SYNOPSIS
Provides that operator, owner, lessor, and lienholder of vehicle may be responsible for certain towing and storage fees; applies retroactively.

CURRENT VERSION OF TEXT
As amended by the Senate on June 26, 2023.
AN ACT concerning fees charged for non-consensual towing and storage of motor vehicles and amending various parts of the statutory law.

BE IT ENACTED by the Senate and General Assembly of the State of New Jersey:

1. Section 10 of P.L.2007, c.193 (C.56:13-16) is amended to read as follows:

10. It shall be an unlawful practice for any private property towing company or for any other towing company that provides non-consensual towing services:

   a. (Deleted by amendment, P.L.2009, c.39)
   b. (Deleted by amendment, P.L.2009, c.39)
   c. (Deleted by amendment, P.L.2009, c.39)
   d. To give any benefit or advantage, including a pecuniary benefit, to any person for providing information about motor vehicles parked for unauthorized purposes on privately owned property or otherwise in connection with private property towing of motor vehicles parked without authorization or during a time at which such parking is not permitted;
   e. To fail, when so requested by the owner or operator of a vehicle subject to non-consensual towing, to release a vehicle to the owner or operator that has been, or is about to be, hooked or lifted but has not actually been moved or removed from the property when the vehicle owner or operator returns to the vehicle, unless the vehicle subject to non-consensual towing has been authorized to be towed by a law enforcement officer of this State, or any political subdivision of the State, while in the actual performance of the officer's duties and as deemed appropriate for public safety, or to charge the owner or operator requesting release of the vehicle an unreasonable or excessive decoupling fee. Such a fee shall be presumptively unreasonable and excessive if it exceeds by more than 25 percent, or a different percentage established by the director by regulation, the usual and customary decoupling fee charged by the towing company for a vehicle subject to consensual towing, or if it exceeds by more than 50 percent, or a different percentage established by the director by regulation, the usual and customary decoupling fee charged for vehicles subject to non-consensual towing by other private property towing companies operating in the municipality in which the vehicle was subjected to non-consensual towing;
   f. (1) To charge a fee for a private property or other non-consensual towing or related storage service not listed on the schedule

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter
Matter enclosed in superscript numerals has been adopted as follows:

1Senate SBA committee amendments adopted June 20, 2023.
2Senate floor amendments adopted June 26, 2023.
of services for which a fee may be charged as established by the
director except as may be permitted by the director by regulation; or

(2) To charge an unreasonable or excessive fee;

g. To refuse to accept for payment in lieu of cash or an insurance
company check for towing or storage services a debit card, charge card
or credit card if the operator ordinarily accepts such card at his place
of business, unless such refusal is authorized in accordance with
section 4 of P.L.2002, c.67 (C.56:13-4); or

h. To monitor, patrol, or otherwise surveil a private property for
the purposes of identifying vehicles parked for unauthorized purposes
and towing a motor vehicle parked for an unauthorized purpose from
such private property without having been specifically requested to
tow such vehicle by the owner of the property.

i. Nothing contained in any provision of the "Predatory Towing
construed to prevent a towing company from charging a reasonable fee
for storage of a vehicle that has been subject to non-consensual towing
authorized by a law enforcement officer of this State or by any
political subdivision of this State. Nothing contained in any provision
et seq.) shall be construed to prevent a towing company from charging
fees for non-consensual towing or related storage services in
accordance with a duly-authorized fee schedule established by a
municipality or other political subdivision of this State with respect to
a vehicle that has been subject to non-consensual towing authorized by
a law enforcement officer of this State or the political subdivision, and
there shall be a rebuttable presumption that fees charged in accordance
with a fee schedule are not unreasonable or excessive.

A towing company may require that reasonable fees,
charged in accordance with a duly authorized fee schedule
established by a municipality or other political subdivision of this
State, and charged for towing, authorized by a law
enforcement officer of this State or a political subdivision of this
State, or related storage services be paid by the operator, owner,
lessor, or lienholder of the vehicle prior to the towing company’s
release of the vehicle. In the event the owner or operator of the vehicle
defaults on payments to the lessor or lienholder of the vehicle, the
lesser or lienholder shall be responsible for these reasonable towing
and related storage fees.

