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Sponsors:	Diana Reyna, Leroy G. Comrie, Jr., Daniel Dromm, Karen Koslowitz, Deborah L. Rose, Albert Vann, Jumaane D. Williams, Stephen T. Levin, James F. Gennaro		
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Attachments:	1. Int. No. 201 - 4/29/10, 2. Int. No. 201-A - 5/11/10, 3. Committee Report 5/11/10, 4. Hearing Testimony 5/11/10, 5. Hearing Transcript 5/11/10, 6. Committee Report 6/28/11, 7. Hearing Transcript 6/28/11, 8. Fiscal Impact Statement, 9. Hearing Transcript - Stated Meeting 6-28-11, 10. Hearing Transcript - Stated Meeting 6-29-11, 11. Mayor's Letter, 12. Message of Necessity, 13. Local Law 41, 14. Annual Report on Tow Truck Violations - Reporting Period: 10/1/16 - 9/30/17		

Date	Ver.	Action By	Action	Result
4/29/2010	*	City Council	Introduced by Council	
4/29/2010	*	City Council	Referred to Comm by Council	
5/11/2010	*	Committee on Consumer Affairs	Hearing Held by Committee	
5/11/2010	*	Committee on Consumer Affairs	Amendment Proposed by Comm	
5/11/2010	*	Committee on Consumer Affairs	Laid Over by Committee	
6/28/2011	*	Committee on Consumer Affairs	Amendment Proposed by Comm	
6/28/2011	*	Committee on Consumer Affairs	Amended by Committee	
6/28/2011	A	Committee on Consumer Affairs	Approved by Committee	Pass
6/28/2011	*	Committee on Consumer Affairs	Hearing Held by Committee	
6/29/2011	A	City Council	Approved by Council	Pass
6/29/2011	A	City Council	Sent to Mayor by Council	
7/11/2011	A	Mayor	Hearing Held by Mayor	
7/11/2011	A	Mayor	Signed Into Law by Mayor	
7/11/2011	A	City Council	Recved from Mayor by Council	

Int. No. 201-A

By Council Members Reyna, Comrie, Dromm, Koslowitz, Rose, Vann, Williams, Levin and Gennaro

A Local Law to amend the administrative code of the city of New York, in relation to rates for the towing of motor vehicles.

Be it enacted by the Council as follows:

Section 1. Paragraph 8 of subdivision c of section 19-169 of the administrative code of the city of New York, as amended by local law number 104 for the year 1993, is amended to read as follows:

8. Notwithstanding the charges permitted to be collected under subdivision c of section 20-519 of this code, a person who removes a vehicle pursuant to section 19-169 of this code may collect the following charges from the owner or other person in control of such vehicle, payable before the vehicle is released: [one hundred] one hundred twenty-five dollars for removal and the first three days of storage; [ten] up to fifteen dollars per day for storage thereafter, except that no charge may be collected for removal or storage of a vehicle pursuant to this section by a person who is not licensed to engage in towing pursuant to subchapter thirty-one of chapter two of title twenty of the code.

§2. Subdivision c of section 19-169 of the administrative code of the city of New York is amended by adding a new paragraph 11 to read as follows:

11. Any person licensed pursuant to subchapter thirty-one of chapter two of title twenty of the code who removes a vehicle in violation of paragraphs one through seven of this subdivision shall be punished as follows: for the first violation, a fine of five hundred dollars; for the second violation within a period of twelve months of the date of a first violation, a fine of one thousand dollars; and for any additional violations within a period of twenty-four months of the date of a first violation, a fine of one thousand dollars.

§3. Subdivisions a and j of section 19-169.1 of title 19 of the administrative code of the city of New York, as amended by local law number 104 for the year 1993, are amended to read as follows:

a. Notwithstanding any other provision of law, where a licensed tow operator removes a vehicle because it is parked on private property in a manner inconsistent with posted instructions, and such removal is pursuant to a contract between the owner of the private property and the licensed tow operator for the removal of any such improperly parked vehicles, such tow operator may collect the following charges from the vehicle owner or other person in control of such vehicle, payable before the vehicle is released: up to but not more than [one hundred] one hundred twenty-five dollars for removal and the first three days of storage; [ten] up to but

not more than fifteen dollars per day for storage thereafter; except that no charge may be collected for removal or storage of a vehicle pursuant to this section by a person who is not licensed to engage in towing pursuant to subchapter thirty-one of chapter two of title twenty of this code.

j. Any person who violates this section shall be punished as follows: for the first violation, a fine of [two hundred and fifty] five hundred dollars; for the second violation within a period of twelve months of the date of the first violation, a fine of [five hundred] one thousand dollars; and for any additional violations within a period of twenty-four months of the date of a first violation, a fine of one thousand dollars.

