

House File 2483 - Introduced

HOUSE FILE 2483
BY MATSON and JUDGE

A BILL FOR

- 1 An Act relating to towing or impounding vehicles, and making
- 2 penalties applicable.
- 3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

unofficial

1 Section 1. NEW SECTION. **321.83 Towing vehicles.**

2 1. A person shall not tow or impound a motor vehicle without
3 the owner's consent, unless the person does all of the following:

4 a. Posts signs in a manner to provide notice that an
5 unauthorized vehicle parked on private property, as described on
6 the sign, will be towed and the location where a towed vehicle
7 will be impounded.

8 b. Documents the towing, including by taking and keeping
9 photographs of the vehicle prior to initiating the tow, after the
10 vehicle is secured for towing, and after the vehicle is parked
11 following the tow.

12 c. Maintains accurate records of the vehicle towed, including
13 all of the following:

14 (1) The vehicle's make, model, and registration plate number.

15 (2) The date and time of the tow.

16 (3) The location from which the vehicle was towed.

17 2. a. A person who initiates a tow shall cease all towing
18 actions if the vehicle owner arrives at the location of the
19 owner's vehicle before the tow is completed, and shall release
20 the vehicle to the owner. A person who initiates and then ceases
21 towing a vehicle shall not charge the vehicle owner a fee in
22 excess of twenty dollars.

23 b. Paragraph "a" does not apply to a person who initiates a
24 tow when a vehicle is parked in a manner that could interfere
25 with the safety of another person, including but not limited to
26 a vehicle parked in a space reserved for emergency parking at a
27 hospital or parked in front of a fire hydrant.

28 3. The owner of a motor vehicle that has been towed shall
29 not be prohibited from recording and documenting actions of the
30 person who towed the vehicle.

31 4. A person who has towed or impounded a motor vehicle
32 without the owner's consent shall do all of the following:

33 a. Notify the vehicle owner, including a lienholder if
34 applicable, and the local law enforcement agency within
35 twenty-four hours. The notice must include the vehicle's

1 description, the location where the vehicle is stored, contact
2 information for the person who towed the vehicle, and the amount
3 of fees that will be charged.

4 b. Display all towing rates at the person's place of business
5 and on the person's internet site, if applicable.

6 c. Provide instructions for a vehicle owner to file a
7 complaint regarding the towing or impounding of the owner's
8 vehicle. The instructions must be displayed at the person's
9 place of business and on the person's internet site, if
10 applicable.

11 d. Provide an itemized account detailing all fees associated
12 with a tow.

13 e. Allow the owner of the vehicle to recover the vehicle at
14 a reasonable time and during at least a ten-hour period on a day
15 other than a Saturday or Sunday.

16 f. Allow the owner of the vehicle to retrieve personal
17 property from within the vehicle during the normal business hours
18 of the person who impounded the vehicle without paying a fee.

19 g. Accept payment by credit card with a card-use fee, if
20 applicable, not exceeding three percent, in addition to other
21 forms of payment.

22 h. Reimburse the vehicle owner for any damage to the vehicle
23 caused by the person who towed the vehicle.

24 5. A person who tows a motor vehicle without the owner's
25 consent shall not charge a storage fee during the first
26 twenty-four hours following the tow.

27 6. A fee charged by a person who towed or impounded a motor
28 vehicle shall not exceed the amount the person charges for a
29 consensual tow or the reasonable storage costs, as applicable.

30 7. A person who tows a motor vehicle shall reimburse the
31 vehicle owner for all costs associated with the tow if the person
32 does not comply with this section.

33 8. The owner of a vehicle that has been towed pursuant to
34 this section may request that the person who towed the vehicle
35 show the person's valid towing permit, if any, and information

1 about the person's towing company, if any. A person who towed a
2 vehicle shall comply with a request under this subsection.

