

## **Tow Truck Industry Review and Recommendations**

**Date:** September 6, 2017

**To:** Licensing and Standards Committee

**From:** Executive Director, Municipal Licensing & Standards

**Wards:** All

### **SUMMARY**

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As directed by City Council and Licensing and Standards Committee, this report recommends a number of amendments to Toronto Municipal Code (TMC) Chapter 545, Licensing, Article VI, Owners and Drivers of Tow Trucks, and Article XXII, Public Garages, following the completion of a comprehensive Tow Truck Industry Review. The proposed amendments respond to public complaints and issues raised by the industry.

In 2014, the Province of Ontario concluded a review of the towing industry that the City of Toronto participated in. Based on the results of that review, the Province enacted new requirements under the *Consumer Protection Act*, *Highway Traffic Act* and *Repair and Storage Liens Act* pertaining to towing and vehicle storage.

Building upon the new Provincial legislation, staff have reviewed Toronto's Tow Truck Industry regulations. The Tow Truck Review has engaged more than 400 stakeholders through 11 formal consultation sessions, various stakeholder meetings, 5 issues-based surveys tailored to specific towing stakeholder groups, and the posting of draft proposals. Staff have also reviewed emails, phone calls, letters and written proposals containing issues and recommendations as a part of the review.

Collectively, the proposed amendments aim to improve Toronto's towing industry, balancing the need to protect consumers and the public interest with the need to ensure a sustainable tow truck industry.

Key amendments include:

*Increasing Towing Rates:*

- increasing the private property towing rate to \$108 (currently \$88);
- eliminating the current distinction between an accident tow from a City street (currently \$166) and an accident tow from a highway (currently \$188), and establishing a new, harmonized rate of \$250;
- permitting tow truck owners and drivers to charge a fee of \$100 for recovery services;

- permitting tow truck owners and drivers to charge a separate fee for a second tow from a collision reporting centre, provided that the fee is agreed upon in advance by the consumer;
- permitting tow truck owners and drivers to charge \$3.25/km for each kilometre of travel beyond 5 km outside City limits, when directed by a consumer to tow a vehicle from an accident scene directly to a final destination (in situations where a visit to the CRC is not required);
- building in an automatic annual inflation adjustment on the regulated accident and private property towing rates;

*Strengthening Consumer Awareness/Protection:*

- increasing the regulated vehicle weight from 6,000 lb to 3,175 kg (7,000 lb), to ensure that the majority of passenger vehicles are protected and subject to regulated rates for private property and accident towing;
- requiring tow truck owners and drivers, vehicle repair and storage providers to obtain written authorization from a consumer before providing or charging for any services;
- requiring tow truck owners and drivers to accept credit card payments;
- prohibiting tow truck owners and drivers from making any intermediate stops when bringing a vehicle to a collision reporting centre or to a final destination as directed by a customer or the police; and
- requiring tow truck owners and drivers, vehicle repair and storage providers to allow a consumer access to personal contents in their vehicles.

The Toronto Police Service and Legal Services were consulted in the preparation of this report.

## **RECOMMENDATIONS**

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The Executive Director, Municipal Licensing & Standards, recommends that:

### **Tow Truck Owners and Drivers**

#### **Towing Rates**

##### Private Property Towing Rate

1. City Council increase the private property towing rate from \$88 to \$108 (plus applicable taxes), inclusive of all services that may be performed in relation to the tow.

##### Accident Towing Rate

2. City Council remove differentiated towing rates for the towing of vehicles from City streets (currently \$166) and from highways (currently \$188), and set a harmonized accident towing rate of \$250 (plus applicable taxes), inclusive of all services that may be performed in relation to the tow, with the exception of any additional fees for recovery services and mileage, where required.

3. City Council direct that the private property and accident towing rates shall automatically increase, annually, based on the Consumer Price Index for the Toronto Census Metropolitan Area.

### **Recovery Services**

4. City Council permit tow truck owners and drivers to charge a fee of \$100 (plus applicable taxes) should the performance of recovery services be required when towing a vehicle from an accident scene on a City street or highway.
5. City Council direct that tow truck owners and drivers be required to take a minimum of two clear photographs to justify charging for recovery services.
6. City Council add a definition of "recovery services" to mean: "A service carried out to relocate or reposition a vehicle that involves the use of a winch or a specialized extraction device and that must be performed to prepare a vehicle for attachment or towing, but does not include the use of a hoisting device, a hook, a dolly, a flat bed, or other standard equipment used in the towing of a vehicle."
7. City Council delete the section that permits tow truck owners to charge and include a fee on their schedule of rates (which must be filed with Municipal Licensing and Standards) for the uprighting of an overturned vehicle and winching, as these services are included in the City's proposed regulated rate for recovery services.

### **Second Tow from a Collision Reporting Centre**

8. City Council delete the current restriction on re-tows and permit tow truck owners and drivers to charge a fee for towing a vehicle from a collision reporting centre to a destination as directed by a consumer, provided that the fee is agreed upon in advance by the consumer.

### **Mileage**

9. City Council permit tow truck owners and drivers to charge a fee of \$3.25 per kilometer (plus applicable taxes), for each kilometre of travel beyond 5 km outside the City, when directed by a consumer to tow his or her vehicle from an accident scene to a final destination more than 5 km outside City limits.

### **Schedule of Rates**

10. City Council direct that the schedule of rates that tow truck owners must file with Municipal Licensing and Standards, list maximum charges for specific towing and storage services, rather than listing ranges containing a minimum and maximum charge, and that towing rates set by the City of Toronto need not be filed.
11. City Council direct that tow truck owners be required to file a current and up-to-date schedule of rates with Municipal Licensing and Standards, when any changes occur or upon licence renewal.

## Vehicle Weight

12. City Council add a definition of "Manufacturer's Gross Vehicle Weight Rating (GVWR)" to mean: "The maximum total vehicle rated capacity, as rated by the manufacturer specification stamp on the vehicle, which includes the weight of the vehicle's chassis, body, engine, engine fluids, fuel, accessories, driver, passengers and cargo."
13. City Council increase the regulated vehicle weight to which regulated towing rates apply from 6,000 lb to 3,175 kg (7,000 lb), to ensure that the majority of passenger vehicles are subject to regulated rates for private property and accident towing.
14. City Council amend all weights specified in the bylaw, from imperial units to metric units.

