

AMENDED IN SENATE JUNE 29, 2009

CALIFORNIA LEGISLATURE—2009—10 REGULAR SESSION

ASSEMBLY BILL

No. 515

Introduced by Assembly Member Hagman

February 24, 2009

An act to amend Sections 7502.1, 7504, 7505.1, and 7507.10 of the Business and Professions Code, and to amend Sections 14602.6, 14602.7, 14602.8, 21100.4, 22651.1, 22658, 24605, and 29004 of, and to add Section 23118 to, the Vehicle Code, relating to collateral recovery.

LEGISLATIVE COUNSEL'S DIGEST

AB 515, as amended, Hagman. Collateral recovery: tow vehicles.

(1) Existing law, the Collateral Recovery Act, provides for the licensure and regulation of repossession agencies by the Bureau of Security and Investigative Services under the supervision and control of the Director of Consumer Affairs. Any person who violates these provisions is guilty of a crime punishable by fine and imprisonment. The act requires an applicant for a qualification certificate to satisfy specified requirements, including possessing 2 years lawful experience that may include experience recovering collateral as a salaried employee of a financial institution or vehicle dealer and that is to consist of a minimum of 4,000 hours of compensated work. The act requires every repossession agency office to be under the active charge of a qualified certificate holder. The act requires licensees to serve a debtor with a specified notice of seizure after the recovery of collateral by the licensee.

This bill would make a tow vehicle that is used to violate the act subject to removal and ~~impound~~ *impoundment*. The bill would provide that lawful experience for a qualification certificate does not include

any employment performing work other than skip tracing, debt collection, or actual collateral recovery. The bill would specify that a licensee may have more than one qualified certificate holder in an office. The bill would require a licensee's notice provided to a debtor after recovery of collateral to include a disclosure that electrical or tire failure or any damage to, as a result of, or caused by, certain aftermarket parts and accessories on a vehicle shall not be the responsibility of the licensee, except as specified. Because a violation of these provisions by a licensee would be a crime, the bill would impose a state-mandated local program.

(2) Existing law provides that a peace officer or, in certain other cases, a magistrate, may cause the removal and seizure of a vehicle, as specified. Existing law provides that a vehicle so seized may be impounded for 30 days. Under existing law, a vehicle removed and seized may be released to the legal owner or the legal owner's agent prior to the end of 30 days' impoundment if certain conditions are met, including, but not limited to, the requirement that the legal owner or the legal owner's agent pay all towing and storage fees related to the seizure of the vehicle.

This bill would require a law enforcement agency that has impounded a vehicle to remain open, without the necessity of making an appointment, and to issue a release to the registered owner or legal owner of a vehicle whenever the agency is open to serve the public. The bill would require specified facilities where impounded vehicles are stored to accept valid bank credit cards, as defined, or cash as payment for towing, storage, and related fees and would make the facility civilly liable, as specified, for a failure to do so. The bill would make it a misdemeanor for a legal owner of an impounded vehicle to release the vehicle to the registered owner of the vehicle in certain circumstances. The bill would impose additional requirements with respect to the release of an impounded vehicle. By establishing new crimes and imposing new duties on law enforcement agencies, the bill would impose a state-mandated local program.

(3) Existing law imposes various taillamp, stoplamp, turn signal requirements, and multisafety chain requirements applicable to towing vehicles.

This bill would delete specified provisions requiring a tow vehicle to use an extension cord to display rear stoplamps and turn signals. The bill would exempt a reposessor's towing vehicle from the multisafety chain requirements applicable to towing vehicles if the reposessor is

towing a vehicle no more than one mile on a public highway and the vehicle is secured by one safety chain.

(4) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that with regard to certain mandates no reimbursement is required by this act for a specified reason.

With regard to any other mandates, this bill would provide that, if the Commission on State Mandates determines that the bill contains costs so mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 7502.1 of the Business and Professions
2 Code is amended to read:

3 7502.1. (a) Any person who violates any provision of this
4 chapter, or who conspires with another person to violate any
5 provision of this chapter, or who knowingly engages a nonexempt
6 unlicensed person to repossess collateral on his or her behalf is
7 guilty of a misdemeanor, and is punishable by a fine of five
8 thousand dollars (\$5,000), or by imprisonment in the county jail
9 for not more than one year, or by both the fine and imprisonment.
10 In addition, any tow vehicle subject to registration under the
11 Vehicle Code that is used to violate any provision of this chapter
12 is subject to removal and impound pursuant to Section 22850 of
13 the Vehicle Code.

14 (b) Within existing resources, the Commissioner of Financial
15 Institutions, the Commissioner of Corporations, and the Director
16 of Motor Vehicles may each designate employees to investigate
17 and report on violations of this chapter by any of the licensees of
18 their respective departments. Those employees are authorized to
19 actively cooperate with the bureau in the investigation of those
20 activities.

21 (c) A proceeding to impose the penalties specified in subdivision
22 (a) may be brought in any court of competent jurisdiction in the
23 name of the people of the State of California by the Attorney
24 General or by any district attorney or city attorney, or with the

1 consent of the district attorney, by the city prosecutor in any city
2 or city and county having a full-time city prosecutor, for the
3 jurisdiction in which the violation occurred. If the action is brought
4 by a district attorney, the penalty collected shall be paid to the
5 treasurer of the county in which the judgment is entered. If the
6 action is brought by a city attorney or city prosecutor, one-half of
7 the penalty collected shall be paid to the treasurer of the city in
8 which the judgment was entered and one-half to the treasurer of
9 the county in which the judgment was entered. If the action is
10 brought by the Attorney General, all of the penalty collected shall
11 be deposited in the Private Security Services Fund.

12 SEC. 2. Section 7504 of the Business and Professions Code is
13 amended to read:

14 7504. (a) Except as otherwise provided in this chapter, an
15 applicant for a qualification certificate shall comply with all of the
16 following:

17 (1) Be at least 18 years of age.

18 (2) Have been, for at least two years of lawful experience, during
19 the five years preceding the date on which his or her application
20 is filed, a registrant or have had two years of lawful experience in
21 recovering collateral within this state. Lawful experience means
22 experience in recovering collateral as a registrant pursuant to this
23 chapter or as a salaried employee of a financial institution or
24 vehicle dealer. Lawful experience does not include any employment
25 performing work other than skip tracing, debt collection, or actual
26 collateral recovery.

27 Two years' experience shall consist of not less than 4,000 hours
28 of actual compensated work performed by the applicant preceding
29 the filing of an application.

30 An applicant shall certify that he or she has completed the
31 claimed hours of qualifying experience and the exact details as to
32 the character and nature thereof by written certifications from the
33 employer, licensee, financial institution, or vehicle dealer, subject
34 to independent verification by the director as he or she may
35 determine. In the event of the inability of an applicant to supply
36 the written certifications from the employer, licensee, financial
37 institution or vehicle dealer, in whole or in part, applicants may
38 offer other written certifications from other persons substantiating
39 their experience for consideration by the director. All certifications
40 shall include a statement that representations made are true, correct,

1 and contain no material omissions of fact to the best knowledge
2 and belief of the applicant or the person submitting the certification.
3 An applicant or person submitting the certification who declares
4 as true any material matter pursuant to this paragraph that he or
5 she knows to be false is guilty of a misdemeanor.

6 (3) Complete and forward to the bureau a qualified certificate
7 holder application which shall be on a form prescribed by the
8 director and signed by the applicant. An applicant who declares
9 as true any material matter pursuant to this paragraph that he or
10 she knows to be false is guilty of a misdemeanor. The application
11 shall be accompanied by two recent photographs of the applicant,
12 of a type prescribed by the director, and two classifiable sets of
13 his or her fingerprints. The residence address, residence telephone
14 number, and driver's license number of each qualified certificate
15 holder or applicant for a qualification certificate, if requested, shall
16 be confidential pursuant to the Information Practices Act of 1977
17 (Chapter 1 (commencing with Section 1798) of Title 1.8 of Part
18 4 of Division 3 of the Civil Code) and shall not be released to the
19 public.

20 (4) Pass the required examination.

21 (5) Pay the required application and examination fees to the
22 bureau.

23 (b) Upon the issuance of the initial qualification certificate or
24 renewal qualification certificate, the bureau shall issue to the
25 certificate holder a suitable pocket identification card which
26 includes a photograph of the certificate holder. The photograph
27 shall be of a size prescribed by the bureau. The card shall contain
28 the name of the licensee with whom the certificate holder is
29 employed.

30 (c) The application form shall contain a statement informing
31 the applicant that a false or dishonest answer to a question may be
32 grounds for denial or subsequent suspension or revocation of a
33 qualification certificate.

34 SEC. 3. Section 7505.1 of the Business and Professions Code
35 is amended to read:

36 7505.1. Every office licensed as a repossession agency shall
37 be under the active charge of a qualified certificate holder. Nothing
38 in this chapter prohibits a licensee from having more than one
39 qualified certificate holder in an office.

1 SEC. 4. Section 7507.10 of the Business and Professions Code
2 is amended to read:

3 7507.10. A licensee shall serve a debtor with a notice of seizure
4 as soon as possible after the recovery of collateral and not later
5 than 48 hours, except that if the 48-hour period encompasses a
6 Saturday, Sunday, or postal holiday, the notice of seizure shall be
7 provided not later than 72 hours or, if the 48-hour period
8 encompasses a Saturday or Sunday and a postal holiday, the notice
9 of seizure shall be provided not later than 96 hours, after the
10 repossession of collateral. The notice shall include all of the
11 following:

12 (a) The name, address, and telephone number of the legal owner
13 to be contacted regarding the repossession.

14 (b) The name, address, and telephone number of the repossession
15 agency to be contacted regarding the repossession.

16 (c) A statement printed on the notice containing the following:
17 “Repossessors are regulated by the Bureau of Security and
18 Investigative Services, Department of Consumer Affairs,
19 Sacramento, CA. Repossessors are required to provide you, not
20 later than 48 hours after the recovery of collateral, with an
21 inventory of personal effects or other personal property recovered
22 during repossession unless the 48-hour period encompasses a
23 Saturday, Sunday, or a postal holiday, then the inventory shall be
24 provided no later than 96 hours after the recovery of collateral.”

25 (d) A disclosure that “Damage to a vehicle during or subsequent
26 to a repossession and only while the vehicle is in possession of the
27 repossession agency and which is caused by the repossession
28 agency is the liability of the repossession agency. A mechanical,
29 electrical, or tire failure, or the loss of, or any damage to, or as a
30 result of, or caused by, any aftermarket parts and accessories not
31 in compliance with Section 24008 of the Vehicle Code shall not
32 be the responsibility of the repossession agency unless the failure,
33 damage, or loss is due to the negligence of the repossession
34 agency.”

35 (e) If applicable, a disclosure that “Environmental, Olympic,
36 special interest, or other license plates issued pursuant to Article
37 8 (commencing with Section 5000), Article 8.4 (commencing with
38 Section 5060) or Article 8.5 (commencing with Section 5100) of
39 Chapter 1 of Division 3 of the Vehicle Code that remain the
40 personal effects of the debtor will be removed from the collateral

1 and inventoried, and that if the plates are not claimed by the debtor
2 within 60 days, they will be destroyed.”

3 (f) A disclosure of the charges payable by the debtor to the
4 repossession agency for the storage of the collateral and personal
5 effects from the date of repossession until release of the property
6 from storage.

7 The notice may be given by regular mail addressed to the last
8 known address of the debtor or by personal service at the option
9 of the repossession agency.

10 SEC. 5. Section 14602.6 of the Vehicle Code is amended to
11 read:

12 14602.6. (a) (1) Whenever a peace officer determines that a
13 person was driving a vehicle while his or her driving privilege was
14 suspended or revoked, driving a vehicle while his or her driving
15 privilege is restricted pursuant to Section 13352 or 23575 and the
16 vehicle is not equipped with a functioning, certified interlock
17 device, or driving a vehicle without ever having been issued a
18 driver’s license, the peace officer may either immediately arrest
19 that person and cause the removal and seizure of that vehicle or,
20 if the vehicle is involved in a traffic collision, cause the removal
21 and seizure of the vehicle without the necessity of arresting the
22 person in accordance with Chapter 10 (commencing with Section
23 22650) of Division 11. A vehicle so impounded shall be impounded
24 for 30 days.

