

2009 Report of the Board of Towing and Recovery Operators

Section 46.2-2806 of the Code of Virginia requires that the Board of Towing and Recovery Operators (the “Board”) report annually on or before November 1, 2009, which shall contain, at a minimum, a summary of the Board’s fiscal affairs, Board activities, administrative hearings and decisions of the Board, and a summary of complaints. The purpose of this report is to meet this requirement for the period October 1, 2008 through September 30, 2009.

Introduction

On July 1, 2009, the Board of Towing and Recovery Operators (the “Board”) implemented the licensing and regulation of towing and recovery operators in the Commonwealth. The Board has made considerable progress in meeting the intent of its legislative mandate by working with towing and recovery operators and issuing applicable licenses, while at the same time satisfying its statutory and regulatory duties.

Summary of Fiscal Affairs

On October 15, 2008, the Board of Towing and Recovery Operators (the Board) began collecting and processing operator license, truck decal and driver authorization document applications along with their associated application fees. As of September 30, 2009, the Board has collected \$1,118,318.50 in application and decal fees.

The Board has been funding its operations as well as repaying its Treasury loans (two loans of \$350,000 each), and has paid \$110,400 to date, leaving a balance of \$589,600. The Board’s staff is limited, and currently has a maximum position level of three full-time employees with benefits and one part-time wage employee without benefits.

Additionally, the Board continues to resourcefully operate through the use of agreements with other state agencies to assist with various administrative functions including the Department of Motor Vehicles for payroll, personnel, procurement, and printing services, Virginia Interactive for webpage management and development, and VITA for information technology and communication services.

Summary of Activities

On October 15, 2008 the *General Regulations for Towing and Recovery Operators* became final, providing the Board with its authority to license towing and recovery operators, supply qualifying tow truck drivers with authorization documents, issue decals for tow trucks, and collect the fees associated with the issuance of these credentials.

The Board completed its transition from the Department of Health Professions in March 2009 for data entry in the Board’s System Automation licensing software, and assumed all responsibilities for entry of tow operator and driver authorizations in the Board’s database. As of September 30, 2009, the Board has issued 10,297 credentials as follows:

Type of Credential	Active Credentials
Class A Operator License	309
Class B Operator License	1,165
Driver Authorization Document	4,548
Tow Truck Class A Decals	1,162
Tow Truck Class B Decals	3,113

The Board has been and continues to meet with Systems Automation and Virginia Interactive to progress toward an online licensing renewal process for the June 30, 2010 expirations. Testing and roll out of the online renewal process is expected to be completed by February 2010.

Legislative changes enacted during the 2009 Session of the Virginia General Assembly include, but are not limited to, Board member modifications by makeup and total number, the permanent appointment of the Superintendent of Virginia State Police, or designee, as Chairperson, removal of Board oversight of public safety towing, and the establishment of laws addressing out of state tow operators performing recovery services in the Commonwealth.

Board Members (Effective July 1, 2009)

At-Large Members

Col. W. Steven Flaherty, Chairman Department of State Police	Todd Haymore, Commissioner Department of Agriculture and Consumer Services	Demerst B. Smit Commissioner, Department of Motor Vehicles
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Gubernatorial Appointees

Charlie Brown Salem, Virginia	Ron Miner Oakhill, Virginia	Adan Rangel Virginia Beach, Virginia
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Speaker of the House Appointees

Lt. Raymond W. Gill, IV Spotsylvania, Virginia	Woody Herring Chantilly, Virginia	Kenneth Mitchell Stafford, Virginia
Mark Sawyers Norfolk, Virginia	Randy Seibert Richmond, Virginia	Scott Wyatt Mechanicsville, Virginia

Senate Appointees

P. Dale Bennett Richmond, Virginia	Roy Boswell Stafford, Virginia	Archie Orr Abingdon, Virginia
Gary Teter Harrisonburg, Virginia	Joseph A. Troilo, Jr. Brandy Station, Virginia	

General Summary of All Complaints Received Against Licensees and the Procedures Used to Resolve Them

The Board is responsible for the oversight of tow and recovery operators, and tow drivers, in the Commonwealth for (1) qualification and licensing purpose, (2) for consensual towing (requested by the owner), (3) non-consensual (removal of an unauthorized vehicle from private property), and (4) police ordered towing for public safety purposes.

From October 1, 2008 through September 30, 2009, the Board received 165 complaints, of which 14 remain open, the rest resolved or otherwise determined to be unwarranted. The primary complaint has been against non-licensed towing and recovery operators and non-licensed drivers, followed by non-consensual towing price issues.

The vast majority of complaints received after July 1, 2009 were related to non-licensed towing and recovery operators, and their drivers, and were received from properly licensed towing and recovery operators. Since they have a stakeholder interest, they have effectively created a form of self-regulation that enhances the Board's ability to carry out the statute and regulations. These issues have been addressed by contacting the non-credentialed tower or driver, and providing guidance and instruction on the laws and regulations, providing applications, and assisting in the completion of the applications in order to obtain compliance with Board laws and regulations. The Board has also communicated its findings, as applicable, with local police and the Virginia State Police for law enforcement purposes.

Towing related complaints from consumers primarily relate to pricing issues and public safety and private property towing. Absent statutory advisory towing boards in localities, the Board works with the affected individuals and towers to facilitate resolution by providing guidance, advice, and educating the consumers on the laws and regulations regarding towing and recovery in the Commonwealth. The majority of these matters are resolved by expanding the consumers understanding of various pricing techniques and by negotiating an agreement between the parties to resolve the complaint in a manner that is satisfactory to all parties. To date, these procedures have been effective in resolving towing related disputes.

As of July 1, 2009, the Board began the process of developing policies and procedures for the handling of complaints, in addition to evaluating methods and techniques of informing consumers of the distinctions and potential charges for towing and recovery, and other towing related issues. Additionally, the Board intends to work with local jurisdictions, and state and local law enforcement to identify problem areas and develop consistent approaches useful in resolving tower and consumer issues. Likewise, the Board intends to initiate efforts to provide consistent enforcement of towing laws within the Commonwealth on the local level, and to ensure that all consumer and tower related matters are handled consistent with the statute and regulations, and Board direction.

The Board will continue to review, develop and implement improved processing for the efficient handling of complaints and maintain awareness of the needs of consumers to ensure the complaint process is consistent. The commitment and continuing involvement of Board staff members is critical to successful complaint resolution and to the best possible use of complaints as a consumer tool.

Administrative Hearings or Decisions

There have been no administrative hearings or decisions made by the Board at this time.