3 9. This section does not apply to abandoned vehicles which
4 may be taken into custody as provided in section 321.89 or
5 disposed of as provided in section 321.90.

6 Sec. 2. Section 321.89, subsection 2, Code 2026, is amended
7 to read as follows:

8 2. *Authority to take possession of abandoned vehicles.* A
9 police authority, upon the authority's own initiative or upon
10 the request of any other authority having the duties of control
11 of highways or traffic, shall take into custody an abandoned
12 vehicle on public property and may take into custody an abandoned
13 vehicle on private property. The police authority may employ
14 its own personnel, equipment, and facilities or hire a private
15 entity, equipment, and facilities for the purpose of removing,
16 preserving, storing, or disposing of abandoned vehicles. A
17 property owner or other person in control of private property
18 may employ a private entity who is a garagekeeper, as defined
19 in section 321.90, to dispose of an abandoned vehicle, and
20 the private entity may take into custody the abandoned vehicle
21 without a police authority's initiative. If a police authority
22 employs a private entity to dispose of abandoned vehicles,
23 the police authority shall provide the private entity with the
24 names and addresses of the registered owners, all lienholders
25 of record, and any other known claimant to the vehicle or the
26 personal property found in the vehicle. The owners, lienholders,
27 or other claimants of the abandoned vehicle shall not have
28 a cause of action against a private entity for action taken
29 under this section if the private entity provides notice,
30 allows inspection, and provides information about the vehicle as
31 required by subsection 3, paragraphs "a" through "f".

32 Sec. 3. Section 321.89, subsection 3, paragraphs a, e, and f,
33 Code 2026, are amended to read as follows:

34 a. A police authority or private entity that takes into
35 custody an abandoned vehicle shall send notice by certified mail

1 that the vehicle has been taken into custody no more than ~~twenty~~
 2 ten days after taking custody of the vehicle. Notice shall
 3 be sent to the last known address of record of the last known
 4 registered owner of the vehicle, all lienholders of record, and
 5 any other known claimant to the vehicle.

6 e. If the persons receiving notice do not ask for a hearing
 7 or exercise their right to reclaim the vehicle or personal
 8 property within the ~~ten-day~~ thirty-day reclaiming period, the
 9 owner, lienholders, or claimants shall no longer have any right,
 10 title, claim, or interest in or to the vehicle or the personal
 11 property. If proper notice and an opportunity to inspect the
 12 vehicle is not provided to the owners, lienholders, and known
 13 claimants, there shall be no forfeiture of the person's right,
 14 title, claim, or interest in or to the vehicle and personal
 15 property, as applicable.

16 f. A court in any case in law or equity shall not recognize
 17 any right, title, claim, or interest of the owner, lienholders,
 18 or claimants after the expiration of the ~~ten-day~~ thirty-day
 19 reclaiming period if proper notice is provided to the owners,
 20 lienholders, and known claimants as required in this subsection
 21 and such persons were provided timely opportunity to inspect the
 22 vehicle and retrieve personal property, as applicable.

23 Sec. 4. Section 321.89, subsection 3, paragraph b,
 24 subparagraph (3), Code 2026, is amended to read as follows:

25 (3) Information for the persons receiving the notice of their
 26 right to inspect and reclaim the vehicle and personal property
 27 contained therein within ~~ten~~ thirty days after the effective date
 28 of the notice. Persons may reclaim the vehicle ~~or personal~~
 29 ~~property~~ upon payment of all reasonable towing, preservation, and
 30 storage charges resulting from placing the vehicle in custody
 31 and upon payment of the costs of notice required pursuant to
 32 this subsection. Persons may reclaim any personal property from
 33 a vehicle during the normal business hours of the entity with
 34 custody of the vehicle at no cost and without reclaiming the
 35 vehicle.

