By: Senator(s) England

To: Judiciary, Division A

SENATE BILL NO. 2462

- AN ACT TO AMEND SECTION 85-7-251, MISSISSIPPI CODE OF 1972, TO REVISE THE NOTICE REQUIREMENT REQUIRED TO BE GIVEN BY TOWING COMPANIES TO AN OWNER OR LIENHOLDER OF A TOWED VEHICLE; TO AUTHORIZE A CIVIL PENALTY IMPOSED BY THE DEPARTMENT OF INSURANCE FOR FAILURE TO MAKE A GOOD FAITH EFFORT TO COMPLY WITH THE REQUIREMENTS OF THIS SECTION; AND FOR RELATED PURPOSES.
- 7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:
- 8 **SECTION 1.** Section 85-7-251, Mississippi Code of 1972, is
- 9 amended as follows:
- 10 85-7-251. (1) The owner of a motor vehicle that has been
- 11 towed at his request or at the direction of a law enforcement
- 12 officer, or towed upon request of a real property owner upon whose
- 13 property a vehicle has been left without permission of the real
- 14 property owner, shall be liable for the reasonable price of towing
- 15 and storage of such vehicle; and the towing company to whom the
- 16 price of such labor and storage costs may be due shall have the
- 17 right to retain possession of such motor vehicle until the price
- 18 is paid.
- 19 (2) Within twenty-four (24) hours, the towing company shall
- 20 report to the local law enforcement agency having jurisdiction any

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    vehicle that has been towed unless the vehicle was towed at the
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    request of the owner of the vehicle. * * * Within five (5)
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    business days of the initial tow, the towing company shall obtain
    from the appropriate authority the names and addresses of any
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    owner and lienholder unless the owner of a towed vehicle contacts
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    the towing company. If the information from the appropriate
    authority fails to disclose the owner or lienholder, a good faith
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    effort shall be made by the towing company to locate ownership,
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    including a check for tag information, inspection sticker, or any
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    papers in the vehicle that may indicate ownership. Upon location
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    of the owner and lienholder, the towing company shall notify them
    by registered mail of the amount due for towing, postmarked no
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    later than the * * * seventh day following the initial tow.
    such amount shall not be paid within * * * twenty (20) days from
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    the initial tow, the towing company to whom such charges are
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    payable shall notify by certified mail any legal owner and holder
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    of any lien, as disclosed by the motor vehicle title records or
    other investigation, of notice of sale of the property. If such
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    property has not been redeemed within * * * twenty (20) days after
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    the mailing of the certified letter, the towing company may
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    commence sale of the property at public auction. The towing
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    company shall publish for two (2) consecutive weeks a notice of
    sale in the newspaper having circulation in the county where the
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    vehicle was initially towed. The proceeds of the sale of such
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property in excess of the amount needed to pay the towing,

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- 46 reasonable storage and necessary expenses of the procedures
- 47 required by this section shall be held by the towing company for a
- 48 period of six (6) months, and, if not reclaimed by the owner
- 49 thereof within such time, shall become the property of the county
- 50 and be paid to the chancery clerk of the county in which the sale
- 51 was held to be deposited into the county general fund, subject,
- 52 however, to any rights of the recorded lienholder.
- 53 (3) The failure to make a good faith effort to comply with
- 54 the requirements of this section shall preclude the imposition of
- 55 any storage charges or towing charges against the towed vehicle
- 56 and subject the towing company to a civil penalty imposed by the
- 57 Department of Insurance of One Thousand Dollars (\$1000.00) for the
- 58 first occurrence and Two Thousand Dollars (\$2000.00) for the
- 59 second and subsequent offenses.
- 60 (4) Every towing company shall maintain accurate records for
- 61 a period of three (3) years, which records shall identify the
- 62 vehicles it has towed and stored and all procedures that it has
- 63 taken to comply with the provisions of this chapter.
- 64 **SECTION 2.** This act shall take effect and be in force from
- 65 and after July 1, 2025.