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ASSEMBLY FLOOR ALERT – File Item #41

Date: August 25, 2010

To: Members, California State Assembly

From: Rex D. Frazier, President
Michael A. Gunning, Vice President
Kimberley Dellinger Dunn, General Counsel
Ermelinda Ruiz, Legislative Advocate

Re: AB 519 (Solorio): Vehicles: Towing Fees and Access Notice, As Amended
August 20, 2010
PIFC Position: Support

The Personal Insurance Federation of California (PIFC), representing insurers who write over 60% of the auto insurance sold in the state, including State Farm, Allstate, Farmers, Liberty Mutual Group, Progressive, and NAMIC, **supports AB 519 by Assembly Member Solorio.**

All of us are familiar with the actions of fraudulent tow companies and operators that take advantage of consumers at their most vulnerable moments – following an accident or vehicle break down on the side of the road. Many times the vehicle is taken without authorization, the owner is given no cost estimate, no receipt, and no information telling him/her where the car was towed. Eventually, days later, maybe a week, the vehicle owner, or even the insurance company may track down the lot where the car is located, only to find out that the tow company has charged outrageous fees for towing and storage.

AB 519 is the culmination of efforts to ensure that the rights of consumers are realized. The bill represents a significant step forward in helping consumers understand towing fees and their access rights when their vehicle is towed or stored. The measure creates a notice that informs consumers of important information related to a tow, such as: how much a towing company can charge, where a person can complain, and one's rights when a vehicle is towed. The notice must be made available upon request.

The recent amendments address the concerns of opponents that merely pass on tow bills and are not in the business of charging for towing or storage or both.

This information will help alleviate the frustration felt by consumers who do not currently know the laws applicable to nonconsensual tows. AB 519 will help consumers know exactly what to expect, exactly what questions to ask, and where to seek redress of any improprieties. For the foregoing reasons, **PIFC supports AB 519** and urges your **“yes”** vote. If you have any questions regarding PIFC's support, please contact Michael Gunning at (916) 442-6646.

cc: Honorable Jose Solorio, Author
Michael Proso, Deputy Chief of Staff and Legislative Affairs Secretary, Office of the Governor
Howard Posner, Assembly Committee on Transportation
Gregson Porteous, Assembly Republican Caucus
Randall Ward, Insurance Advisor Director, Office of the Governor