LOUISIANA PUBLIC SERVICE COMMISSION

**GENERAL ORDER** 

LOUISIANA PUBLIC SERVICE COMMISSION, EX PARTE

Docket No. R-35595, In re: Review of the Schedule of Prescribed Rates and Requirements for

Towing and Recovery services in General Order dated August 05, 2016.

(Decided at the September 22, 2021 Business and Executive Session.)

This General Order amends Attachment A to General Order dated August 05, 2016 (R-33916).

**ORDER** 

I. Background

The Commission's General Order dated August 05, 2016 was issued in Docket R-33916

("8-5-2016 G.O.") and established the current schedule of prescribed rates and requirements for

non-consensual towing and recovery services. The present rulemaking docket was opened

pursuant to an unopposed directive at the Louisiana Public Service Commission's ("Commission")

June 24, 2020 Business and Executive Session "to review and consider recommendations to the

Commission regarding potential modifications and possible tariff increases regarding non-

consensual towing and recovery services" as set forth in the Commission's 8-5-2016 G.O.

Act No. 206 of the 2021 Regular Session of the Louisiana Legislature ("Act No. 206")

amended La. R.S. 32:1734 relative to certain fees charged by towing and storage companies.

Specifically, Act No. 206 granted the Commission the authority to fix the amount that a towing or

storage company may charge for gate fees, fees for the removal of contents from towed or stored

vehicles, as well as additional administrative and mailing fees. These fees were previously set

either by statute or in Title 55 of the Louisiana Administrative Code. When the Legislature granted

the Commission this authority, the current rates for the above mentioned items were repealed,

providing the Commission with the sole authority to set said rates as it sees fit.

Staff's full review of potential changes to the rates and regulations set forth in the 8-5-2016

G.O. is currently ongoing. However, to provide continuity to regulated towing companies, Staff

recommends that the Commission adopt an interim order adopting the previously established

charges for gate fees, fees for the removal of contents from towed or stored vehicles outside of

normal business hours, as well as additional administrative and mailing fees. Such rates were

previously set at forty-five dollars for gate fees and fees for the removal of contents outside of

normal business hours; administrative fees in the amount of twenty-five dollars for in-state

General Order 10/18/2021 Docket No. R-35595 notifications, and thirty dollars for out of state notifications; and mailing fees at the rate for US Postal Service, plus four dollars per required letter.

## II. Jurisdiction

Article IV, Section 21 (B) of the Louisiana Constitution of 1974 grants the LPSC constitutional jurisdiction over common carriers, and specifically provides as follows:

"The commission shall regulate all common carriers and public utilities and have such other regulatory authority as provided by law. It shall adopt and enforce reasonable rules, regulations, and procedures necessary for the discharge of its duties, and shall have other powers and perform other duties as provided by law."

In addition, the Louisiana Legislature declared that the "use and operation of wreckers and towing services should be the subject of regulation by the Louisiana Public Service Commission," and that the Commission has "the power and authority necessary to supervise, govern, regulate, and control the business of the operation and use of wreckers and towing services...[and] to fix reasonable and just rates, fares, tolls, charges for storage services[.]" The Commission's power, authority, and duties in this regard includes "all matters connected with the service to be given or rendered[.]"

## III. Staff Review

Attachment A to the Commission's 8-5-2016 G.O. provides the current rates allowed for non-consensual towing and recovery services, storage of towed vehicles, the use of specialized labor or equipment, as well as other permissible charges. The 8-5-2016 G.O. did not establish authorized rates for gate fees, fees for the removal of contents form towed or stored vehicles outside of normal business hours, as well as additional administrative and mailing fees, as these charges were previously set forth in either statute or the administrative code.

Prior to the adoption of Act No. 206, La. R.S. 32:1734 provided the following:

- A. A towing or storage company that assesses gate fees shall not assess such fee in an amount in excess of forty-five dollars.
- B. If the towing or storage company charges a gate fee in excess of forty-five dollars, the owner of the vehicle shall have a right and cause of action to recover the amount of the excess fee, plus reasonable attorney fees, and all costs of court.