1 Sec. 5. Section 321.89, subsection 3, paragraph b, Code 2026,
2 is amended by adding the following new subparagraph:

3 NEW SUBPARAGRAPH. (6) An itemized account of all fees to be
4 assessed when the vehicle is reclaimed.

5 Sec. 6. Section 321.89, subsection 3, Code 2026, is amended
6 by adding the following new paragraph:

7 NEW PARAGRAPH. 0c. A person who receives notice under this
8 subsection may request to inspect the vehicle or personal
9 property contained therein, or receive specific information as
10 to the condition of the vehicle or personal property, and if
11 requested, the entity with custody of the vehicle shall provide
12 the requested information or an opportunity to inspect the
13 vehicle, as applicable, prior to the expiration of the thirty-day
14 reclamation period.

15 Sec. 7. Section 321.89, subsection 4, Code 2026, is amended
16 to read as follows:

17 4. Reclamation of abandoned vehicles and personal
18 property. An entity with custody of an abandoned vehicle shall
19 provide an itemized account of all fees assessed when the vehicle
20 is reclaimed. Prior to driving an abandoned vehicle away from
21 the premises, a person who received, or who is reclaiming
22 the vehicle on behalf of a person who received, notice under
23 subsection 3 shall present to the police authority or private
24 entity, as applicable, the person's valid driver's license and
25 proof of financial liability coverage as provided in section
26 321.20B. During the normal business hours of the entity with
27 custody of the vehicle, a person may retrieve the person's
28 personal property left in the vehicle at no cost and without
29 reclaiming the vehicle.

30 Sec. 8. Section 321.89, subsection 5, paragraph b, Code 2026,
31 is amended to read as follows:

32 b. From the proceeds of the sale of an abandoned vehicle the
33 police authority, if the police authority did not hire a private
34 entity, shall reimburse itself for the expenses of the auction,
35 the costs of towing, preserving, and storing which resulted

1 from placing the abandoned vehicle in custody, all notice and
 2 publication costs incurred pursuant to subsection 3, the cost
 3 of inspection, and any other costs incurred except costs of
 4 bookkeeping and other administrative costs. Any remainder from
 5 the proceeds of a sale shall be held for the owner of the
 6 vehicle or entitled lienholder for ninety days, and shall then be
 7 deposited in the ~~road use tax~~ general fund of the local authority
 8 with jurisdiction over the location where the abandoned vehicle
 9 was towed. The local authority shall not use moneys deposited
 10 pursuant to this paragraph except for public purposes. The costs
 11 to police authorities of auction, towing, preserving, storage,
 12 and all notice and publication costs, and all other costs which
 13 result from placing abandoned vehicles in custody, whenever the
 14 proceeds from a sale of the abandoned vehicles are insufficient
 15 to meet these expenses and costs, shall be paid from the road
 16 use tax fund and are the obligation of the last owner or owners,
 17 jointly and severally.

18 Sec. 9. Section 321.90, subsection 2, paragraph f, Code 2026,
 19 is amended to read as follows:

20 *f.* The owner of an abandoned ~~motor~~ vehicle and all
 21 lienholders shall no longer have any right, title, claim, or
 22 interest in or to the ~~motor~~ vehicle; and no court in any case
 23 in law or equity shall recognize any right, title, claim, or
 24 interest of any owner or lienholders after the disposal of the
 25 ~~motor~~ vehicle to a demolisher, so long as proper notice and
 26 an opportunity to inspect the vehicle and personal property in
 27 accordance with section 321.89, subsection 3, was provided.

28 EXPLANATION

29 The inclusion of this explanation does not constitute agreement with
 30 the explanation's substance by the members of the general assembly.

