

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

**TOWING MODIFICATIONS**  
2024 GENERAL SESSION  
STATE OF UTAH

**Chief Sponsor: Michael K. McKell**  
House Sponsor: Matthew H. Gwynn

---

---

**LONG TITLE**

**General Description:**

This bill makes changes regarding what information can be shared when a vehicle is towed and makes changes related to the Uninsured Motorist Identification Restricted Account.

**Highlighted Provisions:**

This bill:

- ▶ allows information to be shared with a designated agent;
  - ▶ amends provisions related to the Uninsured Motorist Identification Restricted Account;
- and
- ▶ allows a designated agent to share information with a towed vehicle's insurance company in certain circumstances.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

This bill provides a special effective date.

**Utah Code Sections Affected:**

AMENDS:

- 41-6a-1406**, as last amended by Laws of Utah 2023, Chapter 335
- 41-12a-805**, as last amended by Laws of Utah 2012, Chapter 243

---

---

*Be it enacted by the Legislature of the state of Utah:*

Section 1. Section **41-6a-1406** is amended to read:

**41-6a-1406 . Removal and impoundment of vehicles -- Reporting and notification requirements -- Administrative impound fee -- Refunds -- Possessory lien -- Rulemaking.**

(1) If a vehicle, vessel, or outboard motor is removed or impounded as provided under

Section 41-1a-1101, 41-6a-527, 41-6a-1405, 41-6a-1408, or 73-18-20.1 by an order of a

29 peace officer or by an order of a person acting on behalf of a law enforcement agency or  
30 highway authority, the removal or impoundment of the vehicle, vessel, or outboard  
31 motor shall be at the expense of the owner.

32 (2) The vehicle, vessel, or outboard motor under Subsection (1) shall be removed or  
33 impounded to a state impound yard.

34 (3) The peace officer may move a vehicle, vessel, or outboard motor or cause it to be  
35 removed by a tow truck motor carrier that meets standards established:

36 (a) under Title 72, Chapter 9, Motor Carrier Safety Act; and

37 (b) by the department under Subsection (10).

38 (4) (a) A report described in this Subsection (4) is required for a vehicle, vessel, or  
39 outboard motor that is:

40 (i) removed or impounded as described in Subsection (1); or

41 (ii) removed or impounded by any law enforcement or government entity.

42 (b) Before noon on the next business day after the date of the removal of the vehicle,  
43 vessel, or outboard motor, a report of the removal shall be sent to the Motor Vehicle  
44 Division by:

45 (i) the peace officer or agency by whom the peace officer is employed; and

46 (ii) the tow truck operator or the tow truck motor carrier by whom the tow truck  
47 operator is employed.

48 (c) The report shall be in a form specified by the Motor Vehicle Division and shall  
49 include:

50 (i) the operator's name, if known;

51 (ii) a description of the vehicle, vessel, or outboard motor;

52 (iii) the vehicle identification number or vessel or outboard motor identification  
53 number;

54 (iv) the license number, temporary permit number, or other identification number  
55 issued by a state agency;

56 (v) the date, time, and place of impoundment;

57 (vi) the reason for removal or impoundment;

58 (vii) the name of the tow truck motor carrier who removed the vehicle, vessel, or  
59 outboard motor; and

60 (viii) the place where the vehicle, vessel, or outboard motor is stored.

61 (d) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
62 State Tax Commission shall make rules to establish proper format and information

