

## 100TH GENERAL ASSEMBLY State of Illinois 2017 and 2018 HB5676

by Rep. John C. D'Amico

## SYNOPSIS AS INTRODUCED:

625 ILCS 5/4-203 from Ch. 95 1/2, par. 4-203
625 ILCS 5/4-216
625 ILCS 5/18a-501 from Ch. 95 1/2, par. 18a-501
770 ILCS 45/1.5
770 ILCS 50/1.5

Amends the Illinois Vehicle Code, the Labor and Storage Lien Act, and the Labor and Storage Lien (Small Account) Act. Provides that if a towing service is induced by a payment to release a vehicle and the payment subsequently fails and remains unsatisfied for 30 calendar days after sending certified mail notice to the person or entity having made the failed payment and the registered owner, then the person having made the failed payment and the registered owner shall be jointly and severally liable to the towing service for the amount of the failed payment plus a reasonable failed payment fee and collection costs. Deletes language regarding a relocator becoming a holder in due course upon receipt of a properly signed credit card receipt. Effective immediately.

LRB100 19515 LNS 34782 b

CORRECTIONAL
BUDGET AND
IMPACT NOTE ACT
MAY APPLY

1 AN ACT concerning transportation.

## Be it enacted by the People of the State of Illinois, represented in the General Assembly:

- Section 5. The Illinois Vehicle Code is amended by changing

  Sections 4-203, 4-216, and 18a-501 as follows:
- 6 (625 ILCS 5/4-203) (from Ch. 95 1/2, par. 4-203)
- 7 (Text of Section before amendment by P.A. 100-537)
- 8 Sec. 4-203. Removal of motor vehicles or other vehicles;
- 9 towing or hauling away.
- 10 (a) When a vehicle is abandoned, or left unattended, on a
- 11 toll highway, interstate highway, or expressway for 2 hours or
- 12 more, its removal by a towing service may be authorized by a
- 13 law enforcement agency having jurisdiction.
- 14 (b) When a vehicle is abandoned on a highway in an urban
- district 10 hours or more, its removal by a towing service may
- 16 be authorized by a law enforcement agency having jurisdiction.
- 17 (c) When a vehicle is abandoned or left unattended on a
- 18 highway other than a toll highway, interstate highway, or
- 19 expressway, outside of an urban district for 24 hours or more,
- 20 its removal by a towing service may be authorized by a law
- 21 enforcement agency having jurisdiction.
- 22 (d) When an abandoned, unattended, wrecked, burned or
- 23 partially dismantled vehicle is creating a traffic hazard

- because of its position in relation to the highway or its physical appearance is causing the impeding of traffic, its immediate removal from the highway or private property adjacent to the highway by a towing service may be authorized by a law enforcement agency having jurisdiction.
  - (e) Whenever a peace officer reasonably believes that a person under arrest for a violation of Section 11-501 of this Code or a similar provision of a local ordinance is likely, upon release, to commit a subsequent violation of Section 11-501, or a similar provision of a local ordinance, the arresting officer shall have the vehicle which the person was operating at the time of the arrest impounded for a period of not more than 12 hours after the time of arrest. However, such vehicle may be released by the arresting law enforcement agency prior to the end of the impoundment period if:
    - (1) the vehicle was not owned by the person under arrest, and the lawful owner requesting such release possesses a valid operator's license, proof of ownership, and would not, as determined by the arresting law enforcement agency, indicate a lack of ability to operate a motor vehicle in a safe manner, or who would otherwise, by operating such motor vehicle, be in violation of this Code; or
    - (2) the vehicle is owned by the person under arrest, and the person under arrest gives permission to another person to operate such vehicle, provided however, that the

other person possesses a valid operator's license and would not, as determined by the arresting law enforcement agency, indicate a lack of ability to operate a motor vehicle in a safe manner or who would otherwise, by operating such motor vehicle, be in violation of this Code.

- (e-5) Whenever a registered owner of a vehicle is taken into custody for operating the vehicle in violation of Section 11-501 of this Code or a similar provision of a local ordinance or Section 6-303 of this Code, a law enforcement officer may have the vehicle immediately impounded for a period not less than:
  - (1) 24 hours for a second violation of Section 11-501 of this Code or a similar provision of a local ordinance or Section 6-303 of this Code or a combination of these offenses; or
  - (2) 48 hours for a third violation of Section 11-501 of this Code or a similar provision of a local ordinance or Section 6-303 of this Code or a combination of these offenses.

The vehicle may be released sooner if the vehicle is owned by the person under arrest and the person under arrest gives permission to another person to operate the vehicle and that other person possesses a valid operator's license and would not, as determined by the arresting law enforcement agency, indicate a lack of ability to operate a motor vehicle in a safe manner or would otherwise, by operating the motor vehicle, be

in violation of this Code.

- (f) Except as provided in Chapter 18a of this Code, the owner or lessor of privately owned real property within this State, or any person authorized by such owner or lessor, or any law enforcement agency in the case of publicly owned real property may cause any motor vehicle abandoned or left unattended upon such property without permission to be removed by a towing service without liability for the costs of removal, transportation or storage or damage caused by such removal, transportation or storage. The towing or removal of any vehicle from private property without the consent of the registered owner or other legally authorized person in control of the vehicle is subject to compliance with the following conditions and restrictions:
  - 1. Any towed or removed vehicle must be stored at the site of the towing service's place of business. The site must be open during business hours, and for the purpose of redemption of vehicles, during the time that the person or firm towing such vehicle is open for towing purposes.
  - 2. The towing service shall within 30 minutes of completion of such towing or removal, notify the law enforcement agency having jurisdiction of such towing or removal, and the make, model, color and license plate number of the vehicle, and shall obtain and record the name of the person at the law enforcement agency to whom such information was reported.