\* \* \*

D. No towing or storage company shall charge a fee for the retrieval of contents from a stored or towed vehicle during normal business hours. However, a towing or storage company may charge a fee, not to exceed forty-five dollars, for the retrieval of contents from a stored or towed vehicle at a time other than during normal business hours. If the towing or storage company charges a fee in violation

of this Subsection, the owner of the vehicle shall have a right and cause of action to recover the amount of the excess fee, plus reasonable attorney fees and all costs of court.

Further, Section 1937 of Title 55 of the Louisiana Administrative Code currently provides:

- B. Licensed storage companies may charge the vehicle owner/lien holder those administrative costs incurred by filing an ORSV along with any postal charges related to the mailing of the ORSV notices and certificate of mailing letters sent to the vehicle owner and any lien holder.
- C. The maximum administrative fee that may be charged by a storage company for filing of the Official Report of Stored Vehicle notice shall be \$25 for in-state notifications and \$30 for out-of-state notifications. The maximum administrative fee that may be charged for mailing certificate of mailing letters to the vehicle owner and lien holder shall be no more than the rate for US Postal Service plus \$4 per required letter.
- D. All costs must be documented with receipts, which shall be made available to the department, vehicle owner and lien holder upon demand. Companies found in violation of this part shall be subject to criminal or administrative penalties prescribed in this Chapter, including forfeiture of storage and administrative fees.

Act No. 206 amended La. R.S. 32:1734 as follows:

- A. A towing or storage company that assesses gate fees shall not assess such fee in an amount in excess of forty-five dollars assess a fixed fee in an amount determined by the Public Service Commission.
- B. If the towing or storage company charges a gate fee in excess of forty-five dollars the amount fixed by the Public Service Commission, the owner of the vehicle shall have a right and cause of action to recover the amount of the excess fee, plus reasonable attorney fees, and all costs of court.

\* \* \*

- D. No towing or storage company shall charge a fee for the retrieval of contents from a stored or towed vehicle during normal business hours. However, a towing or storage company may charge a fee, not to exceed forty five dollars, in an amount determined by the Public Service Commission for the retrieval of contents from a stored or towed vehicle at a time other than during normal business hours. If the towing or storage company charges a fee in violation of this Subsection, the owner of the vehicle shall have a right and cause of action to recover the amount of the excess fee, plus reasonable attorney fees and all costs of court.
- F. The administrative and mailing fees for filing the Official Report of Stored Vehicles for in-state and out-of-state notifications shall be determined by the Public Service Commission.

Act No. 206 became effective on June 11, 2021. Staff's analysis of potential changes to the rates in the 8-5-2016 G.O. is currently under review, and part of this review will include an analysis of those fees which the Commission now has authority pursuant to Act No. 206. However, Staff recognizes that the enactment of Act No. 206 during the pendency of its review in this docket creates a gap in the fees authorized for towing and recovery services.

To provide continuity to regulated towing companies, Staff recommends that the Commission adopt an interim order that would adopt the previously allowed charges until Staff can complete its review of all rates authorized by the Commission. Therefore, Staff further recommends that these rates be adopted on an interim basis, and that they be subject to revision pending Staff's review in this docket.

# **Commission Action:**

This matter was brought before the Commission for consideration at the September 22, 2021 Business and Executive Session. On motion of Vice Chairman Skrmetta, seconded by Commissioner Francis, and unanimously adopted, the Commission voted to accept Staff's Proposed Recommendation for Interim Order filed in to the record on August 16, 2021.

#### IT IS THEREFORE ORDERED THAT:

- 1. Staff's Proposed Recommendation for Interim Order is hereby accepted;
- 2. The modifications to Attachment A to General Order dated August 05, 2016, attached hereto as Exhibit 1, are adopted; and,
- 3. This Interim Order is effective immediately.

