Second Regular Session Seventy-fourth General Assembly STATE OF COLORADO

ENGROSSED

This Version Includes All Amendments Adopted on Second Reading in the House of Introduction

LLS NO. 24-0240.01 Jery Payne x2157

HOUSE BILL 24-1051

HOUSE SPONSORSHIP

Boesenecker and Mauro,

SENATE SPONSORSHIP

Gonzales and Priola,

House Committees

Senate Committees

Transportation, Housing & Local Government Finance Appropriations

	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, AND, IN CONNECTION THEREWITH, MAKING AN
104	APPROPRIATION.

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 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

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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 PRESUMED THAT A TOWING CARRIER'S POSSESSION OF A PERMIT IS NOT IN 24

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1	THE PUBLIC INTEREST IF THE TOWING CARRIER HAS WILLFULLY AND
2	REPEATEDLY FAILED TO COMPLY WITH THIS ARTICLE 10.1 OR PART 18 OR
3	21 OF ARTICLE 4 OF TITLE 42.
4	SECTION 2. In Colorado Revised Statutes, 40-10.1-403, amend
5	(4)(d)(II); and add (3.5) , $(4)(e)$, and $(4)(f)$ as follows:
6	40-10.1-403. Towing task force - creation - conflict of interest
7	- rules - report - repeal. (3.5) (a) A MEMBER SHALL NOTIFY THE TASK
8	FORCE AND ABSTAIN FROM VOTING IF:
9	(I) THE MEMBER WILL FINANCIALLY BENEFIT FROM, OR HAS A
10	FINANCIAL INTEREST IN A PERSON THAT WILL BENEFIT FROM, A
11	RATE-SETTING RECOMMENDATION MADE BY THE TASK FORCE; OR
12	(II) THE TASK FORCE IS ADVISING THE COMMISSION ABOUT A
13	COMPLAINT, AND THE MEMBER IS THE SUBJECT OF THE COMPLAINT OR HAS
14	A FINANCIAL INTEREST IN A PERSON THAT IS THE SUBJECT OF THE
15	COMPLAINT.
16	(b) A MEMBER DOES NOT HAVE A CONFLICT OF INTEREST IF THE
17	MEMBER BENEFITS MERELY FROM BELONGING TO A CLASS THAT IS
18	AFFECTED BY THE RATE SETTING DESCRIBED IN SUBSECTION $(3.5)(a)(I)$ OF
19	THIS SECTION.
20	(4) (d) (II) This subsection (4)(d) is repealed, effective July 1,
21	2026 SEPTEMBER 1, 2026.
22	(e) By September 1, 2025, the commission shall promulgate
23	RULES REQUIRING EACH TOWING CARRIER TO PROVIDE, AS A CONDITION
24	OF PERMIT ISSUANCE OR RENEWAL ON OR AFTER A DATE SPECIFIED IN THE
25	RULES, ANY INFORMATION NEEDED TO PREPARE THE REPORT REQUIRED BY
26	SUBSECTION $(4)(d)(I)$ OF THIS SECTION.
27	(f) THE COMMISSION MAY PROMULGATE RULES TO COLLECT OTHER