25 (2) The impounding agency, within two working days of
26 impoundment, shall send a notice by certified mail, return receipt
27 requested, to the legal owner of the vehicle, at the address obtained
28 from the department, informing the owner that the vehicle has
29 been impounded. Failure to notify the legal owner within two
30 working days shall prohibit the impounding agency from charging
31 for more than 15 days’ impoundment when the legal owner
32 redeems the impounded vehicle. The impounding agency shall
33 maintain a published telephone number that provides information
34 24 hours a day regarding the impoundment of vehicles and the
35 rights of a registered owner to request a hearing. The law
36 enforcement agency shall be open, without the necessity of making
37 an appointment, to issue a release to the registered owner or legal
38 owner, or the agent of either, whenever the agency is open to serve
39 the public.

(b) The registered and legal owner of a vehicle that is removed and seized under subdivision (a) or their agents shall be provided the opportunity for a storage hearing to determine the validity of, or consider any mitigating circumstances attendant to, the storage, in accordance with Section 22852.

(c) Any period in which a vehicle is subjected to storage under this section shall be included as part of the period of impoundment ordered by the court under subdivision (a) of Section 14602.5.

(d) (1) An impounding agency shall release a vehicle to the registered owner or his or her agent prior to the end of 30 days' impoundment under any of the following circumstances:

(A) When the vehicle is a stolen vehicle.

(B) When the vehicle is subject to bailment and is driven by an unlicensed employee of a business establishment, including a parking service or repair garage.

(C) When the license of the driver was suspended or revoked for an offense other than those included in Article 2 (commencing with Section 13200) of Chapter 2 of Division 6 or Article 3 (commencing with Section 13350) of Chapter 2 of Division 6.

(D) When the vehicle was seized under this section for an offense that does not authorize the seizure of the vehicle.

(E) When the driver reinstates his or her driver's license or acquires a driver's license and proper insurance.

(2) No vehicle shall be released pursuant to this subdivision without presentation of the registered owner's or agent's currently valid driver's license to operate the vehicle and proof of current vehicle registration, or upon order of a court.

(e) The registered owner or his or her agent is responsible for all towing and storage charges related to the impoundment, and any administrative charges authorized under Section 22850.5.

(f) A vehicle removed and seized under subdivision (a) shall be released to the legal owner of the vehicle or the legal owner's agent prior to the end of 30 days' impoundment if all of the following conditions are met:

(1) The legal owner is a motor vehicle dealer, bank, credit union, acceptance corporation, or other licensed financial institution legally operating in this state or is another person, not the registered owner, holding a security interest in the vehicle.

(2) (A) The legal owner or the legal owner's agent pays all towing and storage fees related to the seizure of the vehicle. No

lien sale processing fees shall be charged to the legal owner who redeems the vehicle prior to the 15th day of impoundment. Neither the impounding authority nor any person having possession of the vehicle shall collect from the legal owner of the type specified in paragraph (1), or the legal owner's agent any administrative charges imposed pursuant to Section 22850.5 unless the legal owner voluntarily requested a poststorage hearing.

(B) A person operating or in charge of a storage facility where vehicles are stored pursuant to this section shall accept a valid bank credit card or cash for payment of towing, storage, and related fees by a legal or registered owner or the owner's agent claiming the vehicle. A credit card shall be in the name of the person presenting the card. "Credit card" means "credit card" as defined in subdivision (a) of Section 1747.02 of the Civil Code, except, for the purposes of this section, credit card does not include a credit card issued by a retail seller.

(C) A person operating or in charge of a storage facility described in subparagraph (B) who violates subparagraph (B) shall be civilly liable to the owner of the vehicle or to the person who tendered the fees for four times the amount of the towing, storage, and related fees, but not to exceed five hundred dollars (\$500).

(D) A person operating or in charge of a storage facility described in subparagraph (B) shall have sufficient funds on the premises of the primary storage facility during normal business hours to accommodate, and make change in, a reasonable monetary transaction.

(E) Credit charges for towing and storage services shall comply with Section 1748.1 of the Civil Code. Law enforcement agencies may include the costs of providing for payment by credit when making agreements with towing companies on rates.

(3) The legal owner or the legal owner's agent presents a copy of the assignment, as defined in subdivision (b) of Section 7500.1 of the Business and Professions Code; a release from the one responsible governmental agency, only if required by the agency; a government-issued photographic identification card; and any one of the following, as determined by the legal owner or the legal owner's agent: a certificate of repossession for the vehicle, a security agreement for the vehicle, or title, whether paper or electronic, showing proof of legal ownership for the vehicle. Any documents presented may be originals, photocopies, or facsimile

1 copies, or may be transmitted electronically. The law enforcement
2 agency, impounding agency, or any other governmental agency,
3 or any person acting on behalf of those agencies, shall not require
4 any documents to be notarized. The law enforcement agency,
5 impounding agency, or any person acting on behalf of those
6 agencies may require the agent of the legal owner to produce a
7 photocopy or facsimile copy of its repossession agency license or
8 registration issued pursuant to Chapter 11 (commencing with
9 Section 7500) of Division 3 of the Business and Professions Code,
10 or to demonstrate, to the satisfaction of the law enforcement
11 agency, impounding agency, or any person acting on behalf of
12 those agencies, that the agent is exempt from licensure pursuant
13 to Section 7500.2 or 7500.3 of the Business and Professions Code.

14 No administrative costs authorized under subdivision (a) of
15 Section 22850.5 shall be charged to the legal owner of the type
16 specified in paragraph (1), who redeems the vehicle unless the
17 legal owner voluntarily requests a poststorage hearing. No city,
18 county, city-~~or~~ and county, or state agency shall require a legal
19 owner or a legal owner's agent to request a poststorage hearing as
20 a requirement for release of the vehicle to the legal owner or the
21 legal owner's agent. The law enforcement agency, impounding
22 agency, or other governmental agency, or any person acting on
23 behalf of those agencies, shall not require any documents other
24 than those specified in this paragraph. The law enforcement agency,
25 impounding agency, or other governmental agency, or any person
26 acting on behalf of those agencies, shall not require any documents
27 to be notarized. The legal owner or the legal owner's agent shall
28 be given a copy of any documents he or she is required to sign,
29 except for a vehicle evidentiary hold-~~log-book~~ *logbook*. The law
30 enforcement agency, impounding agency, or any person acting on
31 behalf of those agencies, or any person in possession of the vehicle,
32 may photocopy and retain the copies of any documents presented
33 by the legal owner or legal owner's agent.

34 (4) A failure by a storage facility to comply with any applicable
35 conditions set forth in this subdivision shall not affect the right of
36 the legal owner or the legal owner's agent to retrieve the vehicle,
37 provided all conditions required of the legal owner or legal owner's
38 agent under this subdivision are satisfied.

39 (g) (1) A legal owner or the legal owner's agent that obtains
40 release of the vehicle pursuant to subdivision (f) shall not release

1 the vehicle to the registered owner of the vehicle, or the person
2 who was listed as the registered owner when the vehicle was
3 impounded, or any agents of the registered owner, unless the
4 registered owner is a rental car agency, until after the termination
5 of the 30-day impoundment period.

6 (2) The legal owner or the legal owner's agent shall not
7 relinquish the vehicle to the registered owner or the person who
8 was listed as the registered owner when the vehicle was impounded
9 until the registered owner or that owner's agent presents his or her
10 valid driver's license or valid temporary driver's license to the
11 legal owner or the legal owner's agent. The legal owner or the
12 legal owner's agent or the person in possession of the vehicle shall
13 make every reasonable effort to ensure that the license presented
14 is valid and possession of the vehicle will not be given to the driver
15 who was involved in the original—~~impound~~ *impoundment*
16 proceeding until the expiration of the impoundment period.

17 (3) Prior to relinquishing the vehicle, the legal owner may
18 require the registered owner to pay all towing and storage charges
19 related to the impoundment and any administrative charges
20 authorized under Section 22850.5 that were incurred by the legal
21 owner in connection with obtaining custody of the vehicle.

22 (4) Any legal owner who releases or causes the release of a
23 vehicle to a registered owner or the person in possession of the
24 vehicle at the time of the—~~impound~~ *impoundment* or any agent of
25 the registered owner in violation of this subdivision shall be guilty
26 of a misdemeanor and subject to a fine in the amount of two
27 thousand dollars (\$2,000) in addition to any other penalties
28 established by law.

29 (5) The legal owner, registered owner, or person in possession
30 of the vehicle shall not change or attempt to change the name of
31 the legal owner or the registered owner on the records of the
32 department until the vehicle is released from the—~~impound~~
33 *impoundment*.

34 (h) (1) A vehicle removed and seized under subdivision (a)
35 shall be released to a rental car agency prior to the end of 30 days'
36 impoundment if the agency is either the legal owner or registered
37 owner of the vehicle and the agency pays all towing and storage
38 fees related to the seizure of the vehicle.

39 (2) The owner of a rental vehicle that was seized under this
40 section may continue to rent the vehicle upon recovery of the

1 vehicle. However, the rental car agency may not rent another
2 vehicle to the driver of the vehicle that was seized until 30 days
3 after the date that the vehicle was seized.

4 (3) The rental car agency may require the person to whom the
5 vehicle was rented to pay all towing and storage charges related
6 to the impoundment and any administrative charges authorized
7 under Section 22850.5 that were incurred by the rental car agency
8 in connection with obtaining custody of the vehicle.

9 (i) Notwithstanding any other provision of this section, the
10 registered owner and not the legal owner shall remain responsible
11 for any towing and storage charges related to the impoundment,
12 any administrative charges authorized under Section 22850.5, and
13 any parking fines, penalties, and administrative fees incurred by
14 the registered owner.

15 (j) The law enforcement agency and the impounding agency,
16 including any storage facility acting on behalf of the law
17 enforcement agency or impounding agency, shall comply with this
18 section and shall not be liable to the registered owner for the
19 improper release of the vehicle to the legal owner or the legal
20 owner's agent provided the release complies with the provisions
21 of this section. The legal owner shall indemnify and hold harmless
22 a storage facility from any claims arising out of the release of the
23 vehicle to the legal owner or the legal owner's agent and from any
24 damage to the vehicle after its release, including the reasonable
25 costs associated with defending any such claims. A law
26 enforcement agency shall not refuse to issue a release to a legal
27 owner or the agent of a legal owner on the grounds that it
28 previously issued a release.

29 SEC. 6. Section 14602.7 of the Vehicle Code is amended to
30 read:

31 14602.7. (a) A magistrate presented with the affidavit of a
32 peace officer establishing reasonable cause to believe that a vehicle,
33 described by vehicle type and license number, was an
34 instrumentality used in the peace officer's presence in violation
35 of Section 2800.1, 2800.2, 2800.3, or 23103, shall issue a warrant
36 or order authorizing any peace officer to immediately seize and
37 cause the removal of the vehicle. The warrant or court order may
38 be entered into a computerized database. A vehicle so impounded
39 may be impounded for a period not to exceed 30 days.

1 The impounding agency, within two working days of
2 impoundment, shall send a notice by certified mail, return receipt
3 requested, to the legal owner of the vehicle, at the address obtained
4 from the department, informing the owner that the vehicle has
5 been impounded and providing the owner with a copy of the
6 warrant or court order. Failure to notify the legal owner within
7 two working days shall prohibit the impounding agency from
8 charging for more than 15 days impoundment when a legal owner
9 redeems the impounded vehicle. The law enforcement agency shall
10 be open, without the necessity of making an appointment, to issue
11 a release to the registered owner or legal owner, or the agent of
12 either, whenever the agency is open to serve the public.

13 (b) (1) An impounding agency shall release a vehicle to the
14 registered owner or his or her agent prior to the end of the
15 impoundment period and without the permission of the magistrate
16 authorizing the vehicle's seizure under any of the following
17 circumstances:

18 (A) When the vehicle is a stolen vehicle.

19 (B) When the vehicle is subject to bailment and is driven by an
20 unlicensed employee of the business establishment, including a
21 parking service or repair garage.

22 (C) When the registered owner of the vehicle causes a peace
23 officer to reasonably believe, based on the totality of the
24 circumstances, that the registered owner was not the driver who
25 violated Section 2800.1, 2800.2, or 2800.3, the agency shall
26 immediately release the vehicle to the registered owner or his or
27 her agent.

28 (2) No vehicle shall be released pursuant to this subdivision,
29 except upon presentation of the registered owner's or agent's
30 currently valid driver's license to operate the vehicle and proof of
31 current vehicle registration, or upon order of the court.

