

Testimony of
American Property Casualty Insurance Association (APCIA)
House Environment & Transportation Committee
HB 1330 Vehicle Laws - Towing Charges and Abandoned Vehicles
March 4, 2021

Oppose

The American Property Casualty Insurance Association (APCIA) is a national trade organization representing nearly 60 percent of the U.S. property casualty insurance market. APCIA promotes and protects the viability of private competition for the benefit of consumers and insurers. APCIA represents the broadest cross-section of home, auto, and business insurers of any national trade association. APCIA members represent all sizes, structures, and regions, which protect families, communities, and businesses in the U.S. and across the globe. APCIA appreciates the opportunity to provide written comments about concerns with House Bill 1330.

HB 1330 changes the current law which allows a towler who removes a vehicle from a parking lot to charge no more than twice the amount allowed for public safety impound tows. This expands that to removal from the “public right of way” which includes towing from an accident scene and allows them to charge “administrative fees and additional services”. These additional fees are not defined and could be anything and therefore significantly reduces the consumer protection provided by the current law. Consumers would be paying these costs, or if they have coverage under their auto insurance policy, their insurer would be paying these additional costs. These additional costs would drive up insurance loss costs which are the primary driver of what consumers pay for auto insurance. In addition, under current law only the police are permitted to sell impounded vehicles, this bill would allow the towler to do so as well, vehicle owners without insurance, or unable to pay could lose their vehicle.

For these reasons, APCIA urges the Committee to provide an unfavorable report on House Bill 1330.

Respectfully submitted,

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