

VETO MESSAGE: No

GOVERNOR'S PRESS RELEASE ON SIGNING: Yes

FOLLOWING WERE PRINTED:

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REPORTS: No

HEARINGS: No

NEWSPAPER ARTICLES: Yes

NIKITA BIRYUKOV; newjerseymonitor.com, 'New penalties for 'boom parties' New fines, penalties for 'boom parties' are signed into law', *Press of Atlantic City, The* (online), 8 Aug 2023 10A

CL

P.L. 2023, CHAPTER 132, *approved August 7, 2023*
Senate, No. 3374 (*Second Reprint*)

1 AN ACT concerning fees charged for ¹**【non-consensual】** certain¹
2 towing ¹and storage¹ of motor vehicles and amending ¹**【P.L.2007,**
3 **c.193】** ¹ ²**【various parts of the statutory law¹】** P.L.2007, c.193 and
4 N.J.S.2A:44-21².
5

6 **BE IT ENACTED** *by the Senate and General Assembly of the State*
7 *of New Jersey:*
8

9 1. Section 10 of P.L.2007, c.193 (C.56:13-16) is amended to read
10 as follows:

11 10. It shall be an unlawful practice for any private property towing
12 company or for any other towing company that provides non-
13 consensual towing services:

14 a. (Deleted by amendment, P.L.2009, c.39)

15 b. (Deleted by amendment, P.L.2009, c.39)

16 c. (Deleted by amendment, P.L.2009, c.39)

17 d. To give any benefit or advantage, including a pecuniary
18 benefit, to any person for providing information about motor vehicles
19 parked for unauthorized purposes on privately owned property or
20 otherwise in connection with private property towing of motor
21 vehicles parked without authorization or during a time at which such
22 parking is not permitted;

23 e. To fail, when so requested by the owner or operator of a
24 vehicle subject to non-consensual towing, to release a vehicle to the
25 owner or operator that has been, or is about to be, hooked or lifted but
26 has not actually been moved or removed from the property when the
27 vehicle owner or operator returns to the vehicle, unless the vehicle
28 subject to non-consensual towing has been authorized to be towed by a
29 law enforcement officer of this State, or any political subdivision of
30 the State, while in the actual performance of the officer's duties and as
31 deemed appropriate for public safety, or to charge the owner or
32 operator requesting release of the vehicle an unreasonable or excessive
33 decoupling fee. Such a fee shall be presumptively unreasonable and
34 excessive if it exceeds by more than 25 percent, or a different
35 percentage established by the director by regulation, the usual and
36 customary decoupling fee charged by the towing company for a
37 vehicle subject to consensual towing, or if it exceeds by more than 50
38 percent, or a different percentage established by the director by
39 regulation, the usual and customary decoupling fee charged for

EXPLANATION – Matter enclosed in bold-faced brackets **【thus】** in the above bill is
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter

Matter enclosed in superscript numerals has been adopted as follows:

¹Senate SBA committee amendments adopted June 20, 2023.

²Senate floor amendments adopted June 26, 2023.

1 vehicles subject to non-consensual towing by other private property
2 towing companies operating in the municipality in which the vehicle
3 was subjected to non-consensual towing;

4 f. (1) To charge a fee for a private property or other non-
5 consensual towing or related storage service not listed on the schedule
6 of services for which a fee may be charged as established by the
7 director except as may be permitted by the director by regulation; or

8 (2) To charge an unreasonable or excessive fee;

9 g. To refuse to accept for payment in lieu of cash or an insurance
10 company check for towing or storage services a debit card, charge card
11 or credit card if the operator ordinarily accepts such card at his place
12 of business, unless such refusal is authorized in accordance with
13 section 4 of P.L.2002, c.67 (C.56:13-4); or

14 h. To monitor, patrol, or otherwise surveil a private property for
15 the purposes of identifying vehicles parked for unauthorized purposes
16 and towing a motor vehicle parked for an unauthorized purpose from
17 such private property without having been specifically requested to
18 tow such vehicle by the owner of the property.

19 i. Nothing contained in any provision of the "Predatory Towing
20 Prevention Act," P.L.2007, c.193 (C.56:13-7 et seq.) shall be
21 construed to prevent a towing company from charging a reasonable fee
22 for storage of a vehicle that has been subject to non-consensual towing
23 authorized by a law enforcement officer of this State or by any
24 political subdivision of this State. Nothing contained in any provision
25 of the "Predatory Towing Prevention Act," P.L.2007, c.193 (C.56:13-7
26 et seq.) shall be construed to prevent a towing company from charging
27 fees for non-consensual towing or related storage services in
28 accordance with a duly-authorized fee schedule established by a
29 municipality or other political subdivision of this State with respect to
30 a vehicle that has been subject to non-consensual towing authorized by
31 a law enforcement officer of this State or the political subdivision, and
32 there shall be a rebuttable presumption that fees charged in accordance
33 with a fee schedule are not unreasonable or excessive.

