

TOWING, STORAGE AND BOOTING ADVISORY BOARD
Compliance Division Staff Report
November 16, 2017

Outreach Efforts

- Todd Forrester and Latasha Poland conducted a vehicle storage facility compliance workshop in Georgetown on October 27th. This workshop covered and provided the Compliance Manual to 25 members of the industry. Compliance also went over paperwork with several people in attendance, as well as answering any questions they had on VSF processes. Compliance also listened to concerns of the industry members in attendance.
- Compliance, is reviewing the towing and VSF rules. The review considers feedback from the industry received in the training classes, through contacts with the industry via phone calls and emails, as well as the external and internal strategic planning sessions that took place across the state.

Internal Efforts

- Compliance is continuing to develop internal policies and procedures to ensure continuity with the program in the future.

**TOWING, STORAGE, AND BOOTING ADVISORY BOARD
NOVEMBER 17TH, 2017**

RECENT ACCOMPLISHMENTS AND CURRENT PROJECTS

EDUCATION, EXAMINATION, AND SCHOOL SERVICES

TOTAL E-MAIL ANSWERED BY STAFF
(AS OF SEPTEMBER 30th, 2017)

MONTH	FY 2018	FY 2017	FY 2016	FY 2015
September	1,545	1,158	1,389	
October		1,263	1,060	
November		744	996	
December		653	760	
January		955	1,060	
February		974	1,047	
March		1,463	994	
April		981	966	
May		1,140	1,061	
June		1,747	911	
July		804	767	835
August		1,266	1,123	1,104
TOTAL	1,545	13,148	12,134	1,939

CONTINUING EDUCATION

RECORD FEES

➤ CE Completion Fees Totals Invoiced for fiscal year	\$1,394,840.00
<u>Total Payments Received for fiscal year</u>	<u>\$1,248,195.00</u>
Current Balance Due (as of October 31 st , 2017)	\$ 146,645.00

PERSONNEL UPDATE



On September 1st, we welcomed Lisa McDonald to E&E from Compliance. Lisa has been with the TDLR for 9 years. Lisa worked as a Program Specialist for the Service Contract Providers, Property Tax Professionals, Property Tax Consultants, Polygraph Examiners, Professional Employer Organizations, For-Profit Legal Services programs.

KEY STATISTICS AND TRENDS

TOW OPERATORS CONTINUING EDUCATION (AS OF SEPTEMBER 31st, 2017)

FY 2018	SEP	OCT	NOV	Q1	DEC	JAN	FEB	Q2	MAR	APR	MAY	Q3	JUN	JUL	AUG	Q4	TOT
Course Approvals Issued	3			3				0				0				0	3
Total Course Population	36			36				0				0				0	36
Total Provider Population	425			425				0				0				0	425

FY 2017	SEP	OCT	NOV	Q1	DEC	JAN	FEB	Q2	MAR	APR	MAY	Q3	JUN	JUL	AUG	Q4	TOT
Course Approvals Issued	1	1	1	3	2	5	5	12	5	0	3	8	7	1	2	10	33
Total Course Population	35	36	35	35	34	35	36	36	39	36	36	36	36	32	33	33	33
Total Provider Population	380	409	409	409	407	415	418	418	421	424	427	427	428	430	430	430	430

FY 2016	SEP	OCT	NOV	Q1	DEC	JAN	FEB	Q2	MAR	APR	MAY	Q3	JUN	JUL	AUG	Q4	TOT
Course Approvals Issued	1	0	2	3	5	6	2	13	1	2	4	7	6	6	0	12	35
Total Course Population	42	37	39	39	44	43	40	40	39	39	40	40	36	39	37	37	37
Total Provider Population	393	394	391	391	391	393	394	394	388	387	384	384	382	378	378	378	378

**BOOTING OPERATORS CONTINUING EDUCATION
(AS OF SEPTEMBER 31st, 2017)**

FY 2018	SEP	OCT	NOV	Q1	DEC	JAN	FEB	Q2	MAR	APR	MAY	Q3	JUN	JUL	AUG	Q4	TOT
Course Approvals Issued	0			0				0				0				0	0
Total Course Population	2			2				0				0				0	2
Total Provider Population	425			425				0				0				0	425

FY 2017	SEP	OCT	NOV	Q1	DEC	JAN	FEB	Q2	MAR	APR	MAY	Q3	JUN	JUL	AUG	Q4	TOT
Course Approvals Issued	0	0	0	0	0	0	1	1	0	0	0	0	1	0	0	1	2
Total Course Population	2	2	2	2	2	2	1	1	1	1	1	1	2	2	0	2	2
Total Provider Population	380	409	409	409	407	415	418	418	421	424	427	427	428	430	0	430	430

