



10/2/2023

Re: Act 41 Report on Towing

To Whom It May Concern:

The Associated General Contractors of Vermont represents many member who use third party hauling services to transport heavy equipment and other valuable resources across the state. Often times the cargo has a destination of a state or federal project and in some cases as we have seen after the flood of 2023 cargo such as equipment and aggregates have health and safety time sensitivity. Its concerning to us that a towing company could add a lien to property without rules guiding them.

AGC/VT understands the motivation the towing companies had to add a new lien requirement in the Senate passed version of S.99 which was to avoid non payment from their customers. The challenge this association and members have with the proposal is that it gives power to an unregulated business that could cause harm both financially and the health and safety of Vermonters.

I have included with this letter a document that was created by the Public Interest Research Group that compares Vermonts towing requirements to those of other states/municipalities. It shows that there are virtually no limits or requirements that a towing company must follow and in our opinion leaves the market open to fraud and other risks. Personally I have been victim of a fraud attempt when a local towing company caused thousands of dollars of damage to my vehicle and then denied it. The police would not help and I had to rely on other tactics for restitution that others may not have access to.

Its not hard to find a story of a tow gone wrong or predatory towing. In fact, within a week of the testimony on S.99 a Burlington area tow company removed 24 cars from a parking lot that was unmarked without making any announcements or notifying beach goers of the illegally parket cars. According to WCAX some were charged \$200 for a locally towed vehicle.

This association believes that before even considering whether a towing company should be able to take control over a third parties property through a lien many other factors should be considered. That power should be limited to licensed or registered businesses that hold the same requirements of other professions such as being in good standing with taxes, child support and we should know the criminal status of those operators with state agencies vetting them prior to licensure/registration. Additionally all of the questions on the PIRG document attached should be considered and at minimum a pre written contract before service and clear enforceable penalties for those who committ fraud or other violations should be in place to protect Vermonters.

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