34 A towing company ²【may】 shall only² require that reasonable fees
35 ¹, charged in accordance with a duly authorized fee schedule
36 established by a municipality or other political subdivision of this
37 State, and¹ charged for ¹【such】¹ towing¹, authorized by a law
38 enforcement officer of this State or by a political subdivision of this
39 State,¹ or related storage services be paid by the operator, owner,
40 lessor, or lienholder of the vehicle prior to the towing company's
41 release of the vehicle. In the event the owner or operator of the vehicle
42 defaults on payments to the lessor or lienholder of the vehicle, the
43 lessor or lienholder shall be responsible for these reasonable towing
44 and related storage fees.

45 ¹Notwithstanding the provisions of P.L.1964, c.81 (C.39:10A-1 et
46 seq.), or any other law, rule, or regulation to the contrary, a towing
47 company shall notify the operator, owner, lessor, ²【or】 and²

1 lienholder of a vehicle that has been subject to non-consensual towing,
2 authorized by a law enforcement officer of this State or a political
3 subdivision of this State, and related storage services within 30 days of
4 the vehicle being towed and arriving at the towing company lot. If a
5 towing company fails to notify the operator, owner, lessor, ²**[or]** and²
6 lienholder of the vehicle within 30 days, the towing company may
7 charge a maximum storage fee of \$750, and the towing company shall
8 be responsible for all additional towing or related storage services.

9 Notwithstanding any provision of this subsection to the contrary,
10 the maximum liability for storage fees for matters pending prior to the
11 date of enactment of P.L. , c. ²**[(C.)]**² (pending before the
12 Legislature as this bill), shall not exceed \$5,000. Towing fees for
13 matters pending prior to the date of enactment of P.L. , c.
14 ²**[(C.)]**² (pending before the Legislature as this bill) shall not be
15 subject to any fee limitation, provided that such fees remain reasonable
16 and are charged in accordance with a duly authorized fee schedule
17 established by a municipality or other political subdivision of this
18 State.¹

19 For the purposes of this subsection, non-consensual towing shall be
20 considered to be authorized by a law enforcement officer of this State
21 or a political subdivision if the law enforcement officer or an agent or
22 employee of the political subdivision initiates, directs, orders, or
23 requests the non-consensual towing of the vehicle; and a municipal fee
24 schedule shall be considered duly authorized if it has been established
25 by municipal ordinance or resolution or by contract between the
26 municipality and the towing company which conforms to the
27 requirements of the "Local Public Contracts Law," P.L.1971, c.198
28 (C.40A:11-1 et seq.) and any related regulations.
29 (cf: P.L.2018, c.165, s.3)

30
31 ¹2. N.J.S.2A:44-21 is amended to read as follows:

32 2A:44-21. A garage keeper who shall tow, store, maintain, keep,
33 or repair a motor vehicle or furnish gasoline, accessories or other
34 supplies therefor, at the request or with the consent of the owner or
35 **[his]** the owner's representative, or at the request of a law
36 enforcement officer of this State or any political subdivision of this
37 State, shall have a lien upon the motor vehicle or any part thereof for
38 the sum due for such towing, storing, maintaining, keeping, or
39 repairing of such motor vehicle or for furnishing gasoline or other fuel,
40 accessories or other supplies therefor, and may, without process of
41 law, detain the same at any time it is lawfully in his possession until
42 the sum is paid. A motor vehicle is considered detained when the
43 owner or person entitled to possession of the motor vehicle is advised
44 by the garage keeper, by a writing sent by certified mail return receipt
45 requested to the address supplied by the owner or person entitled to
46 possession of the motor vehicle, that goods or services have been

1 supplied or performed, and that there is a sum due for those goods or
2 services.

3 The lien shall not be superior to, nor affect a lien, title or interest of
4 a person held by virtue of a prior conditional sale or a prior chattel
5 mortgage properly recorded or a prior security interest perfected in
6 accordance with chapter 9 of Title 12A of the New Jersey Statutes.

