

Commercial Tow Truck Insurance Requirements
Questions concerning Statutes or Rules concerning tow truck operations should be directed
to the Department of Justice, Highway Patrol
406-533-6620

Montana Codes Annotated
Title 69 Chapter 8 (Select Provisions)

61-8-906. Liability insurance – storage requirements. (1) Notwithstanding the provisions of 61-6-301, a commercial tow truck operator shall continuously provide:

(a) insurance against loss resulting from liability imposed by law for bodily injury or death or damage to property caused by the maintenance or use of a commercial tow truck, as defined in 61-9-416, or occurring on the business premises of a commercial tow truck operator in an amount not less than:

- (i) \$300,000 for class A tow trucks;
- (ii) \$500,000 for class B tow trucks; and
- (iii) \$750,000 for class C tow trucks;

(b) ~~insurance in an amount not less than \$20,000 to cover the damage to cargo or other property entrusted to the care of the commercial tow truck operator; and~~

(c) garage or on-hook liability insurance in an amount not less than \$50,000.

(2) A commercial tow truck operator shall provide proof of the insurance required in subsection (1) to the public service commission.

(3) A qualified tow truck operator shall provide a storage facility, either a fenced lot or a building, that is:

- (a) adequate for the secure storage and safekeeping of stored vehicles;
- (b) located in a place that is reasonably convenient for public access;
- (c) available to public access between 8 a.m. and 5 p.m., Monday through Friday, excluding legal holidays;
- (d) large enough to store all the vehicles towed for law enforcement agencies; and
- (e) if a fenced lot, constructed of chain link at least 6 feet high or constructed of materials and in a manner sufficient to deter trespassing or vandalism.

History: En. Sec. 6, Ch. 283, L. 1995; amd. Sec. 5, Ch. 88, L. 2003; amd. Sec. 116, Ch. 114, L. 2003.

Administrative Rules of Montana
23.6.101 DEFINITIONS (Select Provisions)

(1) "Cargo or other property" means the contents and non-motor vehicle (as defined in the policy), items in, on or attached to the towed or stored vehicle.

(8) "Garage keeper's legal liability insurance or on-hook insurance" means insurance coverage for loss or damage to motor vehicles (as defined in the policy), which are in the care of the insured for towing, storage or repair and for which loss or damage is caused by the insured's failure to exercise the degree of care required by law.

Junk and abandoned vehicles wind up in the graveyard in a variety of ways. Owners who want to rid themselves of a defunct hulk can call the county and get it hauled away for free. Niles said the county has a wrecker and a driver who works Monday through Friday. The owner just has to sign a release-of-interest form, and the state takes possession. Abandoned vehicles are more trouble. Often they come to the attention of law enforcement through citizen com-

requested by law enforcement. A private wrecker can be reimbursed \$70 through a program operated by the Department of Environmental Quality. Police recognize abandoned vehicles as a quality-of-life issue important to the community, Bryce said, but response to a complaint might not be as quick as citizens would like. "We do the best we can" he said. "It's not high on our priority list, but we get to them when we can."

to the towing company if the abandoned vehicle is inoperable, unregistered and worth less than \$500, Stankey said. In those cases, the vehicle doesn't have to be sold at a sheriff's sale, but becomes the property of the towing company — not that it's much of a bargain. Junk and abandoned vehicles can't just be summarily crushed, he said. Environmental concerns require that all the fluids be drained and the batteries and tires removed. Freon from air conditioning systems must be handled sep-

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April 18, 2004

Uninsured motorists often won't pay towing services

By LORNA THACKERAY
Of The Gazette Staff

Early this month, the owner of a car demolished in a weekend crash informed employees at Hanser's Automotive & Wrecker that he wasn't going to pay the bill for the tow from the accident scene.

"I didn't call you, the police did and I'm not paying," the vehicle owner told employees.

He was another in a long line of uninsured motorists who will dump the cost of cleaning the mess and disposing of the vehicle on the wrecker company, Spenser Hanser said. Ultimately, those who have insurance or who own up to their bills will cover the cost.

"People wonder why their towing bills are so high," he said. "This is why."

He estimates that at least 50 percent of the wrecked vehicles towed to the Hanser lot have no insurance. The owners usually walk away, and the tow truck company absorbs the cost.