- 3. If the registered owner or legally authorized person entitled to possession of the vehicle shall arrive at the scene prior to actual removal or towing of the vehicle, the vehicle shall be disconnected from the tow truck and that person shall be allowed to remove the vehicle without interference, upon the payment of a reasonable service fee of not more than one half the posted rate of the towing service as provided in paragraph 6 of this subsection, for which a receipt shall be given.
- 4. The rebate or payment of money or any other valuable consideration from the towing service or its owners, managers or employees to the owners or operators of the premises from which the vehicles are towed or removed, for the privilege of removing or towing those vehicles, is prohibited. Any individual who violates this paragraph shall be guilty of a Class A misdemeanor.
- 5. Except for property appurtenant to and obviously a part of a single family residence, and except for instances where notice is personally given to the owner or other legally authorized person in control of the vehicle that the area in which that vehicle is parked is reserved or otherwise unavailable to unauthorized vehicles and they are subject to being removed at the owner or operator's expense, any property owner or lessor, prior to towing or removing any vehicle from private property without the consent of the owner or other legally authorized person in

control of that vehicle, must post a notice meeting the following requirements:

- a. Except as otherwise provided in subparagraph a.1 of this subdivision (f)5, the notice must be prominently placed at each driveway access or curb cut allowing vehicular access to the property within 5 feet from the public right-of-way line. If there are no curbs or access barriers, the sign must be posted not less than one sign each 100 feet of lot frontage.
- a.1. In a municipality with a population of less than 250,000, as an alternative to the requirement of subparagraph a of this subdivision (f) 5, the notice for a parking lot contained within property used solely for a 2-family, 3-family, or 4-family residence may be prominently placed at the perimeter of the parking lot, in a position where the notice is visible to the occupants of vehicles entering the lot.
- b. The notice must indicate clearly, in not less than 2 inch high light-reflective letters on a contrasting background, that unauthorized vehicles will be towed away at the owner's expense.
- c. The notice must also provide the name and current telephone number of the towing service towing or removing the vehicle.
- d. The sign structure containing the required notices must be permanently installed with the bottom

of the sign not less than 4 feet above ground level, and must be continuously maintained on the property for not less than 24 hours prior to the towing or removing of any vehicle.

- 6. Any towing service that tows or removes vehicles and proposes to require the owner, operator, or person in control of the vehicle to pay the costs of towing and storage prior to redemption of the vehicle must file and keep on record with the local law enforcement agency a complete copy of the current rates to be charged for such services, and post at the storage site an identical rate schedule and any written contracts with property owners, lessors, or persons in control of property which authorize them to remove vehicles as provided in this Section. The towing and storage charges, however, shall not exceed the maximum allowed by the Illinois Commerce Commission under Section 18a-200.
- 7. No person shall engage in the removal of vehicles from private property as described in this Section without filing a notice of intent in each community where he intends to do such removal, and such notice shall be filed at least 7 days before commencing such towing.
- 8. No removal of a vehicle from private property shall be done except upon express written instructions of the owners or persons in charge of the private property upon which the vehicle is said to be trespassing.

This

Section

shall

- 9. Vehicle entry for the purpose of removal shall be allowed with reasonable care on the part of the person or firm towing the vehicle. Such person or firm shall be liable for any damages occasioned to the vehicle if such entry is not in accordance with the standards of reasonable care.
- 9.5. Except as authorized by a law enforcement officer, no towing service shall engage in the removal of a commercial motor vehicle that requires a commercial driver's license to operate by operating the vehicle under its own power on a highway.
- 10. When a vehicle has been towed or removed pursuant to this Section, it must be released to its owner, custodian, agent, or lienholder within one half hour after requested, if such request is made during business hours. Any vehicle owner, custodian, agent, or lienholder shall have the right to inspect the vehicle before accepting its return, and no release or waiver of any kind which would release the towing service from liability for damages incurred during the towing and storage may be required from any vehicle owner or other legally authorized person as a condition of release of the vehicle. A detailed, signed receipt showing the legal name of the towing service must be given to the person paying towing or storage charges at the time of payment, whether requested or not.

not apply to law enforcement,

firefighting, rescue, ambulance, or other emergency vehicles
which are marked as such or to property owned by any
governmental entity.

When an authorized person improperly causes a motor vehicle to be removed, such person shall be liable to the owner or lessee of the vehicle for the cost or removal, transportation and storage, any damages resulting from the removal, transportation and storage, attorney's fee and court costs.

Any towing or storage charges accrued shall be payable in cash or by cashier's check, certified check, debit card, credit card, or wire transfer, at the option of the party taking possession of the vehicle. If the towing service is induced by any such payment to release a vehicle and the payment subsequently fails, due to insufficient funds, a chargeback, or for any other reason, and remains unsatisfied for 30 calendar days after sending certified mail notice to the person or entity having made the failed payment and the registered owner, then the person having made the failed payment and the registered owner shall be jointly and severally liable to the towing service for the amount of the failed payment plus a reasonable failed payment fee and collection costs.

11. Towing companies shall also provide insurance coverage for areas where vehicles towed under the provisions of this Chapter will be impounded or otherwise stored, and shall adequately cover loss by fire, theft or other risks.

Any person who fails to comply with the conditions and restrictions of this subsection shall be guilty of a Class C misdemeanor and shall be fined not less than \$100 nor more than \$500.