32 (c) (1) Whenever a vehicle is impounded under this section,
33 the magistrate ordering the storage shall provide the vehicle's
34 registered and legal owners of record, or their agents, with the
35 opportunity for a poststorage hearing to determine the validity of
36 the storage.

37 (2) A notice of the storage shall be mailed or personally
38 delivered to the registered and legal owners within 48 hours after
39 issuance of the warrant or court order, excluding weekends and

1 holidays, by the person or agency executing the warrant or court
2 order, and shall include all of the following information:

3 (A) The name, address, and telephone number of the agency
4 providing the notice.

5 (B) The location of the place of storage and a description of the
6 vehicle, which shall include, if available, the name or make, the
7 manufacturer, the license plate number, and the mileage of the
8 vehicle.

9 (C) A copy of the warrant or court order and the peace officer's
10 affidavit, as described in subdivision (a).

11 (D) A statement that, in order to receive their poststorage
12 hearing, the owners, or their agents, are required to request the
13 hearing from the magistrate issuing the warrant or court order in
14 person, in writing, or by telephone, within 10 days of the date of
15 the notice.

16 (3) The poststorage hearing shall be conducted within two court
17 days after receipt of the request for the hearing.

18 (4) At the hearing, the magistrate may order the vehicle released
19 if he or she finds any of the circumstances described in subdivision
20 (b) or (e) that allow release of a vehicle by the impounding agency.
21 The magistrate may also consider releasing the vehicle when the
22 continued impoundment will cause undue hardship to persons
23 dependent upon the vehicle for employment or to a person with a
24 community property interest in the vehicle.

25 (5) Failure of either the registered or legal owner, or his or her
26 agent, to request, or to attend, a scheduled hearing satisfies the
27 poststorage hearing requirement.

28 (6) The agency employing the peace officer who caused the
29 magistrate to issue the warrant or court order shall be responsible
30 for the costs incurred for towing and storage if it is determined in
31 the poststorage hearing that reasonable grounds for the storage are
32 not established.

33 (d) The registered owner or his or her agent is responsible for
34 all towing and storage charges related to the impoundment, and
35 any administrative charges authorized under Section 22850.5.

36 (e) A vehicle removed and seized under subdivision (a) shall
37 be released to the legal owner of the vehicle or the legal owner's
38 agent prior to the end of the impoundment period and without the
39 permission of the magistrate authorizing the seizure of the vehicle
40 if all of the following conditions are met:

1 (1) The legal owner is a motor vehicle dealer, bank, credit union,
2 acceptance corporation, or other licensed financial institution
3 legally operating in this state or is another person, not the registered
4 owner, holding a financial interest in the vehicle.

5 (2) (A) The legal owner or the legal owner's agent pays all
6 towing and storage fees related to the seizure of the vehicle. No
7 lien sale processing fees shall be charged to the legal owner who
8 redeems the vehicle prior to the 15th day of impoundment. Neither
9 the impounding authority nor any person having possession of the
10 vehicle shall collect from the legal owner of the type specified in
11 paragraph (1), or the legal owner's agent any administrative charges
12 imposed pursuant to Section 22850.5 unless the legal owner
13 voluntarily requested a poststorage hearing.

14 (B) A person operating or in charge of a storage facility where
15 vehicles are stored pursuant to this section shall accept a valid
16 bank credit card or cash for payment of towing, storage, and related
17 fees by a legal or registered owner or the owner's agent claiming
18 the vehicle. A credit card shall be in the name of the person
19 presenting the card. "Credit card" means "credit card" as defined
20 in subdivision (a) of Section 1747.02 of the Civil Code, except,
21 for the purposes of this section, credit card does not include a credit
22 card issued by a retail seller.

23 (C) A person operating or in charge of a storage facility
24 described in subparagraph (B) who violates subparagraph (B) shall
25 be civilly liable to the owner of the vehicle or to the person who
26 tendered the fees for four times the amount of the towing, storage
27 and related fees, but not to exceed five hundred dollars (\$500).

28 (D) A person operating or in charge of a storage facility
29 described in subparagraph (B) shall have sufficient funds on the
30 premises of the primary storage facility during normal business
31 hours to accommodate, and make change in, a reasonable monetary
32 transaction.

33 (E) Credit charges for towing and storage services shall comply
34 with Section 1748.1 of the Civil Code. Law enforcement agencies
35 may include the costs of providing for payment by credit when
36 making agreements with towing companies on rates.

37 (3) The legal owner or the legal owner's agent presents, to the
38 law enforcement agency, impounding agency, person in possession
39 of the vehicle, or any person acting on behalf of those agencies, a
40 copy of the assignment, as defined in subdivision (b) of Section

1 7500.1 of the Business and Professions Code; a release from the
2 one responsible governmental agency, only if required by the
3 agency; a government-issued photographic identification card; and
4 any one of the following, as determined by the legal owner or the
5 legal owner's agent: a certificate of repossession for the vehicle,
6 a security agreement for the vehicle, or title, whether paper or
7 electronic, showing proof of legal ownership for the vehicle. Any
8 documents presented may be originals, photocopies, or facsimile
9 copies, or may be transmitted electronically. The law enforcement
10 agency, impounding agency, or any other governmental agency,
11 or any person acting on behalf of those agencies, shall not require
12 any documents to be notarized. The law enforcement agency,
13 impounding agency, or any person acting on behalf of those
14 agencies, may require the agent of the legal owner to produce a
15 photocopy or facsimile copy of its repossession agency license or
16 registration issued pursuant to Chapter 11 (commencing with
17 Section 7500) of Division 3 of the Business and Professions Code,
18 or to demonstrate, to the satisfaction of the law enforcement
19 agency, impounding agency, or any person acting on behalf of
20 those agencies that the agent is exempt from licensure pursuant to
21 Section 7500.2 or 7500.3 of the Business and Professions Code.

22 No administrative costs authorized under subdivision (a) of
23 Section 22850.5 shall be charged to the legal owner of the type
24 specified in paragraph (1), who redeems the vehicle unless the
25 legal owner voluntarily requests a poststorage hearing. No city,
26 county, city and county, or state agency shall require a legal owner
27 or a legal owner's agent to request a poststorage hearing as a
28 requirement for release of the vehicle to the legal owner or the
29 legal owner's agent. The law enforcement agency, impounding
30 agency, or other governmental agency, or any person acting on
31 behalf of those agencies, shall not require any documents other
32 than those specified in this paragraph. The law enforcement agency,
33 impounding agency, or other governmental agency, or any person
34 acting on behalf of those agencies, shall not require any documents
35 to be notarized. The legal owner or the legal owner's agent shall
36 be given a copy of any documents he or she is required to sign,
37 except for a vehicle evidentiary hold-log-book *logbook*. The law
38 enforcement agency, impounding agency, or any person acting on
39 behalf of those agencies, or any person in possession of the vehicle,

1 may photocopy and retain the copies of any documents presented
2 by the legal owner or legal owner's agent.

3 (4) A failure by a storage facility to comply with any applicable
4 conditions set forth in this subdivision shall not affect the right of
5 the legal owner or the legal owner's agent to retrieve the vehicle,
6 provided all conditions required of the legal owner or legal owner's
7 agent under this subdivision are satisfied.

8 (f) (1) A legal owner or the legal owner's agent that obtains
9 release of the vehicle pursuant to subdivision (e) shall not release
10 the vehicle to the registered owner or the person who was listed
11 as the registered owner when the vehicle was impounded of the
12 vehicle or any agents of the registered owner, unless a registered
13 owner is a rental car agency, until the termination of the
14 impoundment period.

15 (2) The legal owner or the legal owner's agent shall not
16 relinquish the vehicle to the registered owner or the person who
17 was listed as the registered owner when the vehicle was impounded
18 until the registered owner or that owner's agent presents his or her
19 valid driver's license or valid temporary driver's license to the
20 legal owner or the legal owner's agent. The legal owner or the
21 legal owner's agent shall make every reasonable effort to ensure
22 that the license presented is valid and possession of the vehicle
23 will not be given to the driver who was involved in the original
24 ~~impound~~ *impoundment* proceeding until the expiration of the
25 impoundment period.

26 (3) Prior to relinquishing the vehicle, the legal owner may
27 require the registered owner to pay all towing and storage charges
28 related to the impoundment and the administrative charges
29 authorized under Section 22850.5 that were incurred by the legal
30 owner in connection with obtaining the custody of the vehicle.

31 (4) Any legal owner who releases or causes the release of a
32 vehicle to a registered owner or the person in possession of the
33 vehicle at the time of the ~~impound~~ *impoundment* or any agent of
34 the registered owner in violation of this subdivision shall be guilty
35 of a misdemeanor and subject to a fine in the amount of two
36 thousand dollars (\$2,000) in addition to any other penalties
37 established by law.

38 (5) The legal owner, registered owner, or person in possession
39 of the vehicle shall not change or attempt to change the name of
40 the legal owner or the registered owner on the records of the

1 department until the vehicle is released from the ~~impound~~
2 *impoundment*.

3 (g) (1) A vehicle impounded and seized under subdivision (a)
4 shall be released to a rental car agency prior to the end of the
5 impoundment period if the agency is either the legal owner or
6 registered owner of the vehicle and the agency pays all towing and
7 storage fees related to the seizure of the vehicle.

8 (2) The owner of a rental vehicle that was seized under this
9 section may continue to rent the vehicle upon recovery of the
10 vehicle. However, the rental car agency shall not rent another
11 vehicle to the driver who used the vehicle that was seized to evade
12 a police officer until 30 days after the date that the vehicle was
13 seized.

14 (3) The rental car agency may require the person to whom the
15 vehicle was rented and who evaded the peace officer to pay all
16 towing and storage charges related to the impoundment and any
17 administrative charges authorized under Section 22850.5 that were
18 incurred by the rental car agency in connection with obtaining
19 custody of the vehicle.

20 (h) Notwithstanding any other provision of this section, the
21 registered owner and not the legal owner shall remain responsible
22 for any towing and storage charges related to the impoundment
23 and the administrative charges authorized under Section 22850.5
24 and any parking fines, penalties, and administrative fees incurred
25 by the registered owner.

26 (i) (1) This section does not apply to vehicles abated under the
27 Abandoned Vehicle Abatement Program pursuant to Sections
28 22660 to 22668, inclusive, and Section 22710, or to vehicles
29 impounded for investigation pursuant to Section 22655, or to
30 vehicles removed from private property pursuant to Section 22658.

31 (2) This section does not apply to abandoned vehicles removed
32 pursuant to Section 22669 that are determined by the public agency
33 to have an estimated value of three hundred dollars (\$300) or less.

34 (j) The law enforcement agency and the impounding agency,
35 including any storage facility acting on behalf of the law
36 enforcement agency or impounding agency, shall comply with this
37 section and shall not be liable to the registered owner for the
38 improper release of the vehicle to the legal owner or the legal
39 owner's agent provided the release complies with the provisions
40 of this section. The legal owner shall indemnify and hold harmless

1 a storage facility from any claims arising out of the release of the
2 vehicle to the legal owner or the legal owner's agent and from any
3 damage to the vehicle after its release, including the reasonable
4 costs associated with defending any such claims. A law
5 enforcement agency shall not refuse to issue a release to a legal
6 owner or the agent of a legal owner on the grounds that it
7 previously issued a release.

8 SEC. 7. Section 14602.8 of the Vehicle Code is amended to
9 read:

10 14602.8. (a) (1) If a peace officer determines that a person
11 has been convicted of a violation of Section 23140, 23152, or
12 23153, that the violation occurred within the preceding 10 years,
13 and that one or more of the following circumstances applies to that
14 person, the officer may immediately cause the removal and seizure
15 of the vehicle that the person was driving, under either of the
16 following circumstances:

17 (A) The person was driving a vehicle when the person had 0.10
18 percent or more, by weight, of alcohol in his or her blood.

19 (B) The person driving the vehicle refused to submit to or
20 complete a chemical test requested by the peace officer.

21 (2) A vehicle impounded pursuant to paragraph (1) shall be
22 impounded for the following period of time:

23 (A) Five days, if the person has been convicted once of violating
24 Section 23140, 23152, or 23153, and the violation occurred within
25 the preceding 10 years.

26 (B) Fifteen days, if the person has been convicted two or more
27 times of violating Section 23140, 23152, or 23153, or any
28 combination thereof, and the violations occurred within the
29 preceding 10 years.