## Written Authorization

15. City Council direct that:
  - a. tow truck owners and drivers receive written authorization from a consumer or someone acting on the consumer's behalf before providing or charging for towing and storage services; which authorization must include:
    - i. information explaining the roles, rights and responsibilities of the tow truck owner/driver and the consumer;
    - ii. the date/time the tow truck arrived on scene;
    - iii. the origin/location of the tow;
    - iv. the final destination of the tow as directed by the consumer (or where applicable, a police officer);
    - v. the name and contact information of the towing company;
    - vi. the tow truck operator's ML&S tow truck driver licence number and ML&S tow truck number plate;
    - vii. information of the vehicle being towed (make, model, year, VIN #, licence plate)
    - viii. the name and contact information of the consumer;
    - ix. the name, badge number, and detachment of the police officer leading the accident investigation (where applicable);
    - x. an itemized bill listing services provided, the cost for each service and the total cost charges (and any estimated charges);
    - xi. the signature of the consumer (or the police officer in charge of the accident investigation) giving consent to perform the listed towing services; and
    - xii. the signature of the tow truck owner or driver.
  - b. the written authorization be completed in duplicate, with one copy provided to the consumer and the other copy retained by the tow truck owner;

- c. tow truck owners and drivers be prohibited from altering any information on the written authorization, once the tow truck owner or driver and consumer have agreed upon and signed-off on the written authorization; and
- d. in the event that the agreed upon final destination is not able to accept a consumer's vehicle, that the tow truck owner or driver obtain authorization from the consumer (or someone acting on the consumer's behalf) for an alternate destination.

### **Deviation in Final Bill of Services**

- 16. City Council prohibit tow truck owners and drivers from charging an amount more than 10% above the estimated amount authorized by a consumer, to align with provincial amendments to the Consumer Protection Act, and delete the current provision which prohibits tow truck owners and drivers from charging an amount that exceeds the amount indicated in their filed schedule of rates, or, the original estimate amount plus 15% (whichever is less).

### **Payment Methods**

- 17. City Council direct that tow truck owners and drivers accept credit card payments, in addition to cash.

### **Stops during Towing Service**

- 18. City Council direct that tow truck owners and drivers be prohibited from making any intermediate stops when towing a vehicle to a collision reporting centre or specified location, as directed by a consumer or a police officer.

### **Consumer Access to Personal Property in Vehicle**

- 19. City Council direct that tow truck owners and drivers be required to permit a consumer access to his or her vehicle to remove personal property, at no additional cost or fee.

### **Procedure for Dropping a Vehicle at a Collision Reporting Centre**

- 20. City Council direct that tow truck owners and drivers dropping or depositing a vehicle at a collision reporting centre, be required to:
  - i. park the vehicle in the designated area of the collision reporting centre;
  - ii. secure the vehicle (e.g., doors are locked, windows closed, lights and hazards are off, etc., as applicable);
  - iii. immediately return the vehicle's keys to the consumer or to collision reporting centre staff if the consumer is not present;
  - iv. present proof of a valid ML&S tow truck owner or driver licence to collision reporting centre staff, in order to receive payment for depositing/dropping a vehicle; and

- v. collect payment and exit the premises as soon as the vehicle has been deposited/dropped according to the above requirements.

### **Tow Truck Vehicle Weight**

21. City Council direct that all tow trucks have a minimum Gross Vehicle Weight Rating (GVWR) of 4,536 kg and be registered with the Ministry of Transportation for their weight rating.

### **Tow Truck Equipment**

22. City Council direct that tow truck owners be required to maintain the following equipment in every tow truck owned by him or her:
- i. a functional digital camera or a mobile phone with functional camera (for use in justifying the performance of recovery services); and
  - ii. a high visibility florescent safety vest, to be used/worn by tow truck owners and drivers when working on a City street or highway.

### **Record Keeping**

23. City Council direct that tow truck owners be permitted to keep records electronically or in hard copy.

### **Drop-Fees**

24. City Council delete restrictions that prohibit an owner or driver of a tow truck or a tow truck broker to demand and/or receive a payment of a drop fee or commission in return for towing a vehicle to a particular place, to align with provincial amendments to the Consumer Protection Act.

### **Other Amendments**

#### **Tow Truck Vehicle Inspections**

25. City Council authorize Municipal Licensing and Standards to suspend a tow truck owner's licence for failing to have their tow truck examined by a designated mechanic, or, when a mechanical inspection certificate is not provided.

#### **Use of Hoisting Devices**

26. City Council direct that tow truck owners and drivers be required to ensure that hoisting devices are lowered at all times when a tow truck is in motion, except when a vehicle is being towed.

#### **Referral of Billing Disputes to Police**

27. City Council delete the section that directs tow truck owners and drivers to refer disputes with consumers related to amounts and rates to be paid to the Police.

## **Stylistic Amendments**

28. City Council approve amendments to Toronto Municipal Code Chapter 545, Licensing, Article VI, Owners and Drivers of Tow Trucks, to reflect the recommendations and authorize the City Solicitor and Executive Director, Municipal Licensing and Standards, to re-structure, consolidate and simplify all existing requirements to improve the readability of the Bylaw.

## **Public Garages**

### **Schedule of Rates**

29. City Council direct that all vehicle storage providers be required to file a schedule of rates containing their charge(s) or fee(s) for storage; with requirements consistent with the schedule of rates required to be filed by vehicle repair facilities and collision reporting centres.

### **Written Authorization**

30. City Council direct that all vehicle repair and storage providers be required to receive written authorization from a consumer or someone acting on the consumer's behalf before providing or charging for repair and storage services.

### **Consumer Access to Personal Property in Vehicle**

31. City Council direct that vehicle repair facilities and storage providers be required to permit a consumer access to his or her vehicle to remove personal property, at no additional cost or fee, if access is requested during regular business hours.

### **Deviation in Final Bill of Services**

32. City Council direct that vehicle repair and storage providers be prohibited from charging an amount more than 10% above the estimated payment amount authorized by a consumer, to align with provincial amendments to the Consumer Protection Act.

### **Drop-Fees**

33. City Council delete the restriction that prohibits the operator of a public garage from paying a tow truck owner, driver or broker a drop fee or commission for towing a vehicle to their public garage or any other particular place, to align with provincial amendments to the Consumer Protection Act.

### **Technical/ Stylistic Amendments**

34. City Council approve amendments to Toronto Municipal Code Chapter 545, Licensing, Article XXII, Public Garages, to reflect the recommendations, subject to such technical and stylistic amendments as required by the City Solicitor and the Executive Director, Municipal Licensing and Standards.

## Review of Collision Reporting Centres

35. City Council direct the Executive Director, Municipal Licensing and Standards to undertake a review of the City's collision reporting centres to ensure consumer protection, in consultation with the Toronto Police Service, and report back on any further recommendations to the Licensing and Standards Committee.