- (g) (1) When a vehicle is determined to be a hazardous dilapidated motor vehicle pursuant to Section 11-40-3.1 of the Illinois Municipal Code or Section 5-12002.1 of the Counties Code, its removal and impoundment by a towing service may be authorized by a law enforcement agency with appropriate jurisdiction.
- (2) When a vehicle removal from either public or private property is authorized by a law enforcement agency, the owner of the vehicle shall be responsible for all towing and storage charges.
  - (3) Vehicles removed from public or private property and stored by a commercial vehicle relocator or any other towing service authorized by a law enforcement agency in compliance with this Section and Sections 4-201 and 4-202 of this Code, or at the request of the vehicle owner or operator, shall be subject to a possessor lien for services pursuant to the Labor and Storage Lien (Small Amount) Act. The provisions of Section 1 of that Act relating to notice and implied consent shall be deemed satisfied by compliance with Section 18a-302 and subsection (6) of Section 18a-300. In no event shall such lien be greater than the rate or rates established in accordance with subsection (6) of Section 18a-200 of this Code. In no

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event shall such lien be increased or altered to reflect any charge for services or materials rendered in addition to those authorized by this Code Act. Every such lien shall be payable in cash or by cashier's check, certified check, debit card, credit card, or wire transfer, at the option of the party taking possession of the vehicle. If the towing service is induced by any such payment to release a vehicle and the payment subsequently fails, due to insufficient funds, a chargeback, or for any other reason, and remains unsatisfied for 30 calendar days after sending certified mail notice to the person or entity having made the failed payment and the registered owner, then the person having made the failed payment and the registered owner shall be jointly and severally liable to the towing service for the amount of the failed payment plus a reasonable failed payment fee and collection costs.

(4) Any personal property belonging to the vehicle owner in a vehicle subject to a lien under this subsection (g) shall likewise be subject to that lien, excepting only: child restraint systems as defined in Section 4 of the Child Passenger Protection Act and other child booster seats; eyeglasses; food; medicine; perishable property; any operator's licenses; any cash, credit cards, or checks or checkbooks; any wallet, purse, or other property containing any operator's license or other identifying documents or materials, cash, credit cards, checks, or checkbooks; and any

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personal property belonging to a person other than the vehicle owner if that person provides adequate proof that the personal property belongs to that person. The spouse, child, mother, father, brother, or sister of the vehicle owner may claim personal property excepted under this paragraph (4) if the person claiming the personal property provides the commercial vehicle relocator or towing service with the authorization of the vehicle owner.

(5) This paragraph (5) applies only in the case of a vehicle that is towed as a result of being involved in an accident. In addition to the personal property excepted under paragraph (4), all other personal property in a vehicle subject to a lien under this subsection (q) is exempt from that lien and may be claimed by the vehicle owner if the vehicle owner provides the commercial vehicle relocator or towing service with proof that the vehicle owner has an insurance policy covering towing and storage fees. The spouse, child, mother, father, brother, or sister of the vehicle owner may claim personal property in a vehicle subject to a lien under this subsection (q) if the person claiming the personal property provides the commercial vehicle relocator or towing service with the authorization of the vehicle owner and proof that the vehicle owner has an insurance policy covering towing and storage fees. The regulation of liens on personal property and exceptions to those liens in the case of vehicles towed as a result of being involved in an accident are exclusive powers

- and functions of the State. A home rule unit may not regulate liens on personal property and exceptions to those liens in the case of vehicles towed as a result of being involved in an accident. This paragraph (5) is a denial and limitation of home rule powers and functions under subsection (h) of Section 6 of Article VII of the Illinois Constitution.
  - (6) No lien under this subsection (g) shall: exceed \$2,000 in its total amount; or be increased or altered to reflect any charge for services or materials rendered in addition to those authorized by this Code Act.
  - (h) Whenever a peace officer issues a citation to a driver for a violation of subsection (a) of Section 11-506 of this Code, the arresting officer may have the vehicle which the person was operating at the time of the arrest impounded for a period of 5 days after the time of arrest. An impounding agency shall release a motor vehicle impounded under this subsection (h) to the registered owner of the vehicle under any of the following circumstances:
    - (1) If the vehicle is a stolen vehicle; or
    - (2) If the person ticketed for a violation of subsection (a) of Section 11-506 of this Code was not authorized by the registered owner of the vehicle to operate the vehicle at the time of the violation; or
    - (3) If the registered owner of the vehicle was neither the driver nor a passenger in the vehicle at the time of the violation or was unaware that the driver was using the

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- 1 vehicle to engage in street racing; or
- 2 (4) If the legal owner or registered owner of the vehicle is a rental car agency; or
  - (5) If, prior to the expiration of the impoundment period specified above, the citation is dismissed or the defendant is found not guilty of the offense.
- 7 (i) Except for vehicles exempted under subsection (b) of
  8 Section 7-601 of this Code, whenever a law enforcement officer
  9 issues a citation to a driver for a violation of Section 3-707
  10 of this Code, and the driver has a prior conviction for a
  11 violation of Section 3-707 of this Code in the past 12 months,
  12 the arresting officer shall authorize the removal and
  13 impoundment of the vehicle by a towing service.
- 14 (Source: P.A. 99-438, eff. 1-1-16; 100-311, eff. 11-23-17; 15 revised 10-10-17.)
- 16 (Text of Section after amendment by P.A. 100-537)
- 17 Sec. 4-203. Removal of motor vehicles or other vehicles; 18 towing or hauling away.
- 19 (a) When a vehicle is abandoned, or left unattended, on a 20 toll highway, interstate highway, or expressway for 2 hours or 21 more, its removal by a towing service may be authorized by a 22 law enforcement agency having jurisdiction.
- 23 (b) When a vehicle is abandoned on a highway in an urban 24 district 10 hours or more, its removal by a towing service may 25 be authorized by a law enforcement agency having jurisdiction.

