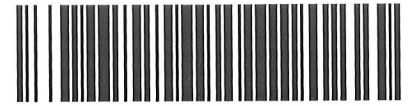




City of Chicago



O2020-4817

Office of the City Clerk

Document Tracking Sheet

Meeting Date: 10/7/2020

Sponsor(s): Villegas (36)
Reboyas (30)
Vasquez, Jr. (40)
Gardiner (45)
Mitts (37)
Lopez (15)

Type: Ordinance

Title: Amendment of Municipal Code Titles 2 and 4 by adding new Chapter 4-227 and modifying Chapters 2-14 and 4-5 regarding licensing and operation of tow truck companies and operators

Committee(s) Assignment: Committee on License and Consumer Protection

Referred to the Committee on License and Consumer Protection

ORDINANCE

WHEREAS, It is a well-documented fact that vulnerable accident victims and stranded motorists in Chicago are often preyed upon by unscrupulous tow truck companies and operators engaging in dishonest, predatory, and potentially dangerous business practices; and

WHEREAS, Tow truck operators engage in dishonest, predatory, and potentially dangerous business practices include but not limited to the following practices:

- Lying to automobile owners that the tow truck has been dispatched to the scene of an accident or vehicular breakdown by the police, insurance company or motor club when, in fact, it had not been;
- Failing to disclose in advance of towing all towing, storage and miscellaneous fees necessary to secure release of the towed vehicle;
- Charging persons for work that was not performed, and charging several thousands of dollars for tows that normally cost less than \$400;
- Incorrectly informing motorists that cash is the only accepted method of payment;
- Towing vehicles without first having obtained authorization to tow from the vehicle's owner or operator, or telling a stranded motorist or accident victim that they must sign an authorization-to-tow form, which fails to disclose the costs for towing, storage, and other miscellaneous fees;
- Towing victims to other than the agreed-upon location; and
- Arriving at accident sites unsolicited and interfering with police operations.

WHEREAS, The business practices described herein are of a type likely to promote potentially violent confrontations, to strand motorists without their vehicle in unfamiliar areas of the City, to impeded expedited vehicle recovery, and to waste local law enforcement's limited resources; and

WHEREAS, Requiring tow truck companies and operators to obtain a City license to operate in Chicago will better enable the City to take prompt and meaningful enforcement action against tow truck companies and operators who repeatedly engage in these dangerous business practices, and other deceptive and dangerous practices that place the public in great peril; and

WHEREAS, Preventing such abuses is hereby declared to be a matter of public safety; now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

SECTION 1. Section 2-14-132 of the Municipal Code of Chicago is hereby amended by inserting the language underscored, as follows:

- (a) (1) Whenever the owner of a vehicle seized and impounded pursuant to Sections 3-46-076, 3-56-155, 4-68-195, 4-227-120, 9-80-220, 9-112-640 or 9-114-420 of this Code (for purposes of this section, the "status- related offense sections"), or Sections 7-24-225, 7-24-226, 7-28-390, 7-28-440, 7-38-115(c-5), 8-4-130, 8-8-060, 8-20-070, 9-12-090, 9-32-040, 9-76-145, 9-80-225, 9-80-240, 9-92-035, 10-8-480(c), 11-4-1410, 11-4-1500 or 15-20-270 of this Code (for purposes of

this section, the "use-related offense sections") requests a preliminary hearing in person and in writing at the department of administrative hearings, within 15 days after the vehicle is seized and impounded, an administrative law officer of the department of administrative hearings shall conduct such preliminary hearing within 48 hours of request, excluding Saturdays, Sundays and legal holidays, unless the vehicle was seized and impounded pursuant to Section 7-24-225 and the department of police determines that it must retain custody of the vehicle under the applicable state or federal forfeiture law. If, after the hearing, the administrative law officer determines that there is probable cause to believe that the vehicle was used in a violation of this Code for which seizure and impoundment applies, or, if the impoundment is pursuant to Section 9-92-035, that the subject vehicle is eligible for impoundment under that section, the administrative law officer shall order the continued impoundment of the vehicle as provided in this section unless the owner of the vehicle pays to the city the amount of the administrative penalty prescribed for the code violation plus fees for towing and storing the vehicle.

