

By: Representative Chaney

To: Transportation

HOUSE BILL NO. 701

1 AN ACT TO AMEND SECTION 85-7-251, MISSISSIPPI CODE OF 1972,
2 TO REVISE THE PROCEDURE THAT MUST BE FOLLOWED TO ALLOW A TOWING
3 COMPANY TO RETAIN POSSESSION OF A MOTOR VEHICLE AND TO ENFORCE A
4 LIEN UPON THE VEHICLE FOR THE PRICE OF TOWING AND STORAGE; AND FOR
5 RELATED PURPOSES.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

7 SECTION 1. Section 85-7-251, Mississippi Code of 1972, is
8 amended as follows:

9 85-7-251. (1) A towing company that tows a motor vehicle
10 upon the request of the owner of the vehicle, upon the direction
11 of a law enforcement officer or upon the request of a real
12 property owner upon whose property the vehicle has been left
13 without permission of the real property owner, upon complying with
14 the provisions of subsection (2) of this section, shall have a
15 lien upon the vehicle for the reasonable price of towing and
16 storage of the vehicle and shall be entitled to retain possession
17 of the motor vehicle until the price is paid. A towing company
18 that fails to make a good faith effort to comply with the
19 provisions of subsection (2) of this section shall not be entitled
20 to retain possession of the vehicle or to enforce a lien upon the
21 vehicle, but may commence an action in a court of competent
22 jurisdiction against the owner of the vehicle to recover the
23 reasonable price for towing and storage of the vehicle and such
24 other charges to which the towing company deems itself to be
25 lawfully entitled.

26 (2) The following procedure must be followed in order to
27 enforce the lien created under subsection (1) of this section:

28 Within twenty-four (24) hours after towing a vehicle, the towing
29 company shall report to the local law enforcement agency having
30 jurisdiction any vehicle that has been towed unless the vehicle
31 was towed at the request of the owner of the vehicle. If the
32 owner of a towed vehicle has not contacted the towing company
33 within five (5) business days of the initial tow, the towing
34 company shall obtain from the appropriate authority the names and
35 addresses of the owner and any lienholder. If the information
36 from the appropriate authority fails to disclose the owner or
37 lienholder, a good faith effort shall be made by the towing
38 company to determine ownership, including a check for tag
39 information, inspection sticker, or any papers in the vehicle that
40 may indicate ownership. Upon location of the owner and
41 lienholder, the towing company shall notify them at their last
42 known addresses by certified mail, return receipt requested,
43 postmarked no later than the tenth day following the initial tow,
44 informing them of the amount due for towing and storage and that
45 the vehicle will be sold unless the charges due and owing are
46 timely paid. * * * If the vehicle has not been redeemed within
47 ten (10) days after the mailing of the certified letter, or within
48 five (5) days after the mailing of the certified letter if the
49 value of the vehicle in its present condition is less than Two
50 Hundred Dollars (\$200.00), the towing company may commence sale of
51 the property at public auction after publishing for two (2)
52 consecutive weeks a notice of sale in the newspaper having
53 circulation in the county where the vehicle was initially towed.
54 The proceeds of the sale of such property in excess of the amount
55 needed to pay the towing, reasonable storage and necessary
56 expenses of the procedures required by this subsection shall be
57 held by the towing company for a period of six (6) months and, if
58 not claimed by the owner * * * within such time, shall become the
59 property of the county and be paid to the chancery clerk of the
60 county in which the sale was held to be deposited into the county
61 general fund, subject, however, to any rights of the recorded
62 lienholder.

63 * * *

64 SECTION 2. This act shall take effect and be in force from

65 and after July 1, 1999.