- (c) When a vehicle is abandoned or left unattended on a highway other than a toll highway, interstate highway, or expressway, outside of an urban district for 24 hours or more, its removal by a towing service may be authorized by a law enforcement agency having jurisdiction.
- (d) When an abandoned, unattended, wrecked, burned or partially dismantled vehicle is creating a traffic hazard because of its position in relation to the highway or its physical appearance is causing the impeding of traffic, its immediate removal from the highway or private property adjacent to the highway by a towing service may be authorized by a law enforcement agency having jurisdiction.
- (e) Whenever a peace officer reasonably believes that a person under arrest for a violation of Section 11-501 of this Code or a similar provision of a local ordinance is likely, upon release, to commit a subsequent violation of Section 11-501, or a similar provision of a local ordinance, the arresting officer shall have the vehicle which the person was operating at the time of the arrest impounded for a period of 12 hours after the time of arrest. However, such vehicle may be released by the arresting law enforcement agency prior to the end of the impoundment period if:
  - (1) the vehicle was not owned by the person under arrest, and the lawful owner requesting such release possesses a valid operator's license, proof of ownership, and would not, as determined by the arresting law

enforcement agency, indicate a lack of ability to operate a motor vehicle in a safe manner, or who would otherwise, by operating such motor vehicle, be in violation of this Code; or

- (2) the vehicle is owned by the person under arrest, and the person under arrest gives permission to another person to operate such vehicle, provided however, that the other person possesses a valid operator's license and would not, as determined by the arresting law enforcement agency, indicate a lack of ability to operate a motor vehicle in a safe manner or who would otherwise, by operating such motor vehicle, be in violation of this Code.
- (e-5) Whenever a registered owner of a vehicle is taken into custody for operating the vehicle in violation of Section 11-501 of this Code or a similar provision of a local ordinance or Section 6-303 of this Code, a law enforcement officer may have the vehicle immediately impounded for a period not less than:
  - (1) 24 hours for a second violation of Section 11-501 of this Code or a similar provision of a local ordinance or Section 6-303 of this Code or a combination of these offenses; or
  - (2) 48 hours for a third violation of Section 11-501 of this Code or a similar provision of a local ordinance or Section 6-303 of this Code or a combination of these offenses.

The vehicle may be released sooner if the vehicle is owned by the person under arrest and the person under arrest gives permission to another person to operate the vehicle and that other person possesses a valid operator's license and would not, as determined by the arresting law enforcement agency, indicate a lack of ability to operate a motor vehicle in a safe manner or would otherwise, by operating the motor vehicle, be in violation of this Code.

- (f) Except as provided in Chapter 18a of this Code, the owner or lessor of privately owned real property within this State, or any person authorized by such owner or lessor, or any law enforcement agency in the case of publicly owned real property may cause any motor vehicle abandoned or left unattended upon such property without permission to be removed by a towing service without liability for the costs of removal, transportation or storage or damage caused by such removal, transportation or storage. The towing or removal of any vehicle from private property without the consent of the registered owner or other legally authorized person in control of the vehicle is subject to compliance with the following conditions and restrictions:
  - 1. Any towed or removed vehicle must be stored at the site of the towing service's place of business. The site must be open during business hours, and for the purpose of redemption of vehicles, during the time that the person or firm towing such vehicle is open for towing purposes.

- 2. The towing service shall within 30 minutes of completion of such towing or removal, notify the law enforcement agency having jurisdiction of such towing or removal, and the make, model, color and license plate number of the vehicle, and shall obtain and record the name of the person at the law enforcement agency to whom such information was reported.
- 3. If the registered owner or legally authorized person entitled to possession of the vehicle shall arrive at the scene prior to actual removal or towing of the vehicle, the vehicle shall be disconnected from the tow truck and that person shall be allowed to remove the vehicle without interference, upon the payment of a reasonable service fee of not more than one half the posted rate of the towing service as provided in paragraph 6 of this subsection, for which a receipt shall be given.
- 4. The rebate or payment of money or any other valuable consideration from the towing service or its owners, managers or employees to the owners or operators of the premises from which the vehicles are towed or removed, for the privilege of removing or towing those vehicles, is prohibited. Any individual who violates this paragraph shall be guilty of a Class A misdemeanor.
- 5. Except for property appurtenant to and obviously a part of a single family residence, and except for instances where notice is personally given to the owner or other

legally authorized person in control of the vehicle that the area in which that vehicle is parked is reserved or otherwise unavailable to unauthorized vehicles and they are subject to being removed at the owner or operator's expense, any property owner or lessor, prior to towing or removing any vehicle from private property without the consent of the owner or other legally authorized person in control of that vehicle, must post a notice meeting the following requirements:

a. Except as otherwise provided in subparagraph a.1 of this subdivision (f)5, the notice must be prominently placed at each driveway access or curb cut allowing vehicular access to the property within 5 feet from the public right-of-way line. If there are no curbs or access barriers, the sign must be posted not less than one sign each 100 feet of lot frontage.

a.1. In a municipality with a population of less than 250,000, as an alternative to the requirement of subparagraph a of this subdivision (f)5, the notice for a parking lot contained within property used solely for a 2-family, 3-family, or 4-family residence may be prominently placed at the perimeter of the parking lot, in a position where the notice is visible to the occupants of vehicles entering the lot.

b. The notice must indicate clearly, in not less than 2 inch high light-reflective letters on a

contrasting background, that unauthorized vehicles will be towed away at the owner's expense.