7 A garage keeper ²**[may]** shall only² require that reasonable fees,
8 charged in accordance with a duly authorized fee schedule established
9 by a municipality or other political subdivision of this State, and
10 charged for non-consensual towing authorized by a law enforcement
11 officer of this State or by a political subdivision of this State or for
12 related storage services be paid by the operator, owner, lessor, or
13 lienholder of the vehicle prior to the towing company's release of the
14 vehicle. In the event the owner or operator of the vehicle defaults on
15 payments to the lessor or lienholder of the vehicle, the lessor or
16 lienholder shall be responsible for these reasonable towing and related
17 storage fees.¹

18 (cf: P.L.1998, c.122, s.1)

19

20 ²**[**¹3. Section 79 of P.L.2003, c.89 (C.39:3-29.1a) is amended to
21 read as follows:

22 79. a. Upon the issuance of a summons for failing to possess or
23 exhibit an insurance identification card in violation of R.S.39:3-29, the
24 violator or registrant shall have 24 hours from the time of the citation
25 to provide the issuing law enforcement agency with the insurance
26 identification card, or other satisfactory proof of insurance. Failure to
27 provide the insurance identification card or other satisfactory proof of
28 insurance within the 24-hour time frame shall result in the issuance of
29 a warrant for the immediate impoundment of the vehicle that was
30 being operated when the summons was issued. A motor vehicle
31 impounded pursuant to the provisions of this subsection shall be
32 removed to a storage space or garage. The registrant shall be
33 responsible for the cost of the removal and storage of the impounded
34 motor vehicle.

35 b. (1) If the registrant fails to claim a motor vehicle impounded
36 pursuant to subsection a. of this section and pay the reasonable costs of
37 removal and storage by midnight of the 30th day following
38 impoundment, along with a fine of \$100 to cover the administrative
39 costs of the municipality wherein the violation occurred, and after a
40 hearing, the municipality may sell the motor vehicle at public auction.
41 The municipality shall give notice of the sale by certified mail to the
42 registrant of the motor vehicle and to the holder of any security interest
43 filed with the New Jersey Motor Vehicle Commission, and by
44 publication in a form to be prescribed by the ¹**[director]** chief
45 administrator¹ by one insertion, at least five days before the date of the
46 sale, in one or more newspapers published in this State and circulating
47 in the municipality in which the motor vehicle has been impounded.

1 (2) At any time prior to the sale, the registrant or other person
2 entitled to the motor vehicle, including the lessor or the lienholder of
3 the motor vehicle, may reclaim possession of it upon providing
4 satisfactory proof of motor vehicle liability insurance coverage and
5 payment of the reasonable costs of removal and storage of the motor
6 vehicle and any outstanding fines or penalties **】**; provided, however, if
7 the other person entitled to the motor vehicle is a lessor or the holder
8 of a lien on the motor vehicle, he may reclaim the motor vehicle
9 without payment. In such cases, the registrant **】** . The registrant or
10 other person entitled to the motor vehicle, including the lessor or the
11 lienholder of the motor vehicle, shall be liable for all outstanding
12 costs, fines and penalties, and the municipality shall have a lien against
13 the property and **【income of that registrant】** the income of the
14 registrant or other person entitled to the motor vehicle, including the
15 lessor or the lienholder of the motor vehicle, for the total amount of
16 those outstanding costs, fines and penalties.

17 (3) Any proceeds obtained from the sale of a motor vehicle at
18 public auction pursuant to paragraph (1) of this subsection in excess of
19 the amount owed to the municipality for the reasonable costs of
20 removal and storage of the motor vehicle and any outstanding fines or
21 penalties shall be returned to the registrant of the vehicle, or other
22 person entitled to the motor vehicle, including the lessor or lienholder
23 of the motor vehicle.¹

24 (cf: P.L.2003, c.89, s.79)**】**²

25

26 ²**【**¹4. Section 4 of P.L.1995, c.286 (C.39:3-40.3) is amended to
27 read as follows:

28 4. a. A motor vehicle subject to the provisions of **【this act】**
29 P.L.1995, c.286 (C.39:3-40.1 et seq.) may be impounded by any law
30 enforcement officer if the registrant:

31 (1) knowingly permits an unlicensed driver to operate that motor
32 vehicle;

33 (2) operates or permits the operation of that motor vehicle without
34 a valid temporary registration or valid temporary registration plates as
35 authorized under section 3 of P.L.1995, c.286 (C.39:3-40.2); or

36 (3) fails to surrender a registration certificate and registration
37 plates in accordance with the provisions of subsection b. or c. of
38 section 2 of P.L.1995, c.286 (C.39:3-40.1).

39 A motor vehicle impounded under the provisions of this subsection
40 shall be removed to storage space or garage and its registration
41 certificate and registration plates seized. The registrant shall be
42 responsible for the cost of the removal and storage of the impounded
43 motor vehicle.