1Notwithstanding the provisions of P.L.1964, c.81 (C.39:10A-1 et
seq.), or any other law, rule, or regulation to the contrary, a towing
company shall notify the operator, owner, lessor, and lienholder of a vehicle that has been subject to non-consensual towing,
authorized by a law enforcement officer of this State or a political
subdivision of this State, and related storage services within 30 days of
the vehicle being towed and arriving at the towing company lot. If a
towing company fails to notify the operator, owner, lessor, and lienholder of a vehicle that has been subject to non-consensual towing,
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subdivision of this State, and related storage services within 30 days of
the vehicle being towed and arriving at the towing company lot. If a
towing company fails to notify the operator, owner, lessor, and lienholder of a vehicle that has been subject to non-consensual towing,
lienholder of the vehicle within 30 days, the towing company may charge a maximum storage fee of $750, and the towing company shall be responsible for all additional towing or related storage services.

Notwithstanding any provision of this subsection to the contrary, the maximum liability for storage fees for matters pending prior to the date of enactment of P.L. 2018, c. (pending before the Legislature as this bill), shall not exceed $5,000. Towing fees for matters pending prior to the date of enactment of P.L. 2018, c. (pending before the Legislature as this bill) shall not be subject to any fee limitation, provided that such fees remain reasonable and are charged in accordance with a duly authorized fee schedule established by a municipality or other political subdivision of this State.

For the purposes of this subsection, non-consensual towing shall be considered to be authorized by a law enforcement officer of this State or a political subdivision if the law enforcement officer or an agent or employee of the political subdivision initiates, directs, orders, or requests the non-consensual towing of the vehicle; and a municipal fee schedule shall be considered duly authorized if it has been established by municipal ordinance or resolution or by contract between the municipality and the towing company which conforms to the requirements of the "Local Public Contracts Law," P.L.1971, c.198 (C.40A:11-1 et seq.) and any related regulations.

(cf: P.L.2018, c.165, s.3)

12. N.J.S.2A:44-21 is amended to read as follows:

2A:44-21. A garage keeper who shall tow, store, maintain, keep, or repair a motor vehicle or furnish gasoline, accessories or other supplies therefor, at the request or with the consent of the owner or [his] the owner’s representative, or at the request of a law enforcement officer of this State or any political subdivision of this State, shall have a lien upon the motor vehicle or any part thereof for the sum due for such towing, storing, maintaining, keeping, or repairing of such motor vehicle or for furnishing gasoline or other fuel, accessories or other supplies therefor, and may, without process of law, detain the same at any time it is lawfully in his possession until the sum is paid. A motor vehicle is considered detained when the owner or person entitled to possession of the motor vehicle is advised by the garage keeper, by a writing sent by certified mail return receipt requested to the address supplied by the owner or person entitled to possession of the motor vehicle, that goods or services have been supplied or performed, and that there is a sum due for those goods or services.

The lien shall not be superior to, nor affect a lien, title or interest of a person held by virtue of a prior conditional sale or a prior chattel mortgage properly recorded or a prior security interest perfected in accordance with chapter 9 of Title 12A of the New Jersey Statutes.
A garage keeper shall only require that reasonable fees, charged in accordance with a duly authorized fee schedule established by a municipality or other political subdivision of this State, and charged for non-consensual towing authorized by a law enforcement officer of this State or by a political subdivision of this State or for related storage services be paid by the operator, owner, lessor, or lienholder of the vehicle prior to the towing company’s release of the vehicle. In the event the owner or operator of the vehicle defaults on payments to the lessor or lienholder of the vehicle, the lessor or lienholder shall be responsible for these reasonable towing and related storage fees.

(cf: P.L.1998, c.122, s.1)

Section 79 of P.L.2003, c.89 (C.39:3-29.1a) is amended to read as follows:

79. a. Upon the issuance of a summons for failing to possess or exhibit an insurance identification card in violation of R.S.39:3-29, the violator or registrant shall have 24 hours from the time of the citation to provide the issuing law enforcement agency with the insurance identification card, or other satisfactory proof of insurance. Failure to provide the insurance identification card or other satisfactory proof of insurance within the 24-hour time frame shall result in the issuance of a warrant for the immediate impoundment of the vehicle that was being operated when the summons was issued. A motor vehicle impounded pursuant to the provisions of this subsection shall be removed to a storage space or garage. The registrant shall be responsible for the cost of the removal and storage of the impounded motor vehicle.

b. (1) If the registrant fails to claim a motor vehicle impounded pursuant to subsection a. of this section and pay the reasonable costs of removal and storage by midnight of the 30th day following impoundment, along with a fine of $100 to cover the administrative costs of the municipality wherein the violation occurred, and after a hearing, the municipality may sell the motor vehicle at public auction. The municipality shall give notice of the sale by certified mail to the registrant of the motor vehicle and to the holder of any security interest filed with the New Jersey Motor Vehicle Commission, and by publication in a form to be prescribed by the chief administrator by one insertion, at least five days before the date of the sale, in one or more newspapers published in this State and circulating in the municipality in which the motor vehicle has been impounded.

