Dr. LaShae Sharp- Collins
79th Assembly District

AB 987: Unreasonable Tow Fees

SUMMARY

AB 987 protects Californians against unreasonable tow fees.

BACKGROUND

Unreasonable tow fees occur when towing companies charge excessive or unjustified amounts for towing, storage, or related services, often exploiting drivers in vulnerable situations. In many cases, drivers are left with little choice but to pay exorbitant fees to retrieve their vehicles, leading to significant financial strain. For many working-class individuals, an unexpected tow can result in financial hardship, as the cost of retrieving a vehicle may exceed their ability to pay, leading to loss of transportation. This can have cascading effects, such as missed work, difficulty accessing healthcare, or an inability to take children to school.

The issue is particularly concerning when companies impose additional charges for services that were not requested or necessary, such as administrative fees, after-hours release fees, or mileage charges that exceed reasonable limits.

Current law protects against limited unreasonable tow fees for accidents and recovered stolen vehicles, but the accumulation of fees is permissible in all other instances. Expanding the definition of "unreasonable" tow fees creates stronger consumer protections that prevent predatory pricing and financial exploitation.

THIS BILL

Specifically, this bill will establish the following tow and storage fees for all types of towing as unreasonable:

1. Holiday Hours Fees
2. Non-hourly Storage fees when the vehicle has been in storage for less than 24 hours
3. Fees in emergency situations where the vehicle was at no fault
4. Fees for vehicles towed during natural disasters
5. Fees for stolen vehicles within a 1 week grace period
6. Storage fees on days storage facility is not open

SUPPORT

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