BY ORDER OF THE COMMISSION BATON ROUGE, LOUISIANA

October 18, 2021

DISTRICT II CHAIRMAN CRAIG GREENE

DISTRICT I

VICE CHAIRMAN ERIC F. SKRMETTA

DISTRICT V

COMMISSIONER FOSTER L. CAMPBELL

DISTRICT III

COMMIȘSIONER LAMBERT C. BOISSIERE, III

DISTRICT IV

COMMISSIONER MIKE FRANCIS

BRANDON M. FREY SECRETARY

#### Amended Attachment A to the Interim General Order

(Decided at the Commission's Business and Executive Session held September 22, 2021.)

# SCHEDULE OF PRESCRIBED RATES AND REQUIREMENTS FOR NON-CONSENSUAL TOWING, RECOVERY AND RELATED SERVICES

## I. **DEFINITIONS**

- A. <u>Light Duty</u> the towing, transport, and recovery of a vehicle with a gross vehicle weight rating of 10,000 pounds or less.
- B. <u>Medium Duty</u> the towing, transport, and recovery of a vehicle with a gross vehicle weight rating of 10,001 pounds to 26,000 pounds.
- C. <u>Heavy Duty</u> the towing, transport and recovery of a vehicle with a gross vehicle weight rating of 26,001 pounds and greater.
- D. <u>Vehicle</u> every self-propelled vehicle and trailer and every vehicle which is propelled by electric power obtained from overhead wires but not operated upon rails.
- E. <u>Non-consensual towing</u> the movement or transportation of a vehicle by a tow truck without the prior consent or authorization of the owner or operator of the vehicle. This includes private property tows conducted in accordance with the provisions of R.S. 32:1736 and tows by law enforcement or other public agencies. Whenever an owner or operator of a vehicle requests a law enforcement officer or other public agency to initiate a tow, such tow shall be considered non-consensual and subject to Louisiana Public Service Commission tow rates.
- F. <u>Debris</u> materials and objects from a vehicle including, but not limited to, broken glass, bumpers, fluids, and hubcaps present at the scene of the accident.
- G. Cargo the goods or merchandise conveyed in a vehicle or attached trailer.
- H. <u>Hazardous Material Cargo</u> cargo that includes hazardous material defined as a substance or material that the U.S. Secretary of Transportation has determined is capable of posing an unreasonable risk to health, safety, and property when transported in commerce, and has designated as hazardous under section 5103 of Federal hazardous materials transportation law (49 U.S.C. 5103). The term includes hazardous substances, hazardous wastes, marine pollutants, elevated temperature materials, materials designated as hazardous in the Hazardous Materials Table in 49 CFR 172.101, and materials that meet the defining criteria for hazard classes and divisions in part 49 CFR 173.
- I. <u>Tow</u> a standard tow that does <u>not</u> require special techniques or special equipment as defined in Recovery but does require normal use of a tow sling, wheel lift, or winch cable to winch a vehicle onto a tilt bed tow truck. Tow rates shall apply whether the vehicle is either mobile or immobile and is in contact of the roadway surface.
- J. Private Property Tow a tow from a location as provided for in accordance with La R.S. 32:1736.
- K. Mechanical Breakdown a light duty tow that results from a mechanical breakdown.
- L. <u>Stand-by</u> time during which a towing or recovery unit is not actively engaged in the towing or recovery of a vehicle. Travel time from dispatch to arrival on the scene shall not be considered Stand-By.
- M. Recovery The use of air bag unit(s), winching, hoisting, up-righting, removing, or otherwise relocating a vehicle when the vehicle is found in such a location, state or position in which it could not remove itself from the location, state or position under the use of its own power, even if it were in complete operating condition. Rates for recovery include the time conducting actual recovery and not Stand-by or Tow time.
- N. <u>Simple Water Recovery</u> the recovery of a vehicle when it is partially submerged in water and where the amount of water impedes recovery, but does not exceed 12 inches in depth.

## O. Complicated Recovery

- 1. Rollover recovery when a vehicle is overturned or positioned in such an irregular way that requires repositioning and an additional operator to complete the recovery.
- 2. Removal of cargo that has become unsecured from the vehicle.