30 (3) Within two working days after impoundment, the
31 impounding agency shall send a notice by certified mail, return
32 receipt requested, to the legal owner of the vehicle, at the address
33 obtained from the department, informing the owner that the vehicle
34 has been impounded. Failure to notify the legal owner within two
35 working days shall prohibit the impounding agency from charging
36 for more than five days' impoundment when the legal owner
37 redeems the impounded vehicle. The impounding agency shall
38 maintain a published telephone number that provides information
39 24 hours a day regarding the impoundment of vehicles and the
40 rights of a registered owner to request a hearing. The law

1 enforcement agency shall be open, without the necessity of making
2 an appointment, to issue a release to the registered owner or legal
3 owner, or the agent of either, whenever the agency is open to serve
4 the public.

5 (b) The registered and legal owner of a vehicle that is removed
6 and seized under subdivision (a) or his or her agent shall be
7 provided the opportunity for a storage hearing to determine the
8 validity of, or consider any mitigating circumstances attendant to,
9 the storage, in accordance with Section 22852.

10 (c) Any period during which a vehicle is subjected to storage
11 under this section shall be included as part of the period of
12 impoundment ordered by the court under Section 23594.

13 (d) (1) The impounding agency shall release the vehicle to the
14 registered owner or his or her agent prior to the end of the
15 impoundment period under any of the following circumstances:

16 (A) When the vehicle is a stolen vehicle.

17 (B) When the vehicle is subject to bailment and is driven by an
18 unlicensed employee of a business establishment, including a
19 parking service or repair garage.

20 (C) When the driver of the vehicle is not the sole registered
21 owner of the vehicle and the vehicle is being released to another
22 registered owner of the vehicle who agrees not to allow the driver
23 to use the vehicle until after the end of the impoundment period.

24 (2) A vehicle shall not be released pursuant to this subdivision
25 without presentation of the registered owner's or agent's currently
26 valid driver's license to operate the vehicle and proof of current
27 vehicle registration, or upon order of a court.

28 (e) The registered owner or his or her agent is responsible for
29 all towing and storage charges related to the impoundment, and
30 any administrative charges authorized under Section 22850.5.

31 (f) A vehicle removed and seized under subdivision (a) shall be
32 released to the legal owner of the vehicle or the legal owner's agent
33 prior to the end of the impoundment period if all of the following
34 conditions are met:

35 (1) The legal owner is a motor vehicle dealer, bank, credit union,
36 acceptance corporation, or other licensed financial institution
37 legally operating in this state, or is another person who is not the
38 registered owner and holds a security interest in the vehicle.

39 (2) (A) The legal owner or the legal owner's agent pays all
40 towing and storage fees related to the seizure of the vehicle. A lien

1 sale processing fee shall not be charged to the legal owner who
2 redeems the vehicle prior to the 10th day of impoundment. The
3 impounding authority or any person having possession of the
4 vehicle shall not collect from the legal owner of the type specified
5 in paragraph (1), or the legal owner's agent any administrative
6 charges imposed pursuant to Section 22850.5 unless the legal
7 owner voluntarily requested a poststorage hearing.

8 (B) A person operating or in charge of a storage facility where
9 vehicles are stored pursuant to this section shall accept a valid
10 bank credit card or cash for payment of towing, storage, and related
11 fees by a legal or registered owner or the owner's agent claiming
12 the vehicle. A credit card shall be in the name of the person
13 presenting the card. "Credit card" means "credit card" as defined
14 in subdivision (a) of Section 1747.02 of the Civil Code, except,
15 for the purposes of this section, credit card does not include a credit
16 card issued by a retail seller.

17 (C) A person operating or in charge of a storage facility
18 described in subparagraph (B) who violates subparagraph (B) shall
19 be civilly liable to the owner of the vehicle or to the person who
20 tendered the fees for four times the amount of the towing, storage,
21 and other related fees, but not to exceed five hundred dollars
22 (\$500).

23 (D) A person operating or in charge of a storage facility
24 described in subparagraph (B) shall have sufficient funds on the
25 premises of the primary storage facility during normal business
26 hours to accommodate, and make change in, a reasonable monetary
27 transaction.

28 (E) Credit charges for towing and storage services shall comply
29 with Section 1748.1 of the Civil Code. Law enforcement agencies
30 may include the costs of providing for payment by credit when
31 making agreements with towing companies on rates.

32 (3) (A) The legal owner or the legal owner's agent presents to
33 the law enforcement agency or impounding agency, or any person
34 acting on behalf of those agencies, a copy of the assignment, as
35 defined in subdivision (b) of Section 7500.1 of the Business and
36 Professions Code; a release from the one responsible governmental
37 agency, only if required by the agency; a government-issued
38 photographic identification card; and any one of the following as
39 determined by the legal owner or the legal owner's agent: a
40 certificate of repossession for the vehicle, a security agreement

1 for the vehicle, or title, whether paper or electronic, showing proof
2 of legal ownership for the vehicle. The law enforcement agency,
3 impounding agency, or any other governmental agency, or any
4 person acting on behalf of those agencies, shall not require the
5 presentation of any other documents.

6 (B) The legal owner or the legal owner's agent presents to the
7 person in possession of the vehicle, or any person acting on behalf
8 of the person in possession, a copy of the assignment, as defined
9 in subdivision (b) of Section 7500.1 of the Business and
10 Professions Code; a release from the one responsible governmental
11 agency, only if required by the agency; a government-issued
12 photographic identification card; and any one of the following as
13 determined by the legal owner or the legal owner's agent: a
14 certificate of repossession for the vehicle, a security agreement
15 for the vehicle, or title, whether paper or electronic, showing proof
16 of legal ownership for the vehicle. The person in possession of the
17 vehicle, or any person acting on behalf of the person in possession,
18 shall not require the presentation of any other documents.

19 (C) All presented documents may be originals, photocopies, or
20 facsimile copies, or may be transmitted electronically. The law
21 enforcement agency, impounding agency, or any person acting on
22 behalf of them, shall not require a document to be notarized. The
23 law enforcement agency, impounding agency, or any person in
24 possession of the vehicle, or anyone acting on behalf of those
25 agencies may require the agent of the legal owner to produce a
26 photocopy or facsimile copy of its repossession agency license or
27 registration issued pursuant to Chapter 11 (commencing with
28 Section 7500) of Division 3 of the Business and Professions Code,
29 or to demonstrate, to the satisfaction of the law enforcement
30 agency, impounding agency, any other governmental agency, or
31 any person in possession of the vehicle, or anyone acting on behalf
32 of them, that the agent is exempt from licensure pursuant to Section
33 7500.2 or 7500.3 of the Business and Professions Code.

34 (D) Administrative costs authorized under subdivision (a) of
35 Section 22850.5 shall not be charged to the legal owner of the type
36 specified in paragraph (1), who redeems the vehicle unless the
37 legal owner voluntarily requests a poststorage hearing. A city,
38 county, city ~~or~~ and county, or state agency shall not require a legal
39 owner or a legal owner's agent to request a poststorage hearing as
40 a requirement for release of the vehicle to the legal owner or the

1 legal owner's agent. The law enforcement agency, impounding
2 agency, or any governmental agency, or any person acting on
3 behalf of those agencies, shall not require any documents other
4 than those specified in this paragraph. The law enforcement agency,
5 impounding agency, other governmental agency, or any person
6 acting on behalf of those agencies, shall not require any documents
7 to be notarized. The legal owner or the legal owner's agent shall
8 be given a copy of any documents he or she is required to sign,
9 except for a vehicle evidentiary hold-log-book *logbook*. The law
10 enforcement agency, impounding agency, or any person acting on
11 behalf of those agencies, or any person in possession of the vehicle,
12 may photocopy and retain the copies of any documents presented
13 by the legal owner or legal owner's agent.

14 (4) A failure by a storage facility to comply with any applicable
15 conditions set forth in this subdivision shall not affect the right of
16 the legal owner or the legal owner's agent to retrieve the vehicle,
17 provided all conditions required of the legal owner or legal owner's
18 agent under this subdivision are satisfied.

19 (g) (1) A legal owner or the legal owner's agent who obtains
20 release of the vehicle pursuant to subdivision (f) may not release
21 the vehicle to the registered owner of the vehicle or the person
22 who was listed as the registered owner when the vehicle was
23 impounded or any agents of the registered owner, unless the
24 registered owner is a rental car agency, until after the termination
25 of the impoundment period.

26 (2) The legal owner or the legal owner's agent shall not
27 relinquish the vehicle to the registered owner or the person who
28 was listed as the registered owner when the vehicle was impounded
29 until the registered owner or that owner's agent presents his or her
30 valid driver's license or valid temporary driver's license to the
31 legal owner or the legal owner's agent. The legal owner or the
32 legal owner's agent or the person in possession of the vehicle shall
33 make every reasonable effort to ensure that the license presented
34 is valid and possession of the vehicle will not be given to the driver
35 who was involved in the original-~~impound~~ *impoundment*
36 proceeding until the expiration of the impoundment period.

37 (3) Prior to relinquishing the vehicle, the legal owner may
38 require the registered owner to pay all towing and storage charges
39 related to the impoundment and any administrative charges

1 authorized under Section 22850.5 that were incurred by the legal
2 owner in connection with obtaining custody of the vehicle.

3 (h) (1) A vehicle removed and seized under subdivision (a)
4 shall be released to a rental car agency prior to the end of the
5 impoundment period if the agency is either the legal owner or
6 registered owner of the vehicle and the agency pays all towing and
7 storage fees related to the seizure of the vehicle.

8 (2) The owner of a rental vehicle that was seized under this
9 section may continue to rent the vehicle upon recovery of the
10 vehicle. However, the rental car agency shall not rent another
11 vehicle to the driver of the vehicle that was seized until the
12 impoundment period has expired.

13 (3) The rental car agency may require the person to whom the
14 vehicle was rented to pay all towing and storage charges related
15 to the impoundment and any administrative charges authorized
16 under Section 22850.5 that were incurred by the rental car agency
17 in connection with obtaining custody of the vehicle.

18 (4) Any legal owner who releases or causes the release of a
19 vehicle to a registered owner or the person in possession of the
20 vehicle at the time of the ~~impound~~ *impoundment* or any agent of
21 the registered owner in violation of this subdivision shall be guilty
22 of a misdemeanor and subject to a fine in the amount of two
23 thousand dollars (\$2,000) in addition to any other penalties
24 established by law.

25 (5) The legal owner, registered owner, or person in possession
26 of the vehicle shall not change or attempt to change the name of
27 the legal owner or the registered owner on the records of the
28 department until the vehicle is released from the ~~impound~~
29 *impoundment*.

30 (i) Notwithstanding any other provision of this section, the
31 registered owner, and not the legal owner, shall remain responsible
32 for any towing and storage charges related to the impoundment,
33 any administrative charges authorized under Section 22850.5, and
34 any parking fines, penalties, and administrative fees incurred by
35 the registered owner.

36 (j) The law enforcement agency and the impounding agency,
37 including any storage facility acting on behalf of the law
38 enforcement agency or impounding agency, shall comply with this
39 section and shall not be liable to the registered owner for the
40 improper release of the vehicle to the legal owner or the legal

owner's agent provided the release complies with the provisions of this section. The legal owner shall indemnify and hold harmless a storage facility from any claims arising out of the release of the vehicle to the legal owner or the legal owner's agent and from any damage to the vehicle after its release, including the reasonable costs associated with defending any such claims. A law enforcement agency shall not refuse to issue a release to a legal owner or the agent of a legal owner on the grounds that it previously issued a release.

SEC. 8. Section 21100.4 of the Vehicle Code is amended to read:

21100.4. (a) (1) A magistrate presented with the affidavit of a peace officer or a designated local transportation officer establishing reasonable cause to believe that a vehicle, described by vehicle type and license number, is being operated as a taxicab or other passenger vehicle for hire in violation of licensing requirements adopted by a local authority under subdivision (b) of Section 21100 shall issue a warrant or order authorizing the peace officer or designated local transportation officer to immediately seize and cause the removal of the vehicle. As used in this section, "designated local transportation officer" means any local public officer employed by a local authority to investigate and enforce local taxicab and vehicle for hire laws and regulations.

(2) The warrant or court order may be entered into a computerized database.

(3) A vehicle so impounded may be impounded for a period not to exceed 30 days.