44 b. (1) If the registrant fails to claim the motor vehicle and pay the
45 reasonable costs of removal and storage by midnight of the 30th day
46 following impoundment, along with a fine of \$50 to cover the
47 administrative costs of the municipality wherein the violation

1 occurred, the municipality may sell the motor vehicle at public
 2 auction. The municipality shall give notice of the sale by certified
 3 mail to the registrant of the motor vehicle and to the holder of any
 4 security interest filed with the **【director】** New Jersey Motor Vehicle
 5 Commission, and by publication in a form to be prescribed by the
 6 ¹**【director】** chief administrator¹ by one insertion, at least five days
 7 before the date of the sale, in one or more newspapers published in this
 8 State and circulating in the municipality in which the motor vehicle
 9 has been impounded.

10 (2) At any time prior to the sale, the registrant or other person
 11 entitled to the motor vehicle, including the lessor or the lienholder of
 12 the motor vehicle, may reclaim possession of it upon payment of the
 13 reasonable costs of removal and storage of the motor vehicle and any
 14 outstanding fines or penalties **【**; provided, however, if the other person
 15 entitled to the motor vehicle is a lessor or the holder of a lien on the
 16 motor vehicle, he may reclaim the motor vehicle without payment. In
 17 such cases, the violator **】** . The registrant or other person entitled to the
 18 motor vehicle, including the lessor or lienholder of the motor vehicle,
 19 shall be liable for all outstanding costs, fines and penalties, and the
 20 municipality shall have a lien against the property and **【**income of that
 21 violator **】** the income of the registrant or other person entitled to the
 22 motor vehicle, including the lessor or lienholder of the motor vehicle,
 23 for the total amount of those outstanding costs, fines and penalties.

24 (3) Any proceeds obtained from the sale of a motor vehicle at
 25 public auction pursuant to paragraph (1) of this subsection in excess of
 26 the amount owed to the municipality for the reasonable costs of
 27 removal and storage of the motor vehicle and any outstanding fines or
 28 penalties shall be returned to the registrant of the vehicle, or the other
 29 person entitled to the motor vehicle, including the lessor or lienholder
 30 of the motor vehicle.¹

31 (cf: P.L.1995, c.286, s.4)**】**²

32

33 ¹**【2.】** ²**【5.1】** 3.² This act shall take effect immediately but shall
 34 be retroactive to October 18, 2008.

35

36

37

38

39 Provides that operator, owner, lessor, and lienholder of vehicle
 40 may be responsible for certain towing and storage fees; applies
 41 retroactively.

SENATE, No. 3374

STATE OF NEW JERSEY 220th LEGISLATURE

INTRODUCED DECEMBER 5, 2022

Sponsored by:

Senator JOSEPH A. LAGANA
District 38 (Bergen and Passaic)

SYNOPSIS

Provides that operator, owner, lessor, or lienholder of vehicle may be responsible for fees charged for non-consensual towing and storage of vehicles; applies retroactively.

CURRENT VERSION OF TEXT

As introduced.



S3374 LAGANA

2

1 AN ACT concerning fees charged for non-consensual towing of
2 motor vehicles and amending P.L.2007, c.193.

3

4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6

7 1. Section 10 of P.L.2007, c.193 (C.56:13-16) is amended to
8 read as follows:

9 10. It shall be an unlawful practice for any private property
10 towing company or for any other towing company that provides
11 non-consensual towing services:

12 a. (Deleted by amendment, P.L.2009, c.39)

13 b. (Deleted by amendment, P.L.2009, c.39)

14 c. (Deleted by amendment, P.L.2009, c.39)

15 d. To give any benefit or advantage, including a pecuniary
16 benefit, to any person for providing information about motor
17 vehicles parked for unauthorized purposes on privately owned
18 property or otherwise in connection with private property towing of
19 motor vehicles parked without authorization or during a time at
20 which such parking is not permitted;

21 e. To fail, when so requested by the owner or operator of a
22 vehicle subject to non-consensual towing, to release a vehicle to the
23 owner or operator that has been, or is about to be, hooked or lifted
24 but has not actually been moved or removed from the property
25 when the vehicle owner or operator returns to the vehicle, unless the
26 vehicle subject to non-consensual towing has been authorized to be
27 towed by a law enforcement officer of this State, or any political
28 subdivision of the State, while in the actual performance of the
29 officer's duties and as deemed appropriate for public safety, or to
30 charge the owner or operator requesting release of the vehicle an
31 unreasonable or excessive decoupling fee. Such a fee shall be
32 presumptively unreasonable and excessive if it exceeds by more
33 than 25 percent, or a different percentage established by the director
34 by regulation, the usual and customary decoupling fee charged by
35 the towing company for a vehicle subject to consensual towing, or
36 if it exceeds by more than 50 percent, or a different percentage
37 established by the director by regulation, the usual and customary
38 decoupling fee charged for vehicles subject to non-consensual
39 towing by other private property towing companies operating in the
40 municipality in which the vehicle was subjected to non-consensual
41 towing;