"They come in, collect their things from the car and we never hear from them again," Hanser said. "You and I are paying for their stuff."

The cost of a tow, if the owner actually paid, could range from \$50 to more than \$400, depending on the size of the vehicle, its condition and the circumstances of the wreck, said his father, Ralph Hanser.

If gasoline and oil spilled in the aftermath of the wreck, the towing company cleans up the mess, Spenser Hanser said. If there's insurance, it will cover the cost, he said. If not, the towing company eats it.

"It's just something we do," he said. The spills have to be cleaned, he said, or the contaminants eventually end up untreated in the Yellowstone River.

A lot of the older cars that wreckers end up collecting from accident scenes are covered only by liability insurance, which won't take care of the cost of the tow or accident-scene cleanup, Spenser Hanser said.

"They come in, collect their things from the car and we never hear from them again. You and I are paying for their stuff."

— Spenser Hanser,
Hanser's Automotive & Wrecker

He said he's also seeing an increase in what he calls "dumping." That's when the insurance company does pay the vehicle owner, but the owner doesn't settle up his bill with the towing company.

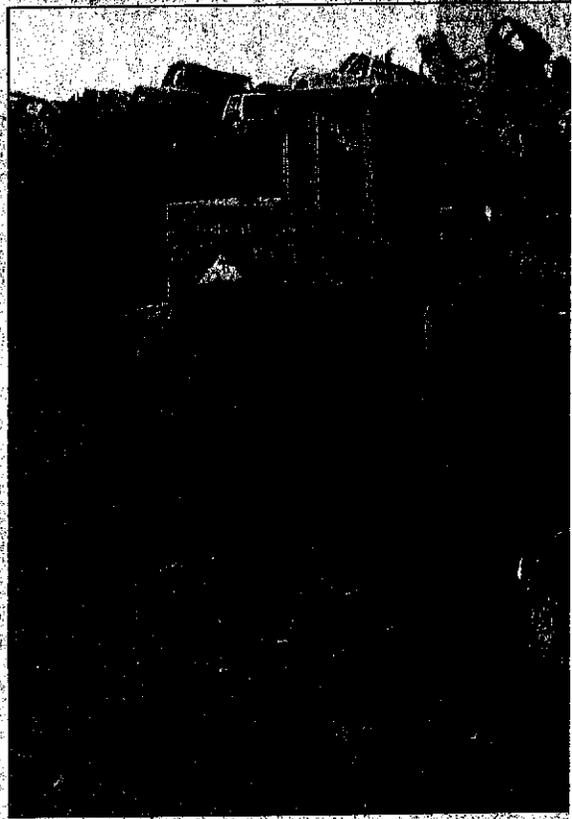
Don Blyton, owner of Interstate Wrecker Service, said occasionally it ends in legal disputes when owners want to retrieve their personal property but don't want to pay their bill. Sometimes, he said, a car worth \$50 will have a stereo system worth \$750.

The state and city say the property stays with the towing company until the bill is paid, he said, but some people disagree.

If there is any value left in the car, the towing company has to go through the process of a sheriff's sale. If no bid has been submitted 10 days after the sale, the vehicle can be released for salvage, Spenser Hanser said.

Usually there are no bids, and the vehicle can be readied for the crusher. Only rarely are any parts in these uninsured vehicles in good enough condition for recycling.

All that can be recovered is the sale of the scrap metal. Spenser Hanser said the sale price is based on weight. If scrap metal is going at \$25 a ton, salvage value on a 1½-ton Ford Taurus, for instance, would be less than \$40, he said.



A crusher operator uses a bar to puncture a fuel

Junkers

Continued from 1A

of the Montana Department of Environmental Quality. Between 7,000 and 8,000 of those are abandoned to the state, he said.

Most are so worthless they are crushed and sold for the value of the scrap metals.

Billings, the largest metropolitan area, has the highest concentration of junked and abandoned vehicles. When the crusher arrived last fall at the Yellowstone County Junk Vehicle lot, 2,000 cars were stacked and ready to be smashed into a few square feet of scrap each.

Since January, another 300 junk or abandoned vehicles have been towed to the county lot, Stankey said.

There's a difference between junk and abandoned vehicles, Stankey said,

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