- 63 required on the form described in this Subsection (4).
- 64 (e) Until the tow truck operator or tow truck motor carrier reports the removal as  
65 required under this Subsection (4), a tow truck motor carrier or impound yard may  
66 not:
- 67 (i) collect any fee associated with the removal; and  
68 (ii) begin charging storage fees.
- 69 (5) (a) Except as provided in Subsection (5)(e) and upon receipt of the report, the Motor  
70 Vehicle Division shall give notice, in the manner described in Section 41-1a-114, to  
71 the following parties with an interest in the vehicle, vessel, or outboard motor, as  
72 applicable:
- 73 (i) the registered owner;  
74 (ii) any lien holder; or  
75 (iii) a dealer, as defined in Section 41-1a-102, if the vehicle, vessel, or outboard  
76 motor is currently operating under a temporary permit issued by the dealer, as  
77 described in Section 41-3-302.
- 78 (b) The notice shall:
- 79 (i) state the date, time, and place of removal, the name, if applicable, of the person  
80 operating the vehicle, vessel, or outboard motor at the time of removal, the reason  
81 for removal, and the place where the vehicle, vessel, or outboard motor is stored;  
82 (ii) state that the registered owner is responsible for payment of towing, impound,  
83 and storage fees charged against the vehicle, vessel, or outboard motor;  
84 (iii) state the conditions that must be satisfied before the vehicle, vessel, or outboard  
85 motor is released; and  
86 (iv) inform the parties described in Subsection (5)(a) of the division's intent to sell the  
87 vehicle, vessel, or outboard motor, if, within 30 days after the day of the removal  
88 or impoundment under this section, one of the parties fails to make a claim for  
89 release of the vehicle, vessel, or outboard motor.
- 90 (c) Except as provided in Subsection (5)(e) and if the vehicle, vessel, or outboard motor  
91 is not registered in this state, the Motor Vehicle Division shall make a reasonable  
92 effort to notify the parties described in Subsection (5)(a) of the removal and the place  
93 where the vehicle, vessel, or outboard motor is stored.
- 94 (d) The Motor Vehicle Division shall forward a copy of the notice to the place where the  
95 vehicle, vessel, or outboard motor is stored.
- 96 (e) The Motor Vehicle Division is not required to give notice under this Subsection (5) if

97 a report was received by a tow truck operator or tow truck motor carrier reporting a  
 98 tow truck service in accordance with Subsection 72-9-603(1)(a)(i).

99 (f) (i) The Motor Vehicle Division shall disclose the information in the report  
 100 described in Subsection (4) and Subsection 72-9-603(1)(a)(i) to a designated agent  
 101 as defined in Section 41-12a-802 regarding a tow that was initiated:

102 (A) by law enforcement; or

103 (B) without the vehicle owner's consent.

104 (ii) The Motor Vehicle Division may rely on the information provided by the tow  
 105 truck operator or tow truck motor carrier to determine if a tow meets the criteria  
 106 described in Subsections (5)(f)(i)(A) and (B).

107 (iii) The designated agent may disclose information received regarding a tow  
 108 described in Subsections (5)(f)(i)(A) and (B) to the vehicle owner and to the  
 109 vehicle owner's verified insurance company.

110 (iv) The designated agent may not disclose information to a vehicle owner's  
 111 insurance company if the tow does not meet the criteria described in Subsections  
 112 (5)(f)(i)(A) and (B).

113 (6) (a) The vehicle, vessel, or outboard motor shall be released after a party described in  
 114 Subsection (5)(a):

115 (i) makes a claim for release of the vehicle, vessel, or outboard motor at any office of  
 116 the State Tax Commission;

117 (ii) presents identification sufficient to prove ownership of the impounded vehicle,  
 118 vessel, or outboard motor;

119 (iii) completes the registration, if needed, and pays the appropriate fees;

120 (iv) if the impoundment was made under Section 41-6a-527, pays an administrative  
 121 impound fee of \$400; and

122 (v) pays all towing and storage fees to the place where the vehicle, vessel, or  
 123 outboard motor is stored.

