

HOUSE COMMITTEE OF REFERENCE REPORT

Chair of Committee

March 25, 2024
Date

Committee on Finance.

After consideration on the merits, the Committee recommends the following:

HB24-1051 be amended as follows, and as so amended, be referred to the Committee on Appropriations with favorable recommendation:

1 Strike the Transportation, Housing and Local Government Committee
2 Report, dated February 6, 2024, and substitute:

3 "Amend printed bill, strike everything below the enacting clause and
4 substitute:

5 "SECTION 1. In Colorado Revised Statutes, 40-10.1-401, **amend**
6 (2) as follows:

7 **40-10.1-401. Permit requirements - rules.** (2) (a) (I) The
8 commission may deny an application FOR or SUSPEND, REVOKE, OR refuse
9 to renew a permit under this part 4 of a person ~~who~~ THAT has, within the
10 immediately preceding five years, been convicted of, or pled guilty or
11 nolo contendere to, a felony or a towing-related offense. The commission
12 may also deny an application under this part 4 or SUSPEND, REVOKE, OR
13 refuse to renew the permit of a towing carrier based upon a determination
14 that the towing carrier or any of its owners, principals, officers, members,
15 partners, or directors has not satisfied a civil penalty arising out of ~~any~~ AN
16 administrative or enforcement action brought by the commission.

17 (II) A TOWING CARRIER THAT APPLIES FOR A PERMIT OR THAT
18 APPLIES TO RENEW A PERMIT SHALL DISCLOSE TO THE COMMISSION EACH
19 PERSON THAT IS IDENTIFIED AS A PRINCIPAL IN ACCORDANCE WITH RULES
20 PROMULGATED BY THE COMMISSION.

21 (b) The commission may deny an application FOR or SUSPEND,
22 REVOKE, OR refuse to renew a permit of a towing carrier under this part
23 4 based on a determination that ~~there is good cause to believe the issuance~~
24 ~~of or renewal of the permit~~ IT is not in the public interest FOR THE TOWING
25 CARRIER TO POSSESS A PERMIT. The determination is subject to appeal in
26 accordance with commission rules. IT IS REBUTTABLY PRESUMED THAT A

1 TOWING CARRIER'S POSSESSION OF A PERMIT IS NOT IN THE PUBLIC
2 INTEREST IF THE TOWING CARRIER HAS WILLFULLY AND REPEATEDLY
3 FAILED TO COMPLY WITH THIS ARTICLE 10.1 OR PART 18 OR 21 OF ARTICLE
4 4 OF TITLE 42.

5 **SECTION 2.** In Colorado Revised Statutes, 40-10.1-403, **amend**
6 (4)(d)(II); and **add** (3.5), (4)(e), and (4)(f) as follows:

7 **40-10.1-403. Towing task force - creation - conflict of interest**
8 **- rules - report - repeal.** (3.5) (a) A MEMBER SHALL NOTIFY THE TASK
9 FORCE AND ABSTAIN FROM VOTING IF:

10 (I) THE MEMBER WILL FINANCIALLY BENEFIT FROM, OR HAS A
11 FINANCIAL INTEREST IN A PERSON THAT WILL BENEFIT FROM, A
12 RATE-SETTING RECOMMENDATION MADE BY THE TASK FORCE; OR

13 (II) THE TASK FORCE IS ADVISING THE COMMISSION ABOUT A
14 COMPLAINT, AND THE MEMBER IS THE SUBJECT OF THE COMPLAINT OR HAS
15 A FINANCIAL INTEREST IN A PERSON THAT IS THE SUBJECT OF THE
16 COMPLAINT.

17 (b) A MEMBER DOES NOT HAVE A CONFLICT OF INTEREST IF THE
18 MEMBER BENEFITS MERELY FROM BELONGING TO A CLASS THAT IS
19 AFFECTED BY THE RATE SETTING DESCRIBED IN SUBSECTION (3.5)(a)(I) OF
20 THIS SECTION.