- c. The notice must also provide the name and current telephone number of the towing service towing or removing the vehicle.
- d. The sign structure containing the required notices must be permanently installed with the bottom of the sign not less than 4 feet above ground level, and must be continuously maintained on the property for not less than 24 hours prior to the towing or removing of any vehicle.
- 6. Any towing service that tows or removes vehicles and proposes to require the owner, operator, or person in control of the vehicle to pay the costs of towing and storage prior to redemption of the vehicle must file and keep on record with the local law enforcement agency a complete copy of the current rates to be charged for such services, and post at the storage site an identical rate schedule and any written contracts with property owners, lessors, or persons in control of property which authorize them to remove vehicles as provided in this Section. The towing and storage charges, however, shall not exceed the maximum allowed by the Illinois Commerce Commission under Section 18a-200.
- 7. No person shall engage in the removal of vehicles from private property as described in this Section without

- filing a notice of intent in each community where he intends to do such removal, and such notice shall be filed at least 7 days before commencing such towing.
  - 8. No removal of a vehicle from private property shall be done except upon express written instructions of the owners or persons in charge of the private property upon which the vehicle is said to be trespassing.
  - 9. Vehicle entry for the purpose of removal shall be allowed with reasonable care on the part of the person or firm towing the vehicle. Such person or firm shall be liable for any damages occasioned to the vehicle if such entry is not in accordance with the standards of reasonable care.
  - 9.5. Except as authorized by a law enforcement officer, no towing service shall engage in the removal of a commercial motor vehicle that requires a commercial driver's license to operate by operating the vehicle under its own power on a highway.
  - 10. When a vehicle has been towed or removed pursuant to this Section, it must be released to its owner, custodian, agent, or lienholder within one half hour after requested, if such request is made during business hours. Any vehicle owner, custodian, agent, or lienholder shall have the right to inspect the vehicle before accepting its return, and no release or waiver of any kind which would release the towing service from liability for damages

incurred during the towing and storage may be required from any vehicle owner or other legally authorized person as a condition of release of the vehicle. A detailed, signed receipt showing the legal name of the towing service must be given to the person paying towing or storage charges at the time of payment, whether requested or not.

This Section shall not apply to law enforcement, firefighting, rescue, ambulance, or other emergency vehicles which are marked as such or to property owned by any governmental entity.

When an authorized person improperly causes a motor vehicle to be removed, such person shall be liable to the owner or lessee of the vehicle for the cost or removal, transportation and storage, any damages resulting from the removal, transportation and storage, attorney's fee and court costs.

Any towing or storage charges accrued shall be payable in cash or by cashier's check, certified check, debit card, credit card, or wire transfer, at the option of the party taking possession of the vehicle. If the towing service is induced by any such payment to release a vehicle and the payment subsequently fails, due to insufficient funds, a chargeback, or for any other reason, and remains unsatisfied for 30 calendar days after sending certified mail notice to the person or entity having made the failed payment and the registered owner, then the person having

made the failed payment and the registered owner shall be

jointly and severally liable to the towing service for the

amount of the failed payment plus a reasonable failed

payment fee and collection costs.

11. Towing companies shall also provide insurance coverage for areas where vehicles towed under the provisions of this Chapter will be impounded or otherwise stored, and shall adequately cover loss by fire, theft or other risks.

Any person who fails to comply with the conditions and restrictions of this subsection shall be guilty of a Class C misdemeanor and shall be fined not less than \$100 nor more than \$500.

- (g) (1) When a vehicle is determined to be a hazardous dilapidated motor vehicle pursuant to Section 11-40-3.1 of the Illinois Municipal Code or Section 5-12002.1 of the Counties Code, its removal and impoundment by a towing service may be authorized by a law enforcement agency with appropriate jurisdiction.
- (2) When a vehicle removal from either public or private property is authorized by a law enforcement agency, the owner of the vehicle shall be responsible for all towing and storage charges.
- (3) Vehicles removed from public or private property and stored by a commercial vehicle relocator or any other towing service authorized by a law enforcement agency in compliance

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with this Section and Sections 4-201 and 4-202 of this Code, or at the request of the vehicle owner or operator, shall be subject to a possessor lien for services pursuant to the Labor and Storage Lien (Small Amount) Act. The provisions of Section 1 of that Act relating to notice and implied consent shall be deemed satisfied by compliance with Section 18a-302 and subsection (6) of Section 18a-300. In no event shall such lien be greater than the rate or rates established in accordance with subsection (6) of Section 18a-200 of this Code. In no event shall such lien be increased or altered to reflect any charge for services or materials rendered in addition to those authorized by this Code Act. Every such lien shall be payable in cash or by cashier's check, certified check, debit card, credit card, or wire transfer, at the option of the party taking possession of the vehicle. If the towing service is induced by any such payment to release a vehicle and the payment subsequently fails, due to insufficient funds, a chargeback, or for any other reason, and remains unsatisfied for 30 calendar days after sending certified mail notice to the person or entity having made the failed payment and the registered owner, then the person having made the failed payment and the registered owner shall be jointly and severally liable to the towing service for the amount of the failed payment plus a reasonable failed payment fee and collection costs.

