



May 1, 2022

Senate Finance
Colorado General Assembly

RE: Support HB22-1314 – Towing Carrier Nonconsensual Tows

Dear Members of the Senate Finance Committee:

My name is Kathy Smith, and I am a member of the League of Women Voters of Colorado's Legislative Action Committee. **I am writing in support of HB22-1314, on behalf of the League's Legislative Action Committee.**

The League is a nonpartisan organization that encourages informed and active participation in government and influences public policy through education and advocacy. Our membership spans the state of Colorado with 19 local leagues operating in several regions of the state. The League supports policies that secure equal rights and equal opportunity for all and promote social and economic justice.

Unexpected tows from private property, such as apartment complexes and mobile home parks, can result in financial and social hardships for vehicle owners, especially lower income households. Hardships can include not being able to get to work, take children to school, or go to medical appointments. Towing fines and fees can be substantial and can put the vehicle owner in the position of taking on credit card debt, seeking high-interest loans, or delaying other expenses to be able to recover their vehicle.

HB22-1314 ensures improved transparency and oversight over the towing industry. It allows vehicle owners to retrieve their belongings in their car after it is towed and allows them to get their vehicle back if they are not able to initially pay the fines. It also prohibits towing of a vehicle due to an expired license plate (unless authorized by a peace officer). These are critical changes in the state's towing requirements that will protect vehicle owners from predatory towing practices.

We urge the committee members to vote YES on HB22-1314. Thank you for your consideration of this important bill.

Respectfully,
Kathy Smith, Volunteer Lobbyist
League of Women Voters of Colorado Legislative Action Committee
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Towing Carrier Nonconsensual Tows

HB22-1314

Testimony to the Senate Finance Committee

Andrea Kuwik, Senior Policy Analyst, May 2, 2022

Thank you for the opportunity to submit written testimony in support of HB22-1314. My name is Andrea Kuwik, and I'm a senior policy analyst with the Bell Policy Center. The Bell Policy Center provides policymakers, advocates, and the public with reliable resources to create a practical policy agenda that promotes economic mobility for every Coloradan.

We're in strong support of HB22-1314. We believe this bill moves our state forward by creating stronger, very needed consumer protections which level the playing field between consumers and towing companies. In-turn, we believe these protections will provide an opportunity to bolster the financial well-being of many across our state.

Much of our work at the Bell centers on examining the financial well-being of Coloradans, and the connected opportunities for upward mobility. Concerningly, we find that far too many Coloradans are living at the economic edge. For example:

- According to the [Pulse Survey](#) conducted by the Census Bureau, at the beginning of this year, nearly one-quarter of all Colorado adults were having at least some trouble paying for basic household expenses.
- National numbers show similar trends. We [know 36 percent of American adults](#) say they would have trouble affording an unexpected \$400 expense, and 12 percent say they wouldn't be able to afford the expense at all.

These statistics speak to the implications of passing HB22-1314. For the many Coloradans who see themselves reflected in the above-mentioned statistics, an unexpected and large towing expense can be financially devastating, and can lead to difficult choices between paying for food or housing, or paying to retrieve a vehicle one may need for work.

But beyond the short-term, very difficult choices the current status quo engenders, we're also worried about the long-term implications of doing nothing. An inability to get to and from work because your car is impounded, and a subsequent loss of job, can cause long-term, irreparable harm to family stability and health. Additionally, it's also important to highlight the connection between current towing practices and predatory loans. An immediate need to regain one's vehicle can be an impetus for turning to high-cost loan products, which in Colorado, can exceed [100 percent APR](#). These high-cost loan products are widely recognized as contributing to long-term [cycles of poverty and debt](#).

We believe many of the provisions in this bill, including limiting the towing of vehicles with expired registrations and allowing owners to retrieve their vehicle if they cannot pay up front, will minimize the current economic damage of having one's vehicle towed.

Thank you again for the opportunity to submit written testimony, and thank you to Senators Gonzales and Sonnenberg for bringing forward this important bill. We encourage your support.