(Omitted text unaffected by this ordinance)

SECTION 2. Section 4-5-010 of the Municipal Code of Chicago is hereby amended by inserting the language underscored, as follows:

4-5-010 Establishment of license fees.

(Omitted text is unaffected by this ordinance)

(42) Towing

<u>Class A – Tow Truck</u>	<u>..... \$250.00</u>
<u>Class A – Storage Lot</u>	<u>..... \$1,000.00</u>
<u>Class B – Tow Truck</u>	<u>..... \$250.00</u>
<u>Class B – Storage Lot</u>	<u>..... \$1,000.00</u>

SECTION 3. Title 4 of the Municipal Code of Chicago is hereby amended by inserting a new Chapter 4-227, as follows:

4-227-010 Definitions.

As used in this chapter:

"Authorized vehicle" means any vehicle parked or abandoned on private property with the consent of the property owner or the property owner's authorized agent.

"Commercial vehicle relocater license" means the commercial vehicle relocater license issued by the Illinois Commerce Commission pursuant to the Illinois Commercial Relocation of Trespassing Vehicles Law.

"Commissioner" means the Commissioner of Business Affairs and Consumer Protection.

"Department" means the Department of Business Affairs and Consumer Protection.

"Illinois Commercial Relocation of Trespassing Vehicles Law" means the Illinois Commercial Relocation of Trespassing Vehicles Law, codified at 625 ILCS 5/Ch.18a et seq.

"Illinois Commercial Safety Towing Law" means the Illinois Commercial Safety Towing Law, codified at 625 ILCS 5/18d-101 et seq.

"Safety relocators' registration certificate" means the safety relocators' registration certificate issued by the Illinois Commerce Commission pursuant to the Illinois Commercial Safety Towing law, codified at 625 ILCS 5/18d-101 et seq.

"Storage lot" means any real property owned by or in the lawful possession or control of a licensee under this Chapter that, in accordance with the applicable provisions of the Zoning Code, is used for the storage of vehicles towed from location within the City.

"Tow truck" has the meaning ascribed to that term in Section 5/1-205.1 of the Illinois Vehicle Code, codified at 625 ILCS 5/1-01 et seq.

"Tower" means the person who owns or operates a tow truck.

"Towing" means any person or entity who, for hire or for compensation of any type, removes unauthorized or abandoned, damaged or disabled vehicles from public or private property within the City by means of a truck designed or altered and equipped for and used to push, tow, carry upon or draw vehicles by means of a crane, hoist, towbar, towline or auxiliary axle, or carried upon to move unauthorized, damaged or disabled vehicles.

"Unauthorized vehicle" means any vehicle parked or abandoned on private property without the consent of the property owner or the property owner's authorized agent.

4-227-020 License – Required.

No person shall engage in the business of towing without first having obtained a towing license under this chapter. The towing license shall be in addition to any other license, registration, certificate, or permit required by law. A separate license shall be required for each separate tow truck and storage lot that the licensee operates or maintains.

4-227-030 License classification.

All towing licenses issued under this Chapter shall be classified as either as a Class A or Class B license. The holders of such licenses shall be entitled to engage in the business of towing within the City subject to the following limitations:

Class A license: The holder of a Class A towing license is entitled to tow, relocate and store unauthorized vehicles from private property in accordance with this Chapter 4-227, the Illinois Commercial Relocation of Trespassing Vehicles Law, and any other applicable law. The holder of a Class A towing license is not entitled to tow disabled or damaged vehicles from the public way or to relocate or store such vehicles.

Class B license: The holder of a Class B license is entitled to tow, relocate and store damaged or disabled vehicles from the public way in accordance with this Chapter 4-227, the

Illinois Commercial Safety Towing Law, and any other applicable law. The holder of a Class B license is not entitled to tow unauthorized vehicles from private property but may tow authorized vehicles from private property with the express consent of the vehicle's owner or operator.

Nothing in this section shall be construed to prohibit a licensee from holding both a Class A and Class B license.

4-227-040 Application – Additional information required.