§4. Section 20-504.1 of the administrative code of the city of New York, as amended by local law number 112 of 1993, is amended to read as follows:

§20-504.1. Mandatory suspension or revocation of license. After due notice and opportunity to be heard, the commissioner shall refuse to renew, or shall suspend or revoke a license required under this subchapter, upon the occurrence of any one or more of the following conditions:

a. the person holding a license to engage in towing or where applicable, any of such licensee's officers, principals, directors, employees, or stockholders owning more than ten percent of the outstanding stock of the corporation, has been found by the commissioner to have [willfully and] unjustifiably refused to release a vehicle towed pursuant to section 20-518 or section 20-519 of this subchapter, to the vehicle's owner or the owner's agent. The commissioner shall establish standards concerning the sufficiency of proof of ownership of the vehicle and the legality of any charges demanded by the licensee for release of the vehicle. In determining whether such refusal is unjustifiable, the commissioner in addition to any other relevant fact shall consider such standards;

b. in a two year period, the person holding a license to engage in towing or where applicable, any of such licensee's officers, principals, directors, employees, or stockholders owning more than ten percent of the outstanding stock of the corporation, has been [convicted of a misdemeanor of a felony relating to auto stripping in violation of article 165 of the penal law] found by the commissioner to have committed in any

combination three or more violations of sections 19-169, 19-169.1 of this code or any rules promulgated thereunder, or sections 20-507, 20-509, 20-509.1, 20-510, 20-512 , 20-514, 20-515, 20-516, 20-518, 20-519, 20-520, 20-520.1 or 20-527 of this subchapter or any rules promulgated thereunder;

c. the person holding a license to engage in towing or where applicable, any of such licensee's officers, principals, directors, employees, or stockholders owning more than ten percent of the outstanding stock of the corporation, has been [found by the commissioner to have committed in any combination three or more violations of the provisions of section 20-515 or paragraph two of subdivision b of section 20-518 of this subchapter or any rules promulgated thereunder within a two year period] convicted of a misdemeanor or a felony relating to auto stripping in violation of article 165 of the penal law;

d. in a two year period, the person holding a tow truck operator's license has been found by the commissioner to have committed in any combination three or more violations of the provisions of [section 20-515 or paragraph two of subdivision b of section 20-518] sections 19-169 and 19.169.1 of this code and any rules promulgated thereunder, or sections 20-510, 20-512, 20-514, 20-515, 20-518, 20-519, 20-520, 20-520.1 or 20-527 of this subchapter or any rules promulgated thereunder [within a two year period];

e. the person holding a tow truck operator's license has been found to have operated any motor vehicle in violation of section eleven hundred ninety-two of the vehicle and traffic law during the license term, or has been found to have operated a tow truck in violation of section eleven hundred eighty-two of the vehicle and traffic law.

§5. Subdivisions a and b of section 20-509 of the administrative code of the city of New York, as amended by local law number 72 for the year 2001, are amended to read as follows:

a. Except as otherwise provided, charges for the towing of vehicles shall not exceed [fifty] one hundred dollars [for the first mile or fraction thereof and four dollars for each additional mile or fraction thereof]; provided, however, that where a motor vehicle has been booted by a person licensed pursuant to subchapter 32 of this chapter in a private lot as defined in paragraph 3 of subdivision b of section 20-531 of

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such subchapter and such vehicle is subsequently towed, no additional charge may be imposed for the towing of such vehicle.

b. Except as otherwise provided, charges for storage of vehicles shall not exceed [fifteen] twenty-five dollars for each twenty-four hours or fraction thereof for the first three days of storage and [seventeen] twenty-seven dollars for the fourth day of storage and each day thereafter.

§6. Section 20-509.1 of the administrative code of the city of New York, as added by local law number 15 for the year 2004, is amended to read as follows:

§20-509.1. Rates for arterial tow permittees. Notwithstanding any other provisions of this subchapter, charges for the towing of disabled passenger vehicles from an arterial roadway by an arterial tow permittee authorized by the commissioner of transportation or the police commissioner shall be [seventy] one hundred twenty-five dollars for the first ten miles or fraction thereof and four dollars for each additional mile or fraction thereof.