## Implementation

36. City Council direct that the changes to Toronto Municipal Code Chapter 545, Licensing, Article XXII, Tow Trucks and Public Garages, come into force on November 1, 2017.

## FINANCIAL IMPACT

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There are no financial impacts beyond what has already been approved in the current year's budget.

The Deputy City Manager & Chief Financial Officer has reviewed this report and agrees with the financial impact information.

## DECISION HISTORY

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At its meeting of October 29, 2013 Licensing and Standards Committee received for information, [LS24.2 Tow Truck Industry Review – Status Update and Considerations for Change](#).

At its meeting of May 24, 2012, Licensing and Standards Committee referred [LS13.1 Interim Review of Tow Rates](#), to the Executive Director, Municipal Licensing and Standards, for report back with the towing industry review as soon as possible, and include (1) a comprehensive review and recommendation in regards to tow rates; and (2) options to allow non-cash payment of tows (such as credit or debit).

At its meeting of April 10 and 11, 2012, City Council referred [LS12.12 Review of Fees for Accident Tows and Tows from Private Property](#), to the Executive Director, Municipal Licensing and Standards for review and consultation with the tow truck industry, insurance companies and brokers, the Canadian Automobile Association (CAA) and other interested stakeholders. It additionally directed the Executive Director, Municipal Licensing and Standards, to report to the Licensing and Standards Committee, such report to include the review criteria for assessing and/or recommending any fee changes.

At its meeting of November 14, 2011, Licensing and Standards Committee deferred [LS10.2 Review of Fees for Accident Tows and Tows from Private Property](#), to the March 29, 2012 meeting, and requested that the Executive Director, Municipal Licensing and Standards, report back with more information on (1) Canadian jurisdictions that regulate fees for "all other towing" with an all-inclusive flat rate; (2) a clear delineation between accident and non-accident rates in these jurisdictions; (3) details on the legislation pertaining to service collision centres, any recommendations for improvement of their operation, and other models used by other municipalities; (4) a current assessment of a vehicle owner's rights following an accident; and (5) a current assessment of towing protocol from public and private property.

## COMMENTS

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### Municipal Regulation

The City of Toronto regulates the operation of tow truck owners and drivers to ensure consumer protection for motorists and accident victims and to ensure the health and safety of consumers, tow truck owners and drivers, and road users alike. Currently, there are 1,081 licensed tow truck owners and 1,232 licensed tow truck drivers operating in Toronto.

The last review of the tow truck industry was conducted in 2006. It focussed on accident towing rates, which were increased by approximately 10.5%. Since that time, a number of issues have been brought forward by the industry and the public.

In May 2013, the Municipal Licensing and Standards (ML&S) Division initiated a review of the tow truck industry and the City's bylaw governing tow truck owners and drivers. A number of opportunities for improving Toronto's tow truck industry, labelled as "considerations for change", were identified and reported to the October 29, 2013 meeting of the Licensing and Standards Committee. The "considerations for change" focussed on addressing issues pertaining to towing rates; consumer awareness and protection; driver service, charging and billing practices; and enforcement, and were established to guide additional consultations with industry stakeholders and members of the public, targeted to take place in early 2014.

In the Fall of 2013, before staff had the opportunity to hold further consultations, the Province launched its own review of towing and vehicle storage. Specifically, the Province wanted to review the issues identified in the [Ontario Automobile Insurance Anti-Fraud Task Force's Final Report](#), which made recommendations around province-wide towing licensing, road safety, consumer protection, and storage costs. The Province requested ML&S to participate in their review as part of an 18-member Towing Advisory Group. The group provided input and advice on issues associated with the oversight of the towing industry, which were considered by the Province in the subsequent development of [Bill 15](#), the *Fighting Fraud and Reducing Automobile Insurance Rates Act*, 2014.

In the Winter of 2015, following the enactment of [Bill 15](#), the Province, initiated a similar consultation process and again requested ML&S to take part in a 19-member Towing and Storage Consultation Panel. The Panel was tasked with helping the Province develop draft regulations to implement the Ministry of Government and Consumer Services and Ministry of Transportation led provisions of Bill 15.

As a result of these processes, the City's review was postponed until the end of 2016.

Over the last year, staff have been working with the Province to understand the impacts of the various changes in Provincial regulations governing towing and vehicle storage. Building upon the work conducted in 2013, staff have also been consulting with key stakeholders to develop final recommendations for Toronto's tow truck industry.

## Provincial Regulation

On November 20, 2014, [Bill 15](#), the *Fighting Fraud and Reducing Automobile Insurance Rates Act*, 2014, received Royal Assent, amending various legislation. Of specific interest to the City of Toronto in its regulation of tow truck owners and drivers, were changes to the *Consumer Protection Act* and *Highway Traffic Act* (in force January 1, 2017) and the *Repair and Storage Liens Act* (in force July 1, 2016).

The following provides an overview of the key changes.

The *Consumer Protection Act* was amended to require towing and storage providers to:

- disclose their business and contact information and get written authorization from a consumer (or someone acting on behalf of the consumer), before providing or charging for towing and storage services;
- provide an itemized invoice, listing services provided, the cost for each service and the total cost before demanding or receiving payment;
- not charge an amount more than 10% above the authorized estimated payment amount;
- accept credit card payments;
- allow a consumer access to their vehicle to remove personal property, at no charge, between 8:00 am and 5:00 pm on business days;
- not provide recommendations for repair and storage facilities, legal or health care service providers, unless a consumer specifically asks;
- disclose to a consumer if they are getting a financial reward or incentive for towing a vehicle to a particular storage or repair shop;
- maintain general liability insurance of \$2 million, consumer vehicle insurance of \$100,000 and cargo insurance of \$50,000; and
- maintain authorization and disclosure records, invoices, copies of insurance policy, and statements of rates for three years.

The *Highway Traffic Act* was amended to include tow trucks in the Ministry of Transportation's (MTO) Commercial Vehicle Operators Registration (CVOR) system, thereby requiring all tow truck operators to hold a valid CVOR certificate, and under CVOR, making tow truck owners responsible for their drivers.

The *Repair and Storage Liens Act* was amended to require those that repair and store motor vehicles to provide written notice to the owner and any other interested parties (e.g. lease and finance companies) within 15 days (for vehicles registered in Ontario), if a vehicle being stored is received from someone other than its owner. If notice is not provided within 15 days, then the lien is limited to the unpaid amount owing for that period. Further, if no amount has been agreed upon for repair and storage costs, fair value may be determined by a court.

