

December 8, 2020
Ohio Senate Local Government, Public Safety and Veterans Affairs Committee
PROPONENT TESTIMONY – SB 315
Todd Althouse, Beacon Software

Chairman Manning, Vice Chair Brenner, Ranking Member Maharath and members of the Senate Local Government, Public Safety and Veterans Affairs Committee. Thank you for the opportunity to address the committee as a proponent of SB 315.

My name is Todd Althouse and I am the President of Beacon Software. Our company was founded in the fall of 2000 to provide cloud-based towing and roadside management solutions and we are located in Brecksville, OH. We have since become a national leader in the industry with over 20 employees and we manage over 8 million towing service calls annually. One of the main services we provide to the towing industry is an automated BMV search and notification system to help our customers identify and notify vehicle owners and lienholders when their vehicle has been towed.

In addition to customers in Ohio, we operate in Florida, Louisiana, Virginia, Maryland, New York, New Jersey and Tennessee. We perform over 8,000 searches and send over 10,000 notification letters monthly to help our customers manage their business and stay compliant with state laws regarding notification. Ohio is the only state where we operate that does not have a solution for towing companies to dispose of abandoned vehicles ordered into storage by law enforcement.

I am testifying as a proponent of the legislation to share data that will demonstrate the magnitude of the problem in Ohio. First, I want to be clear that our company does not have a financial interest in the outcome of the legislation. SB 315 will provide an additional process for law enforcement and towing companies to properly dispose of abandoned vehicles, but Beacon Software does not profit from the disposal of abandoned vehicles.

To illustrate the size of the problem, we searched our Towlien database of Ohio vehicles impounded by law enforcement over a 3 month period beginning 9-16-2019 to 12-13-2019. These vehicles do not include those that were retrieved by the vehicle owner or lienholder. Rather, they are vehicles that remain in storage. Attached to my testimony is a copy of the spreadsheet for your review.

- In this 3 month period, for the 30 Ohio towing companies, 471 vehicles have not been retrieved by the owner or lienholder to date. As you heard from the towing companies, after 30 days in storage, less than 1% of the vehicles will be retrieved.
- For these 30 companies alone, 1,800+ vehicles will be abandoned on an annual basis.
- Ohio is home to over 1,000 towing and recovery companies as evidenced by the number of CPCNs (Certificate of Public Convenience and Necessity) numbers issued by the Public Utilities Commission of Ohio (PUCO).
- We do not know the exact number of vehicles ordered into storage by law enforcement and ultimately abandoned because that number does not exist. It is, however, plain to see that thousands of vehicles pile up in facilities across the state annually. If not disposed of properly, these vehicles will continue to accumulate indefinitely.

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SB 315 addresses a problem that is unique to Ohio when compared to the other 7 states where we operate. Each of these states has a path for the towing company to properly dispose of abandoned vehicles including those ordered by law enforcement. This legislation will benefit both the towing companies and law enforcement when they do not have an interest in the impounded vehicle.

Thank you for your attention to this matter and I would be happy to answer any questions from the committee.