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1	INFORMATION REQUIRED AS PART OF THE TOWING CARRIER PERMITTING
2	PROCESS. THE INFORMATION REQUIRED BY RULE MAY INCLUDE THE
3	ANNUAL VOLUME OF TOWS BY CATEGORY, THE CURRENT PRICING PER
4	CATEGORY OF TOW FOR ALL FEES CHARGED, AND THE NUMBER OF TOW
5	TRUCKS EACH TOWING CARRIER OPERATES.
6	SECTION 3. In Colorado Revised Statutes, 40-10.1-405, amend
7	(3)(a)(IV) introductory portion, (3)(a)(IV)(A), (3)(a)(IV)(C), (3)(b)(I)(H),
8	(3)(c), (4)(b)(II), (5)(b), (5)(c) introductory portion, (5)(d) introductory
9	portion, and (8); repeal (4)(f)(III), (8), and (9)(b)(I); and add (3)(a)(V).
10	(3)(d), (3)(e), (4)(f)(I)(C), and (5)(e) as follows:
11	40-10.1-405. Nonconsensual tows - rights of owners,
12	operators, and lienholders - rules. (3) Authorization, signs, and
13	notice required for tows from private property. (a) A towing carrier
14	shall not nonconsensually tow a vehicle from private property unless:
15	(IV) The towing carrier has received DOCUMENTED permission,
16	WHICH MUST NOT BE AUTOMATED OR PREAPPROVED, FOR EACH
17	INDIVIDUAL tow OF the vehicle, within the twenty-four hours immediately
18	preceding the tow, from THE FOLLOWING PERSON THAT MUST DOCUMENT
19	THE PERMISSION BY SIGNING THE FORM CREATED IN ACCORDANCE WITH
20	SUBSECTION $(3)(d)(I)$ OF THIS SECTION:
21	(A) The owner of or leaseholder of the private property; EXCEPT
22	THAT, IF THE OWNER OR LEASEHOLDER WOULD EARN INCOME FROM THE
23	NONCONSENSUAL TOW, THE TOWING CARRIER SHALL NOT PERFORM THE
24	NONCONSENSUAL TOW BUT MAY AUTHORIZE ANOTHER TOWING CARRIER
25	TO PERFORM THE NONCONSENSUAL TOW;
26	(C) An agent EMPLOYEE of a person described in subsection
2.7	(3)(a)(IV)(A) or (3)(a)(IV)(B) of this section OR AN EMPLOYEE OF A

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1	PROPERTY MANAGEMENT COMPANY RETAINED TO COLLECT RENT AND
2	PERFORM RESIDENTIAL SERVICES; except that the towing carrier does not
3	qualify as an agent with authority to grant permission under this
4	subsection (3)(a) EMPLOYEE WHO HAS A FINANCIAL INTEREST IN OR
5	RELATIONSHIP WITH THE TOWING CARRIER OR A PARKING LOT
6	MANAGEMENT COMPANY THAT EARNS INCOME FROM MANAGING OR
7	CONTROLLING PARKING OR PERMISSION TO PARK OR THAT EARNS INCOME
8	FROM NONCONSENSUAL TOWS SHALL NOT GRANT PERMISSION TO
9	AUTHORIZE THE TOW; OR
10	(V) THE TOWING CARRIER HAS RECEIVED PERMISSION FOR EACH
11	INDIVIDUAL TOW.
12	(b) (I) Except as provided in subsection (3)(b)(IV) of this section,
13	a towing carrier shall not nonconsensually tow a vehicle from a parking
14	space or common parking area without the towing carrier or property
15	owner giving the vehicle owner or operator twenty-four hours' written
16	notice, unless:
17	(H) The vehicle is parked without displaying valid authorization
18	in a parking lot marked for the exclusive use of residents OR INVITED
19	GUESTS.
20	(c) In order for a towing carrier to conduct a nonconsensual tow,
21	under subsection (3)(b)(I)(G) or (3)(b)(I)(II) of this section, the property
22	owner must have posted signage visible and facing the driver at each
23	entryway into a parking area indicating that parking spaces are designated
24	for one or more specified residents and that a vehicle parked without
25	authorization is subject to being towed. The sign must also contain the
26	international towing symbol no smaller than four inches by four inches
27	and be permanently mounted in a position that is no lower than five feet

