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Title: Amendment of Municipal Code Title 4 by adding new Chapter 4-227 to establish and regulate vehicle towing license requirements
Sponsors: Villegas, Gilbert
Indexes: Ch. 5 License Fees for Title 4 Licenses, Ch. 227 Towing
Attachments: 1. O2020-2979.pdf

Date	Ver.	Action By	Action	Result
5/24/2023	1	City Council	Failed to Pass	
6/17/2020	1	City Council	Referred	

**Chicago City Council June 17, 2020
Committee on Finance**

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 and potentially dangerous business practices; and

WHEREAS, These dishonest and potentially dangerous business practices include the following:

- Tow truck operators telling automobile owners that the tow truck has been dispatched to the scene of an accident or vehicular breakdown by an insurance company or motor club when, in fact, it had not been.
- Tow truck operators failing to disclose in advance of towing all towing, storage and miscellaneous fees necessary to secure release of the towed vehicle.
- Tow truck operators charging persons for work that was not performed.
- Tow truck operators incorrectly informing motorists that cash is the only accepted method of payment.
- Tow truck operators towing vehicles without first having obtained authorization to tow from the vehicle's owner or operator. Or, in the alternative, tow truck operators telling a stranded motorist or accident victim that they must sign an authorization-to-tow form, which contains no prices;
- Tow truck operators towing victims to other than the agreed-upon location.
- Tow truck operators 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 and other deceptive and frequently dangerous business practices; 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. Title 4 of the Municipal Code of Chicago is hereby amended by inserting a new Chapter 4-227, as follows:

CHAPTER 4-227

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TOWING

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.

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

"Safety relocater's registration certificate" means the safety relocater's 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.

"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 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.

a) 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.

b) A separate license shall be required for each separate tow truck and office that the licensee operates or maintains within the City.

4-227-030 License classifications.

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Towing licenses shall be divided into the following classifications. 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 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.

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 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: (i) the applicant holds a valid safety relocater's registration certificate;
- 4) the 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 ever 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;

- 6) proof that the applicant and all controlling persons are at least 18 years of age;

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- 7) proof of insurance coverage meeting the requirements of Section 9-44-050; and
- 8) any other information that the Commissioner shall 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 has ever 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 for cause 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 - Nontransferability.

a) The license required under this chapter or a legible copy thereof shall be posted in a conspicuous place within the tow truck and in each office or other part of the licensed establishment to which the public has access.

- b) No transfer of ownership shall be allowed on any license issued under this chapter.

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.

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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.

4-27-090 License - Suspension or Revocation.

Three or more violations of this chapter by any licensee 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.

4-27-100 License revocation - Four-year wait for a new license.

No person whose license under this chapter is revoked for cause 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.

4-27-110 Rules.

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

4-27-120 Violation - Penalty.

In addition to any other penalty provided by law, any person who violates this chapter shall be fined not less than \$250.00 nor more than \$500.00 for each offense. Each day that a violation continues shall constitute a

separate and distinct offense to which a separate fine shall apply.

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

\$250.00

\$250.00

SECTION 3. This ordinance shall take full force and effect ten days after its passage and publication.

Alderman Gilbert Villegas, 36th Ward