(4) The impounding agency, within two working days of impoundment, shall send a notice by certified mail, return receipt requested, to the legal owner of the vehicle, at an address obtained from the department, informing the owner that the vehicle has been impounded and providing the owner with a copy of the warrant or court order. Failure to notify the legal owner within two working days shall prohibit the impounding agency from charging for more than 15 days' impoundment when a legal owner redeems the impounded vehicle. The law enforcement agency shall be open, without the necessity of making an appointment, to issue a release to the registered owner or legal owner, or the agent of either, whenever the agency is open to serve the public.

1 (b) (1) An impounding agency shall release a vehicle to the
2 registered owner or his or her agent prior to the end of the
3 impoundment period and without the permission of the magistrate
4 authorizing the vehicle's seizure under any of the following
5 circumstances:

6 (A) When the vehicle is a stolen vehicle.

7 (B) When the vehicle was seized under this section for an
8 offense that does not authorize the seizure of the vehicle.

9 (2) A vehicle may not be released under this subdivision, except
10 upon presentation of the registered owner's or agent's currently
11 valid license to operate the vehicle under the licensing requirements
12 adopted by the local authority under subdivision (b) of Section
13 21100, and proof of current vehicle registration, or upon order of
14 the court.

15 (c) (1) Whenever a vehicle is impounded under this section,
16 the magistrate ordering the storage shall provide the vehicle's
17 registered and legal owners of record, or their agents, with the
18 opportunity for a poststorage hearing to determine the validity of
19 the storage.

20 (2) A notice of the storage shall be mailed or personally
21 delivered to the registered and legal owners within 48 hours after
22 issuance of the warrant or court order, excluding weekends and
23 holidays, by the person or agency executing the warrant or court
24 order, and shall include all of the following information:

25 (A) The name, address, and telephone number of the agency
26 providing the notice.

27 (B) The location of the place of storage and a description of the
28 vehicle, which shall include, if available, the name or make, the
29 manufacturer, the license plate number, and the mileage of the
30 vehicle.

31 (C) A copy of the warrant or court order and the peace officer's
32 affidavit, as described in subdivision (a).

33 (D) A statement that, in order to receive their poststorage
34 hearing, the owners, or their agents, are required to request the
35 hearing from the magistrate issuing the warrant or court order in
36 person, in writing, or by telephone, within 10 days of the date of
37 the notice.

38 (3) The poststorage hearing shall be conducted within two court
39 days after receipt of the request for the hearing.

1 (4) At the hearing, the magistrate may order the vehicle released
2 if he or she finds any of the circumstances described in subdivision
3 (b) or (e) that allow release of a vehicle by the impounding agency.

4 (5) Failure of either the registered or legal owner, or his or her
5 agent, to request, or to attend, a scheduled hearing satisfies the
6 poststorage hearing requirement.

7 (6) The agency employing the peace officer or designated local
8 transportation officer who caused the magistrate to issue the
9 warrant or court order shall be responsible for the costs incurred
10 for towing and storage if it is determined in the poststorage hearing
11 that reasonable grounds for the storage are not established.

12 (d) The registered owner or his or her agent is responsible for
13 all towing and storage charges related to the impoundment, and
14 any administrative charges authorized under Section 22850.5.

15 (e) A vehicle removed and seized under subdivision (a) shall
16 be released to the legal owner of the vehicle or the legal owner's
17 agent prior to the end of the impoundment period and without the
18 permission of the magistrate authorizing the seizure of the vehicle
19 if all of the following conditions are met:

20 (1) The legal owner is a motor vehicle dealer, bank, credit union,
21 acceptance corporation, or other licensed financial institution
22 legally operating in this state or is another person, not the registered
23 owner, holding a security interest in the vehicle.

24 (2) (A) The legal owner or the legal owner's agent pays all
25 towing and storage fees related to the seizure of the vehicle. A lien
26 sale processing fee shall not be charged to the legal owner who
27 redeems the vehicle prior to the 15th day of impoundment. Neither
28 the impounding authority nor any person having possession of the
29 vehicle shall collect from the legal owner of the type specified in
30 paragraph (1), or the legal owner's agent, any administrative
31 charges imposed pursuant to Section 22850.5 unless the legal
32 owner voluntarily requested a poststorage hearing.

33 (B) A person operating or in charge of a storage facility where
34 vehicles are stored pursuant to this section shall accept a valid
35 bank credit card or cash for payment of towing, storage, and related
36 fees by a legal or registered owner or the owner's agent claiming
37 the vehicle. A credit card shall be in the name of the person
38 presenting the card. "Credit card" means "credit card" as defined
39 in subdivision (a) of Section 1747.02 of the Civil Code, except,

1 for the purposes of this section, credit card does not include a credit
2 card issued by a retail seller.

3 (C) A person operating or in charge of a storage facility
4 described in subparagraph (B) who violates subparagraph (B) shall
5 be civilly liable to the owner of the vehicle or to the person who
6 tendered the fees for four times the amount of the towing, storage,
7 and related fees, but not to exceed five hundred dollars (\$500).

8 (D) A person operating or in charge of a storage facility
9 described in subparagraph (B) shall have sufficient funds on the
10 premises of the primary storage facility during normal business
11 hours to accommodate, and make change in, a reasonable monetary
12 transaction.

13 (E) Credit charges for towing and storage services shall comply
14 with Section 1748.1 of the Civil Code. Law enforcement agencies
15 may include the costs of providing for payment by credit when
16 making agreements with towing companies on rates.

17 (3) (A) The legal owner or the legal owner's agent presents to
18 the law enforcement agency or impounding agency, or any person
19 acting on behalf of those agencies, a copy of the assignment, as
20 defined in subdivision (b) of Section 7500.1 of the Business and
21 Professions Code; a release from the one responsible governmental
22 agency, only if required by the agency; a government-issued
23 photographic identification card; and any one of the following as
24 determined by the legal owner or the legal owner's agent: a
25 certificate of repossession for the vehicle, a security agreement
26 for the vehicle, or title, whether paper or electronic, showing proof
27 of legal ownership for the vehicle. The law enforcement agency,
28 impounding agency, or any other governmental agency, or any
29 person acting on behalf of those agencies, shall not require the
30 presentation of any other documents.

31 (B) The legal owner or the legal owner's agent presents to the
32 person in possession of the vehicle, or any person acting on behalf
33 of the person in possession, a copy of the assignment, as defined
34 in subdivision (b) of Section 7500.1 of the Business and
35 Professions Code; a release from the one responsible governmental
36 agency, only if required by the agency; a government-issued
37 photographic identification card; and any one of the following as
38 determined by the legal owner or the legal owner's agent: a
39 certificate of repossession for the vehicle, a security agreement
40 for the vehicle, or title, whether paper or electronic, showing proof

1 of legal ownership for the vehicle. The person in possession of the
2 vehicle, or any person acting on behalf of the person in possession,
3 shall not require the presentation of any other documents.

4 (C) All presented documents may be originals, photocopies, or
5 facsimile copies, or may be transmitted electronically. The law
6 enforcement agency, impounding agency, or any person in
7 possession of the vehicle, or anyone acting on behalf of them, shall
8 not require any documents to be notarized. The law enforcement
9 agency, impounding agency, or any person acting on behalf of
10 those agencies, may require the agent of the legal owner to produce
11 a photocopy or facsimile copy of its repossession agency license
12 or registration issued pursuant to Chapter 11 (commencing with
13 Section 7500) of Division 3 of the Business and Professions Code,
14 or to demonstrate, to the satisfaction of the law enforcement
15 agency, impounding agency, or any person in possession of the
16 vehicle, or anyone acting on behalf of them, that the agent is
17 exempt from licensure pursuant to Section 7500.2 or 7500.3 of the
18 Business and Professions Code.

19 (D) No administrative costs authorized under subdivision (a)
20 of Section 22850.5 may be charged to the legal owner of the type
21 specified in paragraph (1) who redeems the vehicle unless the legal
22 owner voluntarily requests a poststorage hearing. No city, county,
23 city and county, or state agency shall require a legal owner or a
24 legal owner's agent to request a poststorage hearing as a
25 requirement for release of the vehicle to the legal owner or the
26 legal owner's agent. The law enforcement agency, impounding
27 ~~agency~~, agency, or any other governmental agency, or any person
28 acting on behalf of those agencies, shall not require any documents
29 other than those specified in this paragraph. The law enforcement
30 agency, impounding agency, or other governmental agency, or
31 any person acting on behalf of those agencies, may not require any
32 documents to be notarized. The legal owner or the legal owner's
33 agent shall be given a copy of any documents he or she is required
34 to sign, except for a vehicle evidentiary ~~hold-log-book~~ *logbook*.
35 The law enforcement agency, impounding agency, or any person
36 acting on behalf of those agencies, or any person in possession of
37 the vehicle, may photocopy and retain the copies of any documents
38 presented by the legal owner or legal owner's agent.

39 (4) A failure by a storage facility to comply with any applicable
40 conditions set forth in this subdivision shall not affect the right of

1 the legal owner or the legal owner's agent to retrieve the vehicle,
2 provided all conditions required of the legal owner or legal owner's
3 agent under this subdivision are satisfied.

4 (f) (1) A legal owner or the legal owner's agent that obtains
5 release of the vehicle pursuant to subdivision (e) shall not release
6 the vehicle to the registered owner of the vehicle or the person
7 who was listed as the registered owner when the vehicle was
8 impounded or any agents of the registered owner until the
9 termination of the impoundment period.

10 (2) The legal owner or the legal owner's agent shall not
11 relinquish the vehicle to the registered owner or the person who
12 was listed as the registered owner when the vehicle was impounded
13 until the registered owner or that owner's agent presents his or her
14 valid driver's license or valid temporary driver's license, and an
15 operator's license that is in compliance with the licensing
16 requirements adopted by the local authority under subdivision (b)
17 of Section 21100, to the legal owner or the legal owner's agent.
18 The legal owner or the legal owner's agent or the person in
19 possession of the vehicle shall make every reasonable effort to
20 ensure that the licenses presented are valid and possession of the
21 vehicle will not be given to the driver who was involved in the
22 original ~~impound~~ *impoundment* proceeding until the expiration of
23 the impoundment period.

24 (3) Prior to relinquishing the vehicle, the legal owner may
25 require the registered owner to pay all towing and storage charges
26 related to the impoundment and the administrative charges
27 authorized under Section 22850.5 that were incurred by the legal
28 owner in connection with obtaining the custody of the vehicle.

29 (4) Any legal owner who releases or causes the release of a
30 vehicle to a registered owner or the person in possession of the
31 vehicle at the time of the impound or any agent of the registered
32 owner in violation of this subdivision shall be guilty of a
33 misdemeanor and subject to a fine in the amount of two thousand
34 dollars (\$2,000) in addition to any other penalties established by
35 law.

36 (5) The legal owner, registered owner, or person in possession
37 of the vehicle shall not change or attempt to change the name of
38 the legal owner or the registered owner on the records of the
39 department until the vehicle is released from the ~~impound~~
40 *impoundment*.

1 (g) Notwithstanding any other provision of this section, the
2 registered owner and not the legal owner shall remain responsible
3 for any towing and storage charges related to the impoundment
4 and the administrative charges authorized under Section 22850.5
5 and any parking fines, penalties, and administrative fees incurred
6 by the registered owner.

7 (h) The law enforcement agency and the impounding agency,
8 including any storage facility acting on behalf of the law
9 enforcement agency or impounding agency, shall comply with this
10 section and shall not be liable to the registered owner for the
11 improper release of the vehicle to the legal owner or the legal
12 owner's agent provided the release complies with the provisions
13 of this section. The legal owner shall indemnify and hold harmless
14 a storage facility from any claims arising out of the release of the
15 vehicle to the legal owner or the legal owner's agent and from any
16 damage to the vehicle after its release, including the reasonable
17 costs associated with defending any such claims. A law
18 enforcement agency shall not refuse to issue a release to a legal
19 owner or the agent of a legal owner on the grounds that it
20 previously issued a release.