(4) Any personal property belonging to the vehicle owner in

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a vehicle subject to a lien under this subsection (q) shall likewise be subject to that lien, excepting only: child restraint systems as defined in Section 4 of the Child Passenger Protection Act and other child booster seats; eveglasses; food; medicine; perishable property; anv operator's licenses; any cash, credit cards, or checks or checkbooks; any wallet, purse, or other property containing any operator's license or other identifying documents materials, cash, credit cards, checks, or checkbooks; and any personal property belonging to a person other than the vehicle owner if that person provides adequate proof that the personal property belongs to that person. The spouse, child, mother, father, brother, or sister of the vehicle owner may claim personal property excepted under this paragraph (4) if the person claiming the personal property provides the commercial vehicle relocator or towing service with the authorization of the vehicle owner.

(5) This paragraph (5) applies only in the case of a vehicle that is towed as a result of being involved in an accident. In addition to the personal property excepted under paragraph (4), all other personal property in a vehicle subject to a lien under this subsection (g) is exempt from that lien and may be claimed by the vehicle owner if the vehicle owner provides the commercial vehicle relocator or towing service with proof that the vehicle owner has an insurance policy covering towing and storage fees. The spouse, child, mother,

father, brother, or sister of the vehicle owner may claim personal property in a vehicle subject to a lien under this subsection (g) if the person claiming the personal property provides the commercial vehicle relocator or towing service with the authorization of the vehicle owner and proof that the vehicle owner has an insurance policy covering towing and storage fees. The regulation of liens on personal property and exceptions to those liens in the case of vehicles towed as a result of being involved in an accident are exclusive powers and functions of the State. A home rule unit may not regulate liens on personal property and exceptions to those liens in the case of vehicles towed as a result of being involved in an accident. This paragraph (5) is a denial and limitation of home rule powers and functions under subsection (h) of Section 6 of Article VII of the Illinois Constitution.

- (6) No lien under this subsection (g) shall: exceed \$2,000 in its total amount; or be increased or altered to reflect any charge for services or materials rendered in addition to those authorized by this Code Act.
- (h) Whenever a peace officer issues a citation to a driver for a violation of subsection (a) of Section 11-506 of this Code, the arresting officer may have the vehicle which the person was operating at the time of the arrest impounded for a period of 5 days after the time of arrest. An impounding agency shall release a motor vehicle impounded under this subsection (h) to the registered owner of the vehicle under any of the

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1 following circ	cumstances:
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- 2 (1) If the vehicle is a stolen vehicle; or
- 3 (2) If the person ticketed for a violation of 4 subsection (a) of Section 11-506 of this Code was not 5 authorized by the registered owner of the vehicle to 6 operate the vehicle at the time of the violation; or
  - (3) If the registered owner of the vehicle was neither the driver nor a passenger in the vehicle at the time of the violation or was unaware that the driver was using the vehicle to engage in street racing; or
  - (4) If the legal owner or registered owner of the vehicle is a rental car agency; or
  - (5) If, prior to the expiration of the impoundment period specified above, the citation is dismissed or the defendant is found not quilty of the offense.
  - (i) Except for vehicles exempted under subsection (b) of Section 7-601 of this Code, whenever a law enforcement officer issues a citation to a driver for a violation of Section 3-707 of this Code, and the driver has a prior conviction for a violation of Section 3-707 of this Code in the past 12 months, the arresting officer shall authorize the removal and impoundment of the vehicle by a towing service.
- 23 (Source: P.A. 99-438, eff. 1-1-16; 100-311, eff. 11-23-17;
- 24 100-537, eff. 6-1-18; revised 10-10-17.)

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1 Sec. 4-216. Storage fees; notice to lienholder of record.

(a) Any commercial vehicle relocator or any other private towing service providing removal or towing services pursuant to this Code and seeking to impose fees in connection with the furnishing of storage for a vehicle in the possession of the commercial vehicle relocator or other private towing service must provide written notice within 2 business days after the vehicle is removed or towed, by certified mail, return receipt requested, to the lienholder of record, regardless of whether the commercial vehicle relocator or other private towing service enforces a lien under the Labor and Storage Lien Act or the Labor and Storage Lien (Small Amount) Act. The notice shall be effective upon mailing and include the rate at which fees will be incurred, and shall provide the lienholder with an opportunity to inspect the vehicle on the premises where the vehicle is stored within 2 business days of the lienholder's request. The date on which the assessment and accrual of storage fees may commence is the date of the impoundment of the vehicle, subject to any applicable limitations set forth by a municipality authorizing the vehicle removal. Payment of the storage fees by the lienholder may be made in cash or by cashier's check, certified check, debit card, credit card, or wire transfer, at the option of the lienholder taking possession of the vehicle. If the towing service is induced by any such payment to release a vehicle and the payment subsequently fails, due to insufficient funds, a chargeback, or

for any other reason, and remains unsatisfied for 30 calendar days after sending certified mail notice to the person or entity having made the failed payment and the registered owner, then the person having made the failed payment and the registered owner shall be jointly and severally liable to the towing service for the amount of the failed payment plus a reasonable failed payment fee and collection costs. The commercial vehicle relocator or other private towing service shall furnish a copy of the certified mail receipt to the lienholder upon request.