§7. Section 20-516 of the administrative code of the city of New York, as added by local law number 28 for the year 1987, is amended to read as follows:

§20-516. Records. Every person licensed to engage in towing shall maintain records, ledgers, receipts, bills and such other written records as the commissioner may prescribe by regulation in electronic format. Such records shall be made available for inspection by the commissioner at his or her request at either the licensee's place of business or at the offices of the department for a period of five years.

§8. Paragraph 4 of subdivision b of section 20-518 of the administrative code of the city of New York, as amended by local law number 72 for the year 2001, is amended to read as follows:

4. Notwithstanding any other provision of this subchapter, a towing company that removes an accident vehicle to its storage facility at the place of business which qualifies such company for participation in the directed accident response program or to its auxiliary storage facilities approved by the commissioner, shall not charge for the towing of a vehicle registered at a weight of ten thousand pounds or less [and the first day of

storage for such vehicle a fee exceeding eighty dollars] a fee exceeding one hundred and twenty-five dollars or more than twenty-five dollars per day for the first three days of storage and twenty-seven dollars for the fourth day, and each day thereafter, of storage for such vehicle. A towing company participating in the directed accident response program shall not charge for the towing of an accident vehicle registered at a weight of more than ten thousand pounds [and the first day of storage for such vehicle a fee exceeding one hundred and twenty-five dollars] a fee exceeding one hundred and forty dollars or more than twenty-five dollars per day for the first three days of storage and twenty-seven dollars for the fourth day, and each day thereafter, of storage for such vehicle. [Such fees shall be inclusive of all charges for the removing and towing of such vehicles to such storage facility and for the first day of storage.]

§9. Paragraph 1 of subdivision c of section 20-519 of the administrative code of the city of New York, as amended by local law number 72 for the year 2001, is amended to read as follows:

1. Notwithstanding any other provision of law, the towing company shall be entitled to charge the owner or other person claiming a vehicle that is suspected of having been stolen or abandoned or a vehicle with certain alarm devices subject to removal pursuant to section 24-221 of the code which was directed to be towed by the police department pursuant to this section and which is claimed before the end of the thirtieth day after such vehicle is removed by such towing company amounts not in excess of the following: [seventy] one hundred twenty-five dollars for the towing of a vehicle registered at a weight of ten thousand pounds or less; one hundred and [twenty-five] forty dollars for the towing of a vehicle registered at a weight of more than ten thousand pounds; [fifteen] twenty-five dollars per day for the first three days and [seventeen] twenty-seven dollars for the fourth day of storage and each day thereafter. Upon the transfer of an unclaimed vehicle into the custody of the police department property clerk, the towing company shall be entitled to charge the police department amounts not in excess of the following: sixty dollars plus tolls for the towing of a vehicle suspected of having been stolen or abandoned, a vehicle that was blocking a private driveway and was removed pursuant to section 19-169 of the code or a vehicle with certain alarm devices that was removed pursuant to section 24-

221 of the code, to a storage facility and subsequent transfer of such vehicle into the custody of such property clerk during the period of time specified in paragraph one of subdivision b of this section; five dollars per day for the first three days of storage of such vehicle and eight dollars for the fourth day of storage and each day thereafter, provided that in no event shall any towing company be entitled to charge the police department for storage charges incurred after the tenth day of storage. The towing company shall be entitled to charge the police department an amount not in excess of sixty dollars plus tolls for the towing of an evidence vehicle to a location designated by a police officer.

§10. Subdivision c of section 20-520.1 of the administrative code of the city of New York, as added by local law 30 for the year 1997, is amended to read as follows:

c. Any person participating in a city towing program who shall: (i) fail to accept at least two major credit cards; or (ii) refuse to accept a credit card which such person has informed the administering agency is accepted pursuant to subdivision b of this section, shall, after notice and opportunity to be heard, be liable for a penalty not to exceed [one] <u>two</u> thousand <u>five hundred</u> dollars [($1,000)] <u>($2,500)</u>. Any such person who has been found guilty of three such violations within the preceding twenty-four month period shall be removed from participation in such program for a period of time to be determined by the commissioner or administering agency but not to exceed one year; provided, however that the provisions of this section shall not apply to any contract entered into between a towing business and a city agency prior to the date of adoption by the city council of the local law which added this section.