21 (4) (d) (II) This subsection (4)(d) is repealed, effective ~~July 1,~~
22 ~~2026~~ SEPTEMBER 1, 2026.

23 (e) BY SEPTEMBER 1, 2025, THE COMMISSION SHALL PROMULGATE
24 RULES REQUIRING EACH TOWING CARRIER TO PROVIDE, AS A CONDITION OF
25 PERMIT ISSUANCE OR RENEWAL ON OR AFTER A DATE SPECIFIED IN THE
26 RULES, ANY INFORMATION NEEDED TO PREPARE THE REPORT REQUIRED BY
27 SUBSECTION (4)(d)(I) OF THIS SECTION.

28 (f) THE COMMISSION MAY PROMULGATE RULES TO COLLECT OTHER
29 INFORMATION REQUIRED AS PART OF THE TOWING CARRIER PERMITTING
30 PROCESS. THE INFORMATION REQUIRED BY RULE MAY INCLUDE THE
31 ANNUAL VOLUME OF TOWS BY CATEGORY, THE CURRENT PRICING PER
32 CATEGORY OF TOW FOR ALL FEES CHARGED, AND THE NUMBER OF TOW
33 TRUCKS EACH TOWING CARRIER OPERATES.

34 **SECTION 3.** In Colorado Revised Statutes, 40-10.1-405, **amend**
35 (3)(a)(IV) introductory portion, (3)(a)(IV)(A), (3)(a)(IV)(C), (3)(b)(I)(H),
36 (3)(c), (4)(b)(II), (5)(b), (5)(c) introductory portion, (5)(d) introductory
37 portion, and (8); **repeal** (4)(f)(III) and (9)(b)(I); and **add** (3)(a)(V), (3)(d),
38 (3)(e), (4)(f)(I)(C), and (4)(h) as follows:

39 **40-10.1-405. Nonconsensual tows - rights of owners, operators,**
40 **and lienholders - rules. (3) Authorization and notice required for**
41 **tows from private property.** (a) A towing carrier shall not
42 nonconsensually tow a vehicle from private property unless:

43 (IV) The towing carrier has received DOCUMENTED permission,

1 to WHICH MUST NOT BE AUTOMATED OR GENERAL, FOR EACH INDIVIDUAL
2 tow OF the vehicle, within the twenty-four hours immediately preceding
3 the tow, from THE FOLLOWING PERSON THAT MUST DOCUMENT THE
4 PERMISSION BY SIGNING THE FORM CREATED IN ACCORDANCE WITH
5 SUBSECTION (3)(d)(I) OF THIS SECTION:

6 (A) The owner of or leaseholder of the private property; EXCEPT
7 THAT, IF THE OWNER OR LEASEHOLDER WOULD EARN INCOME FROM THE
8 NONCONSENSUAL TOW, THE TOWING CARRIER SHALL NOT PERFORM THE
9 NONCONSENSUAL TOW BUT MAY AUTHORIZE ANOTHER TOWING CARRIER
10 TO PERFORM THE NONCONSENSUAL TOW;

11 (C) An ~~agent~~ EMPLOYEE of a person described in subsection
12 (3)(a)(IV)(A) or (3)(a)(IV)(B) of this section OR AN EMPLOYEE OF A
13 PROPERTY MANAGEMENT COMPANY RETAINED TO COLLECT RENT AND
14 PERFORM RESIDENTIAL SERVICES; except that the ~~towing carrier does not~~
15 ~~qualify as an agent with authority to grant permission under this~~
16 ~~subsection (3)(a)~~ EMPLOYEE WHO HAS A FINANCIAL INTEREST IN OR
17 RELATIONSHIP WITH THE TOWING CARRIER OR A PARKING LOT
18 MANAGEMENT COMPANY THAT EARNS INCOME FROM MANAGING OR
19 CONTROLLING PARKING OR PERMISSION TO PARK OR THAT EARNS INCOME
20 FROM NONCONSENSUAL TOWS SHALL NOT GRANT PERMISSION TO
21 AUTHORIZE THE TOW; OR

22 (V) THE TOWING CARRIER HAS RECEIVED PERMISSION FOR EACH
23 INDIVIDUAL TOW.