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1	and no higher than eight feet THAT:
2	(I) IS NOT LESS THAN TWO SQUARE FEET IN SIZE;
3	(II) HAS LETTERING NOT LESS THAN ONE INCH IN HEIGHT;
4	(III) HAS LETTERING THAT CONTRASTS SHARPLY IN COLOR WITH
5	THE BACKGROUND ON WHICH THE LETTERS ARE PLACED AND CONTRASTS
6	SHARPLY WITH THE STRUCTURE THE SIGNS ARE PLACED ON;
7	(IV) CONTAINS THE FOLLOWING INFORMATION IN THE ORDER
8	LISTED BELOW:
9	(A) THE RESTRICTION OR PROHIBITION ON PARKING;
10	(B) THE TIMES OF THE DAY AND DAYS THAT THE RESTRICTION IS
11	APPLICABLE; BUT, IF THE RESTRICTION APPLIES TWENTY-FOUR HOURS A
12	DAY, SEVEN DAYS A WEEK, THE SIGN MUST SAY "AUTHORIZED PARKING
13	ONLY"; AND
14	(C) THE NAME AND TELEPHONE NUMBER OF THE TOWING CARRIER
15	AUTHORIZED TO PERFORM TOWS FROM THE PRIVATE PROPERTY;
16	(V) IS PRINTED IN ENGLISH AND SPANISH;
17	(VI) IS PERMANENTLY MOUNTED BOTH:
18	(A) AT THE ENTRANCE TO THE PRIVATE PROPERTY SO THAT THE
19	SIGN FACES OUTWARD TOWARD THE STREET AND IS VISIBLE BEFORE AND
20	UPON ENTERING THE PRIVATE PROPERTY; AND
21	(B) INSIDE THE PRIVATE PROPERTY SO THAT THE SIGN FACES
22	OUTWARD TOWARD THE PARKING AREA;
23	(VII) IS NOT OBSTRUCTED FROM VIEW OR PLACED IN A MANNER
24	THAT PREVENTS DIRECT VISIBILITY; AND
25	(VIII) IS NOT PLACED HIGHER THAN TEN FEET OR LOWER THAN
26	THREE FEET FROM THE SURFACE CLOSEST TO THE SIGN'S PLACEMENT.
27	(d)(I) The commission shall create a form that implements

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1	SUBSECTION (3)(a)(1V) OF THIS SECTION.
2	(II) THE TOWING CARRIER MUST RETAIN FOR THREE YEARS THE
3	SIGNED FORM REQUIRED BY SUBSECTION (3)(a)(IV) OF THIS SECTION AND
4	UPON REQUEST, PROVIDE THE SIGNED FORM TO THE VEHICLE OWNER.
5	(e) A TOWING CARRIER SHALL NOT PATROL OR MONITOR PROPERTY
6	TO ENFORCE PARKING RESTRICTIONS ON BEHALF OF THE PROPERTY
7	OWNER.
8	(4) Notice, disclosures, and towing carrier signs. (b) A towing
9	carrier shall maintain a clearly visible sign at the entrance to the storage
10	facility holding a nonconsensually towed vehicle. The sign must:
11	(II) State: "If a vehicle is nonconsensually towed from private
12	property, the owner AUTHORIZED OR INTERESTED PERSON may retrieve the
13	contents of the vehicle even if the owner AUTHORIZED OR INTERESTEI
14	PERSON does not pay the towing carrier's fees. If the owner AUTHORIZED
15	OR INTERESTED PERSON fills out the appropriate form, the owner
16	AUTHORIZED OR INTERESTED PERSON may retrieve the vehicle after
17	paying a reduced fee, but the owner AUTHORIZED OR INTERESTED PERSON
18	still owes the towing carrier the balance of those fees."
19	(f) (III) A towing carrier that enters into an agreement with a
20	property owner to nonconsensually tow vehicles from the property shall
21	post signs that:
22	(A) Are no less than one square foot in size;
23	(B) Have lettering not less than one inch in height;
24	(C) Have lettering that contrasts with the background on which
25	the letters are placed;
26	(D) State: "Authorized Parking Only";
27	(E) Include the name and telephone number of the towing carrie

