

**Second Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO**

PREAMENDED

*This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading*

LLS NO. 24-0240.01 Jery Payne x2157

HOUSE BILL 24-1051

HOUSE SPONSORSHIP

Boesenecker and Mauro,

SENATE SPONSORSHIP

Cutter and Priola,

House Committees

Transportation, Housing & Local Government
Finance

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE REGULATION OF BUSINESSES THAT OBTAIN A PERMIT**
102 **FROM THE PUBLIC UTILITIES COMMISSION TO TOW MOTOR**
103 **VEHICLES.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov/>.)

Transportation Legislation Review Committee. The bill requires a driver of tow trucks to undergo a fingerprint-based criminal history record check (check). If the check produces a criminal history that the public utilities commission (commission) determines is inappropriate to drive a tow truck, the driver will not be permitted to drive the tow

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
*Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words or numbers indicate deletions from existing law.*

truck.

Current law authorizes the commission to deny or refuse to renew a towing carrier permit if:

- The towing carrier was convicted within the last 5 years of a felony or a towing-related offense or has failed to satisfy a civil penalty imposed by the commission; or
- The commission determines that it is not in the public interest for the towing carrier to hold a towing carrier permit.

The bill:

- Authorizes the commission to suspend or revoke a permit for each of these specified violations;
- Authorizes the commission to suspend or revoke a permit if it is not in the public interest for the towing carrier to hold a towing permit; and
- Sets a rebuttable presumption that it is not in the public interest for a towing carrier to hold a permit if the towing carrier has violated the towing laws.

The bill prohibits a member of the towing task force in the department of regulatory agencies, which advises the commission on towing matters, from voting on a matter that will financially benefit the member or if the member is the subject of a complaint about which the task force is advising the commission.

Current law requires the commission to report certain towing issues and financial information to certain committees of the Senate and House of Representatives of the general assembly. The bill requires the commission to promulgate a rule to require towing carriers to provide:

- Any information needed to prepare the report;
- Audited financial statements; and
- Any other information required by the commission.

The bill directs the commission to aggregate and anonymize the financial statements and make the aggregated and anonymized data publicly available.

A towing carrier is forbidden from patrolling or monitoring property to enforce parking restrictions on behalf of the property owner.

Currently, the owner of a motor vehicle pays to retrieve the motor vehicle when the vehicle has been nonconsensually towed from another person's property. The bill requires certain property owners to pay for the removal of the vehicle from their property and for any storage for the first 30 days. The towing carrier is required to notify the vehicle owner that the vehicle owner can retrieve the vehicle free of charge for the first 30 days.

If a motor vehicle is nonconsensually towed in violation of the rights granted in state statute, the towing carrier must, within 48 hours after the determination of a statutory violation, return the vehicle to the

place it was towed from.

1 *Be it enacted by the General Assembly of the State of Colorado:*

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

5 **40-10.1-401. Permit requirements.** (2) (a) (I) The commission
6 may deny an application FOR or SUSPEND, REVOKE, OR refuse to renew a
7 permit under this part 4 of a person ~~who~~ THAT has, within the
8 immediately preceding five years, been convicted of, or pled guilty or
9 nolo contendere to, a felony or a towing-related offense. The commission
10 may also deny an application under this part 4 or SUSPEND, REVOKE, OR
11 refuse to renew the permit of a towing carrier based upon a determination
12 that the towing carrier or any of its owners, principals, officers, members,
13 partners, or directors has not satisfied a civil penalty arising out of ~~any~~ AN
14 administrative or enforcement action brought by the commission.

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

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

1 THE PUBLIC INTEREST IF:

2 (I) THE TOWING CARRIER HAS WILLFULLY AND REPEATEDLY
3 VIOLATED THIS ARTICLE 10.1 OR PART 18 OR 21 OF ARTICLE 4 OF TITLE 42;
4 OR

5 (II) THE TOWING CARRIER HAS WILLFULLY AND REPEATEDLY
6 FAILED TO COMPLY WITH THIS ARTICLE 10.1 OR PART 18 OR 21 OF ARTICLE
7 4 OF TITLE 42.

