

**testimony**

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**From:** towagon [towagon@hawaii.rr.com]  
**Sent:** Monday, March 17, 2008 11:32 AM  
**To:** testimony  
**Subject:** TESTIMONY ON HOUSE BILL NO. 509 HD2 - RELATING TO TOWING

**TESTIMONY ON HOUSE BILL NO. 509 HD2 - RELATING TO TOWING**

**POSITION: IN FAVOR OF PROPOSED LANGUAGE TO ALLOW DROP CHARGES FOR ILLEGALLY PARKED VEHICLES.**

PRESENTATION OF  
BARNABY ROBINSON, OWNER WAIALAE TOWING

THE SENATE  
THE TWENTY-FOURTH LEGISLATURE  
REGULAR SESSION OF 2008

COMMITTEE ON TRANSPORTATION AND INTERNATIONAL AFFAIRS

Senator J. Kalani English, Chair  
Senator Mike Gabbard, Vice Chair

COMMITTEE ON INTERGOVERNMENTAL AND MILITARY AFFAIRS

Senator Lorraine R. Inouye, Chair  
Senator Shan S. Tsutsui, Vice Chair

Monday, March 17, 2008

Last year, this legislative body chose to eliminate the 'drop charges' from illegally parked vehicles while the towman is in the process of hooking up. This 'feel-good' verbiage opened a can of worms, and actually works against HPD, illegally parked vehicle owners and the towman.

Prior to last year's changes, the determining line for a drop charge was if the tow truck had mechanical connection to the vehicle, and the owner appeared on the scene, a \$50 fee was collected and the vehicle was unhooked. Now, there is no in-between fee, and the towman is faced with two options, \$0 and the entire fee of hookup, mileage and storage. Naturally, the towman is going to hurry up his connection and not look back, and the vehicle owner is going to hurry up and stop the tow truck. A recipe for disaster!

When we are responding to an HPD request for removal, the first thing HPD does is write a ticket. We find it curious that there is no talk of forgiving the ticket fees, yet the towman has to respond and runs the risk of not getting paid for services rendered.

Likewise with Private Property Impounds (PPI), we respond to a request to remove an illegally parked vehicle, and if the owner comes running out, we cannot collect for effort spent to

dispatch the truck. We are forced to unhook the vehicle, and as soon as we leave, they illegally park again. When we get called out again to the same place, same car, we are reluctant to respond since we are not getting paid for work performed.

When we do work for motor club or insurance companies, upon arrival on the scene and the vehicle is gone, we collect a Gone-On-Arrival (GOA) fee. It is common industry standard with the understanding that costs are involved in dispatching tow trucks.

The verbiage with the current ruling is unclear and a recipe for litigation and interpretation. What is determined "on-scene"? There is no clear cut definition, and creates a very contentious situation. Everyone involved needs to know exactly what the law is, including Police Officers, private property owners, towmen, and illegally parked vehicle owners. Our old system, which worked fine for over 20 years, was very clear and understandable. Once we had mechanical connection to the vehicle, a drop charge was a viable option. We are in favor of returning to this proven system, to protect all parties involved.

Never ending government regulations, extremely high insurance rates, high work comp premiums, high employee payroll costs, increasing medical coverage costs, record fuel prices, expensive equipment, rising property rents, extensive operational requirements, and increasing administrative costs all have contributed to the towing industry's bottom line diminishing over the years. Last year's legislative session gave us a modest increase in rates, the first in 5 years, only to have our unhooking fees, and the overtime rate taken away. After taking these actions into consideration, we basically ended up with a wash, and are still operating on rates established in 2002. We are back again this year as our industry is still suffering, and the actions of last years legislative process did very little to assist us in meeting our ever increasing expenses

The towman is forced to come to the legislature to ask for rate adjustments to help cover the increase costs of providing our services. The only time we can increase our rates is when we take time away from our business and come to you, our legislators, and plead our case. The determination of compensation for the service we perform should not be based on political clout, horse trading, emotion, the rants and complaints of illegally parked vehicle owners, or the testimony of agencies that have no clue what our costs are. We have demonstrated the increase in our cost of doing business, and only ask that we be allowed to pass them on. We are not professional lobbyists, we don't have ivory tower offices downtown, we are not the bad guys... we are brick and mortar people that assist HPD and property owners in their time of need.