Collectively, the requirements aim to enhance tow and storage service, improve consumer protection, improve road safety, and reduce insurance fraud.

## **2017 Public and Stakeholder Consultation**

In addition to five surveys (developed for members of the insurance industry, tow truck industry, vehicle repair industry, police and general public) and eight consultation sessions that were held in 2013, staff held another three consultation sessions between March 21 and 23, 2017 to consult with stakeholders and the public on potential regulations for the tow truck industry.

The first meeting included a targeted mix of key stakeholders comprising representatives from major towing associations, the insurance industry, collision reporting centres, the Canadian Automobile Association (CAA), the Toronto Police Service, and the Province (Ministry of Government and Consumers Services). The second meeting engaged the City's licensed (V10) tow truck owners and (D09) tow truck drivers. The third and final meeting solicited input from members of the public.

In total, staff engaged over 200 participants and received valuable feedback that helped to inform the development of a revised set of proposals for the industry.

The revised proposals were posted on the City's Tow Truck Industry Review webpage on July 24<sup>th</sup> and were made available until August 11<sup>th</sup>, for additional stakeholder and public input.

Through this process, staff received written submissions from 14 different stakeholders, containing issues and recommendations used to inform staff's proposed recommendations.

## **Proposed Bylaw Amendments**

### **Towing Rates**

The City of Toronto regulates the fees that may be charged for the towing of vehicles 6,000 lb and under, from private property and from accident scenes. On private property, vehicles are typically towed without the knowledge and consent of the vehicle owner, who therefore cannot negotiate towing terms. At accident scenes, consumers are often in stressful circumstances and may be vulnerable of judgement, particularly

when it comes to the hiring of a tow truck. As well, accidents on the road need to be cleared as quickly as possible for safety and traffic reasons.

The City's towing rates were last updated in 2006. Staff recommended increasing both private property and accident towing rates in November 2011 (by 21.6%) and again in March 2012 (by 2%, reflecting an interim increase until such time that staff completed a thorough industry review), however, these recommendations were not adopted by City Council/Licensing and Standards Committee. Tows from private property therefore remain at the 2006 capped rate of \$88, and accident tows which are differentiated between those that occur on a city street and those that occur on a highway, remain at the 2006 capped rates of \$166 and \$188 respectively.

### ***Institute New Rate Caps with an Automatic Annual Inflation Adjustment***

Members of the towing industry have repeatedly expressed concerns that current towing rates are not in line with their increased costs of operating. The City's towing rates have not been adjusted in 11 years and are also significantly lower than those of neighbouring Greater Toronto Area (GTA) municipalities.

Staff conducted a comprehensive fee review in its evaluation of its current accident and private towing rates.

### ***Accident Tows: \$250***

At accident scenes, there is a need for a regulated towing rate. A collision can be a very traumatic and stressful time for motorists who are often in a vulnerable state. Clearing the road is a priority, and there is not enough time to make an informed decision about the hiring of a tow truck.

As part of the comprehensive fee review, staff attempted to trace the origin and basis for the establishment of the original accident towing rates in the City. Staff also examined an extensive sample of accident towing insurance claims provided by the Insurance Bureau of Canada, as well as reviewed the approaches taken by other jurisdictions to establish their accident towing rates.

Research was conducted into industry costs, with operators asked to share information on their costs for their trucks/equipment, insurance, fuel, and maintenance, and what they believe to be a suitable accident towing rate.

Some industry associations provided information on their costs of operating a tow truck that concluded that a range of \$300-\$350 would be an appropriate fee for an accident tow. However, there were also other operators who considered such information to be proprietary and competitively sensitive.

Through this process, staff learned that the scale of operations and cost structure of industry participants can vary significantly and therefore a rate that may be profitable for one type of operator may not be profitable for another. Further, accident tows constitute only one element of the towing business, making it difficult to validate and quantify actual operator costs.

At the March 2017 stakeholder/public consultations, staff presented a proposal to harmonize the two accident towing rates and to increase the rate to \$230 (consistent with the increase in the all-items Consumer Price Index (CPI) for the Toronto area over the last eleven years (i.e., the period of 2006-2016)).

Among the towing industry stakeholders in attendance at the March 2017 consultations, there were no issues raised around the harmonization of these rates, however, there was consensus that a rate of \$230 is too low and that a rate of \$300 is more appropriate.

Following the consultations, staff also received additional input from other industry stakeholders. All stakeholders agreed that the City's accident towing rate should be increased. Members of the insurance industry specifically expressed the need to ensure that rates are fair and reasonable. Based on the insurance industry's knowledge of towing costs and their experience in processing accident claims, it was suggested that the City's accident towing rate should fall within a range of \$230-\$260.

Taking into account this feedback, staff recommend that the City's differentiated accident towing rates be harmonized and increased to \$250.

A single harmonized accident towing rate would eliminate ambiguity as to when each rate should be applied and make it easier for the general public to identify one accident towing rate for the City. Although the argument can be made that tows conducted on a highway pose increased safety risks which justify a higher/differentiated rate, towing from both a City street or a highway present similar levels of risk based on many factors. Further, in reviewing other jurisdictions that regulate accident towing, no other municipality differentiates accident towing rates.

The rate of \$250 represents an amount that is consistent with a range of stakeholder data, input, cost of living increases and jurisdictional scans.

### ***Private Property Tows: \$108***

At the March 2017 stakeholder/public consultations, staff presented a proposal to increase the private property towing rate from \$88 to \$108, consistent with the increase in the all-items Consumer Price Index (CPI) for the Toronto area over the last eleven years (i.e., the period of 2006-2016).

During both rounds of consultation, staff heard from some stakeholders that felt that the amount of this increase was fair, while others indicated that the City's rate should follow the Toronto Police Service contracted towing rates (which range between \$110 to \$189 for a standard tow).

It was determined that the original proposal was appropriate, and as such, staff recommend that the bylaw be updated to set the private property towing rate to \$108.

Staff recommend that both the accident and private property towing rates be all-inclusive, covering all stops, adjustments, and any additional towing services that may be performed while the vehicle is hooked-up/in transit. With the exception of recovery services related to an accident and kilometrage for travel 5 km outside City limits (both discussed below), no additional fees may be charged.

Additionally, staff recommend that a provision be added to the bylaw to increase these regulated rates by CPI every year on January 1<sup>st</sup>, to ensure that going forward, rates are regularly adjusted.