124 (b) (i) Twenty-nine dollars of the administrative impound fee assessed under  
 125 Subsection (6)(a)(iv) shall be dedicated credits to the Motor Vehicle Division;

126 (ii) \$147 of the administrative impound fee assessed under Subsection (6)(a)(iv) shall  
 127 be deposited into the Department of Public Safety Restricted Account created in  
 128 Section 53-3-106;

129 (iii) \$20 of the administrative impound fee assessed under Subsection (6)(a)(iv) shall  
 130 be deposited into the Neuro-Rehabilitation Fund created in Section 26B-1-319; and

- 131 (iv) the remainder of the administrative impound fee assessed under Subsection  
132 (6)(a)(iv) shall be deposited into the General Fund.
- 133 (c) The administrative impound fee assessed under Subsection (6)(a)(iv) shall be waived  
134 or refunded by the State Tax Commission if the registered owner, lien holder, or  
135 owner's agent presents written evidence to the State Tax Commission that:
- 136 (i) the Driver License Division determined that the arrested person's driver license  
137 should not be suspended or revoked under Section 53-3-223 or 41-6a-521 as  
138 shown by a letter or other report from the Driver License Division presented  
139 within 180 days after the day on which the Driver License Division mailed the  
140 final notification; or
- 141 (ii) the vehicle was stolen at the time of the impoundment as shown by a copy of the  
142 stolen vehicle report presented within 180 days after the day of the impoundment.
- 143 (d) A tow truck operator, a tow truck motor carrier, and an impound yard shall accept  
144 payment by cash and debit or credit card for a removal or impoundment under  
145 Subsection (1) or any service rendered, performed, or supplied in connection with a  
146 removal or impoundment under Subsection (1).
- 147 (e) The owner of an impounded vehicle may not be charged a fee for the storage of the  
148 impounded vehicle, vessel, or outboard motor if:
- 149 (i) the vehicle, vessel, or outboard motor is being held as evidence; and  
150 (ii) the vehicle, vessel, or outboard motor is not being released to a party described in  
151 Subsection (5)(a), even if the party satisfies the requirements to release the  
152 vehicle, vessel, or outboard motor under this Subsection (6).
- 153 (7) (a) For an impounded vehicle, vessel, or outboard motor not claimed by a party  
154 described in Subsection (5)(a) within the time prescribed by Section 41-1a-1103, the  
155 Motor Vehicle Division shall issue a certificate of sale for the impounded vehicle,  
156 vessel, or outboard motor as described in Section 41-1a-1103.
- 157 (b) The date of impoundment is considered the date of seizure for computing the time  
158 period provided under Section 41-1a-1103.
- 159 (8) A party described in Subsection (5)(a) that pays all fees and charges incurred in the  
160 impoundment of the owner's vehicle, vessel, or outboard motor has a cause of action for  
161 all the fees and charges, together with damages, court costs, and attorney fees, against  
162 the operator of the vehicle, vessel, or outboard motor whose actions caused the removal  
163 or impoundment.
- 164 (9) Towing, impound fees, and storage fees are a possessory lien on the vehicle, vessel, or

165 outboard motor.

166 (10) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
167 department shall make rules setting the performance standards for towing companies to  
168 be used by the department.

169 (11) (a) The Motor Vehicle Division may specify that a report required under Subsection  
170 (4) be submitted in electronic form utilizing a database for submission, storage, and  
171 retrieval of the information.

172 (b) (i) Unless otherwise provided by statute, the Motor Vehicle Division or the  
173 administrator of the database may adopt a schedule of fees assessed for utilizing  
174 the database.

175 (ii) The fees under this Subsection (11)(b) shall:

176 (A) be reasonable and fair; and

177 (B) reflect the cost of administering the database.

178 Section 2. Section **41-12a-805** is amended to read:

179 **41-12a-805 . Disclosure of insurance information -- Penalty.**

180 (1) Information in the database established under Section 41-12a-803 provided by a person  
181 to the designated agent is considered to be the property of the person providing the  
182 information.

