

TOWING: KNOW HOW TO GET YOUR VEHICLE BACK AND CHALLENGE UNAUTHORIZED AND UNREASONABLE FEES

Consumer Alert

What you need to know

If you believe that your vehicle has been unlawfully towed or that you were charged unreasonable towing or storage fees, Michigan law limits where and when you may challenge such actions. This Consumer Alert explains the process you must follow to get your vehicle back and to complain about unlawful towing and unreasonable fees.

If you fail to redeem your vehicle or timely request a hearing, your rights to your vehicle may be terminated and your vehicle may be sold. Read this alert carefully and know how to protect your rights.

Michigan Law

Vehicles are commonly towed in three scenarios: 1) at the direction of the police; 2) at the direction of a private property owner; or 3) at the owner's direction.

The Michigan Vehicle Code, MCL 257.252a, lists the scenarios when police and government agencies may provide for the immediate removal of a vehicle from private or public property to a place of safekeeping at the owner's expense. The law also permits private property owners who follow specific posting requirements to initiate vehicle removal. In the latter case, before removing the vehicle, the towing company must notify the police agency having jurisdiction over the location of the removed vehicle.

Within 24 hours after receiving notice of a private removal, the police must determine if the vehicle has been reported stolen, enter the vehicle into the law enforcement information network as an abandoned vehicle, and notify the Secretary of State.

Under Michigan law, once the towing of a vehicle is authorized and complete, the vehicle will be referred to as an "abandoned vehicle" unless or until the owner goes through the legal process to redeem it (get it back) or contests the appropriateness of the tow in court.

This is also the case if a vehicle is involved in a crash and not redeemed within 20 days.

Once the Secretary of State receives notice of the abandoned vehicle, it has seven days to mail notice to the titled owner and any secured party (often a lending institution) indicating the:

- · location from which the vehicle was towed;
- name of the towing agency;
- business address where the vehicle is located;
- procedure to redeem the vehicle;
- procedure to contest the towing;
- procedure to challenge the reasonableness of the towing and storage fees; and
- petition to file with the specified court requesting a hearing.

Retrieving personal property from a towed vehicle

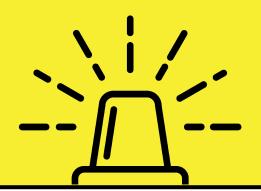
The vehicle custodian (the entity storing the vehicle) must allow the owner to inspect the vehicle and retrieve personal property from the vehicle without paying a fee for the first visit. After the first visit, the custodian may not charge the owner more than \$25.00 for each additional visit.

Redeeming Your Vehicle

When a vehicle is taken into custody as abandoned, the owner and any secured party are notified by mail of the vehicle's status and location. This notice must be sent within seven days after the Secretary of State receives notice from the police that the vehicle has been taken into custody. To redeem your vehicle as the owner, you must:

Within 20 days of the date of the notice, visit
the custodian (police agency, towing agency, or
municipal impound lot) holding
the vehicle. The custodian may ask
for proof of ownership, so take
your title or registration with you.

Dana Nessel
Attorney General



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 Pay any towing and storage fees, including a \$40 abandoned vehicle fee.

You may also find the location of your vehicle and the custodian by entering the <u>vehicle's identification</u> <u>number (VIN)</u> or license plate number on the <u>Secretary of State's Michigan Abandoned Vehicle Search</u> or by contacting the Abandoned Vehicle Help Desk at 517-636-5234.

Warning: Although you have 20 days from the date of the notice to request a hearing, after 10 days the secured party may redeem the vehicle by paying the towing, storage, and abandoned vehicle fee.

If you or the secured party do not redeem the vehicle or request a hearing within 20 days, it may be sold at public auction, and you lose all rights to the vehicle. At least five days before any sale, public notice will be published in a newspaper within the county where the vehicle was towed.

Challenging a Tow or the Reasonableness of Fees

Towing and storage fees are typically set by agreement between the police agency and the towing company. Residents should contact the police agency involved in the towing to verify fees. Residents should also review their automobile insurance policy or contact their insurance company to see if the policy covers costs related to the towing.

You have the right to challenge whether your vehicle was properly towed and the reasonableness of towing and storage fees, but you must do so in a timely manner and in an appropriate district court.

The process requires you to file a petition in the district court with jurisdiction over the location from which your car was towed. You must file your petition within 20 days from the date on the notice that your vehicle was towed as abandoned. And you will be responsible for applicable court filing fees.

The petition and instructions for how to fill it out are included with the mailed notice, or available on the Secretary of State's webpage (Petition Regarding Impoundment of Motor Vehicle (DC90) form). If you request a hearing, you can also get your vehicle back while you are awaiting the hearing outcome, but you will have to either:

- post a towing and storage bond, (which will include the accrued towing and storage fees) with the court; or
- 2. pay the abandoned vehicle fees and the accrued towing and storage fees to the custodian of your vehicle.

If the court finds the vehicle was improperly towed, you will be reimbursed for the towing and storage fees, and the abandoned vehicle fee will be returned.

Towing Complaints

Attorney General's Office Complaints

You may file complaints with the Michigan Attorney General's Consumer Protection Division. Remember, however, if your complaint involves a tow that was directed by the police or a private property owner, and you want to contest the tow and unreasonable fees, then follow the process outlined above and file a petition for a court hearing. The Attorney General may not represent you in court.

Local Police Agency Complaints

If the police direct the tow, you can also complain to the local police agency. It can take appropriate action against the towing company if fees or other conduct by the towing company violates an agreement between the police agency and the company.

Checking Operating Authority

The Michigan State Police (MSP) regulate all towing companies that operate in Michigan. MSP's Commercial Vehicle Enforcement Division (CVED) processes towing company applications to operate.



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Towing companies must submit active liability insurance, worker's compensation insurance, or an approved exemption. Citizens may check operating authority by visiting the CVED's Intrastate Carrier Authority Registration System website. Questions can be directed to the CVED at 517-284-8111.

To <u>file a complaint</u> with the Attorney General, or get additional information, contact:

Consumer Protection Division P.O. Box 30213 Lansing, MI 48909 517-335-7599 Fax: 517-241-3771

Toll free: 877-765-8388 Online complaint form



Dana Nessel Attorney General