### ***Permit \$100 Charge for Recovery Services for Accidents on City Streets and Highways***

For tow truck owners and drivers, recovery services may be costly both in terms of time spent at the scene of an accident and time spent on operator training to properly handle recovery. Tow truck owners and drivers should be compensated for their labour and expertise, and as such, staff propose that the bylaw be amended to permit a charge of \$100 for the performance of recovery services related to accidents that occur on City streets and highways. Staff also propose that the bylaw be amended to add a corresponding definition of recovery services to mean: "a service carried out to relocate or reposition a vehicle that involves the use of a winch or a specialized extraction device and that must be performed to prepare a vehicle for attachment or towing, but does not include the use of a hoisting device, a hook, a dolly, a flat bed, or other standard equipment used in the towing of a vehicle". The intent is to capture situations in which a tow truck owner or driver must winch a car out of a ditch; return a vehicle that has been flipped or overturned back to an upright position; etc.

With the addition of this regulated rate and definition, a related amendment to the bylaw is required to remove the existing section which references that tow truck owners may charge and include a fee on their schedule of rates for the uprighting of an overturned vehicle and winching (TMC § 545-101 A.(3)), as these services are now captured in the City's proposed regulated rate for recovery services.

Understanding that circumstances vary depending on the nature of an accident, and that in some instances recovery may be straight-forward, and in others recovery may be more labour intensive, staff considered establishing a time-based fee. However, staff determined that a flat fee would avoid the potential for disputes in trying to validate the time a tow truck owner or driver spent performing recovery services.

Reviewing neighbouring municipalities that permit an additional charge for recovery services (i.e., Vaughan, Richmond Hill, and Caledon) show that other recovery fees have also been established as a flat rate, and range from \$100 to \$120.

Staff propose that in order for a tow truck owner or driver to charge for recovery, he/she be required to take a minimum of two clear photographs demonstrating why the service was necessary. Taking pictures to justify additional services is already an unofficial operating standard. Tow truck owners would be responsible for collecting these photos from their drivers, storing them electronically for one year, and making them available for inspection by ML&S, when requested.

### ***Permit Charge for Second Tow; Amount agreed-upon by Tow Truck Owner/Driver and Consumer***

The City's regulated rates are meant to be all-inclusive. TMC §545-103.B.(3) is explicit that tow truck owners and drivers are prohibited from charging or requesting any fee relating to: (a) the towing, removal or conveyance of a vehicle from a collision reporting centre (CRC); (b) any clean-up of the scene of the accident; (c) the use of any equipment in relation to the towing, removal or conveyance of the vehicle; and (d) any service incidental to or arising from the towing, removal or conveyance of the vehicle.

The bylaw also includes a mandatory drop provision, which, under TMC §545-119, requires tow truck owners and drivers entering a collision reporting centre, to 'drop' the vehicle and leave the premises immediately. Collision reporting centres (CRCs) were established in the city by the Toronto Police Service to provide a facility for the public to report accidents and initiate insurance claims processing, and this requirement was incorporated into the bylaw in an effort to provide a "cooling off" period for persons involved in an accident so that related decisions, including the selection of an auto body shop, could be made without coercion.

Due to this mandatory drop provision, a vehicle has to be un-hooked and "dropped", and this effectively means that the accident tow has concluded. Where a consumer wants to have the same tow truck owner or driver tow the vehicle from the CRC to a final destination, the re-tow constitutes a second tow, which is not subject to City-regulated towing rates.

Staff have heard that this charge is frequently disputed in court by the insurance industry, and although technically prohibited by the bylaw, the insurance industry has instituted their own policy to accept and pay out a maximum of \$150 in the city of Toronto, for these 'second' tows. Still, some tow truck owners and drivers charge in excess of this amount and substantially more than for the original tow from the accident scene to the CRC.

To address this issue, staff propose deleting the current prohibition on charging for the towing, removal or conveyance of a vehicle from a CRC. Once a vehicle has been dropped at a CRC, the consumer may use the same tow truck owner or driver who towed the vehicle into the CRC, or, elect to hire another operator to tow the vehicle to a final destination.

The charge or rate for this second tow, will not be set by the City, but must be agreed upon by the tow truck owner or driver and the consumer, and supported by written authorization, prior to the vehicle being hooked up. Unlike a tow from an accident scene, by the time a consumer's vehicle is brought to a collision reporting centre, sufficient time has passed to allow consumers to contact their insurance provider, make inquiries, make an informed decision of what to do with their vehicle, and negotiate a rate for any additional service(s) that may be needed from a tow truck operator.

Staff did consider regulating a rate for this second tow, however, it was ultimately determined that requiring agreement on the rate/service between a tow truck owner or

driver and a consumer, supported by the completion of a consent to tow form would be sufficient.

### ***Permit Charge of \$3.25/km for Travel beyond 5 km Outside City Boundaries***

At the March 2017 stakeholder/public consultation sessions, some stakeholders expressed that tow truck owners and drivers should be permitted to charge for mileage when towing a vehicle outside City limits.

Consumers should always have the ability to choose where their vehicle will be towed, and a tow truck owner or driver should be fairly compensated if they are directed by a consumer to tow a vehicle well beyond City limits.

Under the *City of Toronto Act*, 2006, the City has the authority, with respect to tow trucks, to establish rates or fares to be charged for the conveyance of property or passengers from any point in the City to any point outside the City.

As such, staff propose that when towing a vehicle under the direction of a consumer, from an accident scene directly to a final destination (in limited situations where a visit to the CRC is not required), tow truck owners and drivers be permitted to charge a fee of \$3.25/km, for each kilometre of travel beyond 5 km outside City boundaries. For tows that conclude within 5 km of City boundaries, tow truck owners and drivers are not permitted to charge any fees for mileage.

Other GTA municipalities also permit a similar mileage charge. For example, Mississauga (at \$3.10/km), Brampton (at \$3.25/km) and Vaughan (at \$3.58/km) allow tow truck operators to charge mileage for travel beyond City boundaries. Richmond Hill allows tow truck operators to charge mileage of \$3.10/km for first 30 km of travel and \$1.55/km after the first 30 km of travel beyond City boundaries.

### ***Maintain Schedule of Rates for Towing Services for Medium/Heavy Duty Vehicles; Require that Schedules List Maximum Charges and be Filed Annually at Licence Renewal***

Towing rates for vehicles over 6,000 lb. (i.e., medium/heavy duty tows) are not regulated by the City. Tow truck owners are simply required to file a schedule of rates for these towing services (TMC §545-102, 103). Further, the City does not review or approve these rates, but simply files them as part of the licensing process.