FY 2016	SEP	OCT	NOV	Q1	DEC	JAN	FEB	Q2	MAR	APR	MAY	Q3	JUN	JUL	AUG	Q4	TOT
Course Approvals Issued	0	0	0	0	1	1	1	3	0	0	0	0	0	0	0	0	3
Total Course Population	2	2	2	2	3	4	2	2	2	2	2	2	2	2	2	2	2
Total Provider Population	393	394	391	391	391	393	394	394	388	387	384	384	382	378	378	378	378

Towing, Storage and Booting Advisory Board

Enforcement Division Staff Report November 16, 2017

Case Highlights

- On October 4, 2017, an Agreed Order was issued against Gary A. Meuth d/b/a Quality Automotive Service assessing an administrative penalty in the amount of \$1,500 for failing to have all the required information in the notification letters sent to vehicle owners/lienholders and for failing to send timely notification to vehicle owner/lienholders. (\$500 paid)
- On October 4, 2017, a Default Order was issued against Clayton Elmore d/b/a Goesbeck Paint and Body assessing an administrative penalty in the amount of \$4,500 for failing to send timely notification to vehicle owner/lienholders, charging unauthorized fees, and charging for impoundment without properly documenting the services performed for impoundment. This was a second violation for the Respondent. (\$0 paid)
- On October 3, 2017, an Agreed Order was issued against Joe Garza d/b/a 123 Towing assessing an administrative penalty in the amount of \$600 for overcharging a vehicle owner for a private property tow. (paid in full)
- On October 3, 2017, an Agreed Order was issued against S & S Wrecker Service & Storage LLC d/b/a S & S Wrecker Service assessing an administrative penalty in the amount of \$600 for failing to keep required documentation. (paid in full)
- On October 4, 2017, an Agreed Order was issued against Turn Key Auto Works, LLC d/b/a Johnson County Towing assessing an administrative penalty in the amount of \$1,200 for failing to have proper fence surrounding the vehicle storage facility. This is a second violation for the Respondent. (paid in full)

Key Statistics

Shown below are key statistics for the Towing and Vehicle Storage programs, and for all TDLR programs combined for fiscal year 2017, and average penalties for the Towing and Vehicle Storage programs and for all TDLR programs combined for fiscal years 2016 and 2017.

<u>Statistic</u>	<u>TOW</u>	<u>VSF</u>	<u>TDLR</u>
• Number of cases opened:	1,736	741	12,054
• Number of cases resolved:	2,063	972	12,405
• Number of Agreed Orders:	245	232	2,309
• Total amount of penalties assessed:	\$642,325	\$590,995	\$5,250,179
• Total amount of penalties collected:	\$329,365	\$366,209	\$2,571,951

<u>Average Penalty</u>	<u>TOW</u>	<u>VSF</u>	<u>TDLR</u>
• Fiscal Year 2016	\$2,809	\$2,467	\$1,866
Licensed	\$2,737	\$2,484	
Unlicensed	\$3,126	\$2,206	
• Fiscal Year 2017	\$2,125	\$2,126	\$1,778
Licensed	\$2,081	\$2,111	
Unlicensed	\$2,379	\$2,290	

Top 10 Violations in Disciplinary Actions

Shown below are the ten most common violations found in disciplinary actions for the Towing and Vehicle Storage programs thru July of fiscal year 2017.

TOW

Fail to have data plates on equipment	77
Did not establish or follow drug policy	80
No tow operator license	40
Towed without proper signs	29
Employed unlicensed person	21
Towing without authority – illegal tow	19
Unlicensed tow company	18
Tow in unsafe or incompetent manner	14
Charged more than allow for tow	12

VSF

Failed to include required information on notice	101
Did not establish or follow drug policy	60
Employed unlicensed employee	55
Failed to timely send or publish notice	50
Failed to maintain records for 2 years	36
Charged impound fee without services or date	36
Unlicensed company	19
No reasonable efforts to store	18
Failed to notify law enforcement	18
Failed to secure vehicle to prevent theft	11

Towing, Storage & Booting Advisory Board Meeting Field Operations Division Report