(2) At any time prior to the sale, the registrant or other person entitled to the motor vehicle, including the lessor or the lienholder of the motor vehicle may reclaim possession of it upon providing satisfactory proof of motor vehicle liability insurance coverage and payment of the reasonable costs of removal and storage of the motor vehicle and any outstanding fines or penalties; provided, however, if
the other person entitled to the motor vehicle is a lessor or the holder
of a lien on the motor vehicle, he may reclaim the motor vehicle
without payment. In such cases, the registrant. The registrant or
other person entitled to the motor vehicle, including the lessor or the
lienholder of the motor vehicle, shall be liable for all outstanding
costs, fines and penalties, and the municipality shall have a lien against
the property and the income of the lessor or lienholder of the motor vehicle, for the total amount of
those outstanding costs, fines and penalties.

(3) Any proceeds obtained from the sale of a motor vehicle at
public auction pursuant to paragraph (1) of this subsection in excess of
the amount owed to the municipality for the reasonable costs of
removal and storage of the motor vehicle and any outstanding fines or
penalties shall be returned to the registrant of the vehicle, or other
person entitled to the motor vehicle, including the lessor or lienholder
of the motor vehicle.

(cf: P.L.2003, c.89, s.79)

4. Section 4 of P.L.1995, c.286 (C.39:3-40.3) is amended to
read as follows:

  a. A motor vehicle subject to the provisions of this act may be impounded by any law
enforcement officer if the registrant:

(1) knowingly permits an unlicensed driver to operate that motor
vehicle;

(2) operates or permits the operation of that motor vehicle without
a valid temporary registration or valid temporary registration plates as
authorized under section 3 of P.L.1995, c.286 (C.39:3-40.2); or

(3) fails to surrender a registration certificate and registration
plates in accordance with the provisions of subsection b. or c. of
section 2 of P.L.1995, c.286 (C.39:3-40.1).

A motor vehicle impounded under the provisions of this subsection
shall be removed to storage space or garage and its registration
certificate and registration plates seized. The registrant shall be
responsible for the cost of the removal and storage of the impounded
motor vehicle.

b. (1) If the registrant fails to claim the motor vehicle and pay the
reasonable costs of removal and storage by midnight of the 30th day
following impoundment, along with a fine of $50 to cover the
administrative costs of the municipality wherein the violation
occurred, the municipality may sell the motor vehicle at public
auction. The municipality shall give notice of the sale by certified
mail to the registrant of the motor vehicle and to the holder of any
security interest filed with the New Jersey Motor Vehicle
Commission, and by publication in a form to be prescribed by the
chief administrator by one insertion, at least five days

before the date of the sale, in one or more newspapers published in this
State and circulating in the municipality in which the motor vehicle
has been impounded.

(2) At any time prior to the sale, the registrant or other person
entitled to the motor vehicle, including the lessor or the lienholder of
the motor vehicle, may reclaim possession of it upon payment of the
reasonable costs of removal and storage of the motor vehicle and any
outstanding fines or penalties; provided, however, if the other person
entitled to the motor vehicle is a lessor or the holder of a lien on the
motor vehicle, he may reclaim the motor vehicle without payment. In
such cases, the violator. The registrant or other person entitled to the
motor vehicle, including the lessor or lienholder of the motor vehicle,
shall be liable for all outstanding costs, fines and penalties, and the
municipality shall have a lien against the property and the income of that
violator the income of the registrant or other person entitled to the
motor vehicle, including the lessor or lienholder of the motor vehicle,
for the total amount of those outstanding costs, fines and penalties.

(3) Any proceeds obtained from the sale of a motor vehicle at
public auction pursuant to paragraph (1) of this subsection in excess of
the amount owed to the municipality for the reasonable costs of
removal and storage of the motor vehicle and any outstanding fines or
penalties shall be returned to the registrant of the vehicle, or the other
person entitled to the motor vehicle, including the lessor or lienholder
of the motor vehicle. This act shall take effect immediately but shall
be retroactive to October 18, 2008.