(a) In addition to the requirements set forth in Section 4-4-050, an application for, and, if requested, renewal of any license to engage in the business of towing shall be accompanied by the following information:

- (1) the class or classes of license for which application is being made;
- (2) if the applicant is applying for or renewing a Class A license, proof that, in conformity with the Illinois Commercial Relocation of Trespassing Vehicles Law: (i) the applicant holds a valid, current commercial vehicle relocater license; and (ii) each tow truck operator holds a valid, current operator's employment permit or temporary operator's employment permit; and (iii) each dispatcher holds a valid, current dispatcher or operator's employment permit or temporary permit;
- (3) if the applicant is applying for or renewing a Class B license, proof that, in conformity with the Illinois Commercial Safety Towing Law, the applicant holds a valid safety relocater's registration certificate;
- (4) the applicable license fee;
- (5) a statement as to whether, within five years prior to the date of application or renewal, the applicant or any controlling person has (i) been convicted, in custody, under parole, or under any other non-custodial supervision resulting from a conviction in a court of any jurisdiction for the commission of any felony or criminal offense of whatever degree involving the use of force, sexual assault, public safety or theft, fraud, misrepresentation, dishonesty or deception of any kind, (ii) applied for, renewed, or obtained a safety relocater's registration certificate under the Illinois Commercial Safety Towing Law, and under what business name, and (iii) applied for, renewed, or obtained a commercial vehicle relocater license under the Illinois Commercial Relocation of Trespassing Vehicles Law;
- (6) proof that the applicant and all controlling persons are at least 18 years of age;
- (7) proof of insurance coverage meeting the requirements of Section 9-44-050;
- (8) the make, model, Vehicle Identification Number of each towing vehicle owned, leased, or operated by the applicant;
- (8) the name, address, date of birth, and driver's license number for each tow truck driver within the company;
- (9) the location and description of each storage lot or tow truck, as applicable, which is to be operated under this license;

(10) if the license is for a tow truck, the location of the storage lot to which vehicles will be towed;

(11) the name of the owner of each such premises, and, if such premises is leased by the applicant, a copy of the lease, and the name, address and telephone number of the owner of the premises, including the name and address of the beneficiary if title to the premises is held by a person as a trustee; and

(12) any other information that the Commissioner may reasonably require.

It is a condition of the license that all information in the application be kept current. Any change in required information shall be reported to the Department within 14 days calendar days after such change has occurred.

4-227-050 License issuance and renewal – Prohibited when.

(a) No license to engage in the business of towing shall be issued to the following persons:

(1) any person who is under the age of 18;

(2) any person who, within five years of the date of application or renewal has been convicted, in custody, under parole or under any other non-custodial supervision resulting from a conviction in a court of any jurisdiction for the commission of any felony or criminal offense of whatever degree involving the use of force, sexual assault, public safety, or theft, fraud, misrepresentation, dishonesty or deception of any kind, unless, upon request of such person, the Commissioner determines that such person has been substantially rehabilitated to warrant the public trust. The proof of substantial rehabilitation shall be on the person seeking such rehabilitation;

(3) any person whose license under this chapter has been revoked at any time within the last four years;

(4) any person who knowingly files false or incomplete information or signatures on any license or renewal application filed under this chapter.

(b) Eligibility for issuance of a license under this chapter shall be a continuing requirement for maintaining a license under this chapter. Failure to maintain such eligibility may result in license suspension or revocation in accordance with Section 4-4-280.

4-227-060 License – Posting.

The license required under this chapter or a legible copy thereof shall be posted in a conspicuous place within the tow truck or in a part of the storage lot to which the public has access. The licensee or its agent shall be required to produce the license upon request from law enforcement, the driver, or owner of the vehicle to be towed.

4-227-070 License – Fee – Termination.

The license fee shall be as set forth in Section 4-5-010. The license shall expire on the date indicated on the face of the license.

4-227-080 Prohibited acts.

(a) *Generally applicable prohibitions.* It shall be unlawful for any person holding a Class A or Class B license under this chapter to:

(1) violate any requirement in Chapter 9-44 of this Code or in any rule duly promulgated thereunder; provided, however, that holders of a Class A license shall not be required to comply with the daily reporting requirement set forth in Section 9-44-030, but instead shall comply with Section 9-84-010;

(2) stop at the scene of a motor vehicle accident or at or near a damaged or disabled vehicle for the purpose of soliciting the owner or operator to enter into towing service transaction in violation of Section 11-1431 of the Illinois Vehicle Code, codified at 625 ILCS 5/11-1431.