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

10 **40-10.1-403. Towing task force - creation - conflict of interest**
11 **- rules - report - repeal.** (3.5) (a) A MEMBER SHALL NOTIFY THE TASK
12 FORCE AND ABSTAIN FROM VOTING IF:

13 (I) THE MEMBER WILL FINANCIALLY BENEFIT FROM, OR HAS A
14 FINANCIAL INTEREST IN A PERSON THAT WILL BENEFIT FROM, A RATE
15 SETTING RECOMMENDATION MADE BY THE TASK FORCE; OR

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

20 (b) A MEMBER DOES NOT HAVE A CONFLICT OF INTEREST IF THE
21 MEMBER BENEFITS MERELY FROM BELONGING TO A CLASS THAT IS
22 AFFECTED BY THE RATE SETTING DESCRIBED IN SUBSECTION (2.2)(a)(I) OF
23 THIS SECTION.

24 (4) (d) (II) This subsection (4)(d) is repealed, effective ~~July 1,~~
25 ~~2026~~ SEPTEMBER 1, 2025.

26 (e) BY SEPTEMBER 1, 2025, THE COMMISSION SHALL PROMULGATE
27 RULES REQUIRING EACH TOWING CARRIER TO PROVIDE, AS A CONDITION

1 OF PERMIT ISSUANCE OR RENEWAL ON OR AFTER A DATE SPECIFIED IN THE
2 RULES, ANY INFORMATION NEEDED TO PREPARE THE REPORT REQUIRED BY
3 SUBSECTION (4)(d)(I) OF THIS SECTION.

4 (f) THE COMMISSION MAY PROMULGATE RULES TO COLLECT OTHER
5 INFORMATION REQUIRED AS PART OF THE TOWING CARRIER PERMITTING
6 PROCESS. THE INFORMATION REQUIRED BY RULE MAY INCLUDE THE
7 ANNUAL VOLUME OF TOWS BY CATEGORY, CURRENT PRICING PER
8 CATEGORY OF TOW FOR ALL FEES CHARGED FOR [REDACTED] NONCONSENSUAL
9 TOWS, AND THE NUMBER OF TOW TRUCKS EACH TOW CARRIER OPERATES.

10 **SECTION 3.** In Colorado Revised Statutes, 40-10.1-405, **add**
11 (2)(a)(III) as follows:

12 **40-10.1-405. Nonconsensual tows - rights of owners,**
13 **operators, and lienholders - rules. (2) Towing carrier document**
14 **vehicle's condition and reason for tow - adequate illumination.**

15 (a) Before a towing carrier connects a towing vehicle to a vehicle
16 without consent, the towing carrier shall document the vehicle's condition
17 and the reason for the tow by:

18 (III) RECORDING IN WRITING WHETHER THE VEHICLE WAS TOWED
19 UNDER SUBSECTION (3)(b)(I)(A), (3)(b)(I)(D), (3)(b)(I)(F), OR
20 (3)(b)(I)(G) OF THIS SECTION.

21 **SECTION 4.** In Colorado Revised Statutes, 40-10.1-405, **amend**
22 (3)(b)(I)(H), (3)(c), (4)(b)(II), (4)(f)(I)(A), (4)(f)(I)(B), (5)(b), (5)(c)
23 introductory portion, and (8); **repeal** (4)(f)(III) and (9)(b)(I); and **add**
24 (3)(d), (4)(f)(I)(C), and (4)(h) as follows:

25 **40-10.1-405. Nonconsensual tows - rights of owners,**
26 **operators, and lienholders - rules. (3) Authorization and notice**
27 **required for tows from private property. (b) (I) Except as provided**

1 in subsection (3)(b)(IV) of this section, a towing carrier shall not
2 nonconsensually tow a vehicle from a parking space or common parking
3 area without the towing carrier or property owner giving the vehicle
4 owner or operator twenty-four hours' written notice, unless:

5 (H) The vehicle is parked without displaying valid authorization
6 in a parking lot marked for the exclusive use of residents OR INVITED
7 GUESTS.

