

**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
Appropriations

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

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

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

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

1 REPEATEDLY FAILED TO COMPLY WITH THIS ARTICLE 10.1 OR PART 18 OR
2 21 OF ARTICLE 4 OF TITLE 42.

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

5 40-10.1-403. Towing task force - creation - conflict of interest
6 - rules - report - repeal. (3.5) (a) A MEMBER SHALL NOTIFY THE TASK
7 FORCE AND ABSTAIN FROM VOTING IF:

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

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

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

19 (4) (d) (II) This subsection (4)(d) is repealed, effective July 1,
20 2026 SEPTEMBER 1, 2026.

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

26 (f) THE COMMISSION MAY PROMULGATE RULES TO COLLECT OTHER
27 INFORMATION REQUIRED AS PART OF THE TOWING CARRIER PERMITTING

1 PROCESS. THE INFORMATION REQUIRED BY RULE MAY INCLUDE THE
2 ANNUAL VOLUME OF TOWS BY CATEGORY, THE CURRENT PRICING PER
3 CATEGORY OF TOW FOR ALL FEES CHARGED, AND THE NUMBER OF TOW
4 TRUCKS EACH TOWING CARRIER OPERATES.

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

10 **40-10.1-405. Nonconsensual tows - rights of owners,**
11 **operators, and lienholders - rules. (3) Authorization and notice**
12 **required for tows from private property.** (a) A towing carrier shall not
13 nonconsensually tow a vehicle from private property unless:

14 (IV) The towing carrier has received DOCUMENTED permission,
15 ~~to~~ WHICH MUST NOT BE AUTOMATED OR GENERAL, FOR EACH INDIVIDUAL
16 tow OF the vehicle, within the twenty-four hours immediately preceding
17 the tow, from THE FOLLOWING PERSON THAT MUST DOCUMENT THE
18 PERMISSION BY SIGNING THE FORM CREATED IN ACCORDANCE WITH
19 SUBSECTION (3)(d)(I) OF THIS SECTION:

20 (A) The owner of or leaseholder of the private property; EXCEPT
21 THAT, IF THE OWNER OR LEASEHOLDER WOULD EARN INCOME FROM THE
22 NONCONSENSUAL TOW, THE TOWING CARRIER SHALL NOT PERFORM THE
23 NONCONSENSUAL TOW BUT MAY AUTHORIZE ANOTHER TOWING CARRIER
24 TO PERFORM THE NONCONSENSUAL TOW;

25 (C) An **agent** EMPLOYEE of a person described in subsection
26 (3)(a)(IV)(A) or (3)(a)(IV)(B) of this section OR AN EMPLOYEE OF A
27 PROPERTY MANAGEMENT COMPANY RETAINED TO COLLECT RENT AND

1 PERFORM RESIDENTIAL SERVICES; except that the towing carrier does not
2 qualify as an agent with authority to grant permission under this
3 subsection (3)(a) EMPLOYEE WHO HAS A FINANCIAL INTEREST IN OR
4 RELATIONSHIP WITH THE TOWING CARRIER OR A PARKING LOT
5 MANAGEMENT COMPANY THAT EARNS INCOME FROM MANAGING OR
6 CONTROLLING PARKING OR PERMISSION TO PARK OR THAT EARNS INCOME
7 FROM NONCONSENSUAL TOWS SHALL NOT GRANT PERMISSION TO
8 AUTHORIZE THE TOW; OR

9 (V) THE TOWING CARRIER HAS RECEIVED PERMISSION FOR EACH
10 INDIVIDUAL TOW.

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

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

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

- 1 (I) IS NOT LESS THAN TWO SQUARE FEET IN SIZE;
- 2 (II) HAS LETTERING NOT LESS THAN ONE INCH IN HEIGHT;
- 3 (III) HAS LETTERING THAT CONTRASTS SHARPLY IN COLOR WITH
- 4 THE BACKGROUND ON WHICH THE LETTERS ARE PLACED AND CONTRASTS
- 5 SHARPLY WITH THE STRUCTURE THE SIGNS ARE PLACED ON;
- 6 (IV) CONTAINS THE FOLLOWING INFORMATION IN THE ORDER
- 7 LISTED BELOW:
- 8 (A) THE RESTRICTION OR PROHIBITION ON PARKING;
- 9 (B) THE TIMES OF THE DAY AND DAYS THAT THE RESTRICTION IS
- 10 APPLICABLE; BUT, IF THE RESTRICTION APPLIES TWENTY-FOUR HOURS A
- 11 DAY, SEVEN DAYS A WEEK, THE SIGN MUST SAY "AUTHORIZED PARKING
- 12 ONLY"; AND
- 13 (C) THE NAME AND TELEPHONE NUMBER OF THE TOWING CARRIER
- 14 AUTHORIZED TO PERFORM TOWS FROM THE PRIVATE PROPERTY;
- 15 (V) IS PRINTED IN ENGLISH AND SPANISH;
- 16 (VI) IS PERMANENTLY MOUNTED BOTH:
- 17 (A) AT THE ENTRANCE TO THE PRIVATE PROPERTY SO THAT THE
- 18 SIGN FACES OUTWARD TOWARD THE STREET AND IS VISIBLE BEFORE AND
- 19 UPON ENTERING THE PRIVATE PROPERTY; AND
- 20 (B) INSIDE THE PRIVATE PROPERTY SO THAT THE SIGN FACES
- 21 OUTWARD TOWARD THE PARKING AREA;
- 22 (VII) IS NOT OBSTRUCTED FROM VIEW OR PLACED IN A MANNER
- 23 THAT PREVENTS DIRECT VISIBILITY; AND
- 24 (VIII) IS NOT PLACED HIGHER THAN TEN FEET OR LOWER THAN
- 25 THREE FEET FROM THE SURFACE CLOSEST TO THE SIGN'S PLACEMENT.
- 26 (d) (I) THE COMMISSION SHALL CREATE A FORM THAT IMPLEMENTS
- 27 SUBSECTION (3)(a)(IV) OF THIS SECTION.