24 (b) (I) Except as provided in subsection (3)(b)(IV) of this section,
25 a towing carrier shall not nonconsensually tow a vehicle from a parking
26 space or common parking area without the towing carrier or property
27 owner giving the vehicle owner or operator twenty-four hours' written
28 notice, unless:

29 (H) The vehicle is parked without ~~displaying valid~~ authorization
30 in a parking lot marked for the exclusive use of residents OR INVITED
31 GUESTS.

32 (c) In order for a towing carrier to conduct a nonconsensual tow
33 under subsection (3)(b)(I)(G) or (3)(b)(I)(H) of this section, the property
34 owner must have posted signage ~~visible and facing the driver at each~~
35 ~~entryway into a parking area indicating that parking spaces are designated~~
36 ~~for one or more specified residents and that a vehicle parked without~~
37 ~~authorization is subject to being towed. The sign must also contain the~~
38 ~~international towing symbol no smaller than four inches by four inches~~
39 ~~and be permanently mounted in a position that is no lower than five feet~~
40 ~~and no higher than eight feet~~ THAT:

- 41 (I) IS NOT LESS THAN TWO SQUARE FEET IN SIZE;
- 42 (II) HAS LETTERING NOT LESS THAN ONE INCH IN HEIGHT;
- 43 (III) HAS LETTERING THAT CONTRASTS SHARPLY IN COLOR WITH

1 THE BACKGROUND ON WHICH THE LETTERS ARE PLACED AND CONTRASTS
2 SHARPLY WITH THE STRUCTURE THE SIGNS ARE PLACED ON;

3 (IV) CONTAINS THE FOLLOWING INFORMATION IN THE ORDER
4 LISTED BELOW:

5 (A) THE RESTRICTION OR PROHIBITION ON PARKING;

6 (B) THE TIMES OF THE DAY AND DAYS THAT THE RESTRICTION IS
7 APPLICABLE; BUT, IF THE RESTRICTION APPLIES TWENTY-FOUR HOURS A
8 DAY, SEVEN DAYS A WEEK, THE SIGN MUST SAY "AUTHORIZED PARKING
9 ONLY"; AND

10 (C) THE NAME AND TELEPHONE NUMBER OF THE TOWING CARRIER
11 AUTHORIZED TO PERFORM TOWS FROM THE PRIVATE PROPERTY;

12 (V) IS PRINTED IN ENGLISH AND SPANISH;

13 (VI) IS PERMANENTLY MOUNTED BOTH:

14 (A) AT THE ENTRANCE TO THE PRIVATE PROPERTY SO THAT THE
15 SIGN FACES OUTWARD TOWARD THE STREET AND IS VISIBLE BEFORE AND
16 UPON ENTERING THE PRIVATE PROPERTY; AND

17 (B) INSIDE THE PRIVATE PROPERTY SO THAT THE SIGN FACES
18 OUTWARD TOWARD THE PARKING AREA;

19 (VII) IS NOT OBSTRUCTED FROM VIEW OR PLACED IN A MANNER
20 THAT PREVENTS DIRECT VISIBILITY; AND

21 (VIII) IS NOT PLACED HIGHER THAN TEN FEET OR LOWER THAN
22 THREE FEET FROM THE SURFACE CLOSEST TO THE SIGN'S PLACEMENT.

23 (d)(I) THE COMMISSION SHALL CREATE A FORM THAT IMPLEMENTS
24 SUBSECTION (3)(a)(IV) OF THIS SECTION.

25 (II) THE TOWING CARRIER MUST RETAIN FOR THREE YEARS THE
26 SIGNED FORM REQUIRED BY SUBSECTION (3)(a)(IV) OF THIS SECTION AND,
27 UPON REQUEST, PROVIDE THE SIGNED FORM TO THE VEHICLE OWNER.

28 (e) A TOWING CARRIER SHALL NOT PATROL OR MONITOR PROPERTY
29 TO ENFORCE PARKING RESTRICTIONS ON BEHALF OF THE PROPERTY OWNER.