To help you understand our industry, below is a brief description of what it is that we do:

To the general public, all towing appears to be the same. This is far from the case; there are two basic types of towing.

Consent towing, at the request of the vehicle owner, and  
Non-Consent towing, at the request of HPD or private property owners.

Non-consent towing has some very unique costs associated with it:

HPD/non-consent towing must provide immediate response with any and all equipment and manpower required to do the job. There is no advanced notice; we must be available 24 hours a day, 7 days a week, regardless of what we might be doing at the time. This necessary service is for removal of illegally parked vehicles in other people's stall, emergency and/or fire lanes, driveway blockage, fire hydrant blockage, intersection blockage and/or any infraction necessitating removal.

In order to perform an impound tow, a lot of background work is mandatory prior to the truck even arriving at the scene, such as contract negotiations, understanding and compliance of unique/individual property rules, sign posting, answering phones, HPD authorization (to clear a vehicle in the event of a stolen or crime vehicle), dispatch, and then a truck arriving at the destination. To say that a truck has arrived on the scene and done nothing is far from the truth and understanding of the process.

Equipment requirements include but are not limited to, are: booms, winches, wire cable, blocking, recovery straps, chains, dollies, snatch blocks, go jacks, and other specialized equipment for completing the requested vehicle removal.

Training is paramount to efficiently and safely remove vehicles from difficult location such as multi-level garages (hazards include height limitation, ramps, pillars and tight maneuvering space), vehicles up against the curb, vehicles positioned between other legally parked vehicles, low profile and/or custom vehicles, and exotic and/or fragile vehicles.

Impound towing is dangerous due to the circumstances under which we must perform. Injuries are a common occurrence due to awkward locations, heavy equipment, darkness, extreme heat, extreme cold, rain, traffic, mud, insects, vegetation, hostile and/or aggressive vehicle owners, and other precarious situations. The stress of this danger and the slower pace we must work reduces productivity increasing the time it takes to complete the job.

Documentation must be far more comprehensive than routine consent towing, entailing administrative work describing what we did, how we did it, equipment & manpower used, detailed vehicle information, detailed vehicle inspection and documentation of existing damage, detailed owner/lien-holder information, certified notices to the registered owner/lien-holder, detailed information on who removes the vehicle from our yard, release affidavits and detailed information on disposal of the vehicle if it is unclaimed. Many times we are required to go back in our records researching certain vehicles for the State, County, insurance companies, lawyers and vehicle owners.

To do impound towing, we must have a storage lot with secured fencing, lighting, video surveillance, and adequate staffing to receive and release vehicles. We must escort owners,

adjusters, law enforcement, lawyers and others in the yard to do their jobs. We may receive as many as 10 or more phone calls or visits from owners, family, insurance companies, adjusters, law enforcement and others involved in a particular impound.

There are times we end up with unclaimed impound vehicles, which the owners no longer want. We will not collect a dime on 10% of the vehicles taken to our storage yard because the owners simply decided to dump the vehicle on us instead of paying the bill, which we have no recourse to make them pay. We will then incur additional expenses in processing and disposing of these vehicles whose charges may reach up to \$1200 each by the time they are disposed of. The processing of these vehicles will take a minimum of 45 days before we can dispose of them, taking up valuable space on our lots, causing us to absorb the cost of the initial tow, storage, manpower to prep the vehicle for the shredder (removal of the freon, antifreeze, tires, batteries, fuel and fuel tanks), the secondary tow to Campbell, and all administrative costs associated with this process. Some of the unclaimed vehicles will bring scrap iron prices (currently about \$40/vehicle) from the shredder.

These costs have to be figured into every impound tow.

Please favorably consider the request to reinstate the drop charges.

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