§11. Section 20-522 of the administrative code of the city of New York, as amended by local law number 112 for the year 1993, is amended to read as follows:

§20-522. Penalties. The penalties imposed by this section shall be in addition to any other sanctions and orders which may be imposed by the commissioner pursuant to this chapter including but not limited to such sanctions and orders which may be imposed pursuant to section 20-105 of this code. Notwithstanding the provisions of subdivisions a and b of section 20-106 of this code, the following penalties

shall apply for violations of this subchapter:

a. 1. Any person who violates the provisions of sections 20-496, 20-509, 20-515 [or], paragraph two of subdivision b of section 20-518 or section 20-527 of this subchapter or any rules promulgated thereunder shall be guilty of a misdemeanor punishable by a fine of not less than [two hundred fifty] five hundred dollars or more than [two] three thousand dollars, or by imprisonment for not more than ninety days, or by both such fine and imprisonment.

2. Any person who violates the provisions of sections 20-496, 20-509, 20-515 [or], paragraph two of subdivision b of section 20-518 or section 20-527 of this subchapter or any rules promulgated thereunder who has been found guilty of a violation of any of such sections or such rules two times within the preceding twenty-four month period shall be guilty of a misdemeanor punishable by a fine of not less than [five hundred] one thousand dollars or more than [five] ten thousand dollars, or by imprisonment for not more than six months, or by both such fine and imprisonment.

3. A person who violates any provision of this subchapter or any of the rules promulgated thereunder and is not subject to the penalties imposed pursuant to paragraphs one or two of this subdivision shall be guilty of an offense punishable by a fine of not less than [one] two hundred fifty dollars or more than [one] two thousand five hundred dollars, or by imprisonment for not more than ninety days, or by both such fine and imprisonment. For every subsequent violation of the same provision of this subchapter by the same licensee within a twenty-four month period, the fine shall increase between one hundred and five hundred dollars per violation.

4. Except as otherwise specifically provided in paragraphs one or two of this subdivision, there shall be no criminal penalties pursuant to this subdivision for a violation of the provisions of sections 20-518 and 20-519 of this subchapter or any rules promulgated thereunder.

b. 1. In addition to the penalties prescribed by paragraph one of subdivision a of this section, any person who violates the provisions of sections 20-496, 20-509, 20-515 [or], paragraph two of subdivision b of

section 20-518 or section 20-527 of this subchapter or any rules promulgated thereunder shall be liable for a civil penalty of not less than [two hundred fifty] five hundred dollars or more than [two] three thousand dollars.

2. In addition to the penalties prescribed by paragraph two of subdivision a of this section, any person who violates the provisions of sections 20-496, 20-509, 20-515 [or], paragraph two of subdivision b of section 20-518 or section 20-527 of this subchapter or any rules promulgated thereunder who has been found guilty of a violation of any such sections or such rules two times within the preceding twenty-four month period shall be liable for a civil penalty of not less than [five hundred] one thousand dollars nor more than [five] ten thousand dollars.

3. In addition to the penalties prescribed by paragraph three of subdivision a of this section, any person who violates any provision of this subchapter or any rules promulgated thereunder, other than sections 20-496, 20-509, 20-515 [and], paragraph two of subdivision b of section 20-518 or section 20-257 of this subchapter and any rules promulgated thereunder, shall be liable for a civil penalty of not less than [one] two hundred fifty dollars or more than [one] two thousand five hundred dollars. For every subsequent violation of the same provision of this subchapter by the same licensee within a twenty-four month period, the fine shall increase between one hundred and five hundred dollars per violation.

§12. Subchapter 31 of chapter 2 of title 20 of the administrative code of the city of New York is amended by adding a new section 20-529 to read as follows:

§ 20-529. Reporting on industry compliance. Beginning on November 15, 2011 and annually on that date thereafter, the New York city department of consumer affairs shall submit a report to the council concerning violations issued to tow truck licensees. Such annual report shall contain data from the preceding twelve months that includes but is not limited to: (a) the total number of violations issued, disaggregated by section of the administrative code violated; (b) the total number of violations issued to each licensee; (c) the number of license suspensions, disaggregated by licensee; (d) the number of license revocations, disaggregated by licensee; and (e) the total number of meetings of the tow advisory board.

§13. This local law shall take effect one hundred twenty days after it shall have been enacted into law, except that § 7 of this local law shall take effect one hundred and eighty days after it shall have been enacted into law; provided that the commissioners of the departments of consumer affairs and transportation may take any actions necessary prior to such effective date for the implementation of this local law including, but not limited to, promulgating rules.

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