21 SEC. 9. Section 22651.1 of the Vehicle Code is amended to
22 read:

23 22651.1. Persons operating or in charge of any storage facility
24 where vehicles are stored pursuant to Section 22651 shall accept
25 a valid bank credit card or cash for payment of towing and storage
26 by the registered owner, legal owner, or the owner's agent claiming
27 the vehicle. A credit card shall be in the name of the person
28 presenting the card. "Credit card" means "credit card" as defined
29 in subdivision (a) of Section 1747.02 of the Civil Code, except,
30 for the purposes of this section, credit card does not include a credit
31 card issued by a retail seller. A person operating or in charge of
32 any storage facility who refuses to accept a valid bank credit card
33 shall be liable to the owner of the vehicle or to the person who
34 tendered the fees for four times the amount of the towing and
35 storage charges, but not to exceed five hundred dollars (\$500). In
36 addition, persons operating or in charge of the storage facility shall
37 have sufficient funds on the premises to accommodate and make
38 change in a reasonable monetary transaction.

39 Credit charges for towing and storage services shall comply with
40 Section 1748.1 of the Civil Code. Law enforcement agencies may

1 include the costs of providing for payment by credit when agreeing
2 with a towing or storage provider on rates.

3 SEC. 10. Section 22658 of the Vehicle Code is amended to
4 read:

5 22658. (a) The owner or person in lawful possession of private
6 property, including an association of a common interest
7 development as defined in Section 1351 of the Civil Code, may
8 cause the removal of a vehicle parked on the property to a storage
9 facility that meets the requirements of subdivision (n) under any
10 of the following circumstances:

11 (1) There is displayed, in plain view at all entrances to the
12 property, a sign not less than 17 inches by 22 inches in size, with
13 lettering not less than one inch in height, prohibiting public parking
14 and indicating that vehicles will be removed at the owner's
15 expense, and containing the telephone number of the local traffic
16 law enforcement agency and the name and telephone number of
17 each towing company that is a party to a written general towing
18 authorization agreement with the owner or person in lawful
19 possession of the property. The sign may also indicate that a
20 citation may also be issued for the violation.

21 (2) The vehicle has been issued a notice of parking violation,
22 and 96 hours have elapsed since the issuance of that notice.

23 (3) The vehicle is on private property and lacks an engine,
24 transmission, wheels, tires, doors, windshield, or any other major
25 part or equipment necessary to operate safely on the highways,
26 the owner or person in lawful possession of the private property
27 has notified the local traffic law enforcement agency, and 24 hours
28 have elapsed since that notification.

29 (4) The lot or parcel upon which the vehicle is parked is
30 improved with a single-family dwelling.

31 (b) The tow truck operator removing the vehicle, if the operator
32 knows or is able to ascertain from the property owner, person in
33 lawful possession of the property, or the registration records of the
34 Department of Motor Vehicles the name and address of the
35 registered and legal owner of the vehicle, shall immediately give,
36 or cause to be given, notice in writing to the registered and legal
37 owner of the fact of the removal, the grounds for the removal, and
38 indicate the place to which the vehicle has been removed. If the
39 vehicle is stored in a storage facility, a copy of the notice shall be
40 given to the proprietor of the storage facility. The notice provided

1 for in this section shall include the amount of mileage on the
2 vehicle at the time of removal and the time of the removal from
3 the property. If the tow truck operator does not know and is not
4 able to ascertain the name of the owner or for any other reason is
5 unable to give the notice to the owner as provided in this section,
6 the tow truck operator shall comply with the requirements of
7 subdivision (c) of Section 22853 relating to notice in the same
8 manner as applicable to an officer removing a vehicle from private
9 property.

10 (c) This section does not limit or affect any right or remedy that
11 the owner or person in lawful possession of private property may
12 have by virtue of other provisions of law authorizing the removal
13 of a vehicle parked upon private property.

14 (d) The owner of a vehicle removed from private property
15 pursuant to subdivision (a) may recover for any damage to the
16 vehicle resulting from any intentional or negligent act of a person
17 causing the removal of, or removing, the vehicle.

18 (e) (1) An owner or person in lawful possession of private
19 property, or an association of a common interest development,
20 causing the removal of a vehicle parked on that property is liable
21 for double the storage or towing charges whenever there has been
22 a failure to comply with paragraph (1), (2), or (3) of subdivision
23 (a) or to state the grounds for the removal of the vehicle if requested
24 by the legal or registered owner of the vehicle as required by
25 subdivision (f).

26 (2) A property owner or owner's agent or lessee who causes the
27 removal of a vehicle parked on that property pursuant to the
28 exemption set forth in subparagraph (A) of paragraph (1) of
29 subdivision (l) and fails to comply with that subdivision is guilty
30 of an infraction, punishable by a fine of one thousand dollars
31 (\$1,000).

32 (f) An owner or person in lawful possession of private property,
33 or an association of a common interest development, causing the
34 removal of a vehicle parked on that property shall notify by
35 telephone or, if impractical, by the most expeditious means
36 available, the local traffic law enforcement agency within one hour
37 after authorizing the tow. An owner or person in lawful possession
38 of private property, an association of a common interest
39 development, causing the removal of a vehicle parked on that
40 property, or the tow truck operator who removes the vehicle, shall

1 state the grounds for the removal of the vehicle if requested by the
2 legal or registered owner of that vehicle. A towing company that
3 removes a vehicle from private property in compliance with
4 subdivision (l) is not responsible in a situation relating to the
5 validity of the removal. A towing company that removes the
6 vehicle under this section shall be responsible for the following:

7 (1) Damage to the vehicle in the transit and subsequent storage
8 of the vehicle.

9 (2) The removal of a vehicle other than the vehicle specified by
10 the owner or other person in lawful possession of the private
11 property.

12 (g) (1) (A) Possession of a vehicle under this section shall be
13 deemed to arise when a vehicle is removed from private property
14 and is in transit.

15 (B) Upon the request of the owner of the vehicle or that owner's
16 agent, the towing company or its driver shall immediately and
17 unconditionally release a vehicle that is not yet removed from the
18 private property and in transit.

19 (C) A person failing to comply with subparagraph (B) is guilty
20 of a misdemeanor.

21 (2) If a vehicle is released to a person in compliance with
22 subparagraph (B) of paragraph (1), the vehicle owner or authorized
23 agent shall immediately move that vehicle to a lawful location.

24 (h) A towing company may impose a charge of not more than
25 one-half of the regular towing charge for the towing of a vehicle
26 at the request of the owner, the owner's agent, or the person in
27 lawful possession of the private property pursuant to this section
28 if the owner of the vehicle or the vehicle owner's agent returns to
29 the vehicle after the vehicle is coupled to the tow truck by means
30 of a regular hitch, coupling device, drawbar, portable dolly, or is
31 lifted off the ground by means of a conventional trailer, and before
32 it is removed from the private property. The regular towing charge
33 may only be imposed after the vehicle has been removed from the
34 property and is in transit.

35 (i) (1) (A) A charge for towing or storage, or both, of a vehicle
36 under this section is excessive if the charge exceeds the greater of
37 the following:

38 (i) That which would have been charged for that towing or
39 storage, or both, made at the request of a law enforcement agency
40 under an agreement between a towing company and the law

1 enforcement agency that exercises primary jurisdiction in the city
2 in which is located the private property from which the vehicle
3 was, or was attempted to be, removed, or if the private property
4 is not located within a city, then the law enforcement agency that
5 exercises primary jurisdiction in the county in which the private
6 property is located.

7 (ii) That which would have been charged for that towing or
8 storage, or both, under the rate approved for that towing operator
9 by the California Highway Patrol for the jurisdiction in which the
10 private property is located and from which the vehicle was, or was
11 attempted to be, removed.

12 (B) A towing operator shall make available for inspection and
13 copying his or her rate approved by the California Highway Patrol,
14 if any, within 24 hours of a request without a warrant to law
15 enforcement, the Attorney General, district attorney, or city
16 attorney.

17 (2) If a vehicle is released within 24 hours from the time the
18 vehicle is brought into the storage facility, regardless of the
19 calendar date, the storage charge shall be for only one day. Not
20 more than one day's storage charge may be required for a vehicle
21 released the same day that it is stored.

22 (3) If a request to release a vehicle is made and the appropriate
23 fees are tendered and documentation establishing that the person
24 requesting release is entitled to possession of the vehicle, or is the
25 owner's insurance representative, is presented within the initial
26 24 hours of storage, and the storage facility fails to comply with
27 the request to release the vehicle or is not open for business during
28 normal business hours, then only one day's storage charge may
29 be required to be paid until after the first business day. A business
30 day is any day in which the lienholder is open for business to the
31 public for at least eight hours. If a request is made more than 24
32 hours after the vehicle is placed in storage, charges may be imposed
33 on a full calendar day basis for each day, or part thereof, that the
34 vehicle is in storage.

35 (j) (1) A person who charges a vehicle owner a towing, service,
36 or storage charge at an excessive rate, as described in subdivision
37 (h) or (i), is civilly liable to the vehicle owner for four times the
38 amount charged.

39 (2) A person who knowingly charges a vehicle owner a towing,
40 service, or storage charge at an excessive rate, as described in

1 subdivision (h) or (i), or who fails to make available his or her rate
2 as required in subparagraph (B) of paragraph (1) of subdivision
3 (i), is guilty of a misdemeanor, punishable by a fine of not more
4 than two thousand five hundred dollars (\$2,500), or by
5 imprisonment in the county jail for not more than three months,
6 or by both that fine and imprisonment.

7 (k) (1) A person operating or in charge of a storage facility
8 where vehicles are stored pursuant to this section shall accept a
9 valid bank credit card or cash for payment of towing and storage
10 by a registered owner, the legal owner, or the owner's agent
11 claiming the vehicle. A credit card shall be in the name of the
12 person presenting the card. "Credit card" means "credit card" as
13 defined in subdivision (a) of Section 1747.02 of the Civil Code,
14 except, for the purposes of this section, credit card does not include
15 a credit card issued by a retail seller.

16 (2) A person described in paragraph (1) shall conspicuously
17 display, in that portion of the storage facility office where business
18 is conducted with the public, a notice advising that all valid credit
19 cards and cash are acceptable means of payment.

20 (3) A person operating or in charge of a storage facility who
21 refuses to accept a valid credit card or who fails to post the required
22 notice under paragraph (2) is guilty of a misdemeanor, punishable
23 by a fine of not more than two thousand five hundred dollars
24 (\$2,500), or by imprisonment in the county jail for not more than
25 three months, or by both that fine and imprisonment.

26 (4) A person described in paragraph (1) who violates paragraph
27 (1) or (2) is civilly liable to the registered owner of the vehicle or
28 the person who tendered the fees for four times the amount of the
29 towing and storage charges.

30 (5) A person operating or in charge of the storage facility shall
31 have sufficient moneys on the premises of the primary storage
32 facility during normal business hours to accommodate, and make
33 change in, a reasonable monetary transaction.

34 (6) Credit charges for towing and storage services shall comply
35 with Section 1748.1 of the Civil Code. Law enforcement agencies
36 may include the costs of providing for payment by credit when
37 making agreements with towing companies as described in
38 subdivision (i).

39 (l) (1) (A) A towing company shall not remove or commence
40 the removal of a vehicle from private property without first

obtaining the written authorization from the property owner or lessee, including an association of a common interest development, or an employee or agent thereof, who shall be present at the time of removal and verify the alleged violation, except that presence and verification is not required if the person authorizing the tow is the property owner, or the owner's agent who is not a tow operator, of a residential rental property of 15 or fewer units that does not have an onsite owner, owner's agent or employee, and the tenant has verified the violation, requested the tow from that tenant's assigned parking space, and provided a signed request or electronic mail, or has called and provides a signed request or electronic mail within 24 hours, to the property owner or owner's agent, which the owner or agent shall provide to the towing company within 48 hours of authorizing the tow. The signed request or electronic mail shall contain the name and address of the tenant, and the date and time the tenant requested the tow. A towing company shall obtain, within 48 hours of receiving the written authorization to tow, a copy of a tenant request required pursuant to this subparagraph. For the purpose of this subparagraph, a person providing the written authorization who is required to be present on the private property at the time of the tow does not have to be physically present at the specified location of where the vehicle to be removed is located on the private property.

(B) The written authorization under subparagraph (A) shall include all of the following:

(i) The make, model, vehicle identification number, and license plate number of the removed vehicle.

(ii) The name, signature, job title, residential or business address and working telephone number of the person, described in subparagraph (A), authorizing the removal of the vehicle.

(iii) The grounds for the removal of the vehicle.

(iv) The time when the vehicle was first observed parked at the private property.

(v) The time that authorization to tow the vehicle was given.