(b) *Additional prohibitions – Class A licensees.* In addition, it shall be unlawful for any person holding a Class A license under this chapter to:

(1) violate any requirement in Chapter 9-84 of this Code or in any rule duly promulgated thereunder;

(2) violate any requirement in the Illinois Commercial Relocation of Trespassing Vehicles Law or in any rule duly promulgated thereunder.

(c) *Additional prohibitions – Class B licensees.* In addition, it shall be unlawful for any person holding a Class B license under this chapter to:

(1) violate any requirement in the Illinois Commercial Safety Towing Law or in any rule duly promulgated thereunder.

(d) Any licensee that solicits or tows a vehicle in violation of this section shall release such vehicle, without payment or lien, to the owner of the vehicle upon request.

4-227-85 Public Records.

Each licensee under this Chapter shall keep for public inspection a record of the make, model, year, license plate number, Vehicle Identification Number, and copy of the authorization of all vehicles towed, relocated or stored.

4-227-090 Licensed Storage Lots.

No licensee may tow a vehicle under this Chapter to a location other than a licensed storage lot operated by the licensee, unless the driver or owner of the vehicle to be towed affirmatively requests such vehicle be towed to another location.

4-227-095 License – Suspension or Revocation.

(a) Except as provided in subsection (b), three or more violations of this chapter by any licensee, including any licensee previously operating under a different name of business or corporate entity, on three or more different days within any 12-month period may result in license suspension or revocation in accordance with Section 4-4-280.

(b) Any licensee who violates Section 4-227-080(a)(2) or 4-227-080(d) shall be subject to immediate revocation proceedings.

4-227-100 License revocation – Four-year wait for a new license.

No person whose license under this chapter is revoked shall be granted another license under this chapter under the same or a different name for a period of four years after the date of revocation.

4-227-110 Rules.

The Commissioner is authorized to promulgate rules necessary or appropriate to implement this chapter.

4-227-120 Violation – Penalty.

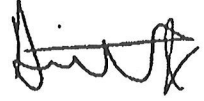
(a) In addition to any other penalty provided by law, any person who violates this chapter shall be fined not less than \$500.00 nor more than \$1,000.00 for each offense. Each day that a violation continues shall constitute a separate and distinct offense to which a separate fine shall apply.

(b) In addition to the fine required under subsection (a) of this section, any vehicle used to solicit or tow a vehicle in violation of Section 4-227-080(a)(2) shall be subject to seizure and impoundment pursuant to this section. The owner of record of such vehicle shall be liable to the city for an administrative penalty of \$10,000 in addition to fees for the towing and storage of the vehicle as provided in Section 9-92-080.

(c) Whenever a police officer has probable cause to believe that a vehicle is subject to seizure and impoundment pursuant to this section, the police officer shall provide for the towing of the vehicle to a facility controlled by the City or its agents. Before or at the time the vehicle is towed, the police officer shall notify any person identifying himself as the owner of the vehicle at the time of the alleged violation or the person who is found to be in control of the vehicle at the time of the alleged violation, if there is such a person, of the fact of the seizure and of the vehicle owner's right to request a preliminary hearing to be conducted under Section 2-14-132 of this Code by serving such person with a copy of the vehicle impoundment seizure report.

(d) Section 2-14-132 shall apply whenever a motor vehicle is seized and impounded pursuant to this section.

SECTION 4. This ordinance shall take full force and effect ten days after its passage and publication.



GILBERT VILLEGAS
Alderman, 36th Ward



CITY OF CHICAGO

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ANNA M. VALENCIA

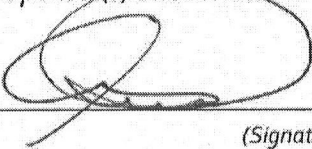
Chicago City Council Co-Sponsor Form

Document No.: 02020-4817

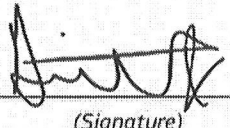
Subject: An ordinance amending Titles 2 and 4 of the Municipal Code of Chicago modifying various sections to establish regulations and license fees for tow truck companies and operators.