On these schedules, tow truck owners are permitted to specify minimum and maximum rates for their towing services. However, it is staff's understanding that tow truck owners and drivers almost always charge the maximum. For this reason, staff recommend that tow truck owners be required to specify maximum amounts on these schedules. Of course, these amounts are not mandatory and do not preclude a tow truck owner or driver from charging a lesser amount.

Also under the bylaw, tow truck owners are prohibited from altering or amending their schedule of rates unless 30 days' notice of the intention to change such schedule is given to ML&S (TMC §545-100. C.). Still, some tow truck owners change their rates and

fail to provide ML&S with a copy of their updated rates. Staff propose that all tow truck owners also be required to file their schedule of rates, at the time of their annual licence renewal.

## **Storage Rates**

Currently, the City only regulates the storage rate for vehicles towed from private property, which is capped at \$20 per day or part of a day (TMC §545-102.B.(3)).

As part of this review, staff heard from some stakeholders that the City should explore regulating all storage rates due to concerns around excessive storage charges. Staff also heard related concerns with vehicles being brought to storage facilities without the knowledge or consent of the vehicle owner, accumulating daily storage charges.

In an effort to address these issues, consideration was given to capping all storage rates. However, staff ultimately decided against this because storage rates are driven by market forces and vary across the City and over time.

### ***Require All Public Garages that Provide Vehicle Storage to File with ML&S their Storage Rates and Require Written Authorization from a Consumer Prior to Charging for Storage***

Instead, staff propose that tow truck owners with storage facilities in the City of Toronto and storage providers should be required to:

- file their storage rates with the City;
- charge rates for storage that are consistent with the rates indicated in their filed schedule of rates; and
- consistent with recent changes to the *Consumer Protection Act*, receive written authorization from a consumer prior to charging for storage.

Accordingly, staff propose amendments to the City's existing Public Garages Bylaw (pursuant to Chapter 545, Licensing, Article XXIII) to reflect these requirements, consistent for all motor vehicle storage facilities, motor vehicle repair shops, and collision reporting centres, governed under the article.

## **Consumer Protection**

### ***Increase the Regulated Vehicle Weight from 6,000 lb to 7,000 lb/3,175 kg***

The City's tow truck bylaw regulates towing rates for vehicles with a "gross vehicle weight" of 6,000 lb and under, with the intent to capture and protect the motoring public—the majority who drive passenger/light-duty vehicles.

At the consultations, some stakeholders expressed that the "gross vehicle weight" is not an accurate representation of the true weight of a vehicle when it is being towed, and rather, the "curb weight" of a vehicle should be used (as it does not include the weight of passengers or cargo).

However, because the curb weight of a vehicle is information that is not readily accessible/available, staff recommend that the Manufacturer's GVWR continue to be used to determine whether a vehicle should be subject to the City's regulated towing rates. Additionally, staff propose that the bylaw be amended to specifically reference the "Manufacturer's GVWR" and that a corresponding definition be added, to ensure that there is no ambiguity in the interpretation of this weight.

The Manufacturer's Gross Vehicle Weight Rating (GVWR) will be defined as: "the maximum total vehicle rated capacity, as rated by the manufacturer specification stamp on the vehicle, which includes the weight of the vehicle's chassis, body, engine, engine fluids, fuel, accessories, driver, passengers and cargo."

With the increasing use of SUVs and larger passenger vehicles, staff also recommend that the weight requirement be increased from the current 6,000 lb to 3,175 kg (7,000 lb), to ensure that most passenger vehicles are covered by the bylaw.

In making the determination to increase the weight threshold to 3,175 kg/7,000 lb, staff considered the various suggestions provided by stakeholders and reviewed the weight thresholds for various vehicles under the *Highway Traffic Act*. 7,000 lb represents a modest increase, taking into account the following:

Staff heard from various stakeholders that provided suggestions that the weight threshold should be increased from 8,500 lb all the way up to 11,000 lb.

Under the *Highway Traffic Act*, there is no single threshold to distinguish passenger/light-duty vehicles.

Commercial vehicles registered under the Province's Commercial Vehicle Operator's Registration (CVOR), includes tow trucks regardless of weight, trucks that have a gross weight or registered gross weight greater than 4,500 kg (9,921 lb), and buses with a seating capacity of 10 or more passengers.

The Province's Passenger/Light-Duty Inspection Standard, applies to light-duty trucks and passenger vehicles, typically under 4,500 kg.

For the purposes of vehicle registration, Light-Duty Commercial Vehicles, have a gross weight of 3,000 kg (6,614 lb) or less.

The weight threshold of 3,175 kg/7,000 lb was selected to capture passenger or light-duty vehicles used by most people, rather than vehicles designed and used for truly commercial purposes.

### ***Require Tow Truck Owners/Drivers to Provide Consumers with an Itemized Bill and Receive Written Authorization Prior to Providing and Charging for Towing/Storage Services***

Under TMC §545-105, tow truck owners and drivers must present a consumer with an itemized bill of services prior to conducting a tow. The bill currently takes a form that is "approved by the Executive Director" and pertains mainly to financial information.

However, technically, there is no requirement that a consumer consent to the towing services before they begin.

Sometimes, tow truck owners and drivers fail to adequately complete a bill of services, or, consumers are not shown a bill until after the services have been rendered. ML&S Bylaw Enforcement receive frequent complaints regarding the billing practices of tow truck owners and drivers, and overcharging, in particular.

Staff propose that the current bill of services be incorporated into a new consent to tow form, which will require written authorization from the consumer (or someone acting on the consumer's behalf) for the tow truck owner or driver to perform the agreed-upon services for the specified charges. This authorization/consent is consistent with the new provincial requirements under the Consumer Protection Act.

This form will require the completion of the following information:

- the date/time the tow truck arrived on scene;
- the origin/location of the tow;
- the final destination of the tow as directed by the consumer (or where applicable, a police officer);
- the name and contact information of the towing company;
- the tow truck operator's ML&S tow truck driver licence number and ML&S tow truck number plate;
- information of the vehicle being towed (make, model, year, VIN #, licence plate)
- the name and contact information of the consumer;
- the name, badge number, and detachment of the police officer leading the accident investigation (where applicable);
- an itemized bill listing services provided, the cost for each service and the total cost charges (and any estimated charges);
- the signature of the consumer (or the police officer in charge of the accident investigation) giving consent to perform the listed towing services; and
- the signature of the tow truck owner or driver.