(C) (i) When the vehicle owner or his or her agent claims the vehicle, the towing company prior to payment of a towing or storage charge shall provide a photocopy of the written authorization to the vehicle owner or the agent.

(ii) If the vehicle was towed from a residential property, the towing company shall redact the information specified in clause

1 (ii) of subparagraph (B) in the photocopy of the written
2 authorization provided to the vehicle owner or the agent pursuant
3 to clause (i).

4 (iii) The towing company shall also provide to the vehicle owner
5 or the agent a separate notice that provides the telephone number
6 of the appropriate local law enforcement or prosecuting agency
7 by stating “If you believe that you have been wrongfully towed,
8 please contact the local law enforcement or prosecuting agency at
9 [insert appropriate telephone number].” The notice shall be in
10 English and in the most populous language, other than English,
11 that is spoken in the jurisdiction.

12 (D) A towing company shall not remove or commence the
13 removal of a vehicle from private property described in subdivision
14 (a) of Section 22953 unless the towing company has made a good
15 faith inquiry to determine that the owner or the property owner’s
16 agent complied with Section 22953.

17 (E) (i) General authorization to remove or commence removal
18 of a vehicle at the towing company’s discretion shall not be
19 delegated to a towing company or its affiliates except in the case
20 of a vehicle unlawfully parked within 15 feet of a fire hydrant or
21 in a fire lane, or in a manner which interferes with an entrance to,
22 or exit from, the private property.

23 (ii) In those cases in which general authorization is granted to
24 a towing company or its affiliate to undertake the removal or
25 commence the removal of a vehicle that is unlawfully parked within
26 15 feet of a fire hydrant or in a fire lane, or that interferes with an
27 entrance to, or exit from, private property, the towing company
28 and the property owner, or owner’s agent, or person in lawful
29 possession of the private property shall have a written agreement
30 granting that general authorization.

31 (2) If a towing company removes a vehicle under a general
32 authorization described in subparagraph (E) of paragraph (1) and
33 that vehicle is unlawfully parked within 15 feet of a fire hydrant
34 or in a fire lane, or in a manner that interferes with an entrance to,
35 or exit from, the private property, the towing company shall take,
36 prior to the removal of that vehicle, a photograph of the vehicle
37 that clearly indicates that parking violation. Prior to accepting
38 payment, the towing company shall keep one copy of the
39 photograph taken pursuant to this paragraph, and shall present that

1 photograph and provide, without charge, a photocopy to the owner
2 or an agent of the owner, when that person claims the vehicle.

3 (3) A towing company shall maintain the original written
4 authorization, or the general authorization described in
5 subparagraph (E) of paragraph (1) and the photograph of the
6 violation, required pursuant to this section, and any written requests
7 from a tenant to the property owner or owner's agent required by
8 subparagraph (A) of paragraph (1), for a period of three years and
9 shall make them available for inspection and copying within 24
10 hours of a request without a warrant to law enforcement, the
11 Attorney General, district attorney, or city attorney.

12 (4) A person who violates this subdivision is guilty of a
13 misdemeanor, punishable by a fine of not more than two thousand
14 five hundred dollars (\$2,500), or by imprisonment in the county
15 jail for not more than three months, or by both that fine and
16 imprisonment.

17 (5) A person who violates this subdivision is civilly liable to
18 the owner of the vehicle or his or her agent for four times the
19 amount of the towing and storage charges.

20 (m) (1) A towing company that removes a vehicle from private
21 property under this section shall notify the local law enforcement
22 agency of that tow after the vehicle is removed from the private
23 property and is in transit.

24 (2) A towing company is guilty of a misdemeanor if the towing
25 company fails to provide the notification required under paragraph
26 (1) within 60 minutes after the vehicle is removed from the private
27 property and is in transit or 15 minutes after arriving at the storage
28 facility, whichever time is less.

29 (3) A towing company that does not provide the notification
30 under paragraph (1) within 30 minutes after the vehicle is removed
31 from the private property and is in transit is civilly liable to the
32 registered owner of the vehicle, or the person who tenders the fees,
33 for three times the amount of the towing and storage charges.

34 (4) If notification is impracticable, the times for notification, as
35 required pursuant to paragraphs (2) and (3), shall be tolled for the
36 time period that notification is impracticable. This paragraph is an
37 affirmative defense.

38 (n) A vehicle removed from private property pursuant to this
39 section shall be stored in a facility that meets all of the following
40 requirements:

1 (1) (A) Is located within a 10-mile radius of the property from
2 where the vehicle was removed.

3 (B) The 10-mile radius requirement of subparagraph (A) does
4 not apply if a towing company has prior general written approval
5 from the law enforcement agency that exercises primary
6 jurisdiction in the city in which is located the private property from
7 which the vehicle was removed, or if the private property is not
8 located within a city, then the law enforcement agency that
9 exercises primary jurisdiction in the county in which is located the
10 private property.

11 (2) (A) Remains open during normal business hours and releases
12 vehicles after normal business hours.

13 (B) A gate fee may be charged for releasing a vehicle after
14 normal business hours, weekends, and state holidays. However,
15 the maximum hourly charge for releasing a vehicle after normal
16 business hours shall be one-half of the hourly tow rate charged for
17 initially towing the vehicle, or less.

18 (C) Notwithstanding any other provision of law and for purposes
19 of this paragraph, “normal business hours” are Monday to Friday,
20 inclusive, from 8 a.m. to 5 p.m., inclusive, except state holidays.

21 (3) Has a public pay telephone in the office area that is open
22 and accessible to the public.

23 (o) (1) It is the intent of the Legislature in the adoption of
24 subdivision (k) to assist vehicle owners or their agents by, among
25 other things, allowing payment by credit cards for towing and
26 storage services, thereby expediting the recovery of towed vehicles
27 and concurrently promoting the safety and welfare of the public.

28 (2) It is the intent of the Legislature in the adoption of
29 subdivision (l) to further the safety of the general public by
30 ensuring that a private property owner or lessee has provided his
31 or her authorization for the removal of a vehicle from his or her
32 property, thereby promoting the safety of those persons involved
33 in ordering the removal of the vehicle as well as those persons
34 removing, towing, and storing the vehicle.

35 (3) It is the intent of the Legislature in the adoption of
36 subdivision (g) to promote the safety of the general public by
37 requiring towing companies to unconditionally release a vehicle
38 that is not lawfully in their possession, thereby avoiding the
39 likelihood of dangerous and violent confrontation and physical
40 injury to vehicle owners and towing operators, the stranding of

1 vehicle owners and their passengers at a dangerous time and
2 location, and impeding expedited vehicle recovery, without wasting
3 law enforcement's limited resources.

4 (p) The remedies, sanctions, restrictions, and procedures
5 provided in this section are not exclusive and are in addition to
6 other remedies, sanctions, restrictions, or procedures that may be
7 provided in other provisions of law, including, but not limited to,
8 those that are provided in Sections 12110 and 34660.

9 (q) A vehicle removed and stored pursuant to this section shall
10 be released by the law enforcement agency, impounding agency,
11 or person in possession of the vehicle, or any person acting on
12 behalf of them, to the legal owner or the legal owner's agent upon
13 presentation of the assignment, as defined in subdivision (b) of
14 Section 7500.1 of the Business and Professions Code; a release
15 from the one responsible governmental agency, only if required
16 by the agency; a government-issued photographic identification
17 card; and any one of the following as determined by the legal
18 owner or the legal owner's agent: a certificate of repossession for
19 the vehicle, a security agreement for the vehicle, or title, whether
20 paper or electronic, showing proof of legal ownership for the
21 vehicle. Any documents presented may be originals, photocopies,
22 or facsimile copies, or may be transmitted electronically. The
23 storage facility shall not require any documents to be notarized.
24 The storage facility may require the agent of the legal owner to
25 produce a photocopy or facsimile copy of its repossession agency
26 license or registration issued pursuant to Chapter 11 (commencing
27 with Section 7500) of Division 3 of the Business and Professions
28 Code, or to demonstrate, to the satisfaction of the storage facility,
29 that the agent is exempt from licensure pursuant to Section 7500.2
30 or 7500.3 of the Business and Professions Code.

31 SEC. 11. Section 23118 is added to the Vehicle Code, to read:

32 23118. (a) (1) A magistrate presented with the affidavit of a
33 peace officer establishing reasonable cause to believe that a vehicle,
34 described by vehicle type and license number, is being used or
35 operated in violation of Section 7502.1 of the Business and
36 Professions Code shall issue a warrant or order authorizing any
37 peace officer to immediately seize and cause the removal of the
38 vehicle.

39 (2) The warrant or court order may be entered into a
40 computerized database.

1 (3) Any vehicle so impounded may be impounded until such
2 time as the owner of the property, or the person in possession of
3 the property at the time of the ~~impound~~ *impoundment*, produces
4 proof of licensure pursuant to Chapter 11 (commencing with
5 Section 7500) of Division 3 of the Business and Professions Code,
6 or proof of an exemption from licensure pursuant to Section 7500.2
7 or 7500.3 of the Business and Professions Code.

8 (4) The impounding agency, within two working days of
9 impoundment, shall send a notice by certified mail, return receipt
10 requested, to the legal owner of the vehicle, at an address obtained
11 from the department, informing the owner that the vehicle has
12 been impounded and providing the owner with a copy of the
13 warrant or court order. Failure to notify the legal owner within
14 two working days shall prohibit the impounding agency from
15 charging for more than 15 days impoundment when a legal owner
16 redeems the impounded vehicle. The law enforcement agency shall
17 be open, without the necessity of making an appointment, to issue
18 a release to the registered owner or legal owner, or the agent of
19 either, whenever the agency is open to serve the public.

20 (b) (1) An impounding agency shall release a vehicle to the
21 registered owner or his or her agent prior to the end of the
22 impoundment period and without the permission of the magistrate
23 authorizing the vehicle's seizure under any of the following
24 circumstances:

25 (A) When the vehicle is a stolen vehicle.

26 (B) When the vehicle was seized under this section for an
27 offense that does not authorize the seizure of the vehicle.

28 (2) No vehicle may be released under this subdivision, except
29 upon presentation of the registered owner's or agent's currently
30 valid license to operate the vehicle, and proof of current vehicle
31 registration, or upon order of the court.

32 (c) (1) Whenever a vehicle is impounded under this section, the
33 magistrate ordering the storage shall provide the vehicle's
34 registered and legal owners of record, or their agents, with the
35 opportunity for a poststorage hearing to determine the validity of
36 the storage.

37 (2) A notice of the storage shall be mailed or personally
38 delivered to the registered and legal owners within 48 hours after
39 issuance of the warrant or court order, excluding weekends and

1 holidays, by the person or agency executing the warrant or court
2 order, and shall include all of the following information:

3 (A) The name, address, and telephone number of the agency
4 providing the notice.

5 (B) The location of the place of storage and a description of the
6 vehicle, which shall include, if available, the name or make, the
7 manufacturer, the license plate number, and the mileage of the
8 vehicle.

9 (C) A copy of the warrant or court order and the peace officer's
10 affidavit, as described in subdivision (a).

11 (D) A statement that, in order to receive their poststorage
12 hearing, the owners, or their agents, are required to request the
13 hearing from the magistrate issuing the warrant or court order in
14 person, in writing, or by telephone, within 10 days of the date of
15 the notice.

16 (3) The poststorage hearing shall be conducted within two court
17 days after receipt of the request for the hearing.

18 (4) At the hearing, the magistrate may order the vehicle released
19 if he or she finds any of the circumstances described in subdivision
20 (b) or (e) that allow release of a vehicle by the impounding agency.

21 (5) Failure of either the registered or legal owner, or his or her
22 agent, to request, or to attend, a scheduled hearing satisfies the
23 poststorage hearing requirement.

24 (6) The agency employing the peace officer who caused the
25 magistrate to issue the warrant or court order shall be responsible
26 for the costs incurred for towing and storage if it is determined in
27 the poststorage hearing that reasonable grounds for the storage are
28 not established.

29 (d) The registered owner or his or her agent is responsible for
30 all towing and storage charges related to the impoundment, and
31 any administrative charges authorized under Section 22850.5.

32 (e) A vehicle removed and seized under subdivision (a) shall
33 be released to the legal owner of the vehicle or the legal owner's
34 agent prior to the end of the impoundment period and without the
35 permission of the magistrate authorizing the seizure of the vehicle
36 if all of the following conditions are met:

37 (1) The legal owner is a motor vehicle dealer, bank, credit union,
38 acceptance corporation, or other licensed financial institution
39 legally operating in this state or is another person, not the registered
40 owner, holding a security interest in the vehicle.