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

17 (I) IS NOT LESS THAN TWO SQUARE FEET IN SIZE;

18 (II) HAS LETTERING NOT LESS THAN TWO INCHES IN HEIGHT;

19 (III) HAS LETTERING THAT CONTRASTS SHARPLY IN COLOR WITH
20 THE BACKGROUND ON WHICH THE LETTERS ARE PLACED AND CONTRASTS
21 SHARPLY WITH THE STRUCTURE THE SIGNS ARE PLACED ON;

22 (IV) STATES "NO PARKING AT ALL TIMES" OR STATES THE
23 APPLICABLE HOURS AND DAYS THAT A VEHICLE MAY BE
24 NONCONSENSUALLY TOWED;

25 (V) CONTAINS THE FOLLOWING INFORMATION IN THE ORDER
26 LISTED BELOW:

27 (A) THE RESTRICTION OR PROHIBITION ON PARKING; AND

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

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

7 (VI) IS PRINTED IN ENGLISH AND SPANISH;

8 (VII) IS PERMANENTLY MOUNTED BOTH:

9 (A) AT THE ENTRANCE TO THE PRIVATE PROPERTY SO THAT THE
10 SIGN FACES OUTWARD TOWARD THE STREET AND IS VISIBLE BEFORE AND
11 UPON ENTERING THE PRIVATE PROPERTY; AND

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

14 (VIII) IS NOT OBSTRUCTED FROM VIEW OR PLACED IN A MANNER
15 THAT PREVENTS DIRECT VISIBILITY; AND

16 (IX) IS NOT PLACED HIGHER THAN TEN FEET OR LOWER THAN
17 THREE FEET FROM THE SURFACE CLOSEST TO THE SIGN'S PLACEMENT.

18 (d) A TOWING CARRIER SHALL NOT PATROL OR MONITOR PROPERTY
19 TO ENFORCE PARKING RESTRICTIONS ON BEHALF OF THE PROPERTY
20 OWNER.

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

24 (II) State: "If a vehicle is nonconsensually towed from private
25 property, the ~~owner~~ AUTHORIZED OR INTERESTED PERSON may retrieve the
26 contents of the vehicle OR THE VEHICLE WITHIN THE FIRST THIRTY DAYS
27 even if the ~~owner~~ AUTHORIZED OR INTERESTED PERSON does not pay the

1 towing carrier's fees. If the ~~owner~~ AUTHORIZED OR INTERESTED PERSON
2 fills out the appropriate form, the ~~owner~~ AUTHORIZED OR INTERESTED
3 PERSON may retrieve the vehicle after paying a reduced fee, but the ~~owner~~
4 AUTHORIZED OR INTERESTED PERSON still owes the towing carrier the
5 balance of those fees ACCRUED AFTER THE FIRST THIRTY DAYS."

6 (f) (I) A towing carrier shall not perform a nonconsensual tow of
7 a vehicle, other than an abandoned motor vehicle as defined in section
8 42-4-2102 (1), from private property normally used for parking unless:

9 (A) Notice of the parking regulations was provided to the vehicle
10 operator when the vehicle entered the private property and parked; and

11 (B) Notice that any vehicle parked in violation of the regulations
12 is subject to tow ~~at the vehicle owner's expense~~ was provided to the
13 vehicle operator when the vehicle entered the private property and
14 parked; AND

15 (C) ~~IF A VEHICLE WAS TOWED UNDER SUBSECTION (3)(b)(I)(A),~~
16 ~~(3)(b)(I)(D), (3)(b)(I)(F), OR (3)(b)(I)(G) OF THIS SECTION, THE TOWING~~
17 ~~CARRIER HAS A CONTRACT WITH THE PROPERTY OWNER REQUIRING THE~~
18 ~~PROPERTY OWNER TO PAY ALL FEES FOR THE NONCONSENSUAL TOW, ALL~~
19 ~~FEES FOR THE REQUIRED NOTIFICATIONS, AND ALL STORAGE FEES FOR THE~~
20 ~~FIRST FIVE DAYS THE VEHICLE IS STORED AS A RESULT OF THE~~
21 ~~NONCONSENSUAL TOW.~~

22 ~~(III) A towing carrier that enters into an agreement with a~~
23 ~~property owner to nonconsensually tow vehicles from the property shall~~
24 ~~post signs that:~~