The Face of TDLR

November 17, 2017

Tow Companies – Most Common Violations Found During Inspections

Quarter 4 Fiscal Year 2017

- 1. Vehicle Signage.** – 14 Tex. Occupations Code Ch. 2308.109(a) & 16 Tex. Admin. Code Ch. 86.701(a). Failure to display on the tow truck the permit holder's name, telephone number, city and state, and the permit number for the truck.
- 2. Alcohol and Drug Testing of Towing Operators.** - 14 Tex. Occupations Code Ch.2308.158(a) and 16 Tex. Admin. Code Ch.86.710(a)(6)(A-C). A towing company shall establish an alcohol and drug testing policy for towing operators.
- 3. Tow Ticket.** – 16 Tex. Admin. Code Ch. 86.709(e). Failure of a towing company to prepare and issue a tow ticket that contains the licensed name of the towing company, publicly listed telephone number, towing company certificate of registration number, and the TDLR license number of the towing operator.
- 4. Standards of Conduct** – 16 Tex. Admin. Code Ch. 86.705(l)(1-4). A towing company must keep record of every nonconsent tow including, but not limited to, the following information: (1) vehicle description, including license or vehicle identification number, if available; (2) a statement describing the reason for towing the vehicle; (3) location vehicle towed from; and (4) vehicle storage location.
- 5. Vehicle Signage.** – 14 Tex. Occupations Code Ch. 2308.109(b) & 16 Tex. Admin. Code Ch. 86.701(b). The information required to be displayed must be printed in letters at least 2 inches high, contrasting with background, and permanently affixed in conspicuous places on both sides of the tow truck.
- 6. Tow Ticket.** – 16 Tex. Admin. Code Ch. 86.709(b). A copy of the tow ticket must be given to the vehicle owner, if the owner or operator is present and available at the time of the tow, and a copy delivered to the vehicle storage facility, or place agreed upon by the towing operator and vehicle owner.
- 7. Required Postings at Vehicle Storage Facility (VSF).** – 16 Tex. Admin. Code Ch. 86.706(a). A towing company must provide its nonconsent towing fees schedule to all VSF's to which the towing company delivers vehicles for storage.
- 8. Equipment Violations.** – 16 Tex. Admin. Code Ch. 86.1000(a)(1)(2). Failure to display a legible manufacturer's data plate or manufacturer's documentation indicating the capacity of the boom, the winch or the carry mechanism.

Vehicle Storage Facilities – Most Common Violations Found During Inspections Quarter 4 Fiscal Year 2017

1. Storage Lot Signs. – 16 Tex. Admin. Code Ch. 85.1003(d). Failure to have a sign describing the documents that may be presented by the vehicle owner or his/her authorized representative to obtain possession of the vehicle.

2. Notice of Complaint Procedure. - 16 Tex. Admin. Code Ch. 86.707(a)&(b). Failure to notify the vehicle owner of the department's website and email address, mailing address, and telephone number, for purposes of directing complaints regarding the vehicle storage to the department. The notice shall be included on a sign prominently displayed to the public at the place of payment, with letters at least one inch in height, and a contrasting background; and the front page of any bill for service.

3. Storage Lot Signs. – 16 Tex. Admin. Code Ch. 85.1003(e). Failure to conspicuously post a sign that states: "This vehicle storage facility must accept payment by an electronic check, credit card, or debit card for any fee or charge associated with delivery or storage of a vehicle."

4. Storage Lot Signs. – 16 Tex. Admin. Code Ch. 85.1003(c). Failure to conspicuously place a sign, at the place of payment, stating "Non-Consent Tow Fees Schedules Available on Request".

5. Storage Lot Signs. – 16 Tex. Admin. Code Ch. 85.1003(a). Failure to have a clearly visible and readable sign at its main entrance, containing the registered name, address, phone number for release of the vehicle, facility hours and the storage lot's state license number. Such sign shall have letters at least 2 inches in height, with contrasting background, shall be visible at 10 feet.

6. Impoundment Fee. - 16 Tex. Admin. Code Ch. 85.722(e). A VSF operator may charge a vehicle owner an Impoundment fee if Impoundment is performed in accordance with these rules. The Impoundment fee may not exceed \$20. If the VSF operator charges a fee for Impoundment, the written bill for services must specify the exact services performed for that fee and the dates those services were performed.

7. Reasonable Storage Efforts – 16 Tex. Admin. Code Ch. 85.719(a). A VSF operator shall make reasonable efforts necessary for the storage of a vehicle, such as locking doors, rolling up windows, and closing doors, hatchbacks, sunroofs, trunks, hoods, or convertible tops.

8. Storage Lot Surface. - 16 Tex. Admin. Code Ch. 85.1001. All VSFs shall have an all-weather surface such as concrete, asphalt, black-top, stone, macadam, limestone, iron ore, gravel, shell, or caliche, that enables the safe and effective movement of stored vehicles upon all portions of the lot, both under their own power and under tow, at all times, regardless of prevailing weather conditions. The surface shall also be free of overgrown vegetation.

9. Storage lot signage. - 16 Tex. Admin. Code Ch. 85.1003(b). The sign shall include all forms of payments the VSF accepts for any charge associated with delivery or storage of a vehicle. The sign must be located so it is clearly visible to a vehicle owner at the place of payment and shall have letters at least 1 inch in height with a contrasting background.

DIVISION PROJECTS

New Technology – Mobile Inspection

We have begun the production transfer of Tow inspections from our Canvas application into the TOOLS database. Inspectors in all regions will be trained to use the new mobile inspection process for all Towing inspections by the end of November 2017. We are moving forward with the development of the mobile inspection for the VSF program.