- (b) The notification requirements in subsection (a) of this Section apply in addition to any lienholder notice requirements under this Code relating to the removal or towing of an abandoned, lost, stolen, or unclaimed vehicle. If the commercial vehicle relocator or other private towing service fails to comply with the notification requirements set forth in subsection (a) of this Section, storage fees shall not be assessed and collected and the lienholder shall be entitled to injunctive relief for possession of the vehicle without the payment of any storage fees.
- (c) If the notification required under subsection (a) was not sent and a lienholder discovers its collateral is in the possession of a commercial vehicle relocator or other private towing service by means other than the notification required in subsection (a) of this Section, the lienholder is entitled to recover any storage fees paid to the commercial vehicle

- relocator or other private towing service to reclaim possession of its collateral.
  - (d) An action under this Section may be brought by the lienholder against the commercial vehicle locator or other private towing service in the circuit court.
    - (e) Notwithstanding any provision to the contrary in this Code Act or the Illinois Vehicle Code, a commercial vehicle relocator or other private towing service seeking to impose storage fees for a vehicle in its possession may not foreclose or otherwise enforce its claim for payment of storage services or any lien relating to the claim pursuant to this Code or other applicable law unless it first complies with the lienholder notification requirements set forth in subsection (a) of this Section.
    - in a state other than Illinois, the assessment and accrual of storage fees may commence on the date that the request for lienholder information is filed by the commercial vehicle relocator or other private towing service with the applicable administrative agency or office in that state if: (i) the commercial vehicle relocator or other private towing service furnishes the lienholder with a copy or proof of filing of the request for lienholder information; (ii) the commercial vehicle relocator or other private towing service furnishes the lienholder information; (iii) the commercial vehicle relocator or other private towing service provides to the lienholder of record the notification required by this Section within one business day after receiving the requested

- 1 lienholder information; and (iii) the assessment of storage
- 2 fees complies with any applicable limitations set forth by a
- 3 municipality authorizing the vehicle removal.
- 4 (Source: P.A. 100-311, eff. 11-23-17; revised 10-10-17.)
- 5 (625 ILCS 5/18a-501) (from Ch. 95 1/2, par. 18a-501)
- 6 18a-501. Liens against relocated vehicles. 7 Unauthorized vehicles removed and stored by a commercial 8 vehicle relocator in compliance with this Chapter shall be 9 subject to a possessory lien for services pursuant to the Labor 10 and Storage Lien (Small Amount) Act, and the provisions of 11 Section 1 of that Act relating to notice and implied consent 12 shall be deemed satisfied by compliance with Section 18a-302 and item (10) of Section 18a-300. In no event shall such lien 13 14 be greater than the rate or rates established in accordance 15 with item (6) of Section 18a-200. In no event shall such lien 16 be increased or altered to reflect any charge for services or materials rendered in addition to those authorized by this Act. 17 18 Every such lien shall be payable by use of any major credit 19 card, in addition to being payable in cash. If the towing 20 service is induced by any such payment to release a vehicle and 21 the payment subsequently fails, due to insufficient funds, a chargeback, or for any other reason, and remains unsatisfied 22 23 for 30 calendar days after sending certified mail notice to the 24 person or entity having made the failed payment and the 25 registered owner, then the person having made the failed

- 1 payment and the registered owner shall be jointly and severally 2 liable to the towing service for the amount of the failed 3 payment plus a reasonable failed payment fee and collection costs. Upon receipt of a properly signed credit card receipt, a 4 5 relocator shall become a holder in due course, and neither the 6 holder of the credit card nor the company which issued the 7 credit card may thereafter refuse to remit payment in 8 amount shown on the credit card receipt minus the ordinary 9 charge assessed by the credit card company for processing the 10 <del>charge.</del> The Commission may adopt regulations governing 11 acceptance of credit cards by a relocator. 12 (Source: P.A. 91-357, eff. 7-29-99.)
- Section 10. The Labor and Storage Lien Act is amended by 1.3 14 changing Section 1.5 as follows:
- 15 (770 ILCS 45/1.5)

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- Sec. 1.5. Storage fees; notice to lienholder of record. 16
- (a) Any person, firm, or private corporation seeking to impose fees in connection with the furnishing of storage for a vehicle in the person's, firm's, or corporation's possession must provide written notice, by certified mail, return receipt requested, to the lienholder of record prior to the assessment and accrual of such fees, regardless of whether it enforces a 23 lien under this Act. The notice shall be effective upon mailing 24 and include the rate at which fees will be incurred, and shall

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provide the lienholder with an opportunity to inspect the vehicle on the premises where the vehicle is stored within 2 business days of the lienholder's request. For impounded vehicles, the date on which the assessment and accrual of storage fees may commence is the date of the impoundment of the vehicle, subject to any applicable limitations set forth by a municipality authorizing the vehicle removal, if notification required under this Section is sent to lienholder of record within 2 business days. Payment of the storage fees by the lienholder may be made in cash or by cashier's check, certified check, debit card, credit card, or wire transfer, at the option of the lienholder taking possession of the vehicle. If the towing service or other person or entity is induced by any such payment to release a vehicle or other property and the payment subsequently fails, due to insufficient funds, a chargeback, or for any other reason, and remains unsatisfied for 30 calendar days after sending certified mail notice to the person or entity having made the failed payment and the registered owner or the person who requested labor or storage services, then the person or entity having made the failed payment and the registered owner or the person or entity who requested labor or storage services shall be jointly and severally liable to the towing service for the amount of the failed payment plus a reasonable failed payment fee and collection costs. The person, firm, or private corporation seeking to impose storage fees shall furnish a copy

- of the certified mail receipt to the lienholder upon request.
  - (b) The notification requirements in subsection (a) of this Section apply in addition to any lienholder notice requirements under the Illinois Vehicle Code relating to the removal or towing of an abandoned, lost, stolen, or unclaimed vehicle. If a person, firm, or private corporation fails to comply with the notification requirements set forth in subsection (a) of this Section, storage fees shall not be assessed and collected and the lienholder shall be entitled to injunctive relief for possession of the vehicle without the payment of any storage fees.
    - (c) If the notification required under subsection (a) was not sent and a lienholder discovers its collateral is in the possession of a person, firm, or private corporation by means other than the notification required in subsection (a) of this Section, the lienholder is entitled to recover any storage fees paid to the person, firm, or private corporation to reclaim possession of its collateral.
- 19 (d) An action under this Section may be brought by the 20 lienholder against the person, firm, or private corporation in 21 the circuit court.
  - (e) Notwithstanding any provision to the contrary in this Act or the Illinois Vehicle Code, a person, firm, or private corporation seeking to impose storage fees for a vehicle in its possession may not foreclose or otherwise enforce its lien under this Act unless it first complies with the lienholder