42 f. (1) To charge a fee for a private property or other non-
43 consensual towing or related storage service not listed on the
44 schedule of services for which a fee may be charged as established
45 by the director except as may be permitted by the director by
46 regulation; or

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

- 1 (2) To charge an unreasonable or excessive fee;
- 2 g. To refuse to accept for payment in lieu of cash or an
3 insurance company check for towing or storage services a debit
4 card, charge card or credit card if the operator ordinarily accepts
5 such card at his place of business, unless such refusal is authorized
6 in accordance with section 4 of P.L.2002, c.67 (C.56:13-4); or
- 7 h. To monitor, patrol, or otherwise surveil a private property
8 for the purposes of identifying vehicles parked for unauthorized
9 purposes and towing a motor vehicle parked for an unauthorized
10 purpose from such private property without having been specifically
11 requested to tow such vehicle by the owner of the property.
- 12 i. Nothing contained in any provision of the "Predatory
13 Towing Prevention Act," P.L.2007, c.193 (C.56:13-7 et seq.) shall
14 be construed to prevent a towing company from charging a
15 reasonable fee for storage of a vehicle that has been subject to non-
16 consensual towing authorized by a law enforcement officer of this
17 State or by any political subdivision of this State. Nothing
18 contained in any provision of the "Predatory Towing Prevention
19 Act," P.L.2007, c.193 (C.56:13-7 et seq.) shall be construed to
20 prevent a towing company from charging fees for non-consensual
21 towing or related storage services in accordance with a duly-
22 authorized fee schedule established by a municipality or other
23 political subdivision of this State with respect to a vehicle that has
24 been subject to non-consensual towing authorized by a law
25 enforcement officer of this State or the political subdivision, and
26 there shall be a rebuttable presumption that fees charged in
27 accordance with a fee schedule are not unreasonable or excessive. A
28 towing company may require that reasonable fees charged for such
29 towing or related storage services be paid by the operator, owner,
30 lessor, or lienholder of the vehicle prior to the towing company's
31 release of the vehicle. In the event the owner or operator of the
32 vehicle defaults on payments to the lessor or lienholder of the
33 vehicle, the lessor or lienholder shall be responsible for these
34 reasonable towing and related storage fees.
- 35 For the purposes of this subsection, non-consensual towing shall
36 be considered to be authorized by a law enforcement officer of this
37 State or a political subdivision if the law enforcement officer or an
38 agent or employee of the political subdivision initiates, directs,
39 orders, or requests the non-consensual towing of the vehicle; and a
40 municipal fee schedule shall be considered duly authorized if it has
41 been established by municipal ordinance or resolution or by
42 contract between the municipality and the towing company which
43 conforms to the requirements of the "Local Public Contracts Law,"
44 P.L.1971, c.198 (C.40A:11-1 et seq.) and any related regulations.
45 (cf: P.L.2018, c.165, s.3)
- 46
- 47 2. This act shall take effect immediately but shall be retroactive
48 to October 18, 2008.

S3374 LAGANA

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STATEMENT

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This bill allows a towing company to require the operator, owner, lessor, or lienholder of a vehicle to pay for reasonable fees charged for the non-consensual towing or related storage services of the vehicle before the towing company releases the vehicle. The bill further provides that, in the event the owner or operator of the vehicle defaults on payments to the lessor or lienholder, the lessor or lienholder is responsible for these reasonable towing and storage fees. The provisions of the bill are retroactive to October 18, 2008.

SENATE TRANSPORTATION COMMITTEE

STATEMENT TO

SENATE, No. 3374

STATE OF NEW JERSEY

DATED: JANUARY 12, 2023

The Senate Transportation Committee reports favorably Senate Bill No. 3374.

As reported, this bill allows a towing company to require the operator, owner, lessor, or lienholder of a vehicle to pay for reasonable fees charged for the non-consensual towing or related storage services of the vehicle before the towing company releases the vehicle, when the towing was authorized by a law enforcement officer of this State or by any political subdivision of this State. The bill further provides that, in the event the owner or operator of the vehicle defaults on payments to the lessor or lienholder, the lessor or lienholder is responsible for these reasonable towing and storage fees. The provisions of the bill are retroactive to October 18, 2008.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE, No. 3374

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 20, 2023

The Senate Budget and Appropriations Committee reports favorably and with committee amendments Senate Bill No. 3374.

As amended and reported, this bill allows a towing company to require the operator, owner, lessor, or lienholder of a vehicle to pay for reasonable fees charged in accordance with a duly authorized fee schedule for the non-consensual towing or related storage services of the vehicle before the towing company releases the vehicle, provided that the towing was authorized by a law enforcement officer of this State or by any political subdivision of this State. In the event the owner or operator of the vehicle defaults on payments to the lessor or lienholder, the bill further provides that the lessor or lienholder is responsible for these reasonable towing and storage fees.