On this form, staff also propose that information derived from Chapter 545 and provincial laws respecting the roles, rights and responsibilities of (1) consumers, (2) tow truck owner and drivers, and (3) collision reporting centres (i.e., the parties to the towing transaction) be included, in a format similar to that of a Bill of Rights.

Consumer awareness at the scene of an accident is a common concern expressed by members of the insurance industry, CRCs, and the Police. Consumers are often vulnerable after being in a collision and do not immediately contact their insurance provider. They may not be clearly aware of their rights and responsibilities, and what charges and practices are legally permissible.

It is recommended that this form be completed for all tows 'for hire' by the public (excludes tows from private property), and be completed in duplicate, with a copy to the tow truck owner or driver and the other provided to the consumer.

Tow truck owners and drivers will be prohibited from altering any information on the form, after both parties to the transaction have signed off on the form.

The onus will be on tow truck owners to collect these records from their drivers, retain them for a period of at least one year, and make them available to ML&S for inspection, upon request.

In cases where the agreed upon final destination is not able to accept a consumer's vehicle (e.g., if the location is closed), the tow truck owner or driver will be required to contact the consumer and obtain instructions and consent to tow the vehicle to an alternate destination.

***Amend the Requirement that Prohibits Billing for Services More Than Filed Schedule of Rates or 15% Higher than the Original Estimate (Whichever is Less)***

TMC §545-104 specifies that where a tow truck owner or driver provides an estimate to a consumer (hirer) for the cost of services/equipment, that the final bill cannot exceed the lesser of the total charge authorized according to their schedule of rates filed with ML&S or the amount of the original estimate plus 15%.

However, the recently amended *Consumer Protection Act* now prohibits tow truck owners or drivers and vehicle repair and storage providers from charging "an amount that exceeds by more than 10% the authorized estimated amount".

For consistency with provincial requirements, staff recommend that both the Tow Truck and Public Garages bylaws be amended to mirror this prohibition.

***Require Tow Truck Owners/Drivers to Accept Credit Cards In Addition to Cash***

The methods of payment that tow truck owners and drivers are required to accept are not currently specified in the City's bylaw.

At the consultations conducted back in 2013, an interest was expressed in giving consumers the option to pay for towing services by debit and/or credit card, as cash-only payments may be difficult to document and can be inconvenient for consumers.

Staff also received specific direction from Licensing and Standards Committee, at its meeting of May 24, 2012, to report back on options to allow non-cash payment of tows.

Consumers should have the option to use alternate methods of payment, and therefore, staff propose that tow truck owners and drivers be required to accept cash and credit card for the payment of towing services. This requirement is consistent with the amended *Consumer Protection Act*.

Staff also considered mandating the acceptance of debit cards, however, tow truck owners cited concerns regarding the costs involved with the required debit terminals. Unlike credit cards, debit cards cannot be authorized over the phone.

### ***Prohibit Intermediate Stops during Towing Service***

The provincial *Highway Traffic Act* states that every person in charge of a motor vehicle who is involved in an accident shall, if the accident results in personal injuries or in damage to property exceeding a specified amount (i.e., \$2,000), report the accident forthwith to the nearest police officer or specified location (i.e., collision reporting centre). "Forthwith" is taken to mean immediately (i.e., within 24 hours).

The City's bylaw also requires tow truck owners and drivers to take "the most direct route" and the most "expeditious manner unless otherwise directed by the hirer" (TMC §545-111).

Still, staff have heard through consultations, that some tow truck owners and drivers take consumers to body shops, rental companies, and medical rehab facilities prior to their arrival at a Collision Reporting Centre or a final destination of the consumer's choosing, in direct contravention of the current requirement that prohibits tow truck owners and drivers from recommending related services/facilities (under TMC §545-112C). Staff have heard that in these cases, consumers are sometimes subjected to intense pressure from tow truck operators to use certain services.

For this reason, staff propose that the bylaw be amended to explicitly prohibit tow truck owners and drivers from making any intermediate stops when towing a vehicle to a CRC or to a final destination, as directed by a consumer or a police officer.

### ***Require Tow and Storage Providers to Allow Consumers Access to Personal Contents in Their Vehicles***

Consistent with the new requirements under the Consumer Protection Act, staff propose that a new requirement be added to the Tow Truck and Public Garages articles to require tow truck owners and drivers, vehicle repair facilities and storage providers, to ensure that consumers are authorized to access their vehicle, and any personal property contained within it, during regular business hours.

### **Operation/Service**

#### ***Clarify the Procedure for Dropping a Vehicle at a Collision Reporting Centre (CRC)***

The current bylaw specifies that a tow truck owner or driver delivering a vehicle to a CRC, must leave the vehicle in a designated area of the CRC and must exit the premises immediately after having been paid by CRC staff (TMC §545-119).

Staff have heard that some tow truck owners and drivers employ tactics to purposely delay the 'drop' and their collection of payment from the CRC, as an excuse to remain on the premises and solicit a second tow. For example, some tow truck owners and drivers deliberately hold onto the keys to a consumer's vehicle. Personal injury collisions that are relatively routine and normally could be reported quickly, end up taking hours to complete.

As such, staff propose that additional requirements be added to the bylaw to ensure the timely deposit of towed vehicles to CRCs. Tow truck owners and drivers delivering a vehicle to a CRC must park the vehicle in the designated area of the CRC, ensure the vehicle is secured (i.e., doors are locked, windows rolled up, lights and hazards are off, etc.), immediately return the consumer's property/keys, collect payment from CRC staff, and exit the premises.

### ***Require Tow Truck Owners/Drivers to Provide Proof of a Valid Licence Prior to Receiving Payment at a Collision Reporting Centre***

Unlicensed operators are a concern for legitimate tow truck operators, as well as all other industry participants. Through consultations, staff heard that some tow truck owners fail to renew their ML&S licence and continue to operate with an expired plate. Other retired tow truck drivers will sell plates to unlicensed vehicles in exchange for cash.

Under the current bylaw, the ML&S and Police have the authority to request a tow truck owner or driver to provide his or her licence (TMC §545-72). The CRCs specifically requested staff to consider granting them this same authority.

In an effort to further deter unlicensed operators, staff propose adding a provision to the bylaw to require tow truck owners and drivers to present valid proof of their Tow Truck Owner/Driver Licence to collision reporting centre staff, in order to receive payment for dropping off a towed vehicle.

### ***Require Tow Trucks to have a Minimum 4,536 kg Gross Vehicle Weight Rating (GVWR)***

To ensure that appropriate trucks are being used to tow vehicles, staff propose the addition of a requirement that tow truck owners and drivers only operate tow trucks with a minimum Gross Vehicle Weight Rating (GVWR) of 4,536 kg that are registered for their weight rating.