- 3. When unloading and reloading cargo in box trailers, box trucks, flatbed trailers and tank trucks is necessary to complete the recovery.
- 4. Water recovery when an additional operator is required to complete the recovery of a vehicle in water greater than 12 inches of depth.
- P. Air Bag Unit special equipment used to recover a vehicle by at least partially lifting the vehicle.
- Q. <u>Rotator</u> a specialized tow truck with a rotator system that enables the Tow Company to both lift and lower vehicles and move them horizontally.
- R. <u>Laborer</u> a Tow Company employee, other than the driver, who the Tow Company utilizes in a Complicated Recovery to perform the following services: unloading or loading cargo, cleaning up debris, applying oil absorbing material, directing traffic, or other services necessary to complete a Complicated Recovery.
- S. <u>Supervisor</u> a Tow Company employee, other than the driver or a laborer, who the Tow Company utilizes in a Complicated Recovery when two or more towing units or laborers are required.
- T. <u>Specialized Labor or Equipment</u> specialized labor or equipment necessary to complete a Complicated Recovery. Specialized labor is a certified professional diver or a law enforcement officer. Specialized equipment is heavy equipment including, but not limited to, a bulldozer or forklift.
- U. <u>Covered Storage</u>- continuous covering which adequately protects a vehicle and its contents, where said vehicle and/or its contents have some intrinsic value. Covered storage includes, but is not limited to, the use of a tarpaulin or similar covering, such as "crash wrap," which protects the vehicle and its interior from rain, dew, moisture and other elements.
- V. Oversized Vehicle Storage- the storage of a vehicle which has greater than 4 wheels on the ground or a vehicle, or any permanent portion thereof, that is greater than 20 feet in length.
- W. Outside Storage- a vehicle being placed outside and exposed to the elements.
- X. <u>Gate fee</u>- For the purposes of this general order, gate fee shall have the same meaning as the definition provided in La. R.S. 32:1743
- Y. <u>Normal business hours</u>- For the purposes of this general order, normal business hours shall have the same meaning as the definition provided in La. R.S. 32:1743

#### II. RATES

# A. TOWING, RECOVERY, STAND-BY

Towing rates start at time of dispatch.

Light Duty				
Towing	Standard Recovery	Simple Water	Stand-by	
		Recovery		
\$ 107.50 per hour *	\$147.00 per hour ^	\$168.50 per hour ^	\$ 54.00 per hour ^	
* 1 ½ hour minimum. After minimum, compute in ½ hour increments.				
^ Computed in ½ hour increments.				
Medium Duty				
Towing	Standard Recovery	Simple Water	Stand-by	
		Recovery		
\$ 236.00 per hour*	\$ 303.50 per hour ^	\$324.50 per hour ^	\$ 117.50 per hour ^	
*1 hour minimum. After	minimum, compute in 1/2 ho	our increments		
^ Computed in ½ hour inc	rements.			
Heavy Duty				
Towing	Standard	Simple Water	Stand-by	
	Recovery	Recovery		
\$ 303.50 per hour*	\$ 370.50 per hour ^	\$392.00 per hour ^	\$ 151.50 per hour ^	
*1 hour minimum. After minimum, compute in ½ hour increments				
^ Computed in ½ hour increments.				

*Light Duty -* \$107.50 *flat rate; or* \$131.50 *flat rate* when repositioning equipment, a fold down light bar, or an additional operator is required. The Tow Company must document why repositioning equipment, a fold down light bar or an additional operator is required.

Medium Duty - \$ 236.00 flat rate

Heavy Duty - \$303.50 flat rate

## **Mechanical Breakdown Tow**

\$107.50 per hour with a 1 hour minimum. After minimum compute in 1/2 hour increments.

## B. ADDITIONAL CHARGES FOR COMPLICATED RECOVERY

These charges are only allowed if the recovery meets the definition of Complicated Recovery in Section I. paragraph O.