The bill also requires a towing company to notify the operator, owner, lessor, or lienholder of a vehicle that has been subject to non-consensual towing, authorized by a law enforcement officer of this State or a political subdivision of this State, and related storage services within 30 days of the vehicle being towed and arriving at the towing company lot. If a towing company fails to notify the operator, owner, lessor, or lienholder of the vehicle within 30 days, the towing company is only entitled to charge a maximum storage fee of \$750 and is responsible for all additional towing or related storage services. Additionally, the bill sets the maximum liability for storage fees for matters pending prior to the date of the bill's enactment to \$5,000 but provides that towing fees for matters pending prior to the date of enactment are not to be subject to any fee limitation, provided that the fees remain reasonable and are charged in accordance with a duly authorized fee schedule.

The bill also allows garage keepers that tow, maintain, or furnish certain supplies at the request of a vehicles owner, a representative of the vehicle's owner, or at the request of a State law enforcement officer or political subdivision to place a lien on the vehicle or detain the vehicle until the reasonable fees are paid.

Finally, the bill permits lessors or lienholders of motor vehicles to reclaim possession of a towed and stored vehicle before its sale and provides that lessors and lienholders are liable for outstanding costs,

finances and penalties related to the removal and storage of the motor vehicle.

The provisions of the bill are retroactive to October 18, 2008.

COMMITTEE AMENDMENTS

The committee amended the bill to:

(1) require the reasonable fees for towing or related storage to be charged in accordance with a duly authorized fee schedule established by a municipality or other political subdivision of the State;

(2) provide that the provisions of the bill apply to reasonable fees charged for towing that is authorized by a law enforcement officer of this State or by a political subdivision of the State;

(3) require that a towing company notify the operator, owner, lessor, or lienholder of a vehicle that has been subject to non-consensual towing and related storage services within 30 days of the vehicle being towed and arriving at the towing company lot and limit the maximum amount of storage fees if the towing company fails to do so;

(4) set a maximum liability for storage fees for matters pending prior to the date of the bill's enactment;

(5) allows garage keepers that tow, maintain, or furnish certain supplies at the request of a vehicle's owner, a representative of the vehicle's owner, or at the request of a State law enforcement officer or political subdivision to place a lien on the vehicle or detain the vehicle until the reasonable fees are paid;

(6) permits lessors or lienholders of motor vehicles to reclaim possession of a towed and stored vehicle before its sale and provides that lessors and lienholders are liable for outstanding costs, fines and penalties related to the removal and storage of the motor vehicle; and

(7) provide that towing fees are not subject to a fee cap if the fees remain reasonable and are charged in accordance with a duly authorized fee schedule established by a municipality or other political subdivision of the State.

FISCAL IMPACT:

This bill is not certified as requiring a fiscal note.

STATEMENT TO

[First Reprint]

Senate, No. 3374

with Senate Floor Amendments
(Proposed by Senator LAGANA)

ADOPTED:

These floor amendments provide that a towing company and garage keeper would be required to only require reasonable fees to be paid by the operator, owner, lessor, or lienholder of a vehicle for the non-consensual towing or related storage services, instead of permitting these fees to be imposed. The amendments also require notice to be provided to the operator, owner, lessor, and lienholder of a vehicle, rather than to the operator, owner, lessor, or lienholder, when the vehicle has been subject to non-consensual towing as provided in the bill.

The amendments remove provisions of the bill that require lessors and lienholders of motor vehicles that reclaim possession of a towed and stored motor vehicle that has been impounded for certain reasons from paying certain costs, fines and penalties related to the removal and storage of the motor vehicle.

The amendments also amend the bill's title to reflect certain changes made to the bill and update the bill's synopsis.

ASSEMBLY, No. 5038

STATE OF NEW JERSEY 220th LEGISLATURE

INTRODUCED JANUARY 10, 2023

Sponsored by:
Assemblyman P. CHRISTOPHER TULLY
District 38 (Bergen and Passaic)

SYNOPSIS

Provides that operator, owner, lessor, or lienholder of vehicle may be responsible for fees charged for non-consensual towing and storage of vehicles; applies retroactively.

CURRENT VERSION OF TEXT

As introduced.



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2 motor vehicles and amending P.L.2007, c.193.