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- notification requirements set forth in subsection (a) of this Section.
  - If the vehicle that is incurring storage fees is (f) registered in a state other than Illinois, the assessment and accrual of storage fees may commence on the date that the request for lienholder information is filed with the applicable administrative agency or office in that state by the person, firm, or private corporation seeking to impose fees, if the following conditions are met: (i) the person, firm, or private corporation furnishes the lienholder with a copy or proof of filing of the request for lienholder information; (ii) the person, firm, or private corporation provides to the lienholder of record the notification required by this Section within one day after receiving the requested lienholder information; and (iii) the assessment of storage fees complies with any applicable limitations set forth by a municipality authorizing the vehicle removal.
- 18 (g) This Section does not apply to a municipality with 19 1,000,000 or more inhabitants that is seeking to impose storage 20 fees for a vehicle in its possession.
- 21 (Source: P.A. 99-759, eff. 8-12-16; 100-311, eff. 11-23-17.)
- 22 Section 15. The Labor and Storage Lien (Small Amount) Act 23 is amended by changing Section 1.5 as follows:
- 24 (770 ILCS 50/1.5)

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1 Sec. 1.5. Storage fees; notice to lienholder of record.

(a) Any person, firm, or private corporation seeking to impose fees in connection with the furnishing of storage for a vehicle in the person's, firm's, or corporation's possession must provide written notice, by certified mail, return receipt requested, to the lienholder of record prior to the assessment and accrual of such fees, regardless of whether it enforces a lien under this Act. The notice shall be effective upon mailing and include the rate at which fees will be incurred, and shall provide the lienholder with an opportunity to inspect the vehicle on the premises where the vehicle is stored within 2 business days of the lienholder's request. For impounded vehicles, the date on which the assessment and accrual of storage fees may commence is the date of the impoundment of the vehicle, subject to any applicable limitations set forth by a municipality authorizing the vehicle removal, if the notification required under this Section is sent to lienholder of record within 2 business days. Payment of the storage fees by the lienholder may be made in cash or by cashier's check, certified check, debit card, credit card, or wire transfer, at the option of the lienholder taking possession of the vehicle. If the towing service or other person or entity is induced by any such payment to release a vehicle or other property and the payment subsequently fails, due to insufficient funds, a chargeback, or for any other reason, and remains unsatisfied for 30 calendar days after

made the failed payment and the registered owner or the person who requested labor or storage services, then the person or entity having made the failed payment and the registered owner or the person or entity who requested labor or storage services shall be jointly and severally liable to the towing service for the amount of the failed payment plus a reasonable failed payment fee and collection costs. The person, firm, or private corporation seeking to impose storage fees shall furnish a copy of the certified mail receipt to the lienholder upon request.

- (b) The notification requirements in subsection (a) of this Section apply in addition to any lienholder notice requirements under the Illinois Vehicle Code relating to the removal or towing of an abandoned, lost, stolen, or unclaimed vehicle. If a person, firm, or private corporation fails to comply with the notification requirements set forth in subsection (a) of this Section, storage fees shall not be assessed and collected and the lienholder shall be entitled to injunctive relief for possession of the vehicle without the payment of any storage fees.
- (c) If the notification required under subsection (a) was not sent and a lienholder discovers its collateral is in the possession of a person, firm, or private corporation by means other than the notification required in subsection (a) of this Section, the lienholder is entitled to recover any storage fees paid to the person, firm, or private corporation to reclaim

- 1 possession of its collateral.
- 2 (d) An action under this Section may be brought by the 3 lienholder against the person, firm, or private corporation in
- 4 the circuit court.

- (e) Notwithstanding any provision to the contrary in this Act or the Illinois Vehicle Code, a person, firm, or private corporation seeking to impose storage fees for a vehicle in its possession may not foreclose or otherwise enforce its lien under this Act unless it first complies with the lienholder notification requirements set forth in subsection (a) of this Section.
  - (f) If the vehicle that is incurring storage fees is registered in a state other than Illinois, the assessment and accrual of storage fees may commence on the date that the request for lienholder information is filed with the applicable administrative agency or office in that state by the person, firm, or private corporation seeking to impose fees, if the following conditions are met: (i) the person, firm, or private corporation furnishes the lienholder with a copy or proof of filing of the request for lienholder information; (ii) the person, firm, or private corporation provides to the lienholder of record the notification required by this Section within one business day after receiving the requested lienholder information; and (iii) the assessment of storage fees complies with any applicable limitations set forth by a municipality authorizing the vehicle removal.

- 1 (g) This Section does not apply to a municipality with
- 2 1,000,000 or more inhabitants that is seeking to impose storage
- 3 fees for a vehicle in its possession.
- 4 (Source: P.A. 99-759, eff. 8-12-16; 100-311, eff. 11-23-17.)
- Section 95. No acceleration or delay. Where this Act makes changes in a statute that is represented in this Act by text that is not yet or no longer in effect (for example, a Section represented by multiple versions), the use of that text does not accelerate or delay the taking effect of (i) the changes made by this Act or (ii) provisions derived from any other Public Act.
- Section 99. Effective date. This Act takes effect upon becoming law.