records until the dealer or repairer provides evidence satisfactory to the commissioner that the claim is resolved or no longer pending.

## **BACKGROUND**

### ***Exceptional Services: Modzelewski's Towing & Storage, Inc. v. DMV Commissioner***

In 2024, the Appellate Court considered a DMV hearing officer's decision to impose civil penalties on a towing company and order restitution for certain violations, including improperly charging for exceptional services by including an equipment charge. The court held that the regulations only permit charging for exceptional services according to the approved hourly labor charge, and there is no support in existing DMV regulations for a towing company to include an equipment charge in its rate for exceptional services. In September 2024, the Connecticut Supreme Court granted the towing company's petition for certification (*Modzelewski's Towing & Storage, Inc. v. DMV Commissioner*, 225 Conn. App. 386 (2024), cert. granted, 349 Conn. 921 (2024)).

### ***DMV Commissioner's Discretion in Rate Setting: Towing & Recovery Professionals of Connecticut, Inc. v. Department of Motor Vehicles***

In 2018, DMV increased base towing rates and storage fees, generally



reflecting the rise in the Consumer Price Index (CPI) since the last increase in 2007. In determining the increases, the hearing officer considered evidence from the towing industry on vehicle costs, real estate taxes, and worker's compensation, among other things, but decided to give more weight to factors listed in statute (namely, CPI).

In response to DMV's 2018 decision, the Towing & Recovery Professionals of Connecticut filed an administrative appeal challenging the commissioner's consideration of statutory and regulatory factors and its weighing of evidence. When the appeal reached the Appellate Court, it held that, given the inclusion of the word "may," both the statute and regulation give the commissioner discretion to consider and weigh the factors that he sees fit (*Towing and Recovery Professionals of Connecticut, Inc. v. Department of Motor Vehicles*, 205 Conn. App. 368 (2021), *cert. denied*, 338 Conn. 910 (2021)).

**Related Bill**

sHB 7162, favorably reported by the Transportation Committee, makes numerous changes to the state's towing laws, including changes to the process for setting all nonconsensual towing rates and substantially similar provisions codifying dealer and repairer complaint investigation regulations.

**COMMITTEE ACTION**

Transportation Committee

Joint Favorable Substitute

Yea 35      Nay 0      (03/19/2025)