31 This bill regulates towing and impounding motor vehicles.

32 The bill requires a person who tows a vehicle without the
 33 owner's consent to post certain signs on private property where
 34 the person is authorized to tow vehicles, document the towing
 35 with photographs, and maintain records relating to each tow. The

1 bill requires a person to cease an incomplete tow if the vehicle
2 owner arrives, unless the vehicle is parked in a manner that
3 could interfere with the safety of another person, and prohibits
4 a person from charging a fee in excess of \$20 for a ceased tow.
5 The bill provides that an owner of a motor vehicle that has been
6 towed is not prohibited from recording and documenting actions
7 of the person who towed the vehicle. After towing a vehicle
8 without the owner's consent, the person who towed the vehicle
9 must notify the owner and the local law enforcement agency,
10 display certain information, provide an itemized account with
11 fees not exceeding the amount the person charges for a consensual
12 tow or the reasonable storage costs, allow the owner to recover
13 personal property from within the vehicle, accept payment by
14 credit card, and reimburse the vehicle owner for any damage to
15 the vehicle caused during the tow.

16 A person who tows a vehicle must reimburse the vehicle owner
17 for all costs associated with the tow if the person does not
18 comply with the bill. A person who tows a motor vehicle without
19 the owner's consent shall not charge a storage fee during the
20 first 24 hours following the tow, and the owner of a vehicle that
21 has been towed may request that the person who towed the vehicle
22 show the person's valid towing permit and information about the
23 person's towing company. The bill's provisions relating to the
24 towing of a vehicle without the owner's consent do not apply to
25 abandoned vehicles.

26 Code sections 321.89 and 321.90 regulate the taking into
27 custody and the disposal of abandoned vehicles, as defined
28 in Code section 321.89. The bill amends certain provisions
29 regarding required notices and information relating to an
30 abandoned vehicle, the timeline to inspect or reclaim a vehicle,
31 the reclamation of personal property from within an abandoned
32 vehicle, and the disposal of an abandoned vehicle, and requires
33 an opportunity for a person to inspect an abandoned vehicle.

34 The bill reduces the period of time within which an entity
35 that takes custody of an abandoned vehicle is required to send

1 notice that the vehicle has been taken into custody from no more
2 than 20 days to no more than 10 days after taking custody of
3 the vehicle. The bill increases the reclaiming period for a
4 person who receives notice from 10 days to 30 days after notice
5 is received. The bill requires an entity with control of an
6 abandoned vehicle to provide an itemized account of all fees
7 assessed when a vehicle is reclaimed, to allow access for persons
8 to inspect the vehicle and share information about the vehicle,
9 if requested, and to provide notice of such.

10 Under current law, persons who receive notice regarding
11 an abandoned vehicle lose their right to the vehicle and
12 personal property within the vehicle after the expiration of the
13 reclaiming period. The bill provides that if proper, timely
14 notice is not provided, any known claimant does not forfeit the
15 right to reclaim the vehicle or personal property.

16 Current law requires a person to pay all towing preservation
17 and storage charges resulting from placing an abandoned vehicle
18 in custody prior to reclaiming the vehicle or personal property.
19 The bill requires all such charges to be reasonable, and
20 authorizes a person to reclaim personal property from a vehicle
21 during the normal business hours of the entity with custody of
22 the vehicle at no cost and without reclaiming the vehicle.

23 Under current law, if the police authority did not hire a
24 private entity, the police authority can reimburse itself for
25 the expenses relating to towing and placing an abandoned vehicle
26 in custody, except costs of bookkeeping and other administrative
27 costs. Any remainder from the proceeds of a sale must be held
28 for the owner of the vehicle or entitled lienholder for 90 days,
29 and then be deposited in the road use tax fund. The bill
30 instead requires any remainder to be deposited in the general
31 fund of the local authority with jurisdiction over the location
32 where the abandoned vehicle was towed. The local authority is
33 prohibited from using moneys deposited in this way except for
34 public purposes.

35 By operation of law, it is a simple misdemeanor for a person

1 to do an act forbidden or to fail to perform an act required by
2 Code chapter 321, including the provisions of the bill. A simple
3 misdemeanor is punishable by confinement for no more than 30 days
4 and a fine of at least \$105 but not more than \$855.

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