30 (4) **Notice, disclosures, and signs.** (b) A towing carrier shall
31 maintain a clearly visible sign at the entrance to the storage facility
32 holding a nonconsensually towed vehicle. The sign must:

33 (II) State: "If a vehicle is nonconsensually towed from private
34 property, the ~~owner~~ AUTHORIZED OR INTERESTED PERSON may retrieve the
35 contents of the vehicle even if the ~~owner~~ AUTHORIZED OR INTERESTED
36 PERSON does not pay the towing carrier's fees. If the ~~owner~~ AUTHORIZED
37 OR INTERESTED PERSON fills out the appropriate form, the ~~owner~~
38 AUTHORIZED OR INTERESTED PERSON may retrieve the vehicle after paying
39 a reduced fee, but the ~~owner~~ AUTHORIZED OR INTERESTED PERSON still
40 owes the towing carrier the balance of those fees."

41 (f) (III) ~~A towing carrier that enters into an agreement with a~~
42 ~~property owner to nonconsensually tow vehicles from the property shall~~
43 ~~post signs that:~~

- 1 ~~(A) Are no less than one square foot in size;~~
2 ~~(B) Have lettering not less than one inch in height;~~
3 ~~(C) Have lettering that contrasts with the background on which~~
4 ~~the letters are placed;~~
5 ~~(D) State: "Authorized Parking Only";~~
6 ~~(E) Include the name and telephone number of the towing carrier~~
7 ~~authorized to perform tows from the private property;~~
8 ~~(F) Are printed in English;~~
9 ~~(G) Are placed at the entrance to the private property, face~~
10 ~~outward toward the street, and are visible prior to entering and upon~~
11 ~~entering the private property;~~
12 ~~(H) Are placed inside the area used for parking, face toward the~~
13 ~~parking spaces, and, if the private property is not provided for residential~~
14 ~~parking and has more than ten freestanding lampposts on the property, are~~
15 ~~posted on each lamppost or posted upright near each lamppost;~~
16 ~~(I) Are not obstructed or placed in such a manner that prevents~~
17 ~~visibility; and~~
18 ~~(J) Are not placed higher than eight feet or lower than three feet~~
19 ~~from the ground surface closest to the sign's placement.~~

20 (h) A TOWING CARRIER SHALL NOT REQUIRE A PERSON TO
21 UNDERGO AN APPROVAL PROCESS OTHER THAN SIGNING THE FORM
22 CREATED PURSUANT TO SUBSECTION (5)(d) OF THIS SECTION.

23 (5) **No mechanic's liens on contents.** (b) If an authorized or
24 interested person requests that a towing carrier return the contents of a
25 vehicle that was towed without consent within thirty days after the
26 postmarked date the notice was mailed in accordance with section
27 42-4-2103 (4) or the date the operator received notice that no record
28 exists for the motor vehicle, the towing carrier shall ~~immediately retrieve~~
29 ~~or~~ allow the authorized or interested person to retrieve the vehicle's
30 contents. This subsection (5)(b) does not apply to the contents of a
31 vehicle if the contents of the vehicle are subject to a hold order issued by
32 a court, district attorney, law enforcement agency, or peace officer.

33 (c) The towing carrier shall immediately retrieve a vehicle that has
34 been nonconsensually towed or allow the ~~owner~~ AUTHORIZED OR
35 INTERESTED PERSON to retrieve the vehicle if:

36 (d) For an authorized or interested person to retrieve a vehicle
37 without paying the towing carrier the total amount owed to the towing
38 carrier, the authorized or interested person must sign a form affirming that
39 the authorized or interested person owes the towing carrier payment for
40 fees that comply with this article 10.1, part 21 of article 4 of title 42, or
41 article 20 of title 38. Knowingly providing false information on the form
42 is unlawful. Signing this form does not prohibit a vehicle owner from
43 filing a complaint with the commission or pursuing other remedies. The

1 towing carrier may use the form to take reasonable actions to collect the
2 debt, including initiating a court action or using a collection agency. The
3 ~~department~~ COMMISSION shall:

4 (8) **Towing carrier responsibility.** (a) For a nonconsensual tow,
5 the towing carrier is responsible for the security and safety of the towed
6 vehicle until it is released to an authorized or interested person.