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

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

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

10 (II) State: "If a vehicle is nonconsensually towed from private
11 property, the owner AUTHORIZED OR INTERESTED PERSON may retrieve the
12 contents of the vehicle even if the owner AUTHORIZED OR INTERESTED
13 PERSON does not pay the towing carrier's fees. If the owner AUTHORIZED
14 OR INTERESTED PERSON fills out the appropriate form, the owner
15 AUTHORIZED OR INTERESTED PERSON may retrieve the vehicle after
16 paying a reduced fee, but the owner AUTHORIZED OR INTERESTED PERSON
17 still owes the towing carrier the balance of those fees."

18 (f) (III) A towing carrier that enters into an agreement with a
19 property owner to nonconsensually tow vehicles from the property shall
20 post signs that:

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

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

23 (C) Have lettering that contrasts with the background on which
24 the letters are placed;

25 (D) State: "Authorized Parking Only";

26 (E) Include the name and telephone number of the towing carrier
27 authorized to perform tows from the private property;

- 1 ~~(F) Are printed in English;~~
- 2 ~~(G) Are placed at the entrance to the private property, face~~
3 ~~outward toward the street, and are visible prior to entering and upon~~
4 ~~entering the private property;~~
- 5 ~~(H) Are placed inside the area used for parking, face toward the~~
6 ~~parking spaces, and, if the private property is not provided for residential~~
7 ~~parking and has more than ten freestanding lampposts on the property,~~
8 ~~are posted on each lamppost or posted upright near each lamppost;~~
- 9 ~~(I) Are not obstructed or placed in such a manner that prevents~~
10 ~~visibility; and~~
- 11 ~~(J) Are not placed higher than eight feet or lower than three feet~~
12 ~~from the ground surface closest to the sign's placement.~~

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

16 (5) **No mechanic's liens on contents.** (b) If an authorized or
17 interested person requests that a towing carrier return the contents of a
18 vehicle that was towed without consent within thirty days after the
19 postmarked date the notice was mailed in accordance with section
20 42-4-2103 (4) or the date the operator received notice that no record
21 exists for the motor vehicle, the towing carrier shall ~~immediately retrieve~~
22 ~~or~~ allow the authorized or interested person to retrieve the vehicle's
23 contents. This subsection (5)(b) does not apply to the contents of a
24 vehicle if the contents of the vehicle are subject to a hold order issued by
25 a court, district attorney, law enforcement agency, or peace officer.

26 (c) The towing carrier shall immediately retrieve a vehicle that
27 has been nonconsensually towed or allow the ~~owner~~ AUTHORIZED OR

1 INTERESTED PERSON to retrieve the vehicle if:

2 (d) For an authorized or interested person to retrieve a vehicle
3 without paying the towing carrier the total amount owed to the towing
4 carrier, the authorized or interested person must sign a form affirming
5 that the authorized or interested person owes the towing carrier payment
6 for fees that comply with this article 10.1, part 21 of article 4 of title 42,
7 or article 20 of title 38. Knowingly providing false information on the
8 form is unlawful. Signing this form does not prohibit a vehicle owner
9 from filing a complaint with the commission or pursuing other remedies.
10 The towing carrier may use the form to take reasonable actions to collect
11 the debt, including initiating a court action or using a collection agency.

12 The ~~department~~ COMMISSION shall:

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

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

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

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

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

26 **SECTION 4.** In Colorado Revised Statutes, 40-10.1-409, **amend**

27 (2) as follows:

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

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

8 **6-1-105. Unfair or deceptive trade practices.** (1) A person
9 engages in a deceptive trade practice when, in the course of the person's
10 business, vocation, or occupation, the person:

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

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

15 **40-10.1-404. Repeal of part - subject to review.** (1) This part
16 4 is repealed, effective September 1, 2025 2030. Before the repeal, this
17 part 4 is scheduled for review in accordance with section 24-34-104 and
18 subsection (2) of this section.

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

21 **24-34-104. General assembly review of regulatory agencies**
22 **and functions for repeal, continuation, or reestablishment -**
23 **legislative declaration - repeal.** (26) (a) The following agencies,
24 functions, or both, are scheduled for repeal on September 1, 2025:

25 (XIII) ~~The public utilities commission's regulation of towing~~
26 ~~carriers under part 4 of article 10.1 of title 40.~~

27 (31) (a) The following agencies, functions, or both, are scheduled

1 for repeal on September 1, 2030:

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

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

14 (2) This act applies to acts committed on or after the applicable
15 effective date of this act.