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1	authorized to perform tows from the private property;
2	(F) Are printed in English;
3	(G) Are placed at the entrance to the private property, face
4	outward toward the street, and are visible prior to entering and upon
5	entering the private property;
6	(II) Are placed inside the area used for parking, face toward the
7	parking spaces, and, if the private property is not provided for residential
8	parking and has more than ten freestanding lampposts on the property,
9	are posted on each lamppost or posted upright near each lamppost;
10	(I) Are not obstructed or placed in such a manner that prevents
11	visibility; and
12	(J) Are not placed higher than eight feet or lower than three feet
13	from the ground surface closest to the sign's placement.
14	(5) No mechanic's liens on contents. (b) If an authorized or
15	interested person requests that a towing carrier return the contents of a
16	vehicle that was towed without consent within thirty days after the
17	postmarked date the notice was mailed in accordance with section
18	42-4-2103 (4) or the date the operator received notice that no record
19	exists for the motor vehicle, the towing carrier shall immediately retrieve
20	or allow the authorized or interested person to retrieve the vehicle's
21	contents. This subsection (5)(b) does not apply to the contents of a
22	vehicle if the contents of the vehicle are subject to a hold order issued by
23	a court, district attorney, law enforcement agency, or peace officer.
24	(c) The towing carrier shall immediately retrieve a vehicle that
25	has been nonconsensually towed or allow the owner AUTHORIZED OR
26	INTERESTED PERSON to retrieve the vehicle if:
27	(d) For an authorized or interested person to retrieve a vehicle

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1	without paying the towing carrier the total amount owed to the towing
2	carrier, the authorized or interested person must sign a form affirming
3	that the authorized or interested person owes the towing carrier payment
4	for fees that comply with this article 10.1, part 21 of article 4 of title 42,
5	or article 20 of title 38. Knowingly providing false information on the
6	form is unlawful. Signing this form does not prohibit a vehicle owner
7	from filing a complaint with the commission or pursuing other remedies.
8	The towing carrier may use the form to take reasonable actions to collect
9	the debt, including initiating a court action or using a collection agency.
10	The department COMMISSION shall:
11	(e) A TOWING CARRIER SHALL NOT REQUIRE A PERSON TO
12	UNDERGO AN APPROVAL PROCESS OTHER THAN SIGNING THE FORM
13	CREATED PURSUANT TO SUBSECTION $(5)(d)$ OF THIS SECTION.
14	(8) Towing carrier responsibility. For a nonconsensual tow, the
15	towing carrier is responsible for the security and safety of the towed
16	vehicle until it is released to an authorized or interested person.
17	(9) Applicability. This section does not apply to:
18	(b) A tow from a parking space that serves a business if:
19	(I) The parking space is not in a common parking area; and
20	SECTION 4. In Colorado Revised Statutes, 40-10.1-406, add
21	(1)(c) as follows:
22	40-10.1-406. Failure to comply. (1) No fees - return of vehicle.
23	(c) WITHIN FORTY-EIGHT HOURS AFTER A TOW IS DETERMINED TO HAVE
24	BEEN PERFORMED IN VIOLATION OF THIS ARTICLE 10.1 OR ANY RULES
25	PROMULGATED UNDER THIS ARTICLE 10.1, THE TOWING CARRIER SHALL
26	RETURN THE VEHICLE BACK TO THE LOCATION FROM WHERE IT WAS
27	TOWED UNLESS:

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1	(1) THE AUTHORIZED OR INTERESTED PERSON NOTIFIES THE
2	TOWING CARRIER THAT THE PERSON PREFERS TO RETRIEVE THE VEHICLE
3	FROM THE TOWING CARRIER'S STORAGE FACILITY WITHOUT CHARGE; OR
4	(II) RETURNING THE VEHICLE TO THE LOCATION FROM WHERE THE
5	VEHICLE WAS TOWED IS NOT PRACTICAL, AS DETERMINED BY THE
6	COMMISSION.
7	SECTION 5. In Colorado Revised Statutes, 40-10.1-409, amend
8	(2) as follows:
9	40-10.1-409. Violators subject to penalties. (2) A violation of
10	this part 4 is a deceptive trade practice under section 6-1-105 (1)(ttt) AND
11	(1)(eeee) and is subject to enforcement by the attorney general's office in
12	addition to the OR A DISTRICT ATTORNEY OR enforcement AS described in
13	this section.
14	SECTION 6. In Colorado Revised Statutes, add 40-10.1-411 as
15	follows:
16	40-10.1-411. Towing carrier responsibility. THE TOWING
17	CARRIER IS RESPONSIBLE FOR THE SECURITY AND SAFETY OF THE TOWED
18	VEHICLE UNTIL THE VEHICLE IS RELEASED TO AN AUTHORIZED OR
19	INTERESTED PERSON.
20	SECTION 7. In Colorado Revised Statutes, 6-1-105, add
21	(1)(eeee) as follows:
22	6-1-105. Unfair or deceptive trade practices. (1) A person
23	engages in a deceptive trade practice when, in the course of the person's
24	business, vocation, or occupation, the person:
25	(eeee) Is a towing carrier and conducts a nonconsensual
26	TOW IN VIOLATION OF SECTION $40-10.1-405$.
27	SECTION 8. In Colorado Revised Statutes, 40-10.1-404, amend