25 ~~(A) Are no less than one square foot in size;~~

26 ~~(B) Have lettering not less than one inch in height;~~

27 ~~(C) Have lettering that contrasts with the background on which~~

- 1 ~~the letters are placed;~~
- 2 ~~(D) State: "Authorized Parking Only";~~
- 3 ~~(E) Include the name and telephone number of the towing carrier~~
4 ~~authorized to perform tows from the private property;~~
- 5 ~~(F) Are printed in English;~~
- 6 ~~(G) Are placed at the entrance to the private property, face~~
7 ~~outward toward the street, and are visible prior to entering and upon~~
8 ~~entering the private property;~~
- 9 ~~(H) Are placed inside the area used for parking, face toward the~~
10 ~~parking spaces, and, if the private property is not provided for residential~~
11 ~~parking and has more than ten freestanding lampposts on the property,~~
12 ~~are posted on each lamppost or posted upright near each lamppost;~~
- 13 ~~(I) Are not obstructed or placed in such a manner that prevents~~
14 ~~visibility; and~~
- 15 ~~(J) Are not placed higher than eight feet or lower than three feet~~
16 ~~from the ground surface closest to the sign's placement.~~

17 (h) THE TOWING CARRIER SHALL, IMMEDIATELY UPON BEING
18 CONTACTED BY AN AUTHORIZED OR INTERESTED PERSON ABOUT A
19 VEHICLE TOWED UNDER SUBSECTION (3)(b)(I)(A), (3)(b)(I)(D),
20 (3)(b)(I)(F), OR (3)(b)(I)(G) OF THIS SECTION, NOTIFY THE AUTHORIZED
21 OR INTERESTED PERSON THAT THE VEHICLE MAY BE RETRIEVED WITHOUT
22 CHARGE WITHIN THE FIRST FIVE DAYS AND THEREAFTER FOR A REDUCED
23 FEE. THE TOWING CARRIER SHALL NOT REQUIRE THE PERSON TO UNDERGO
24 AN APPROVAL PROCESS OTHER THAN SIGNING THE FORM CREATED
25 PURSUANT TO SUBSECTION (5)(d) OF THIS SECTION.

26 (5) **No mechanic's liens on contents.** (b) If an authorized or
27 interested person requests that a towing carrier return the contents of a

1 vehicle that was towed without consent within thirty days after the
2 postmarked date the notice was mailed in accordance with section
3 42-4-2103 (4) or the date the operator received notice that no record
4 exists for the motor vehicle, the towing carrier shall immediately retrieve
5 or allow the authorized or interested person to retrieve the vehicle's
6 contents. This subsection (5)(b) does not apply to the contents of a
7 vehicle if the contents of the vehicle are subject to a hold order issued by
8 a court, district attorney, law enforcement agency, or peace officer.

9 (c) The towing carrier shall immediately retrieve a vehicle that
10 has been nonconsensually towed or allow the ~~owner~~ AUTHORIZED OR
11 INTERESTED PERSON to retrieve the vehicle WITHIN THE FIRST FIVE DAYS
12 FOLLOWING A TOW AUTHORIZED UNDER SUBSECTION (3)(b)(I)(A),
13 (3)(b)(I)(D), (3)(b)(I)(F), OR (3)(b)(I)(G) OF THIS SECTION, BUT FOR ANY
14 OTHER NONCONSENSUAL TOW THE TOWING CARRIER SHALL IMMEDIATELY
15 RETRIEVE THE VEHICLE OR ALLOW THE AUTHORIZED OR INTERESTED
16 PERSON TO RETRIEVE THE VEHICLE if:

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

20 (b) WITHIN FORTY-EIGHT HOURS AFTER A NONCONSENSUAL TOW
21 IS DETERMINED TO HAVE BEEN PERFORMED IN VIOLATION OF THIS
22 SECTION, THE TOWING CARRIER SHALL RETURN AN IMPROPERLY TOWED
23 VEHICLE BACK TO THE LOCATION FROM WHERE IT WAS TOWED UNLESS THE
24 AUTHORIZED OR INTERESTED PERSON NOTIFIES THE TOWING CARRIER
25 THAT THE PERSON PREFERS TO RETRIEVE THE VEHICLE FROM THE TOW
26 CARRIER'S IMPOUND LOT WITHOUT CHARGE.

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