Extra Tow Truck or Truck and Trailer	\$ 135.00 per hour*
For Removal of Cargo or Oversized	
Debris. The Tow Company must provide	
photographs and documentation	
explaining why oversized debris will not	
fit on the initial truck.	
Laborer	\$ 40.00 per hour*
Supervisor	\$ 67.50 per hour*
* 1 hour minimum. After the minimum, co	omputed in ½ hour increments
Complete Air Bag Unit	\$ 2,156.50 flat rate
	(includes all equipment and personnel associated with the air
	bag recovery)
Rotator	\$210.50 per hour in addition to the Standard Recovery rate
	in A.**
	This charge is only allowed if the law enforcement officer at
	the scene completes the LPSC Rotator Certification Form as
	found in section III.E.
**2 hour minimum After the minimum, co	ompute in ½ hour increments
Recovery of Hazardous Material Cargo	If hazardous material cargo becomes unsecured, the Tow
	Company may charge 50% above the rates for towing,
	recovery, laborer, and supervisor
For medium and heavy duty recoveries,	\$6 per gallon
oil absorbing material in excess of the	
minimum 5 gallons required by LAC	
Title 55.	
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Specialized Labor or Equipment

When it is necessary for a Tow Company to utilize Specialized Labor or Equipment to complete a Complicated Recovery, the Tow Company may charge for the Specialized Labor or Equipment as outlined in paragraphs 1 -3 below.

- 1. If the Tow Company rents or subcontracts Specialized Labor or Equipment, the Tow Company may charge the amount of the actual rental invoice or subcontractor invoice plus 10%. The Tow Company shall attach the rental invoice or subcontractor invoice to the Tow Company invoice.
- 2. If the Tow Company provides the Specialized Labor or Equipment, the Tow Company may charge the amount of the current market value of the labor or equipment plus 10%. The Tow Company shall attach documentation evidencing the current market value to the Tow Company invoice.
- 3. A Tow Company may not charge for use of equipment, tools, oil-absorbing materials, brooms, shovels, flashlights, electric lanterns, fire extinguishers, emergency warning devices, steering wheel clamps, tow slings, or tow plates, cables, blocks, chains, hooks, or any other truck components or tools required to be on the tow truck by LAC Title 55, Chapter 19.

Rates are per calendar day. A power unit and trailer are considered two separate vehicles for storage purposes.

Outside Storage	Covered Storage	Oversize Storage
\$24.00 per day	\$28.50 per day	\$43.00 per day

#### D. FUEL SURCHARGE

trailer charges only.			
Fuel Price (per gallon)	Fuel Surcharge		
\$0.00 to \$1.24	No surcharge		
\$1.25 to \$1.99	3% surcharge		
\$2.00 to \$2.99	9% surcharge		

A Tow Company shall apply the fuel surcharge on the sum of the towing and recovery and extra truck and

\$1.25 to \$1.99
\$2.00 to \$2.99
\$3.00 to \$3.99
\$4.00 to \$4.99
\$5.00 and greater
\$1.6% surcharge

There shall be no change in the top portion of the brackets. If fuel ever returns to the \$1.24 level and below, a surcharge shall not be charged. The surcharge will be based on the average price of self-service diesel fuel as determined based upon the price reported by the U. S. Department of Energy (DOE) for the Petroleum Administration for Defense District 3 (Gulf Coast).

#### E. GENERAL PROVISIONS

- 1. A Tow Company shall only charge the rates stated in this order and fees allowed by State Police in LAC Title 55.
- 2. All rates for towing, recovery, and stand-by in Section II.A include the truck and driver.
- 3. A Tow Company shall only charge for equipment and personnel that are present at the scene of the recovery or tow.
- 4. The Commission's jurisdiction is from the time that the towing or recovery unit is dispatched to provide the non-consensual tow service until the time the vehicle is released to the owner (or authorized representative) of the vehicle. Rates in addition to those allowed by this order are not allowed for removal of debris from the scene or for draining fluids, removing batteries, or other similar activity aimed at preventing the vehicle from leaking.

## F. GATE FEES; OTHER FEES

- 1. A towing or storage company that assesses gate fees shall not assess such fee in an amount in excess of \$45.00.
- 2. No towing or storage company shall charge a fee for the retrieval of contents from a stored or towed vehicle during normal business hours. However, a towing or storage company may charge a fee, not to exceed \$45.00, for the retrieval of contents from a stored or towed vehicle at a time other than during normal business hours.