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1	(1) as follows:
2	40-10.1-404. Repeal of part - subject to review. (1) This part
3	4 is repealed, effective September 1, 2025 2030. Before the repeal, this
4	part 4 is scheduled for review in accordance with section 24-34-104 and
5	subsection (2) of this section.
6	SECTION 9. In Colorado Revised Statutes, 24-34-104, repeal
7	(26)(a)(XIII); and add (31)(a)(XI) as follows:
8	24-34-104. General assembly review of regulatory agencies
9	and functions for repeal, continuation, or reestablishment -
10	legislative declaration - repeal. (26) (a) The following agencies,
11	functions, or both, are scheduled for repeal on September 1, 2025:
12	(XIII) The public utilities commission's regulation of towing
13	carriers under part 4 of article 10.1 of title 40.
14	(31) (a) The following agencies, functions, or both, are scheduled
15	for repeal on September 1, 2030:
16	(XI) THE REGULATION OF TOWING CARRIERS BY THE PUBLIC
17	UTILITIES COMMISSION UNDER PART 4 OF ARTICLE 10.1 OF TITLE 40.
18	SECTION 10. In Colorado Revised Statutes, 40-10.1-116.
19	amend (3) as follows:
20	40-10.1-116. Commission to notify local authorities -
21	procedure. (3) (a) A person injured by the noncompliance of a motor
22	carrier with this article ARTICLE 10.1 or any other provision of law or an
23	order, decision, rule, direction, or requirement of the commission may
24	apply to a court of competent jurisdiction for the enforcement thereof,
25	and the court has jurisdiction to enforce obedience thereto by injunction
26	or other proper process, mandatory or otherwise, and to restrain the motor
27	carrier and its officers, agents, employees, or representatives from further

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1	disobedience thereof, or to enjoin upon them obedience to the same, and
2	any person so injured has cause of action in damages and is privileged to
3	pursue the usual and proper remedies as in any other case.
4	(b) Subsection (3)(a) of this section creates an
5	INDEPENDENT CAUSE OF ACTION, WHICH IS NOT SUBJECT TO
6	ADMINISTRATIVE EXHAUSTION, AGAINST A TOWING CARRIER THAT
7	VIOLATED THIS ARTICLE 10.1 OR ANY OTHER PROVISION OF LAW OR AN
8	ORDER, DECISION, RULE, DIRECTION, OR REQUIREMENT OF THE
9	COMMISSION.
10	SECTION 11. Appropriation. (1) For the 2024-25 state fiscal
11	year, \$165,629 is appropriated to the department of regulatory agencies.
12	This appropriation is from the public utilities commission motor carrier
13	fund created in section 40-2-110.5 (6), C.R.S. To implement this act, the
14	department may use this appropriation as follows:
15	(a) \$42,973 for use by the public utilities commission for personal
16	services, which amount is based on an assumption that the commission
17	will require an additional 0.6 FTE;
18	(b) \$7,438 for use by the public utilities commission for operating
19	expenses; and
20	(c) \$115,218 for the purchase of legal services.
21	(2) For the 2024-25 state fiscal year, \$115,218 is appropriated to
22	the department of law. This appropriation is from reappropriated funds
23	received from the department of regulatory agencies under subsection
24	(1)(c) of this section and is based on an assumption that the department
25	of law will require an additional 0.5 FTE. To implement this act, the
26	department of law may use this appropriation to provide legal services for
27	the department of regulatory agencies.

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

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