Adding Co-Sponsor(s)

Please ADD Co-Sponsor(s) Shown Below – (Principal Sponsor’s Consent Required)

Alderman _____  _____ (30th Ward)
(Signature)

Alderman _____ _____ (36 Ward)
(Signature)

Date Filed: April 14, 2021 Principal Sponsor:  _____
(Signature)

Removing Co-Sponsor(s)

Please REMOVE Co-Sponsor(s) Below – (Principal Sponsor’s Consent NOT Required)

Alderman _____ _____ (Ward)
(Signature)

Alderman _____ _____ (Ward)
(Signature)

Date Filed: _____

- Final Copies To Be Filed With:
- Chairman of Committee to which legislation was referred
 - City Clerk



CITY OF CHICAGO



OFFICE OF THE CITY CLERK
ANNA M. VALENCIA

Chicago City Council Co-Sponsor Form

Document No.: 02020-4817

Subject: Tow truck licenscing and regulation

Adding Co-Sponsor(s)

Please **ADD** Co-Sponsor(s) Shown Below – (Principal Sponsor’s Consent Required)

Alderman Andre Vasquez A. Vasquez (40 Ward)
(Signature)

Alderman _____ (36 Ward)
(Signature)

Date Filed: 5/17/21 Principal Sponsor: [Signature]
(Signature)

Removing Co-Sponsor(s)

Please **REMOVE** Co-Sponsor(s) Below – (Principal Sponsor’s Consent **NOT** Required)

Alderman _____ (_____ Ward)
(Signature)

Alderman _____ (_____ Ward)
(Signature)

Date Filed: _____

- Final Copies To Be Filed With:**
- Chairman of Committee to which legislation was referred
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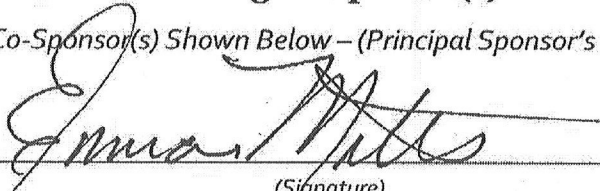
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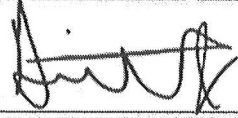
Subject: Tow truck licensing and regulation

Adding Co-Sponsor(s)

Please **ADD** Co-Sponsor(s) Shown Below – (Principal Sponsor's Consent Required)

Alderman Emma Mitts  37 Ward
(Signature)

Alderman _____ 36 Ward
(Signature)

Date Filed: _____ Principal Sponsor:  _____
(Signature)

Removing Co-Sponsor(s)

Please **REMOVE** Co-Sponsor(s) Below – (Principal Sponsor's Consent NOT Required)

Alderman _____ Ward
(Signature)

Alderman _____ Ward
(Signature)

Date Filed: _____

- Final Copies To Be Filed With:**
- Chairman of Committee to which legislation was referred
 - City Clerk



CITY OF CHICAGO



OFFICE OF THE CITY CLERK
ANNA M. VALENCIA

Chicago City Council Co-Sponsor Form

Document No.: O2020-4817

Subject: Amendment of Municipal Code Titles 2 and 4 by adding new Chapter 4-227 and modifying Chapters 2-14 and 4-5 regarding licensing & operation of tow truck companies & operators

Adding Co-Sponsor(s)

Please ADD Co-Sponsor(s) Shown Below – (Principal Sponsor's Consent Required)

Alderman [Signature] (15 Ward)
(Signature)

Alderman _____ (36 Ward)
(Signature)

Date Filed: 5-19-21 Principal Sponsor: [Signature]
(Signature)

Removing Co-Sponsor(s)

Please REMOVE Co-Sponsor(s) Below – (Principal Sponsor's Consent NOT Required)

Alderman _____ (Ward)
(Signature)

Alderman _____ (Ward)
(Signature)

Date Filed: _____

- Final Copies To Be Filed With:**
- Chairman of Committee to which legislation was referred
 - City Clerk