#### G. ADMINISTRATIVE AND MAILING FEES

- Licensed storage companies may charge the vehicle owner/lien holder those administrative
  costs incurred by filing an Official Report of Stored Vehicle ("ORSV") along with any postal
  charges related to the mailing of the ORSV notices and certificate of mailing letters sent to the
  vehicle owner and any lien holder.
- 2. The maximum administrative fee that may be charged by a storage company for filing of the ORSV notice shall be \$25 for in-state notifications and \$30 for out-of-state notifications. The maximum administrative fee that may be charged for mailing certificate of mailing letters to the vehicle owner and lien holder shall be no more than the rate for US Postal Service plus \$4 per required letter.
- 3. All costs must be documented with receipts, which shall be made available to the Commission, vehicle owner, and lien holder upon demand.

#### III. **INVOICES**

- The Tow Company shall provide an invoice to the vehicle owner (or authorized representative) at the time the vehicle is released to the owner, or upon request.
- B. The invoice shall include the time of dispatch and the time the Tow Company unhooks from the towed vehicle.
- C. The invoice shall be itemized on a line item basis to clearly reflect how all recovery, standby, towing, storage, fuel surcharge charges and any additional charges were calculated.
- D. All invoices shall include the following language: Complaints may be addressed to the Louisiana Public Service Commission- Attention Transportation Division, P.O. Box 91154, Baton Rouge, Louisiana 70821 or by contacting a district Commissioner. (In the event a complaint is made in writing to the Transportation Division of the LPSC or made to a district Commissioner, storage fees shall not accrue beyond the date of said complaint and shall not be charged to the vehicle owner if the charges are ultimately found to be excessive by the LPSC's Administrative Hearings Division or if the Towing Company pleads guilty to charging excessive rates.)
- Rotator Certification Form. In order to charge rates for a rotator, a form with the following language shall be completed by the law enforcement officer at the scene.

# LPSC ROTATOR CERTIFICATION FORM

Being present as the	law enforcement off	ficer in charge of the incident scene at
street	city	parish
I agree that use of a retraffic to travel lanes	•	efficiently conduct recovery and ensure the flow of tuation.
Printed Name	Title	Law Enforcement Agency
Signature		Date

#### IV. NOTICE TO VEHICLE OWNER/OPERATOR

All Towing Companies shall provide the following written notice to the vehicle owner or driver at the scene or at first contact: IMPORTANT NOTICE: This towing & recovery by [insert Tow Company name here] has been designated as a non-consensual tow. [insert Tow Company name here] is required to charge rates set by Louisiana Public Service Commission orders. These rates may be found on the internet by accessing www.lpsc.louisiana.gov or by contacting the Louisiana Public Service Commission, Transportation Division at 1-888-342-5717. If you have a complaint against this Tow Company regarding the amount charged for this non-consensual tow, complaints should be made in writing and addressed to LPSC Transportation Division, P.O. Box 91154, Baton Rouge, Louisiana 70821 or by contacting an LPSC District Commissioner.

#### V. FORMS OF PAYMENT

The Commission encourages all Tow Companies to accept forms of payment other than cash. However, if a Tow Company accepts only cash in payment of the invoice, the Tow Company must either provide change at the time of payment or must state on the invoice the total amount of the invoice, the amount of cash received and the amount of change due to the consumer. The change due to the consumer shall be paid within 10 days of the payment of the invoice, by mailing a check to the consumer. It shall be the responsibility of the Tow Company to retain evidence of payment of the change in the form of a cancelled check or certified mail receipt (green card). The Tow Company must also post a clearly visible sign in its place of business advising consumers that if change is due, it will be mailed to the consumer within 10 days.

#### VI. **COMPLAINTS AND FINES**

- A. It shall not be necessary for a complainant to pay a towing invoice to obtain standing to a towing complaint to the Commission or District Commissioner.
- B. In addition to any fines authorized by La. R.S. Title 45 or Commission Orders, the Commission may order a refund of up to 200% of any overcharges.