7 (b) WITHIN FORTY-EIGHT HOURS AFTER A NONCONSENSUAL TOW
8 IS DETERMINED TO HAVE BEEN PERFORMED IN VIOLATION OF THIS SECTION,
9 THE TOWING CARRIER SHALL RETURN AN IMPROPERLY TOWED VEHICLE
10 BACK TO THE LOCATION FROM WHERE IT WAS TOWED UNLESS THE
11 AUTHORIZED OR INTERESTED PERSON NOTIFIES THE TOWING CARRIER THAT
12 THE PERSON PREFERS TO RETRIEVE THE VEHICLE FROM THE TOWING
13 CARRIER'S IMPOUND LOT WITHOUT CHARGE.

14 (9) **Applicability.** This section does not apply to:

15 (b) A tow from a parking space that serves a business if:

16 (I) ~~The parking space is not in a common parking area; and~~

17 **SECTION 4.** In Colorado Revised Statutes, 40-10.1-409, **amend**
18 (2) as follows:

19 **40-10.1-409. Violators subject to penalties.** (2) A violation of
20 this part 4 is a deceptive trade practice under section 6-1-105 (1)(ttt) AND
21 (1)(eeee) and is subject to enforcement by the attorney general's office ~~in~~
22 ~~addition to the~~ OR A DISTRICT ATTORNEY OR enforcement AS described in
23 this section.

24 **SECTION 5.** In Colorado Revised Statutes, 6-1-105, **add**
25 (1)(eeee) as follows:

26 **6-1-105. Unfair or deceptive trade practices.** (1) A person
27 engages in a deceptive trade practice when, in the course of the person's
28 business, vocation, or occupation, the person:

29 (eeee) IS A TOWING CARRIER AND CONDUCTS A NONCONSENSUAL
30 TOW IN VIOLATION OF SECTION 40-10.1-405.

31 **SECTION 6.** In Colorado Revised Statutes, 40-10.1-404, **amend**
32 (1) as follows:

33 **40-10.1-404. Repeal of part - subject to review.** (1) This part
34 4 is repealed, effective September 1, ~~2025~~ 2030. Before the repeal, this
35 part 4 is scheduled for review in accordance with section 24-34-104 and
36 subsection (2) of this section.

37 **SECTION 7.** In Colorado Revised Statutes, 24-34-104, **repeal**
38 (26)(a)(XIII); and **add** (31)(a)(XI) as follows:

39 **24-34-104. General assembly review of regulatory agencies**
40 **and functions for repeal, continuation, or reestablishment - legislative**
41 **declaration - repeal.** (26) (a) The following agencies, functions, or both,
42 are scheduled for repeal on September 1, 2025:

43 (XIII) ~~The public utilities commission's regulation of towing~~

1 ~~carriers under part 4 of article 10.1 of title 40.~~

2 (31) (a) The following agencies, functions, or both, are scheduled
3 for repeal on September 1, 2030:

4 (XI) THE REGULATION OF TOWING CARRIERS BY THE PUBLIC
5 UTILITIES COMMISSION UNDER PART 4 OF ARTICLE 10.1 OF TITLE 40.

6 **SECTION 8. Act subject to petition - effective date -**
7 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following
8 the expiration of the ninety-day period after final adjournment of the
9 general assembly; except that, if a referendum petition is filed pursuant
10 to section 1 (3) of article V of the state constitution against this act or an
11 item, section, or part of this act within such period, then the act, item,
12 section, or part will not take effect unless approved by the people at the
13 general election to be held in November 2024 and, in such case, will take
14 effect on the date of the official declaration of the vote thereon by the
15 governor.

16 (2) This act applies to acts committed on or after the applicable
17 effective date of this act."."

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