Specifying a minimum vehicle weight for tow trucks will help to ensure that towing services are being performed properly for the safety of operators and in the interests of consumers.

Other municipalities (i.e., Mississauga, Brampton, Richmond Hill) require their towing operators to abide by the same tow truck vehicle weight requirement.

### ***Add a Functional Camera and a Safety Vest to the List of Required Tow Truck Equipment***

The current bylaw specifies a number of required items on a tow trucks including a fire extinguisher, a steering wheel lock, safety chains etc. (TMC §545-92).

Staff propose that tow truck operators be required to maintain the following, additional equipment:

- a functional digital camera or a mobile phone with functional camera (for use in justifying the performance of recovery services); and
- a high visibility florescent safety vest, to be used/worn by tow truck operators when working on a City street or highway.

### ***Permit Tow Truck Owners to Keep Electronic Records***

The current bylaw requires tow truck owners to maintain daily records of all work performed by him or her and the tow truck owned by him or her (TMC §545-81). Similarly, tow truck drivers are required to keep run-sheets that list all the work performed by him or her throughout the day, and these run sheets are to be made in duplicate and retained for at least 12 months (TMC §545-82).

With the advent of technology, staff propose that the bylaw be amended to allow such records to be kept electronically, if not in hard copy.

### ***Delete the Prohibition on Drop-Fees***

Both the Tow Truck and Public Garages bylaws contain provisions to prohibit the payment of commissions (known as "drop fees") to the owner or driver of a tow truck or to a tow truck broker in return for the towing a vehicle to a particular place, or, to the operator of a public garage, vehicle repair facility, or insurance company, or related agents or representatives (TMC §545-88, §545-89, §545-264).

Staff recognize that arrangements between tow truck owners and drivers, public garages and insurance providers are inherent in the towing industry. The recently amended *Consumer Protection Act* acknowledges these arrangements, and simply requires that tow and storage providers disclose if they are receiving a financial incentive for towing a vehicle to a particular vehicle storage facility or repair shop.

Accordingly, staff recommend the deletion of all provisions currently contained in the Tow Truck and Public Garages bylaws that prohibit the demand/payment of drop fees.

## **Technical and Stylistic Bylaw Amendments**

### ***Specify All Weights in the Bylaw in Metric Units***

To establish consistency with other GTA municipalities, staff recommend that all references to weight throughout the bylaw be specified in kilograms rather than pounds.

### ***Clarify the Requirements for Tow Truck Vehicle Inspections***

As a condition of licensing, tow truck owners are required to have their tow trucks and equipment pass a mechanical inspection, by obtaining a Safety Standard Certificate (SSC) that is issued by a Motor Vehicle Inspection Station (MVIS) garage licensed by the Ontario Ministry of Transportation.

Currently, under TMC §545-98, it specifies that where ML&S has made an appointment for the inspection of a tow truck or its equipment and such tow truck and equipment are

not produced at the time and place appointed for such inspection, that the tow truck owner's licence may be suspended until the tow truck and its equipment have been tested, inspected and approved.

Staff recommend that the current requirement be amended to specify that the tow truck owner must provide ML&S with a Safety Standards Certificate within a time period as directed by ML&S, not necessarily where ML&S has made an appointment. Failing the above, the tow truck owner's licence may be suspended until the tow truck and its equipment have been tested, inspected and approved. This recommendation clarifies the current requirement to obtain a SSC and submit upon request or renewal.

### ***Clarify Tow Truck Owner/Driver Responsibility in the Use of a Hoisting Device***

The bylaw requires that hoisting devices must be lowered at all times when a tow truck is in motion, except where a vehicle is being towed (TMC §545-93). However, as it is currently written in the bylaw, the requirement is not specific to indicate that this responsibility rests with the tow truck owner or driver. Staff recommend that this requirement be amended to make this responsibility clear.

### ***Delete the Requirement that Permits Tow Truck Owners/Drivers to Refer Billing Disputes to the Police***

TMC §545-108 specifies that when a dispute arises between a tow truck operator and a consumer (hirer) regarding the amount or rates to be paid, that the tow truck owner or driver may refer the dispute to the police, and if the tow truck operator was correct in the demand for payment, he or she may add a charge (consistent with their schedule of rates filed with ML&S) for the distance travelled from the place where the dispute arose to the police station, and any reasonable waiting time while the dispute was being investigated.

With the new requirements under the *Consumer Protection Act*, and those proposed in this report related to tow truck owners and drivers now having to obtain written consent prior to performing towing services and providing consumers with an itemized list of services/charges, this requirement becomes redundant. Further, according to the TPS, disputes related to the amounts/charges related to a consumer's engagement of towing services are typically considered civil matters, that the police generally do not interfere in.

### ***Restructure and Simplify All Other Bylaw Requirements***

Apart from the specific amendments proposed in this report, staff have also identified the need to re-structure, consolidate, and simplify other existing requirements contained within the Tow Truck Bylaw. Re-drafting the Bylaw will not change the intent or effect of existing requirements. Rather, the goal is to amend the existing structure and language to be more clear and concise, and make requirements easier to understand.

This is in line with ML&S' strategy to modernize Chapter 545, Licensing, in its entirety.

## **Review of Collision Reporting Centres**

During the course of this review, various concerns regarding the operation of collision reporting centres (CRCs) were raised by towing industry participants.

There are presently two CRCs in the City of Toronto (one in North York and one in Scarborough), which are operated by a private sector corporation (Accident Support Services Ltd.) under contract with the Toronto Police Service Board. Services provided by the CRCs are provided to the police on the principle of being no cost to the public and no cost to the police. CRCs are funded by insurers who have the option to purchase or not purchase information and claims processing services from the CRCs. The majority of insurers in Toronto (approximately 90%) are on "program" with the CRC, however, there are a handful of insurers who are not, and they are charged a (\$350) "non-drivable" or 'non-participant' fee, which some of the towing industry stakeholders object to.

Staff also heard from some tow truck owners and drivers, who raised concerns with the general operation of CRCs and with the change in CRC business hours, as CRCs were originally established as a 24/7 operation, and presently, only operates daily from 6:00 a.m. to 12:00 a.m.

While outside the scope of this review, the issues identified warrant an examination of the operation of collision reporting centres. Staff intend to undertake a review of CRCs, in consultation with the Toronto Police Service. Following the review, staff will report back with recommendations for the TPS Board and/or amendments to the Public Garage bylaw.

## **CONTACT**

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## **SIGNATURE**

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