183 (2) The information may not be disclosed from the database under Title 63G, Chapter 2,  
184 Government Records Access and Management Act, or otherwise, except as follows:

185 (a) for the purpose of investigating, litigating, or enforcing the owner's or operator's  
186 security requirement under Section 41-12a-301, the designated agent shall verify  
187 insurance information through the state computer network for a state or local  
188 government agency or court;

189 (b) for the purpose of investigating, litigating, or enforcing the owner's or operator's  
190 security requirement under Section 41-12a-301, the designated agent shall, upon  
191 request, issue to any state or local government agency or court a certificate  
192 documenting the insurance information, according to the database, of a specific  
193 individual or motor vehicle for the time period designated by the government agency;

194 (c) upon request, the department or its designated agent shall disclose whether or not a  
195 person is an insured individual and the insurance company name to:

196 (i) that individual or, if that individual is deceased, any interested person of that  
197 individual, as defined in Section 75-1-201;

198 (ii) the parent or legal guardian of that individual if the individual is an

- 199 unemancipated minor;
- 200 (iii) the legal guardian of that individual if the individual is legally incapacitated;
- 201 (iv) a person who has power of attorney from the insured individual;
- 202 (v) a person who submits a notarized release from the insured individual dated no
- 203 more than 90 days before the date the request is made; or
- 204 (vi) a person suffering loss or injury in a motor vehicle accident in which the insured
- 205 individual is involved, but only as part of an accident report as authorized in
- 206 Section 41-12a-202;
- 207 (d) for the purpose of investigating, enforcing, or prosecuting laws or issuing citations
- 208 by state or local law enforcement agencies related to the:
- 209 (i) registration and renewal of registration of a motor vehicle under Title 41, Chapter
- 210 1a, Motor Vehicle Act;
- 211 (ii) purchase of a motor vehicle under Title 59, Chapter 12, Sales and Use Tax Act;
- 212 and
- 213 (iii) owner's or operator's security requirements under Section 41-12a-301;
- 214 (e) upon request of a peace officer acting in an official capacity under the provisions of
- 215 Subsection (2)(d), the department or the designated agent shall, upon request,
- 216 disclose relevant information for investigation, enforcement, or prosecution;
- 217 (f) for the purpose of the state auditor, the legislative auditor general, or other auditor of
- 218 the state conducting audits of the program;
- 219 (g) upon request of a financial institution as defined under Section 7-1-103 for the
- 220 purpose of protecting the financial institution's bona fide security interest in a motor
- 221 vehicle; [~~and~~]
- 222 (h) upon the request of a state or local law enforcement agency for the purpose of
- 223 investigating and prosecuting identity theft and other crimes[-] ; and
- 224 (i) the designated agent shall provide information from the database regarding a towed
- 225 vehicle to the vehicle owner's insurance company of record at the time the vehicle
- 226 was towed, including, if available, the name, address, and contact information of the
- 227 tow yard where the vehicle is stored.
- 228 (3) (a) The department may allow the designated agent to prepare and deliver upon
- 229 request, a report on the insurance information of a person or motor vehicle in
- 230 accordance with this section.
- 231 (b) The report may be in the form of:
- 232 (i) a certified copy that is considered admissible in any court proceeding in the same

- 233 manner as the original; or
- 234 (ii) information accessible through the Internet or through other electronic medium if
- 235 the department determines that sufficient security is provided to ensure
- 236 compliance with this section.
- 237 (c) The department may allow the designated agent to charge a fee established by the
- 238 department under Section 63J-1-504 for each:
- 239 (i) document authenticated, including each certified copy;
- 240 (ii) record accessed by the Internet or by other electronic medium; and
- 241 (iii) record provided to a financial institution under Subsection (2)(g).
- 242 (4) A person who knowingly releases or discloses information from the database for a
- 243 purpose other than those authorized in this section or to a person who is not entitled to it
- 244 is guilty of a third degree felony.
- 245 (5) An insurer is not liable to any person for complying with Sections 31A-22-315 and
- 246 31A-22-315.5 by providing information to the designated agent.
- 247 (6) Neither the state nor the department's designated agent is liable to any person for
- 248 gathering, managing, or using the information in the database as provided in Sections
- 249 31A-22-315 and 31A-22-315.5 and this part.

250 Section 3. **Effective date.**

251 This bill takes effect on July 1, 2024.