Outreach

On September 14, CamTu Tran, East Region Manager presented TDLR's response to Hurricane Harvey on Viet TV Houston/Dallas Radio Vietnam 98.7 FMHD2.

On September 15, Ulises Ossio, TDLR Field Inspector, presented TDLR's response to Hurricane Harvey on Univision and Telemundo.

DIVISION PERSONNEL UPDATES

At the beginning of September, the Field Operations division hired four new field inspectors: Suzanne Creed, Quang Hoang, Lindsey Ren, and Angela Sanders. Quang and Lindsey are in the Houston area, Suzanne is in the DFW area, and Angela is in Corpus Christi.

The division is preparing to interview candidates for three more inspector positions which closed on November 8th. These inspectors will be located in Tarrant, Dallas, and Collin counties.

INSPECTION STATISTICS AND TRENDS

Towing, Vehicle Storage Facility and Booting Inspection Totals

	Tow Truck Companies		Tow Trucks		Vehicle Storage Facilities		Booting Companies		Tow, VSF, Booting Program Totals	
	FY 2018	FY 2017	FY 2018	FY 2017	FY 2018	FY 2017	FY 2018	FY 2017	FY 2018	FY 2017
SEPT	114	98	155	86	17	160	0	0	286	344
OCT		481		533		145		0		1159
NOV		204		215		122		2		543
QTR 1	114	783	155	834	17	427	0	2	286	2046
DEC		130		170		71		2		373
JAN		207		238		57		0		502
FEB		93		84		59		0		236
QTR 2		430		492		187		2		1111
MAR		140		175		89		0		404
APR		62		40		19		0		121
MAY		187		175		79		0		441
QTR 3		389		390		187		0		966
JUNE		148		161		85		0		394
JUL		66		96		57		0		219
AUG		153		206		27		0		386
QTR 4		367		463		169		0		999
Year to Date/ Year End	114	1969	155	2179	17	970	0	4	286	5122

TOWING, STORAGE AND BOOTING ADVISORY BOARD

Licensing Division Staff Report

November 17, 2017

Tow Trucks	New	New % Online	Renewed	Renewed % Online	Population
FY2013	3331	98%	7633	83%	10975
FY2014	3526	98%	7634	90%	12334
FY2015	3995	98%	7998	90%	13345
FY2016	3772	98%	7698	90%	14521
FY2017	5685	92%	6389	88%	14470

Tow Company and Tow Truck Population Numbers by Type of Towing

Type of Towing	Company	Tow Truck
Consent	1933	3761
Private Property	142	332
Incident Management	2042	7464
Total**	4031	11554

**As of 11/01/2017

Vehicle Storage Facilities	New	New % Online	Renewed	Renewed % Online	Population
FY2013	256	81%	2632	80%	1805
FY2014	152	88%	2706	87%	1756
FY2015	272	86%	2920	86%	1744
FY2016	164	78%	2839	84%	1790
FY2017	234	58%	3049	85%	1762

Boot Companies	New	New % Online	Renewed	Renewed % Online	Population
FY2013	6	N/A	4	N/A	13
FY2014	5	N/A	4	N/A	9
FY2015	3	N/A	7	N/A	11
FY2016	7	N/A	7	N/A	16
FY2017	5	N/A	7	N/A	14

Tow Operators	New	New % Online	Renewed	Renewed % Online	Population
FY2013	3830	92%	7482	99%	10905
FY2014	3765	93%	7462	93%	11812
FY2015	4148	95%	8256	99%	13345
FY2016	4191	95%	7304	99%	14399
FY2017	3922	95%	8564	99%	14470
FY2017 Consent Tow	1614	98%	2394	99%	4630
FY2017 Private Prop	58	94%	165	100%	249
FY2017 Incident Mgt	1424	94%	3978	99%	5977
FY2017 Dual CT	57	98%	43	100%	121
FY2017 Dual PP	17	100%	20	100%	43
FY2017 Dual IM	667	96%	1942	99%	3296

Vehicle Storage Facility Employees	New	New % Online	Renewed	Renewed % Online	Population
FY2013	967	97%	2453	99%	3649
FY2014	896	97%	2343	90%	3371
FY2015	939	97%	2267	99%	3314
FY2016	948	96%	1986	99%	3535
FY2017	932	96%	2213	99%	3346

Boot Operators	New	New % Online	Renewed	Renewed % Online	Population
FY2013	40	83%	16	100%	60
FY2014	52	71%	18	100%	74
FY2015	25	72%	19	95%	54
FY2016	57	35%	23	95%	93
FY2017	58	29%	58%	100%	91

Tow Operator Trainee	New	New% Online	Renewed	Renewed % Online	Population
FY2017	27	N/A	N/A	N/A	8