



Senate Bill 194 Sponsor Testimony

Senator Lou Terhar
Senate Judiciary Committee
November 28, 2017

Chairman Bacon, Vice Chair Dolan, Ranking Member Thomas, and members of the Judiciary Committee, thank you for allowing me the opportunity to testify today on behalf of Senate Bill 194, which will require only one notice to be sent to a vehicle owner, and any known lienholder after a vehicle is towed from a private tow-away zone before obtaining the title to that vehicle.

Current law requires private towing yards to send three certified letters to vehicle owners: one letter after five days of impound, one letter 30 days after the first notice is sent, and one 45 days after the first notice, before . SB 194 would require the towing yard to send only one certified letter after five days of impound. Currently, public impound lots are required to send only one certified letter before obtaining the vehicle title, and there is no clear reason for the distinction.

The administrative costs of this regulation add up significantly for a small business. For the average towing yard, the current certified letter requirements can cost tens of thousands of dollars a year. Some larger towing yards report spending over \$50,000 a year on certified mail. The monetary costs coupled with the additional labor required to conform make this regulation unduly burdensome.

Chairman Bacon and members of the committee, thank you for your time. I would be happy to address any questions you may have.