

DEPARTMENT OF CONSUMER AFFAIRS
TITLE 16. BUREAU OF AUTOMOTIVE REPAIR

PROPOSED REGULATORY LANGUAGE

Storage and Towing Fees for Automotive Repair Dealers

Legend: Added text is indicated with an underline.

Omitted text is indicated by (* * * *)

Deleted text is indicated by ~~strikeout~~.

Amend section 3303 of Article 1 to Division 33 of Title 16 of the California Code of Regulations to read as follows:

§ 3303. Definitions.

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(t) “Vehicle storage” means an automotive repair dealer having possession of a vehicle as a result of unpaid towing fees or an unpaid repair bill.

(u) “Safekeeping” means an automotive repair dealer shall ensure that no damage or loss of property occurs to a customer’s vehicle while in their possession.

(v) “Third-party payor” means an aftermarket warranty provider, insurer, or other entity who is responsible for, or has contracted with, the customer to provide payment for repairs to a vehicle.

NOTE: Authority cited: Section 9882, Business and Professions Code. Reference: Sections 9884.8, 9884.9, 9889.50 and 9889.52, Business and Professions Code.

Add sections 3351.8 and 3351.9 of Article 6.2 to Division 33 of Title 16 of the California Code of Regulations to read as follows:

Article 6.2. Storage and Towing Fees for Automotive Repair Dealers

§ 3351.8.1 General Requirements for Vehicle Storage.

(a) When an automotive repair dealer (ARD) charges storage fees, an itemized invoice for the storage services must be provided to the customer. The itemized storage fees may be included on an invoice for automotive repair services or

provided on a separate invoice.

- (b) An ARD who charges storage fees shall display their current daily storage rate in a place where the storage rate is visible, legible, and adjacent to a counter where customers are served.
- (c) An ARD performing collision repairs shall report to the Bureau on an annual basis when renewing their registration, under penalty of perjury, their daily storage rate for the registration renewal period. Utilizing the compiled daily storage rates, the Bureau shall create a search tool on its website to enable the public, third-party payors, and other stakeholders to identify the daily storage rate in a given locale.
- (d) An ARD charging storage fees for a vehicle shall permit the customer, the Bureau, and the customer's third-party payor access to that vehicle for inspection in accordance with Vehicle Code section 22651.07.
 - (1) The vehicle shall be stored at the ARD's primary business address as registered with the Bureau.
 - (2) If the vehicle is stored at a location other than the ARD's primary business address, the customer shall be notified of the storage location.
 - (3) The ARD shall not charge the customer for moving the vehicle between locations.
- (e) An ARD charging storage fees for a vehicle shall permit the third-party payor, or tow hauler to pay for towing and storage charges by a valid bank credit card, check, or bank draft in accordance with Vehicle Code section 22651.07.
- (f) Prior to any authorized repair, an ARD may charge storage fees when receiving possession of a motor vehicle for storage.

Note: Authority cited: Sections 9882 and 9884.16, Business and Professions Code. Reference cited: Sections 9884.6, 9884.8, 9884.9, and 9884.16, Business and Professions Code; Sections 3068 and 3068.1, Civil Code; Sections 22524.5 and 22651.07, Vehicle Code; and Sections 758.5 and 790.03, Insurance Code.

§ 3351.8.2 Storage Fees Resulting from a Repair Transaction

- (a) When an ARD performs repairs as result of an accident or theft recovery and charges fees for the storage of the vehicle, the storage fees shall be reasonable in accordance with Vehicle Code section 22524.5. Storage fees and rates shall be comparable to storage rates and fees charged by other facilities in the same

locale.

- (b) To charge storage fees incurred after completion of repairs, the ARD shall have:
- (1) Obtained customer authorization as specified in section 3353.1 for the specific repair(s) being performed;
 - (2) Generated an itemized invoice with all repair work performed and parts supplied upon completion of the authorized repairs; and
 - (3) Notified the customer that the repairs are complete.
- (c) An ARD shall not charge storage fees while the vehicle is undergoing repairs, including the tear down of a vehicle or vehicle component(s) in accordance with section 3353.
- (d) Upon completion of authorized repairs, an ARD shall not without customer authorization dismantle, disengage, remove, or strip from the vehicle any of the parts used to complete the repairs.
- (e) When obtaining authorization to perform a tear down as defined in section 3352, the ARD shall inform the customer of the following:
- (1) The number of days after receipt of the itemized repair estimate following completion of the tear down that the customer has to authorize repairs or remove the vehicle prior to storage fees accruing; and
 - (2) The daily storage rate.
- (f) If an ARD tows and repairs a vehicle, the towing fees shall be authorized by the customer on a separate form from the repair estimate.

Note: Authority cited: Sections 9882 and 9884.16, Business and Professions Code. Reference cited: Sections 9884.6, 9884.8, 9884.9, and 9884.16, Business and Professions Code; Sections 3068 Civil Code; Sections 22524.5 and 22651.07, Vehicle Code; and Sections 758.5 and 790.03, Insurance Code.

§ 3351.9 Towing and Storage Fees with No Repair Transaction

- (a) When an ARD charges fees for the towing, storage, or both of a vehicle as a result of an accident or vehicle theft recovery where no repairs are performed, the ARD shall do the following:
- (1) Charge fees in accordance with Vehicle Code section 22524.5. Those

fees shall not exceed the towing rates and storage fees charged for similar services provided in response to requests from a public agency such as the California Highway Patrol or local police department.

- (2) Provide an itemized invoice for those fees to the customer, which must include a notice stating copies of the Towing and Storage Fees and Access Notice, as required pursuant to Vehicle Code section 22651.07, are available upon request.

- (b) An ARD that provides towing services is required to display the Towing and Storage Fees Access Notice in a place where it is visible, legible, and adjacent to a counter where customers are served, and have copies available to the public.

Note: Authority cited: Sections 9882 and 9884.16, Business and Professions Code. Reference cited: Sections 9884.6, 9884.8, 9884.9, and 9884.16, Business and Professions Code; Sections 3068 and 3068.1, Civil Code; Sections 22524.5 and 22651.07, Vehicle Code; and Sections 758.5 and 790.03, Insurance Code.