(2) (A) The legal owner or the legal owner's agent pays all towing and storage fees related to the seizure of the vehicle. Except as specifically authorized by this subdivision, no other fees shall be charged to the legal owner or the agent of the legal owner. No lien sale processing fees shall be charged to the legal owner who redeems the vehicle prior to the 15th day of impoundment. Neither the impounding authority nor any person having possession of the vehicle shall collect from the legal owner of the type specified in paragraph (1), or the legal owner's agent any administrative charges imposed pursuant to Section 22850.5 unless the legal owner voluntarily requested a poststorage hearing.

(B) A person operating or in charge of a storage facility where vehicles are stored pursuant to this section shall accept a valid bank credit card or cash for payment of towing, storage, and related fees by a legal or registered owner or the owner's agent claiming the vehicle. A credit card shall be in the name of the person presenting the card. "Credit card" means "credit card" as defined in subdivision (a) of Section 1747.02 of the Civil Code, except, for the purposes of this section, credit card does not include a credit card issued by a retail seller.

(C) A person operating or in charge of a storage facility described in subparagraph (B) who violates subparagraph (B) shall be civilly liable to the owner of the vehicle or to the person who tendered the fees for four times the amount of the towing, storage, and related fees, but not to exceed five hundred dollars (\$500).

(D) A person operating or in charge of the storage facility shall have sufficient funds on the premises of the primary storage facility during normal business hours to accommodate, and make change in, a reasonable monetary transaction.

(E) Credit charges for towing and storage services shall comply with Section 1748.1 of the Civil Code. Law enforcement agencies may include the costs of providing for payment by credit when making agreements with towing companies on rates.

(3) (A) The legal owner or the legal owner's agent presents to the law enforcement agency or impounding agency, or any person acting on behalf of those agencies, a copy of the assignment, as defined in subdivision (b) of Section 7500.1 of the Business and Professions Code; a release from the one responsible governmental agency, only if required by the agency; a government-issued photographic identification card; and any one of the following as

1 determined by the legal owner or the legal owner's agent: a
2 certificate of repossession for the vehicle, a security agreement
3 for the vehicle, or title, whether paper or electronic, showing proof
4 of legal ownership for the vehicle. The law enforcement agency,
5 impounding agency, or any other governmental agency, or any
6 person acting on behalf of those agencies, shall not require the
7 presentation of any other documents.

8 (B) The legal owner or the legal owner's agent presents to the
9 person in possession of the vehicle, or any person acting on behalf
10 of the person in possession, a copy of the assignment, as defined
11 in subdivision (b) of Section 7500.1 of the Business and
12 Professions Code; a release from the one responsible governmental
13 agency, only if required by the agency; a government-issued
14 photographic identification card; and any one of the following as
15 determined by the legal owner or the legal owner's agent: a
16 certificate of repossession for the vehicle, a security agreement
17 for the vehicle, or title, whether paper or electronic, showing proof
18 of legal ownership for the vehicle. The person in possession of the
19 vehicle, or any person acting on behalf of the person in possession,
20 shall not require the presentation of any other documents.

21 (C) All presented documents may be originals, photocopies, or
22 facsimile copies, or may be transmitted electronically. The law
23 enforcement agency, impounding agency, or any person in
24 possession of the vehicle, or anyone acting on behalf of them, shall
25 not require a document to be notarized. The law enforcement
26 agency, impounding agency, or any person acting on behalf of
27 those agencies, may require the agent of the legal owner to produce
28 a photocopy or facsimile copy of its repossession agency license
29 or registration issued pursuant to Chapter 11 (commencing with
30 Section 7500) of Division 3 of the Business and Professions Code,
31 or to demonstrate, to the satisfaction of the law enforcement
32 agency, impounding agency, or any person in possession of the
33 vehicle, or anyone acting on behalf of them, that the agent is
34 exempt from licensure pursuant to Section 7500.2 or 7500.3 of the
35 Business and Professions Code.

36 (D) No administrative costs authorized under subdivision (a)
37 of Section 22850.5 shall be charged to the legal owner of the type
38 specified in paragraph (1), who redeems the vehicle unless the
39 legal owner voluntarily requests a poststorage hearing. No city,
40 county, city and county, or state agency shall require a legal owner

1 or a legal owner's agent to request a poststorage hearing as a
2 requirement for release of the vehicle to the legal owner or the
3 legal owner's agent. The law enforcement agency, impounding
4 agency, or any other governmental agency, or any person acting
5 on behalf of those agencies, shall not require any documents other
6 than those specified in this paragraph. The law enforcement agency,
7 impounding agency, or other governmental agency, or any person
8 acting on behalf of those agencies, may not require any documents
9 to be notarized. The legal owner or the legal owner's agent shall
10 be given a copy of any documents he or she is required to sign,
11 except for a vehicle evidentiary hold-log-book *logbook*. The law
12 enforcement agency, impounding agency, or any person acting on
13 behalf of those agencies, or any person in possession of the vehicle,
14 may photocopy and retain the copies of any documents presented
15 by the legal owner or legal owner's agent.

16 (4) A failure by a storage facility to comply with any applicable
17 conditions set forth in this subdivision shall not affect the right of
18 the legal owner or the legal owner's agent to retrieve the vehicle,
19 provided all conditions required of the legal owner or legal owner's
20 agent under this subdivision are satisfied.

21 (f) (1) A legal owner or the legal owner's agent that obtains
22 release of the vehicle pursuant to subdivision (e) shall not release
23 the vehicle to the registered owner of the vehicle or the person
24 who was listed as the registered owner when the vehicle was
25 impounded or the person in possession of the vehicle at the time
26 of the impound or any agents of the registered owner until the
27 termination of the impoundment period.

28 (2) The legal owner or the legal owner's agent shall not
29 relinquish the vehicle to the registered owner or the person who
30 was listed as the registered owner when the vehicle was impounded
31 until the registered owner or that owner's agent presents his or her
32 valid driver's license or valid temporary driver's license to the
33 legal owner or the legal owner's agent. The legal owner or the
34 legal owner's agent or the person in possession of the vehicle shall
35 make every reasonable effort to ensure that the licenses presented
36 are valid and possession of the vehicle will not be given to the
37 driver who was involved in the original impound proceeding until
38 the expiration of the impoundment period.

39 (3) Prior to relinquishing the vehicle, the legal owner may
40 require the registered owner to pay all towing and storage charges

1 related to the impoundment and the administrative charges
2 authorized under Section 22850.5 that were incurred by the legal
3 owner in connection with obtaining the custody of the vehicle.

4 (4) Any legal owner who releases or causes the release of a
5 vehicle to a registered owner or the person in possession of the
6 vehicle at the time of the impound or any agent of the registered
7 owner in violation of this subdivision shall be guilty of a
8 misdemeanor and subject to a fine in the amount of two thousand
9 dollars (\$2,000) in addition to any other penalties established by
10 law.

11 (5) The legal owner, registered owner, or person in possession
12 of the vehicle shall not change or attempt to change the name of
13 the legal owner or the registered owner on the records of the
14 department until the vehicle is released from the impound.

15 (g) Notwithstanding any other provision of this section, the
16 registered owner and not the legal owner shall remain responsible
17 for any towing and storage charges related to the impoundment
18 and the administrative charges authorized under Section 22850.5
19 and any parking fines, penalties, and administrative fees incurred
20 by the registered owner.

21 (h) The law enforcement agency and the impounding agency,
22 including any storage facility acting on behalf of the law
23 enforcement agency or impounding agency, shall comply with this
24 section and shall not be liable to the registered owner for the
25 improper release of the vehicle to the legal owner or the legal
26 owner's agent provided the release complies with the provisions
27 of this section. The legal owner shall indemnify and hold harmless
28 a storage facility from any claims arising out of the release of the
29 vehicle to the legal owner or the legal owner's agent and from any
30 damage to the vehicle after its release, including the reasonable
31 costs associated with defending any such claims. A law
32 enforcement agency shall not refuse to issue a release to a legal
33 owner or the agent of a legal owner on the grounds that it
34 previously issued a release.

35 SEC. 12. Section 24605 of the Vehicle Code is amended to
36 read:

37 24605. (a) A tow truck or an automobile dismantler's tow
38 vehicle used to tow a vehicle shall be equipped with and carry a
39 taillamp, a stoplamp, and turn signal lamps for use on the rear of
40 a towed vehicle.

(b) Whenever a tow truck or an automobile dismantler's tow vehicle is towing a vehicle and a stoplamp and turn signal lamps cannot be lighted and displayed on the rear of the towed vehicle, the operator of the tow truck or the automobile dismantler's tow vehicle shall display to the rear a stoplamp and turn signal lamps mounted on the towed vehicle, except as provided in subdivision (c). During darkness, if a taillamp on the towed vehicle cannot be lighted, the operator of the tow truck or the automobile dismantler's tow vehicle shall display to the rear a taillamp mounted on the towed vehicle. No other lighting equipment need be displayed on the towed vehicle.

(c) Whenever any motor vehicle is towing another motor vehicle, stoplamps and turn signal lamps are not required on the towed motor vehicle, but only if a stoplamp and a turn signal lamp on each side of the rear of the towing vehicle is plainly visible to the rear of the towed vehicle. This subdivision does not apply to driveaway-towaway operations.

SEC. 13. Section 29004 of the Vehicle Code is amended to read:

29004. (a) (1) Except as required under paragraph (2), every towed vehicle shall be coupled to the towing vehicle by means of a safety chain, cable, or equivalent device in addition to the regular drawbar, tongue, or other connection.

(2) Any vehicle towed by a tow truck shall be coupled to the tow truck by means of at least two safety chains in addition to the primary restraining system. The safety chains shall be securely affixed to the truck frame, bed, or towing equipment, independent of the towing sling, wheel lift, or under-reach towing equipment.

(3) Any vehicle transported on a slide back carrier or conventional trailer shall be secured by at least four tiedown chains, straps, or an equivalent device, independent of the winch or loading cable. This subdivision shall not apply to vehicle bodies that are being transported in compliance with Sections 1340 to 1344, inclusive, of Title 13 of the California Code of Regulations.

(b) All safety connections and attachments shall be of sufficient strength to control the towed vehicle in the event of failure of the regular hitch, coupling device, drawbar, tongue, or other connection. All safety connections and attachments also shall have a positive means of ensuring that the safety connection or attachment does not become dislodged while in transit.

1 (c) No more slack may be left in a safety chain, cable, or
2 equivalent device than is necessary to permit proper turning. When
3 a drawbar is used as the towing connection, the safety chain, cable,
4 or equivalent device shall be connected to the towed and towing
5 vehicle and to the drawbar so as to prevent the drawbar from
6 dropping to the ground if the drawbar fails.

7 (d) Subdivision (a) does not apply to a semitrailer having a
8 connecting device composed of a fifth wheel and kingpin assembly,
9 and it does not apply to a towed motor vehicle when steered by a
10 person who holds a license for the type of vehicle being towed.

11 (e) For purposes of this section, a “tow truck” includes both of
12 the following:

13 (1) A reposessor’s tow vehicle, as defined in subdivision (b)
14 of Section 615.

15 (2) An automobile dismantler’s tow vehicle, as defined in
16 subdivision (c) of Section 615.

17 (f) Vehicles towed by a reposessor’s tow vehicle, as defined
18 in subdivision (b) of Section 615, are exempt from the multisafety
19 chain requirement of paragraph (2) of subdivision (a) so long as
20 the vehicle is not towed more than one mile on a public highway
21 and is secured by one safety chain.

22 SEC. 14. No reimbursement is required by this act pursuant to
23 Section 6 of Article XIII B of the California Constitution for certain
24 costs that may be incurred by a local agency or school district
25 because, in that regard, this act creates a new crime or infraction,
26 eliminates a crime or infraction, or changes the penalty for a crime
27 or infraction, within the meaning of Section 17556 of the
28 Government Code, or changes the definition of a crime within the
29 meaning of Section 6 of Article XIII B of the California
30 Constitution.

31 However, if the Commission on State Mandates determines that
32 this act contains other costs mandated by the state, reimbursement
33 to local agencies and school districts for those costs shall be made
34 pursuant to Part 7 (commencing with Section 17500) of Division
35 4 of Title 2 of the Government Code.