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4 **BE IT ENACTED** by the Senate and General Assembly of the State
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8 read as follows:

9 10. It shall be an unlawful practice for any private property
10 towing company or for any other towing company that provides
11 non-consensual towing services:

12 a. (Deleted by amendment, P.L.2009, c.39)

13 b. (Deleted by amendment, P.L.2009, c.39)

14 c. (Deleted by amendment, P.L.2009, c.39)

15 d. To give any benefit or advantage, including a pecuniary
16 benefit, to any person for providing information about motor
17 vehicles parked for unauthorized purposes on privately owned
18 property or otherwise in connection with private property towing of
19 motor vehicles parked without authorization or during a time at
20 which such parking is not permitted;

21 e. To fail, when so requested by the owner or operator of a
22 vehicle subject to non-consensual towing, to release a vehicle to the
23 owner or operator that has been, or is about to be, hooked or lifted
24 but has not actually been moved or removed from the property
25 when the vehicle owner or operator returns to the vehicle, unless the
26 vehicle subject to non-consensual towing has been authorized to be
27 towed by a law enforcement officer of this State, or any political
28 subdivision of the State, while in the actual performance of the
29 officer's duties and as deemed appropriate for public safety, or to
30 charge the owner or operator requesting release of the vehicle an
31 unreasonable or excessive decoupling fee. Such a fee shall be
32 presumptively unreasonable and excessive if it exceeds by more
33 than 25 percent, or a different percentage established by the director
34 by regulation, the usual and customary decoupling fee charged by
35 the towing company for a vehicle subject to consensual towing, or
36 if it exceeds by more than 50 percent, or a different percentage
37 established by the director by regulation, the usual and customary
38 decoupling fee charged for vehicles subject to non-consensual
39 towing by other private property towing companies operating in the
40 municipality in which the vehicle was subjected to non-consensual
41 towing;

42 f. (1) To charge a fee for a private property or other non-
43 consensual towing or related storage service not listed on the
44 schedule of services for which a fee may be charged as established
45 by the director except as may be permitted by the director by
46 regulation; or

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 (2) To charge an unreasonable or excessive fee;

2 g. To refuse to accept for payment in lieu of cash or an
3 insurance company check for towing or storage services a debit
4 card, charge card or credit card if the operator ordinarily accepts
5 such card at his place of business, unless such refusal is authorized
6 in accordance with section 4 of P.L.2002, c.67 (C.56:13-4); or

7 h. To monitor, patrol, or otherwise surveil a private property
8 for the purposes of identifying vehicles parked for unauthorized
9 purposes and towing a motor vehicle parked for an unauthorized
10 purpose from such private property without having been specifically
11 requested to tow such vehicle by the owner of the property.

12 i. Nothing contained in any provision of the "Predatory
13 Towing Prevention Act," P.L.2007, c.193 (C.56:13-7 et seq.) shall
14 be construed to prevent a towing company from charging a
15 reasonable fee for storage of a vehicle that has been subject to non-
16 consensual towing authorized by a law enforcement officer of this
17 State or by any political subdivision of this State. Nothing
18 contained in any provision of the "Predatory Towing Prevention
19 Act," P.L.2007, c.193 (C.56:13-7 et seq.) shall be construed to
20 prevent a towing company from charging fees for non-consensual
21 towing or related storage services in accordance with a duly-
22 authorized fee schedule established by a municipality or other
23 political subdivision of this State with respect to a vehicle that has
24 been subject to non-consensual towing authorized by a law
25 enforcement officer of this State or the political subdivision, and
26 there shall be a rebuttable presumption that fees charged in
27 accordance with a fee schedule are not unreasonable or excessive. A
28 towing company may require that reasonable fees charged for such
29 towing or related storage services be paid by the operator, owner,
30 lessor, or lienholder of the vehicle prior to the towing company's
31 release of the vehicle. In the event the owner or operator of the
32 vehicle defaults on payments to the lessor or lienholder of the
33 vehicle, the lessor or lienholder shall be responsible for these
34 reasonable towing and related storage fees.

35 For the purposes of this subsection, non-consensual towing shall
36 be considered to be authorized by a law enforcement officer of this
37 State or a political subdivision if the law enforcement officer or an
38 agent or employee of the political subdivision initiates, directs,
39 orders, or requests the non-consensual towing of the vehicle; and a
40 municipal fee schedule shall be considered duly authorized if it has
41 been established by municipal ordinance or resolution or by
42 contract between the municipality and the towing company which
43 conforms to the requirements of the "Local Public Contracts Law,"
44 P.L.1971, c.198 (C.40A:11-1 et seq.) and any related regulations.
45 (cf: P.L.2018, c.165, s.3)

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47 2. This act shall take effect immediately but shall be retroactive
48 to October 18, 2008.

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STATEMENT

This bill allows a towing company to require the operator, owner, lessor, or lienholder of a vehicle to pay for reasonable fees charged for the non-consensual towing or related storage services of the vehicle before the towing company releases the vehicle. The bill further provides that, in the event the owner or operator of the vehicle defaults on payments to the lessor or lienholder, the lessor or lienholder is responsible for these reasonable towing and storage fees. The provisions of the bill are retroactive to October 18, 2008.

ASSEMBLY OVERSIGHT, REFORM AND FEDERAL
RELATIONS COMMITTEE

STATEMENT TO
ASSEMBLY, No. 5038

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 22, 2023

The Assembly Oversight, Reform and Federal Relations Committee reports favorably and with committee amendments Assembly Bill No. 5038.

As amended and reported, this bill provides that a towing company would only be required to require the operator, owner, lessor, or lienholder of a vehicle to pay for reasonable fees charged in accordance with a duly authorized fee schedule for the non-consensual towing or related storage services of the vehicle before the towing company releases the vehicle, provided that the towing was authorized by a law enforcement officer of this State or by any political subdivision of this State. In the event the owner or operator of the vehicle defaults on payments to the lessor or lienholder, the bill further provides that the lessor or lienholder is responsible for these reasonable towing and storage fees.

The bill also requires a towing company to notify the operator, owner, lessor, and lienholder of a vehicle that has been subject to non-consensual towing, authorized by a law enforcement officer of this State or a political subdivision of this State, and related storage services within 30 days of the vehicle being towed and arriving at the towing company lot. If a towing company fails to notify the operator, owner, lessor, and lienholder of the vehicle within 30 days, the towing company is only entitled to charge a maximum storage fee of \$750 and is responsible for all additional towing or related storage services. Additionally, the bill sets the maximum liability for storage fees for matters pending prior to the date of the bill's enactment to \$5,000 but provides that towing fees for matters pending prior to the date of enactment are not to be subject to any fee limitation, provided that the fees remain reasonable and are charged in accordance with a duly authorized fee schedule.

The bill also allows garage keepers that tow, maintain, or furnish certain supplies at the request of a vehicle's owner, a representative of the vehicle's owner, or at the request of a State law enforcement officer or political subdivision to place a lien on the vehicle or detain the vehicle until the reasonable fees are paid. Additionally, the bill provides that a

garage keeper would only be required to require reasonable fees to be paid by the operator, owner, lessor, or lienholder of a vehicle for the non-consensual towing or related storage services.

The provisions of the bill are retroactive to October 18, 2008.

COMMITTEE AMENDMENTS

The committee amended the bill to:

(1) provide that a towing company would only be required to require reasonable fees to be paid by the operator, owner, lessor, or lienholder of a vehicle for the non-consensual towing or related storage services.

As introduced, the bill permitted these fees to be imposed;

(2) require the reasonable fees for towing or related storage to be charged in accordance with a duly authorized fee schedule established by a municipality or other political subdivision of the State;

(3) provide that the provisions of the bill apply to reasonable fees charged for towing that is authorized by a law enforcement officer of this State or by a political subdivision of the State;

(4) require that a towing company notify the operator, owner, lessor, and lienholder of a vehicle that has been subject to non-consensual towing and related storage services within 30 days of the vehicle being towed and arriving at the towing company lot and limit the maximum amount of storage fees if the towing company fails to do so;

(5) set a maximum liability for storage fees for matters pending prior to the date of the bill's enactment;

(6) provide that towing fees for matters pending prior to the bills enactment are not subject to a fee cap if the fees remain reasonable and are charged in accordance with a duly authorized fee schedule established by a municipality or other political subdivision of the State;

(7) allow garage keepers that tow, maintain, or furnish certain supplies at the request of a vehicle's owner, a representative of the vehicle's owner, or at the request of a State law enforcement officer or political subdivision to place a lien on the vehicle or detain the vehicle until the reasonable fees are paid; and

(8) provide that a garage keeper would only be required to require reasonable fees to be paid by the operator, owner, lessor, or lienholder of a vehicle for the non-consensual towing or related storage services.

Acting Governor Scutari Takes Action on Legislation

08/7/2023

TRENTON - Today, Acting Governor Scutari signed the following bills into law:

S-3374/A-5038 (Lagana/Tully) - Provides that operator, owner, lessor, and lienholder of vehicle may be responsible for certain towing and storage fees; applies retroactively

S-3776/A-5583 (Lagana, Schepisi/Tully, Egan) - Concerns prevailing wage requirements for certain fabrication

A-2271/S-3442 (Murphy, McKnight/Madden, Singleton) - Designates cranberry juice as State juice

A-4686/S-3131 (Spearman, Moen, Clifton/Cruz-Perez, Beach, Singleton) - Establishes penalties for person who commits motor vehicle noise violation

AJR-195/SJR-97 (Benson, Verrelli, Moen/Diegnan, Johnson) - Designates third week of September of each year as "New Jersey Rail Safety Week"